

 **2012** Financial Report



The City of Mississauga, Ontario, Canada for fiscal year ended December 31, 2012.

# City Council



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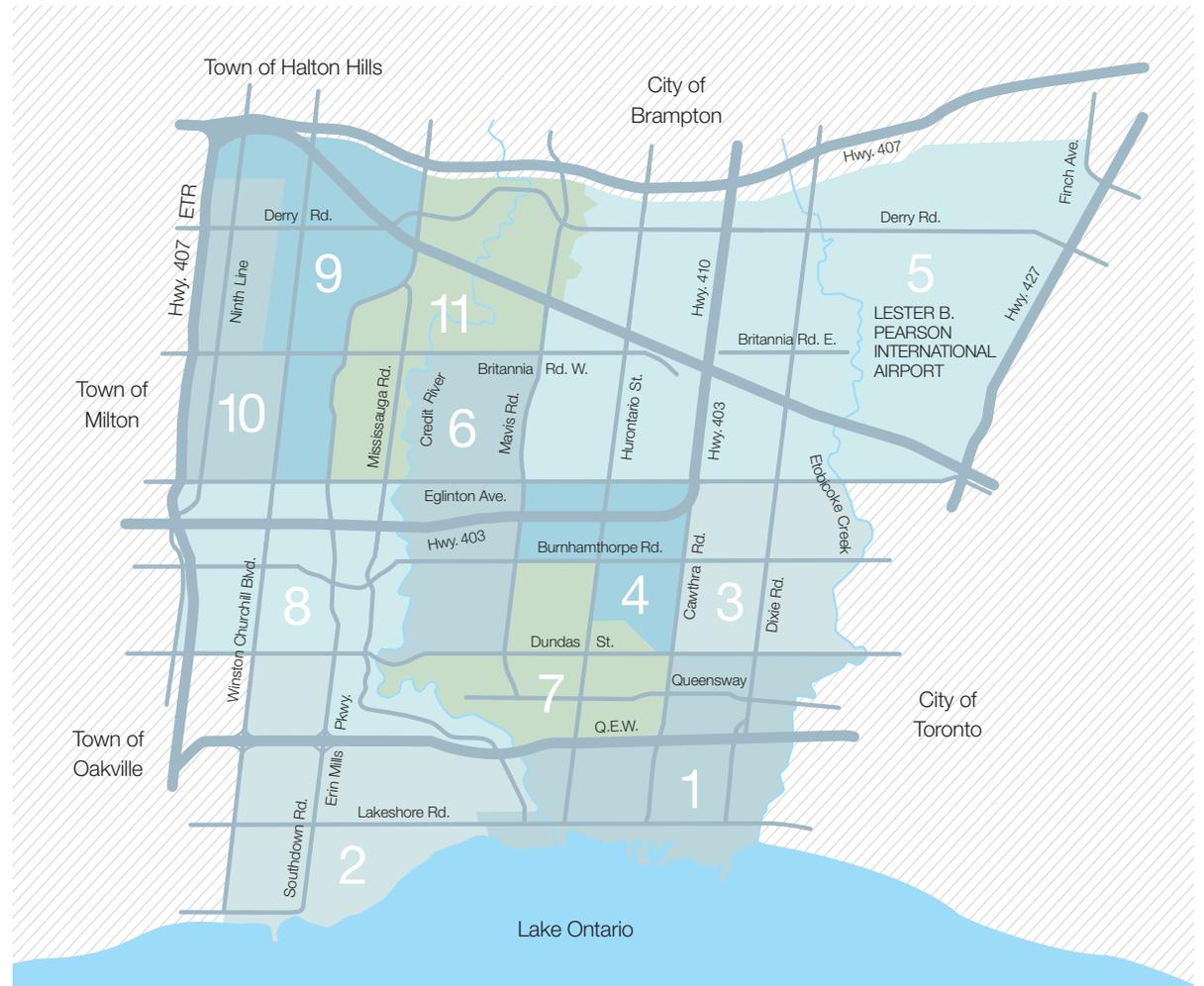
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**M Hazel McCallion**  
Mayor

**4 Frank Dale**  
Ward 4 Councillor

**8 Katie Mahoney**  
Ward 8 Councillor

**1 Jim Tovey**  
Ward 1 Councillor

**5 Bonnie Crombie**  
Ward 5 Councillor

**9 Pat Saito**  
Ward 9 Councillor

**2 Pat Mullin**  
Ward 2 Councillor

**6 Ron Starr**  
Ward 6 Councillor

**10 Sue McFadden**  
Ward 10 Councillor

**3 Chris Fonseca**  
Ward 3 Councillor

**7 Nando Iannicca**  
Ward 7 Councillor

**11 George Carlson**  
Ward 11 Councillor

## 2012 Financial Report

The 2012 Annual Financial Report has been prepared in an electronic format and is available on the City's website at [www.mississauga.ca](http://www.mississauga.ca)

In keeping with the City's goals of fiscal restraint, environmental responsibility and increasing the availability of City information on the web, the City of Mississauga will no longer publish hardcopy Annual Financial Reports. This initiative is one of many that will help reduce the costs that affect property taxes in Mississauga for residents and businesses.

[www.mississauga.ca/finance](http://www.mississauga.ca/finance)

The City of Mississauga  
Financial Report 2012

**FOR THE FISCAL YEAR ENDING DECEMBER 31, 2012**  
**MISSISSAUGA, ONTARIO, CANADA**

Produced by the Finance Division, Corporate Services Department of the City of Mississauga in co-operation with all civic departments, offices and agencies.

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# Our Vision and Values

## **Our Vision**

“Mississauga will inspire the world as a dynamic and beautiful global city for creativity and innovation, with vibrant, safe and connected communities; where we celebrate the rich diversity of our cultures, our historic villages, Lake Ontario and the Credit River Valley. A place where people choose to be.”

## **Our Values**

### **TRUST**

We commit to upholding public trust and to promoting a climate of trust between employees, management, Council and residents. We strive to be open and responsive in managing the City.

### **QUALITY**

We deliver services and programs which enhance the quality of life of residents and employees.

### **EXCELLENCE**

We serve as a model of excellent public administration and deliver the right services in a superior way, at a reasonable cost.

# GFOA Award

## Canadian Award for Financial Reporting

For the 15th consecutive year, the Government Finance Officers Association of the United States and Canada presented the City of Mississauga with the Canadian Award for Financial Reporting for its 2011 Annual Financial Report in recognition of the City's ability to present financial information in a clear, concise and informative manner. This award program encourages innovative financial reporting and maintains a high quality standard that is recognized amongst peers. The City of Mississauga is continuing this standard of high quality reporting for the submission and evaluation for the 2012 award program.



# Message from the Mayor



On behalf of my colleagues on Council, I am pleased to present our 2012 Financial Report.

Every year, more and more people call Mississauga home or choose it as their place of business. Our residents enjoy our City parks, natural areas, trail systems, waterfront, community centres and libraries. Our businesses draw on a diverse pool of talent and reap the benefits of easy access to seven major highways and the largest airport in Canada.

We have a vision for the future of Mississauga that we established together, with our residents, through our Strategic Plan process. Now we are working hard to make that vision a reality. We have ensured our infrastructure remains in a state of good repair, we are preserving our environment, enhancing our transit system and providing opportunities for youth, older adults and newcomers. Our transitway will open later this year offering efficient east-west travel options across the City. Our Living Green Master Plan is guiding our communities into action and through our Culture on the Map – an online resource for arts and culture in the City – we are celebrating our cultural assets.

As we continue to build our neighbourhoods by investing in parks, public spaces, and transit, we also continue to practise sound financial management and prudent stewardship of our resources. We are committed to meeting the needs of our residents and ensuring they have the quality programs and services on which they depend.

A handwritten signature in blue ink, which appears to read "Hazel McCallion". The signature is fluid and cursive.

Hazel McCallion,  
C.M., LL.D.

Mayor

# Mississauga Quick Facts

## Location

- Located within the Greater Toronto Area
- Adjoining City of Toronto on the west side and on the north shores of Lake Ontario
- Area: 113 square miles (292 km<sup>2</sup>); 72,200 acres (29,000 ha)

## Population

- Canada's 6th largest city: 743,000 (2012)
- Projected Population: 812,000 (2031)

## Employment

- Employees in Mississauga: 413,325 (per 2013 Planning profile)
- 61 Fortune 500 companies have their Canadian head offices or major divisional offices located in Mississauga
- 41 Financial Post Top 500 companies have their Canadian head offices or major divisional offices located in Mississauga

## Transportation

### Airport

- Toronto Pearson International Airport is located in Mississauga, Canada's busiest airport, among the top 30 in the world

### Highways

- The only city in the GTA serviced by 7 major highways
- Excellent highway connections, less than 2 hours from the U.S.A. border

### Railways

- Served by two national railways, Canadian National (CN) and Canadian Pacific (CP)
- Intercity and long distance rail passenger service is provided by VIA Rail Canada and AMTRAK

### Public Transit

- Miway is the third largest municipal transit system in Ontario servicing approximately 50 million boardings annually
- 95 routes throughout the City connect with the Toronto Transit Commission, Brampton Transit, Oakville Transit and all GO Transit stations
- GO Transit operates three train lines and several GO Bus routes through Mississauga providing frequent service throughout the day with connections to Toronto and surrounding areas

## Higher Education

### In Mississauga

- The University of Toronto Mississauga
- Sheridan College – Hazel McCallion Campus

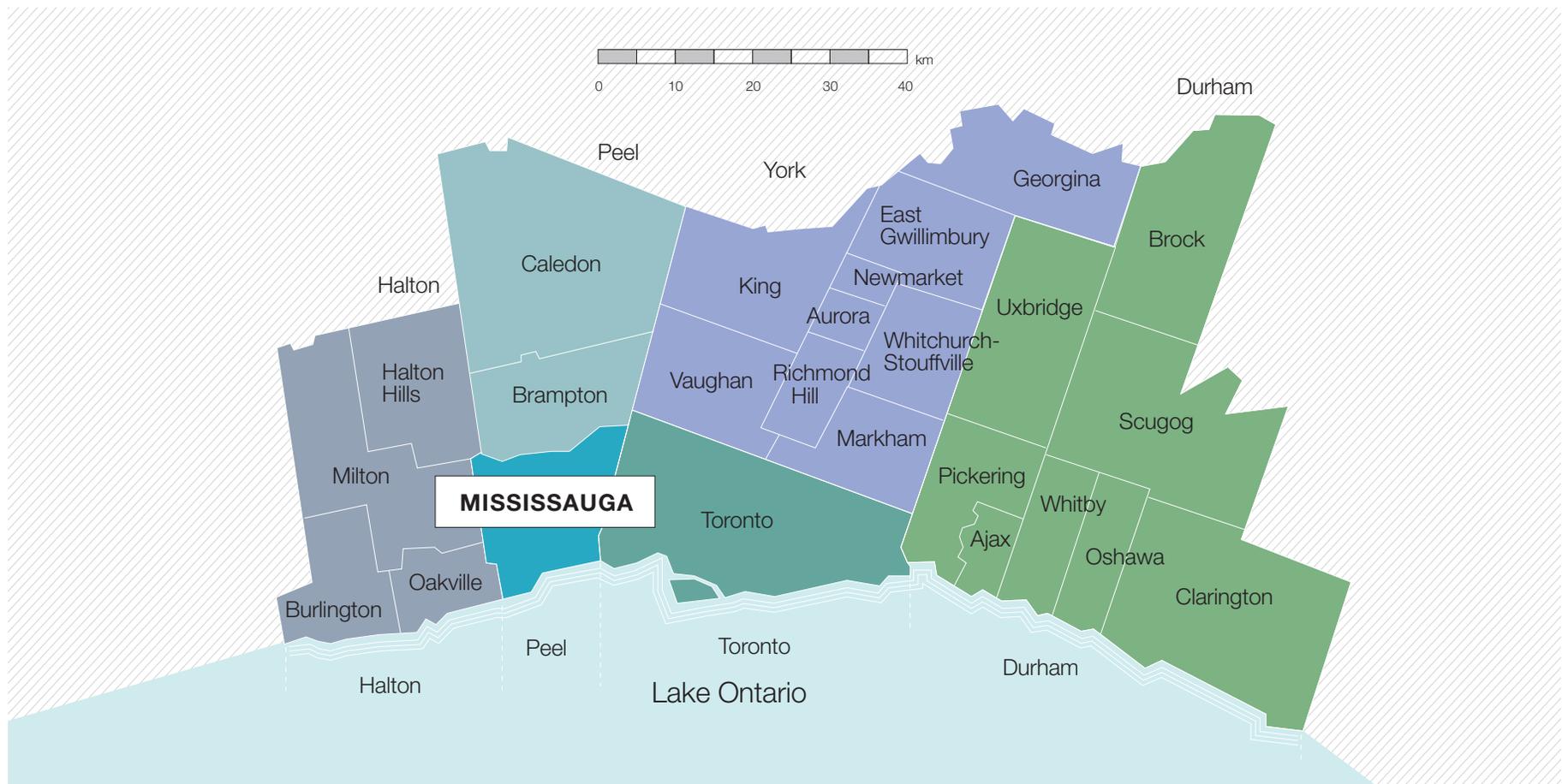
### Within Commuting Distance

- 10 major universities and 11 technical colleges

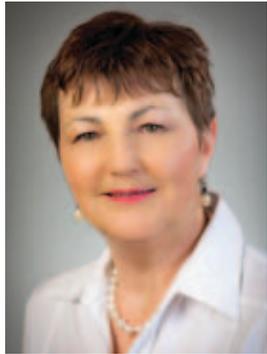
## Tax Rates (2012)

- Industrial: 2.557003 per cent
- Commercial: 2.196257 per cent
- Residential: 0.943696 per cent
- Multi-Residential: 1.506521 per cent

# Mississauga and GTA Municipalities



# Message from the City Manager



This year's Financial Report demonstrates Mississauga's ability to deliver on our commitment to provide quality services while moving forward on our 'city building' priorities in a fiscally responsible manner.

In the City of Mississauga, 2012 was another great year as we delivered on a number of our strategic goals, continued to plan for the future and delivered excellence in service to our residents.

Thanks to the hard work of Council and staff, Mississauga was ranked 3rd out of 30 of Canada's largest cities for satisfaction with municipal services in an independent poll conducted by Forum Research. A recent Environics survey showed that 96 per cent of residents are satisfied with the city as a place to live and 95 per cent rate the quality of life in Mississauga as excellent or good.

As part of our business planning and budget process, we continuously evaluate our services and programs to ensure they are being delivered in the most cost effective and efficient manner.

Staff are challenged to look for innovative ways to maintain service levels and reduce costs.

While our City is well positioned for the future, this does not mean that we don't have challenges ahead. The cost to provide our services and maintain our aging infrastructure is increasing at a faster rate than our revenues. This means in order to repair and rehabilitate our infrastructure without placing additional pressure on property taxes, it will be necessary to issue debt.

There is much more to be done as we continue to build a great city and deliver on our commitments from the Strategic Plan. We have had to make choices, push some initiatives further out in our forecast and rearrange some priorities. However, the key to our City's success has always been proactive planning and a commitment to delivering excellence; that is what we have been doing and will continue to do.

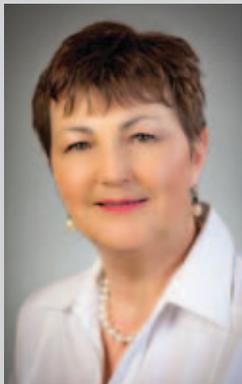
A handwritten signature in black ink that reads "Janice M. Baker". The signature is fluid and cursive.

Janice M. Baker, FCPA, FPA

City Manager and Chief Administrative Officer  
City of Mississauga

# Corporate Organizational Structure

**Janice M. Baker,**  
**FCPA, FPA**  
 City Manager  
 & Chief Administrative Officer



**Responsibilities:**

- Economic Development
- Internal Audit
- Strategic Initiatives
- Legal Services

Commissioners  
 report to the City  
 Manager &  
 Chief Administrative  
 Officer.



**Martin Powell,**  
 P. Eng.  
 Commissioner  
 Transportation  
 and Works

**Responsibilities:** • Business Services  
 • Transportation & Infrastructure Planning  
 • Engineering & Works • MiWay  
 • Enforcement • Rapid Transit & Parking



**Edward R. Sajecki,**  
 P. Eng., M.C.I.P.  
 Commissioner  
 Planning and  
 Building

**Responsibilities:** • Strategic Planning &  
 Business Services • Development & Design  
 • Policy Planning • Building Services



**Brenda R. Breault,**  
 CMA, MBA  
 Commissioner  
 Corporate Services  
 and Treasurer

**Responsibilities:** • Corporate Finance  
 • Communications • Legislative Services  
 • Facilities & Property Management  
 • Corporate Human Resources • Information Technology  
 • Revenue, Materiel Management & Business Services



**Paul A. Mitcham,**  
 P. Eng., MBA  
 Commissioner  
 Community  
 Services

**Responsibilities:** • Planning, Development  
 & Business Services • Recreation • Parks & Forestry  
 • Fire & Emergency Services • Library Services  
 • Culture



# 2012 Accomplishments and Successes



# Delivering Existing Services

- The City's recreation facilities welcomed 12.4 million visitors in 2012.
- The City offered 2 million hours of recreation programming with 23,314 registered courses to choose from last year.
- The City maintains 6,700 acres of parkland and open space, including 522 parks, 530 sports fields, 255 playgrounds and 225 km of trails.
- BraeBen Golf Course was chosen as the "Ontario Facility of the Year" by the Golf Association of Ontario for growing the game of golf.
- MiWay reached 50 million boardings in one year for the first time in its history.
- MiWay is now 100 per cent accessible in Mississauga. Last year, 340 accessible stops were added to the City's transit system and MiWay received the Association of Municipalities of Ontario's 2012 Gas Tax Award for the City's accessible 458-bus fleet.
- The City has 443 public-use computers and 1.3 million library items in multiple formats at 18 Mississauga Library locations.
- The Mississauga Library system added a new web page to help people find out about the accessible services and resources now available.
- The City's 311 call centre manages 300,000 inquiries per year.
- The City's website registered 9 million unique visits in 2012.
- More than 17,000 customers were served at the City's Planning & Building Customer Service Centre.
- The City's building inspectors performed 83,000 building inspections in 2012.
- The City of Mississauga announced a new online business service making it possible to get reliable contact information for over 10,000 companies located in Mississauga, adding several new features to make it even more convenient and widely accessible.
- Advantage Mississauga is an industry-led, collaborative initiative launched in 2012 to mobilize talent and leverage local resources to enable innovation and stimulate prosperity.
- Residents and visitors can access culture resources and information with the City's new "Culture on the Map," a digital online source of all the cultural opportunities Mississauga has to offer.
- The City issued 2,700 marriage licenses and performed 285 civil wedding ceremonies in 2012.
- The City of Mississauga was identified as a "Top Employer for Young People" for the third straight year and a "Best Employer for New Canadians" for the second year in a row by the editors of "Canada's Top 100 Employers" in partnership with the Globe and Mail.
- The City was awarded the Gold "Youth-Friendly Community Builder" designation from Playworks, the Ontario Partnership for Active and Engaged Youth, for the City's Mississauga Youth Plan and its commitment to ensuring youth ages 13-19 have continuous access to a diversity of play.
- Mississauga Celebration Square celebrated one million visits in 2012. Since opening in 2011, the Square has hosted more than 200 festivals and events.
- In 2012, Environics reported that 96 per cent of citizens are satisfied with Mississauga as a place to live.

# Delivering Value for Money

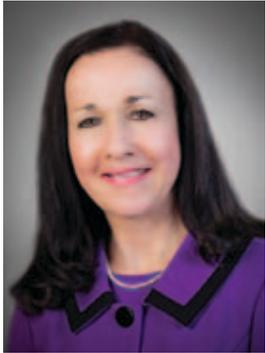
- Standard and Poor's Rating Services re-confirmed the City of Mississauga's 'AAA' credit rating, demonstrating the City's commitment to fiscal responsibility.
- The City received the Canadian Award for the 2011 Financial Report and the Distinguished Budget Presentation Award from the Government Finance Officers Association.
- More than \$1.8 million were allocated to serve residents, strengthen neighbourhoods and support community organizations under the City's grant programs. In total, \$407,413 were distributed for corporate grants and \$1,412,907 for cultural grants.
- The City's new Communications Master Plan won a Gold Quill Award from the International Association of Business Communicators.
- MiWay received high marks from customers on overall satisfaction, scoring 82 per cent in a recent survey.
- A new Car Share Service pilot program attracted 184 members who drove over 30,000 km, contributing to the City's vision of developing a transit-oriented city.
- The Mississauga Library system launched a computer buddies system program pairing an older adult with a teen volunteer for one-on-one computer training.
- A city-wide Light Emitting Diode (LED) street lighting conversion project will replace almost 49,000 yellow-orange colour traditional street lights with the natural white light source provided by LED street lights. Future energy consumption for street lighting is expected to be lowered by about 55 per cent.
- The City was lauded by the Toronto Region Conservation Authority (TRCA) as one of the 15 most energy efficient town and city halls in Canada.

# Maintaining Our Infrastructure



- The new Garry W. Morden Centre was opened through a partnership between the City, the Department of National Defence and Peel Regional Police to provide training for fire and emergency services, information technology, police and military personnel. Specializing in fire suppression, hazardous materials, auto extrication, and driver training, the centre was also built with environmentally friendly features.
- Lakeside Park was officially reopened in 2012 with picnic facilities, a splash pad, accessible playgrounds and access to the water.
- City Council supported shifting the City's Stormwater Management Program from the property tax base to a stormwater user rate. The program is made up of 45,000 storm drains and 2,000 km of storm sewers, as well as roadway drainage systems, stormwater management ponds and waterways such as rivers, creeks and ditches.
- Together, the City and the community crafted a master plan to support the conservation, management and growth of the 42 parks and natural areas that hug the Credit River – one of Mississauga's most treasured resources.
- Sheridan Library opened the Sheridan Computer Resource Centre. A joint project between the City of Mississauga and Polycultural Immigrant and Community Services, the centre will better serve the growing needs of the community by providing additional hours of computer access.
- Free wireless technology was introduced to Downtown Mississauga and public gathering spaces to help our residents, businesses and institutions connect in 55 locations around the City.

# Message from the Commissioner of Corporate Services and Treasurer



The City of Mississauga is pleased to present its Financial Report for the year ended December 31, 2012. This report has been prepared in accordance with the Municipal Act and based on the reporting standards set by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

This Financial Report communicates to stakeholders, residents and local businesses the City's 2012 financial performance, and related information regarding significant financial policies and processes. The 2012 financial results continue to demonstrate Mississauga's legacy of strong leadership and excellence in financial planning and fiscal prudence.

Both the City of Mississauga and the Region of Peel provide municipal services to Mississauga taxpayers. The Region is exclusively responsible for garbage collection and disposal, water treatment and distribution, waste water services, police services and social services. The City of Mississauga's financial statements do not include Regional services.

To begin, I would like to congratulate Council, the Leadership Team, and all City staff for making 2012 another successful year. The City continues to leverage the strategic vision and plans developed by the City's Leadership Team which have been endorsed and supported by Council. The Four-year Business Plan and Budget is the central tool that outlines how and where the City plans to allocate resources to meet service expectations and continue its transition into a major urban city.

There continue to be many pressures facing the City. The economy has been slow to recover and the European debt crisis has created a great deal of uncertainty in the global financial market, with forecasts of much slower growth both globally and locally. This fragile economy impacts the City's development related revenues such as building permits, as well as demand for recreation programs, creating revenue pressures.

The City is also faced with significant cost pressures in delivering current service levels. Cost pressures are driven by market forces on labour, uncontrollable costs such as contractual obligations, commodity, utility and fuel price increases, and operating costs for new facilities. The City has limited funding options and we are continually looking to implement efficiency improvements and cost savings, along with increased user fees, where appropriate, to offset cost increases.

The City of Mississauga has an inventory of roads, buildings, bridges and other assets with a net historical cost of approximately \$7.6 billion. This inventory is in good condition, but is aging and will require upgrading and replacement. While development charges paid for much of this infrastructure initially, its maintenance and repair is paid for largely through property taxes. The funding of infrastructure costs is a significant financial challenge, not only for the City of Mississauga, but for all municipalities across Canada.

In 2012, the City allocated tax funds to cover about 24 per cent of the \$110 million in asset depreciation, resulting in an annual infrastructure funding gap of \$83 million or \$278 million collectively. Increased taxes or debt funding will be required to close this gap.

Strategies to deal with funding pressures related to aging infrastructure operation, cost increases and service level improvements in priority areas such as transit are limited largely to increases in property taxes and user fees.

The City has remained an award-winning organization for many years, living up to its motto of 'Leading Today For Tomorrow', with awards being received in multiple professional and technical areas, and for community projects.

The City has received an "AAA" credit rating from Standard and Poor's for many years and is currently debt free with one of the lowest property tax rates in the Greater Toronto Area. The City adopted a Debt Policy in 2011 to provide prudent fiscal guidelines to help govern future debt issuance. In 2012, the City approved the issuance of debt but actual cash flows allowed for a deferral of this issuance. The first debt issuance is planned for 2013. In 2012, the City imposed a two per cent infrastructure and debt financing levy on the tax bill to help address the infrastructure gap and provide for debt charges.

The 2012 Budget balanced priorities to meet the needs of taxpayers today and in the future, while recognizing the current economic conditions. The City's 2012 budget process began by identifying resources required to maintain current levels of service for the community. Council and staff carefully reviewed every service area for efficiency and value for our taxpayers. As a result of this review, the City was able to limit its property tax rate increase to 2.0 per cent on the total tax bill for 2012 without compromising services or service levels today or in the future. The increase in the total tax bill, including the Region and Education tax rates, was 2.8 per cent.

A new financial reality has emerged in the Corporation. This reality comes as no surprise, although it has been exacerbated by the economic slowdown, increased cost pressures and associated declining revenues. Despite these challenges, resident satisfaction with the City of Mississauga remains very high, which sends us the message that we are doing things right. We will continue to focus on preserving existing services, with some service improvements in targeted areas such as transit. Each service area is assessed on the basis of a balanced scorecard which focuses on key measures in the area of Finance, Customers, Employees, and Business Process. By paying attention to all four areas, the City can monitor performance and ensure progress towards the attainment of key goals.

We look forward to another successful year in 2013.



Brenda R. Breault, CMA, MBA

Commissioner of Corporate  
Services and Treasurer

April 17, 2013

# Financial Management Processes

## **City Business Planning and E3 Program:**

To address significant budget, economic and political pressures in recent years, the City of Mississauga utilizes a corporate-wide, business planning process. The end result is better integration of Mississauga's strategic priorities and programs, services, budgets, and annual workplans.

The City also operates a program called E3 - Efficiency, Economy, and Effectiveness. Under this initiative, the City reviews in a systematic and regular way, all major City services and programs on a four to six-year cycle.

## **Financial Statement Preparation:**

City of Mississauga management is responsible for all information contained in the Annual Financial Report. These financial statements and accompanying notes have been prepared using reasonable limits of materiality and within the framework of the accounting principles and disclosure requirements of the Canadian Institute of Chartered Accountants guidelines included in the Public Sector Accounting and Auditing Standards Manual.

## **Internal Control Management:**

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

## **External Audit:**

The role of the external auditor, KPMG LLP, 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, confirming that the statements are free from material misstatements. It is the responsibility of the auditor to advise management and the Audit Committee of any control or operational issues that may be identified during their audit procedures.

## **Audit Committee:**

The Audit Committee is comprised of four members of Council, who are appointed annually by Council with the Mayor also being an ex-officio member. The Audit Committee provides a focal point for communications between Council, the external auditor, the internal auditor and management, and facilitates an impartial, objective and independent review of management practices through the internal and external audit functions.

## **User Pay Philosophy:**

With the City's only major funding source being property taxation, Mississauga continues to implement its "User Pay" philosophy where appropriate to do so to fund service costs. Development is slowing down and as a result, development related revenues are declining and tax base growth is slowing. The City will continually need to review user fees to balance service and tax pressures.



# 2012 Financial Year in Review

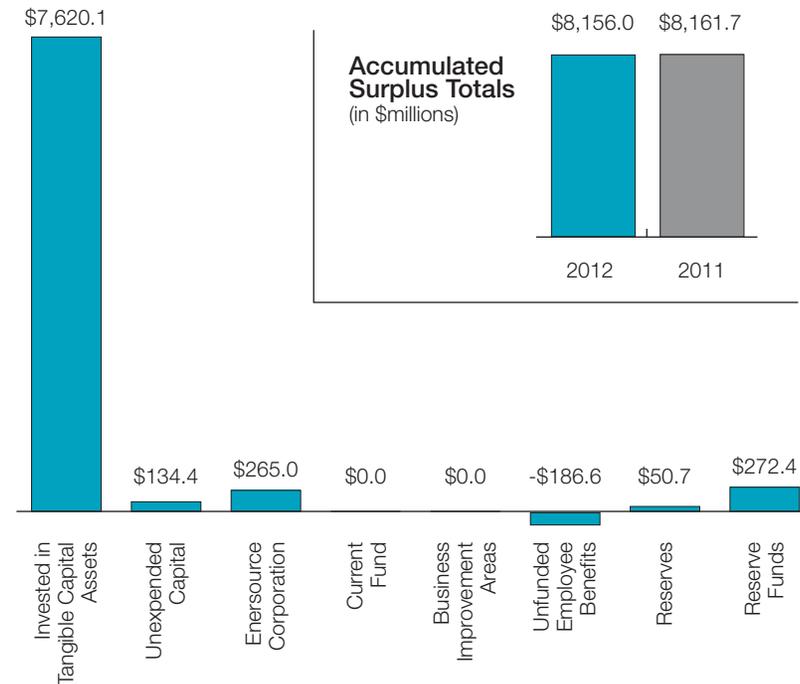
# 2012 Financial Statement Overview

The City of Mississauga's financial statements have been prepared in accordance with the Municipal Act and based on the reporting standards set by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

There are four required financial statements: statement of financial position; statement of operations; statement of changes in net financial assets; and statement of cash flows. These financial statements provide information on the cost of all the City activities, how they were financed, investing activities and the assets and liabilities of the City. The information also reflects the full nature and extent of the City's financial affairs similar to a private sector financial statement presentation.

This chart is a high level overview of the 2012 financial results of the City.

**2012 Accumulated Surplus Breakdown**  
(in \$millions)



## Consolidated Statement of Financial Position

The consolidated statement of financial position highlights four key figures that together describe the financial position of a government: (a) cash resources of the government, (b) net financial asset position calculated as the difference between financial assets and financial liabilities, (c) non-financial assets that are normally held for service provision such as tangible capital assets, (d) accumulated surplus/deficit (or in private sector terms, retained earnings, as there are no shareholder contributions or distributions).

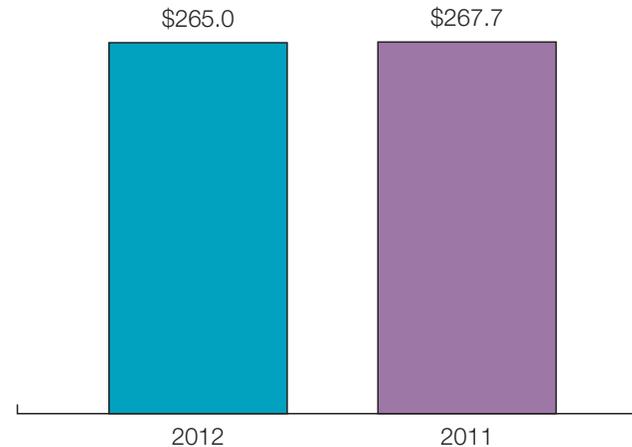
Although the City continues to manage the financial operations of the City through various Funds such as the Operating Fund, the Capital Fund, and the Reserves and Reserve Funds, in accordance with PSAB, these funds are no longer reported in the financial statements and have been replaced by Accumulated Surplus. The Accumulated Surplus summarizes the Corporation's consolidated equity which identifies the financial position, including tangible capital assets, and financial resources of the City.

The City's accumulated surplus for fiscal year 2012 is \$8.156 billion (2011 \$8.162 billion). The City's accumulated surplus is made up of the following balances: investment in tangible capital assets of \$7.6 billion; unexpended capital of \$134.4 million; investment in Enersource Corporation of \$265.0 million; Business Improvement Area surpluses of \$0.05 million; Reserves of \$50.7 million; Reserve Funds of \$272.4 million; offset by unfunded employee benefits and other liabilities of \$186.6 million. Refer to Note #8 in the Financial Statements for a detailed breakdown of the accumulated surplus.

The City is a 90 per cent shareholder in Enersource Corporation. Enersource adopted International Financial Reporting Standards (IFRS) for years ended December 31, 2012 and December 31, 2011. As a result, there were transitional adjustments as at January 1, 2011 relating to the adoption of IFRS which impacted the City's consolidated financial statements. Both the 2012 and 2011 Investment in Enersource values have been restated to the new accounting standards. These adjustments are one-time adjustments as a result of the adoption of IFRS.

The City's 2012 Investment in Enersource Corporation is \$265.0 million (2011 restated \$267.7 million), a decrease of \$2.7 million from the prior year. This decrease is attributed to the City's \$9.6 million share of Enersource net income less a \$12.3 million dividend payment received from Enersource in 2012.

## Investment in Enersource Corporation (in \$millions)

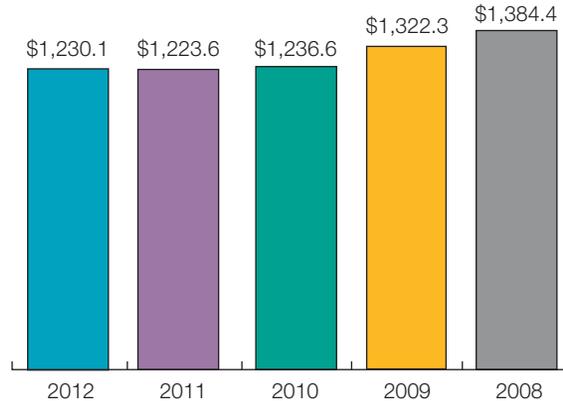


**NOTE:** Enersource adopted INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) beginning in 2011.

In 2012, the City's Net Financial Assets were \$526.1 million (2011 \$600.1 million), a decrease of \$74.0 million over the prior year. This decline was primarily due to an \$80.5 million increase in Financial Liabilities which was primarily due to a \$78.8 million increase in the deferred revenue-obligatory reserve funds. The deferred revenue-obligatory reserve funds increased from \$300.1 million in 2011 to \$378.9 million in 2012. Refer to the deferred revenue-obligatory reserve fund explanation in the Total Liabilities section for a more detailed breakdown on the increase. Despite the decline in the past year, the City's Net Financial Assets position continues to remain financially healthy and well-positioned for the future.

Total Financial Assets as of December 31, 2012 were \$1.23 billion (2011 \$1.22 billion), an increase of \$0.01 billion or \$10 million.

### Financial Assets Summary (in \$millions)



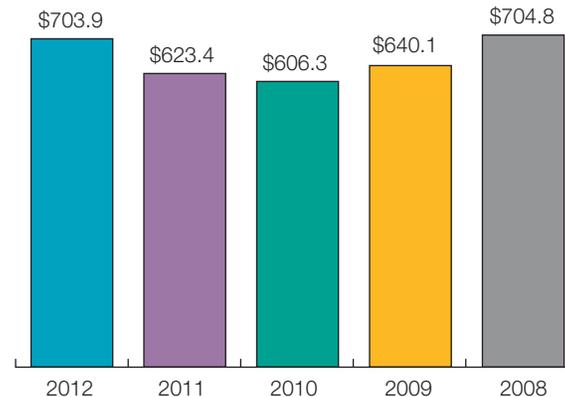
- Cash, short-term investments, and long-term investments at yearend 2012 were \$860.9 million (2011 \$874.6 million), a decrease of \$13.7 million. The City's cash and investments are being drawn down to finance increased capital expenditures. As a financial investment strategy, more funds are being held in longer-term investments versus short-term as a strategy to maximize investment returns. This strategy does not impact the total cash and investment balance.
- Taxes Receivable in 2012 were \$46.0 million (2011 \$50.9 million), a decrease of \$4.9 million. The decrease was due to fewer receivables at yearend versus the prior year.
- Accounts Receivable in 2012 were \$56.8 million (2011 \$29.2 million), an increase of

\$27.6 million. The increase was due to an outstanding \$10.9 million transfer payment due from the Federal Government for Transit (Bus Rapid Transit), \$12.6 million relates to school board tax adjustments, and the balance relates to various miscellaneous receivable balances.

- Investment in Enersource Corporation in 2012 was \$265.0 million (2011 restated \$267.7 million), a decrease of \$2.7 million from the prior year.

Total Liabilities at the end of 2012 were \$703.9 million (2011 \$623.4 million), an increase of \$80.5 million from the prior year.

### Financial Liabilities Summary (in \$millions)



- Accounts Payable liabilities were \$130.2 million in 2012 (2011 \$132.1 million), a decrease of \$1.9 million representing various liability accounts.
- Deferred revenue-general were \$8.3 million (2011 \$6.6 million), an increase of \$1.7 million due to general fluctuations in various departmental deferred revenue accounts.

- The deferred revenue-obligatory reserve funds increased from \$300.1 million in 2011 to \$378.9 million in 2012.

➢ Provincial public transit funds increased by \$45.5 million which was primarily made up by \$4.4 million in interest earned and a \$41.0 million adjustment to reposition funds back from the BRT capital project to the Reserve Fund.

➢ Federal gas tax funds increased by \$20.4 million which was primarily made up by \$37.9 million in current year contributions offset by a \$16.8 million deficit balance in the opening federal gas tax fund balance.

➢ Parkland funds increased by \$8.2 million primarily from current year contributions.

➢ Other obligatory reserve funds such as development charges accounted for the balance of the increase.

- Employees benefits and other liabilities were \$186.6 million in 2012 (2011 \$184.7 million), an increase of \$1.9 million.

Non-financial assets were \$7.6 billion as of December 31, 2012 (2011 \$7.6 billion).

- Non-Financial Assets consist primarily of tangible capital assets.

## Consolidated Statement of Operations (Income Statement)

The consolidated statement of operations reports the annual surplus/deficit from operations during the accounting period. The statement shows the cost of providing the City's services, the revenues recognized in the period and the difference between them.

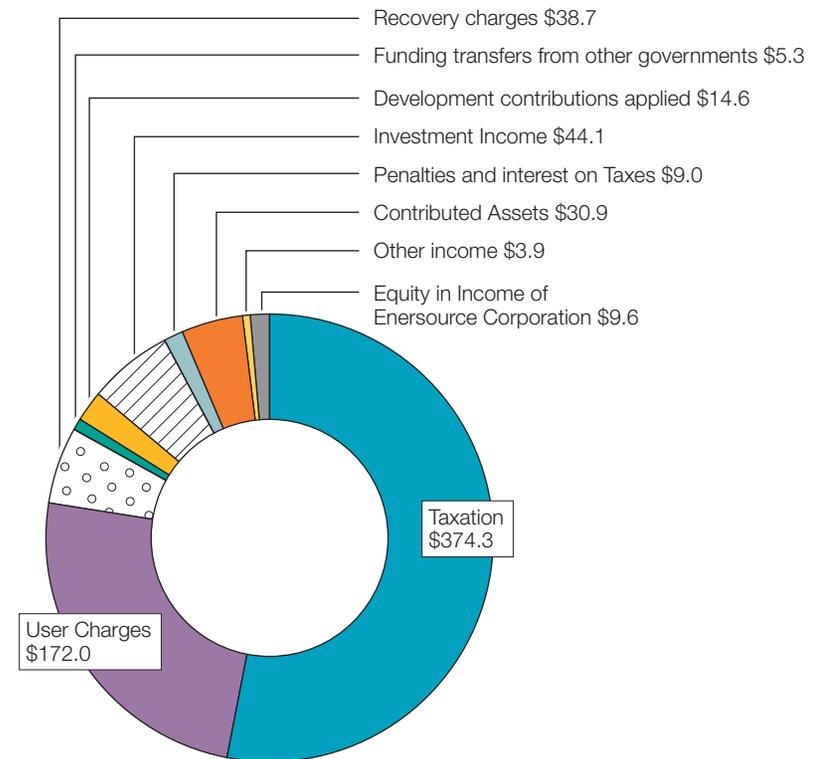
### Revenues

Total revenues in 2012 were \$702.3 million (2011 \$790.2 million), a decrease of \$87.9 million.

- Taxation revenues (property taxes and taxation from other governments) in 2012 were \$374.3 million (2011 \$353.7 million), an increase of \$20.6 million.
  - > The City had assessment growth of 1.1 per cent in 2012.
  - > City Council approved the 2012 budget which provided for a 7.2 per cent average property tax rate increase on the City portion of the total tax bill, which includes a one per cent infrastructure levy. This increase equates to an average 2.1 per cent increase on the total residential tax bill.
- User charges in 2012 were \$172.0 million (2011 \$155.2 million), an increase of \$16.8 million from the prior year.
  - > Transit fares represent 40 per cent of total user charges. Fares in 2012 were \$69.0 million (2011 \$65.9 million), an increase of \$3.1 million from the prior year. Total 2012 revenue riders were 34.76 million versus the 2011 restated total of 33.45 million – the 4 per cent increase in riders and a fare increase resulted in a revenue increase of \$3.1 million over 2011.

## Consolidated Revenues by Type

(in \$millions)



**Total Consolidated Revenues: \$702.3**

- > General departmental user fees and service charges represent 26 per cent of total user charges. General departmental user fees and service charges in 2012 were \$45.4 million (2011 \$37.6 million), an increase of \$7.8 million from the prior year. General departmental fees (i.e. Transportation and Works Services fees, Fire Emergency Services fees, Planning and Building Services fees, etc.) increased by \$1.9 million, recreation membership fees increased by \$0.3 million, transit advertising fees increased by \$3.3 million, fees for internal work recoveries increased by \$0.9 million, program registration fees increased by \$0.4 million, and planning site fee applications increased by \$0.3 million. Various other fees accounted for the balance of the increase.

- › Golf green fees represent 2 per cent of total user charges. Golf green fees in 2012 were \$3.3 million (2011 \$3.0 million), an increase of \$0.3 million from the prior year.
- › Rents and concession fees represent 13 per cent of total user charges. Rents and concession fees in 2012 were \$22.1 million (2011 \$21.9 million), an increase of \$0.2 million from the prior year.
- › Licence and permit revenues represent 8 per cent of total user charges. Licence and permit revenues in 2012 were \$14.1 million (2011 \$11.0 million), an increase of \$3.1 million from the prior year. Building permit revenues in 2011 were \$9.4 million (2011 \$6.6 million), an increase of \$2.8 million due to some increase in building construction.
- › Provincial offence revenues in 2012 were \$8.4 million (2011 \$8.3 million), an increase of \$0.1 million from the prior year.
- Recovery charges in 2012 were \$38.7 million (2011 \$28.1 million), an increase of \$10.6 million from the prior year. This increase relates to increased third party capital recoveries (i.e. Bus Rapid Transit (BRT), RInC, ISF developments) for project work completed in 2012.
- Development and other government contributions applied in 2012 were \$14.6 million (2011 \$81.0 million), a decrease of \$66.4 million from the prior year.
  - › Expenditures on development related capital projects, Infrastructure Stimulus Fund (ISF) projects and the Recreational Infrastructure Canada Program (RInC) projects in 2012 slowed down versus the prior year. In 2012, the City's ISF and RInC projects were winding down which resulted in lower development and government contributions being applied and recognized as revenue from the deferred revenue-obligatory reserve funds in 2012.
- Penalties and interest earnings from overdue tax accounts in 2012 were \$9.0 million (2011 \$9.3 million), a decrease of \$0.3 million from the prior year.
- Other revenues in 2012 were \$3.9 million (2011 \$5.0 million), a decrease of \$1.1 million from the prior year. The decrease results in fewer one-time miscellaneous revenues in 2012 versus 2011.
- Contributed Assets in 2012 were \$30.9 million (2011 \$32.0 million), a decrease of \$1.1 million from the prior year. Contributed assets include land under roads, land under infrastructure, as well as general infrastructure (storm sewers, roads, pathways, streetlights, etc.) assumed by the City through development agreements. In 2012, the City assumed \$30.9 million in land under roads and infrastructure.
- The City's equity income from Enersource Corporation in 2012 was \$9.6 million (2011 \$25.1 million), a decrease of \$15.5 million from the prior year. The City was paid a dividend of \$12.3 million in 2012 (2011 \$9.6 million).

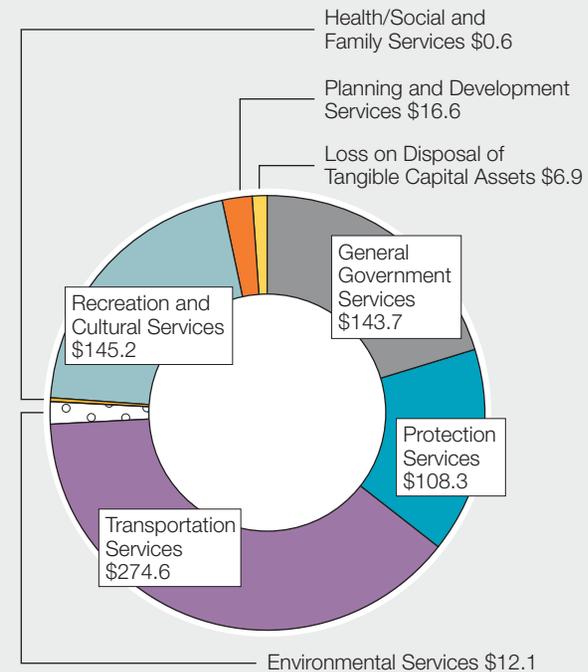
## Expenses

Expenses are broken down into major expense categories: labour and benefits, materials and supplies, contracted services, rents and financial expenses, transfer payments, and amortization. Total expenses in 2012 were \$708.0 million (2011 \$700.4 million), an increase of \$7.6 million.

- Labour costs (salaries, wages and benefits, and PSAB labour related adjustments) in 2012 were \$407.0 million (2011 \$404.9 million), an increase of \$2.1 million from the prior year. The significant variances are broken down as follows:
  - Salary, wage, and benefit costs in 2012 were \$404.8 million (2011 \$388.6 million), an increase of \$16.2 million (4.0%). Growth in the City's labour force for new and expanded services, labour contract settlements and pay adjustments, and increased benefit costs contributed to this increase.
  - PSAB labour related accounting adjustments for actuarial WSIB and post-employment, retirement, and sick-leave liabilities in 2012 were \$1.9 million (2011 \$14.8 million), a decrease of \$12.9 million from the previous year. These expenses are based on the changes in Employees benefits and other liabilities in the Consolidated Statement of Financial Position. These are accrual based expenses which are not included in the City's annual budget but included in the financial statement presentation.
  - Other miscellaneous labour adjustments accounted for the balance of the increase.

## Consolidated Expenses by Service

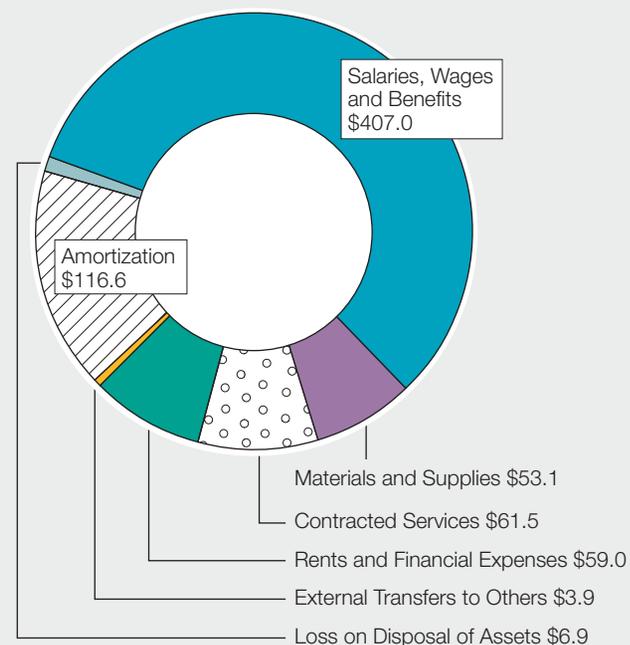
(in \$millions)



**Total Consolidated Expenditures: \$708.0**

- Materials and supplies in 2012 were \$53.1 million (2011 \$52.2 million), an increase of \$0.9 million from the prior year.
  - > Diesel fuel costs for 2012 were \$17.4 million (2011 \$17.0 million), an increase of \$0.4 million from the prior year primarily due to an increase in the average price per litre of diesel.
  - > Transportation and maintenance related costs in 2012 accounted for the balance of the increase.
- Contracted services in 2012 were \$61.5 million (2011 \$70.3 million), a decrease of \$8.8 million from the prior year.
  - > Contracted services for standby winter control in 2012 were \$13.0 million (2011 \$14.9 million), a decrease of \$1.9 million over the previous year.
  - > Contracted services for capital related projects accounted for the majority of the remaining decrease due to the wind-down of ISF and RInC capital projects.
- Rent and financial expenses in 2012 were \$59.0 million (2011 \$56.6 million), an increase of \$2.4 million from the prior year.
  - > Property tax-related adjustments in 2012 were \$6.8 million (2011 \$5.4 million), an increase of \$1.4 million over the prior year.
  - > Other miscellaneous financial and occupancy related cost increases accounted for the difference.
- Amortization of Tangible capital assets in 2012 was \$116.6 million (2011 \$109.8 million), an increase of \$6.8 million from the prior year.
- Loss on disposal of assets in 2012 was \$6.9 million (2011 \$3.1 million), an increase of \$3.8 million. Approximately \$6.1 million of the current year loss on disposal relates to land sizing corrections in the asset database.

### Consolidated Expenses by Type (in \$millions)



**Total Consolidated Expenditures: \$708.0**

### Consolidated Statement of Change in Net Financial Assets

The statement of change in net financial assets (net debt) explains the difference between a municipality's surplus or deficit for the reporting year and its change in accumulated surplus in the same reporting year. This statement provides the reporting of the acquisition of tangible capital assets and other significant items that impact the difference between the annual surplus/deficit and the change in net financial assets (net debt).

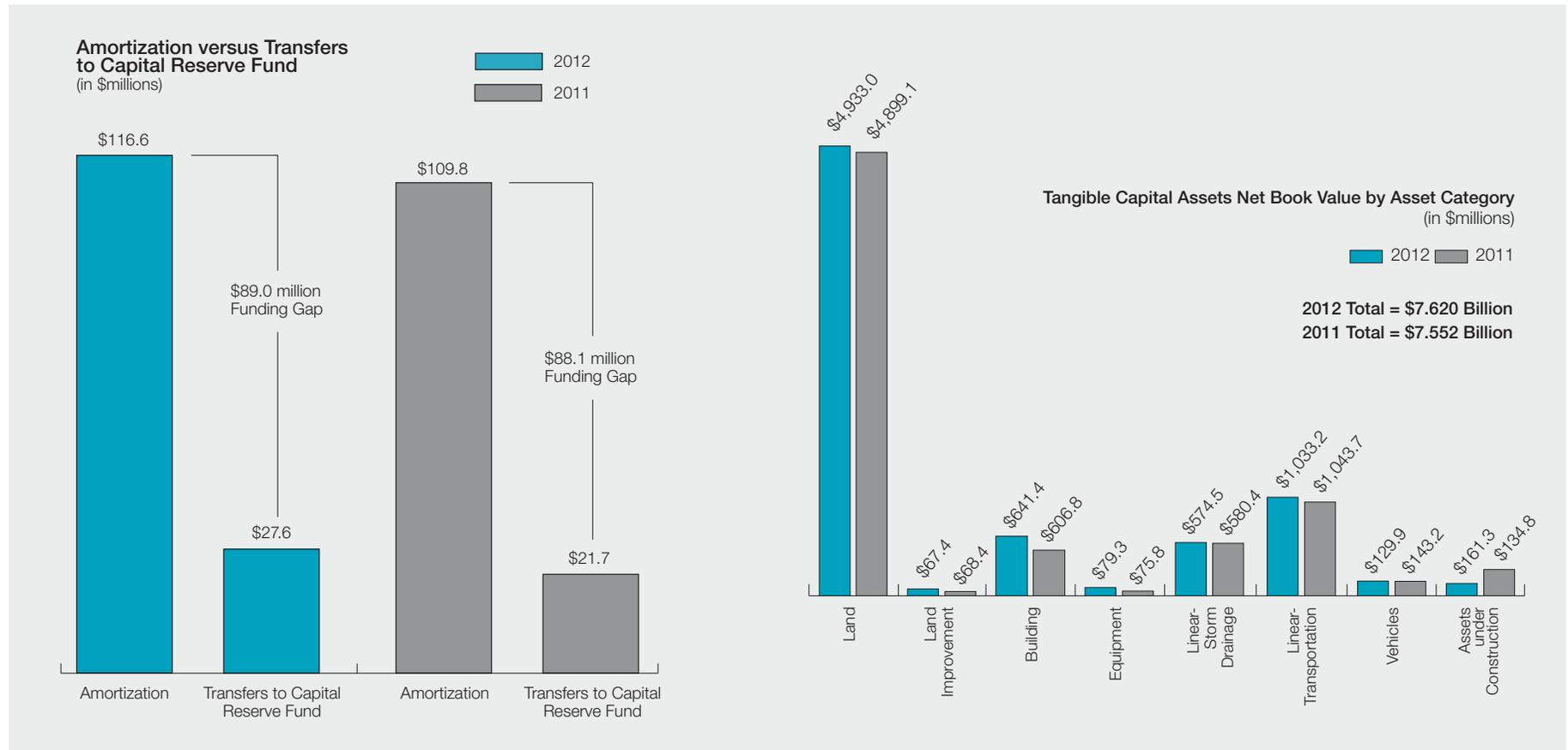
### Consolidated Statement of Cash Flows

The statement of cash flows reports changes in cash and short-term investments resulting from operations and shows how the City financed its activities during the year and met its cash requirements.

### Tangible Capital Assets Overview

All City assets as at the end of 2012 have been inventoried, valued, and recorded in an Asset Registry for accounting and reporting purposes. The City's net book values of tangible capital assets at the end of 2012 were \$7.6 billion (2011 \$7.6 billion). Refer to Note #7 in the financial statements for a detailed breakdown of tangible capital asset activity for 2012.

Annual amortization expense has increased to \$116.6 million from the \$109.8 million in the prior year. The City currently only funds \$27.6 million of its amortization expense.





## 2012 Capital Project Highlights

Some of the major capital projects undertaken in 2012 include:

### TRANSPORTATION AND WORKS

- The contracts to implement LED street lighting throughout the City were awarded in 2012. All streetlights will be transitioned to the new LED lighting system by the end of 2014. The LED lights will significantly reduce maintenance costs, resulting in a 55 per cent reduction in future energy consumption for the City. LED street lights will also increase safety and visibility and reduce light pollution in the sky.
- Council approved in principle a stormwater user fee for stormwater management. This fee will fund a more sustainable stormwater management program into the future. Staff are working on the final fee structure for Council approval in 2013.
- The City received the 2012 Bicycle Friendly Community Award – Bronze Designation from Share the Road Cycling.
- Received the 2012 Excellence in Safe and Sustainable Snow Clearing Award from the Salt Institute. The Salt Institute is a non-profit organization which promotes the safe use of salt in the winter snow clearing operations, on health and on the environment. This award recognizes agencies which demonstrate best practices in salt storage and snow clearing. The City of Mississauga was the only Canadian, and most likely the only North American, municipality in which every one of its salt storage facilities won this award.
- The Lakeview Low Impact Development (LID) projects were completed for First and Third Street, including permeable pavers, rain gardens and educational signage. LID is a stormwater management approach that seeks to mitigate the impacts of stormwater runoff and pollution. Site specific design and small scale stormwater practices are used to promote the use of natural systems for infiltration, evapotranspiration, and reuse of rainwater. LID practices can effectively remove nutrients, pathogens and metals from stormwater, reducing the volume and intensity of stormwater flows.
- Eighty-five roads (41 kilometres) were resurfaced, nine kilometres of new sidewalk were completed and seven bridge/culvert structures were rehabilitated.



- Two concrete awards were won for the emergency lane rehabilitation on the left turn lane from west-bound Courtnepark to south-bound Kennedy Road, utilizing concrete as the road pavement material. The project won an award from two Ontario associations.
- The City received the 2012 Project of the Year Award from the Institute of Transportation Engineers (ITE) Toronto Section for the Sustainable Urban Transportation Downtown Mississauga.
- One kilometre of noise barriers were replaced along Central Parkway.
- Twenty-seven kilometres of cycling facilities were installed.
- The Environmental Assessment (EA) for the Cooksville Creek Master Plan project was completed.
- In 2012, MiWay achieved 100 per cent route accessibility and added another 340 accessible stops.
- MiWay became compliant with the new Integrated Accessibility Standards Regulation (IASR) in 2012 and has accomplished much in relation to accessibility improvements within our facilities, policies, and services.
- Fifteen new MiWay 40ft express buses were delivered and commissioned for service in anticipation of BRT service in the fall of 2013.
- Eight replacement fuel efficient transit cars entered service.

## INFORMATION TECHNOLOGY

- The existing Integrated Library System was replaced in all 18 libraries. This system allows patrons to search the web-based Public Catalogue and put holds on materials, renew items via phone and receive notifications by phone and email. To enhance the library patron experience, the new system has the added features of faceted searching, content searching, and ability for patrons to post reviews.
- Digital signage was installed in eight libraries, nine community centres and four arenas in order to improve communication and messaging in public spaces within City of Mississauga facilities and enhance internal promotional opportunities. It will also be used to generate incremental revenue through the display of paid external advertisements.

## CULTURE

- Mississauga Cultural Resource Mapping Project (Culture on the Map) was launched in May 2012 providing a one stop, online resource tool for artists, cultural stakeholders, residents and visitors.
- “Possibilities”, a large, permanent public art work by Michel de Broin, was installed at the roundabout on Square One Drive.

## FIRE

- The Garry W. Morden Centre opened in May 2012 and now houses both Fire Training and Mechanical Staff, the Department of National Defence and other Region of Peel staff.
- Fire Station 106, previously located on Dixie Road, was relocated to 1355 Winding Trail and is a co-location project with the Region of Peel Paramedic Services.



## RECREATION

- A new therapy pool addition at Mississauga Valley Community Centre opened in July 2012.
- The C Café at Celebration Square opened in October 2012.

## PARKS & FORESTRY

- Scholars' Green and Sanford Farm Park opened in 2012.
- Hershey Sport Dome was completed in March 2012.
- Improvements and redevelopment were completed at the Jubilee Garden Walk, Birchwood Park, Jon Clipperton Park, Riverwood Enabling Garden and various sports fields.
- Meadowvale Conservation Area Pedestrian Bridge & Boardwalk and Dellwood Park Pedestrian Bridge replacement were completed.
- Shared-use artificial turf football field and synthetic track at Loyola Secondary School were completed.
- Over 34,000 trees and shrubs were planted on City land in 2012.
- The City acquired 3.21 ha (7.9 acres) of park and greenbelt lands.



## Reserves and Reserve Funds Overview

Although Reserves and Reserve Funds are not formally reported directly in the financial statements, they are a key area in the financial management and operations of the City. Reserves and Reserve Fund balances are consolidated within the Accumulated Surplus position on the Consolidated Statement of Operations. Refer to Note #8 in the financial statements for more Reserve and Reserve Fund information.

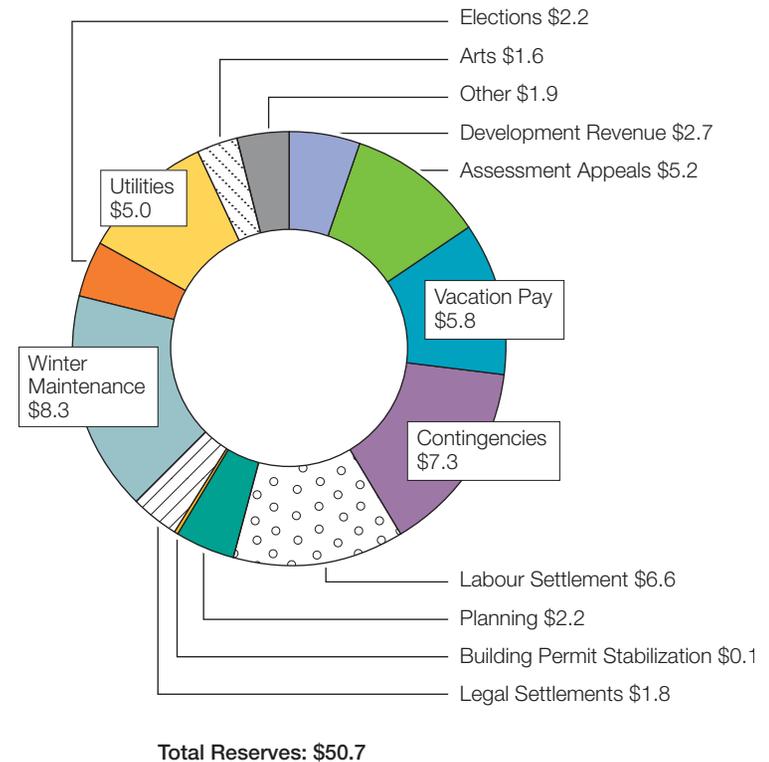
Reserves and Reserve Funds are established by Council. These funds are set aside to help offset future capital needs, obligations, pressures and costs. They are drawn upon to finance specific purpose capital and operating expenditures as designated by Council, to minimize tax rate fluctuations due to unanticipated expenditure and revenue shortfalls, and to fund on-going programs (i.e. insurance and employee benefits).

Reserves and Reserve Funds balances at the end of 2012 totalled \$323.1 million (2011 \$327.0 million), a decrease of \$3.9 million from the prior year. The Reserves and Reserve Fund total does not include development charges and senior government grants that are reported as deferred revenue-obligatory reserve funds on the Statement of Financial Position.

### Reserves

Reserves, which are discretionary in nature, are generally used to offset major fluctuations in operating costs/revenues or to fund future contingent liabilities. Total Reserves in 2012 were \$50.7 million (2011 \$47.3 million), an increase of \$3.4 million.

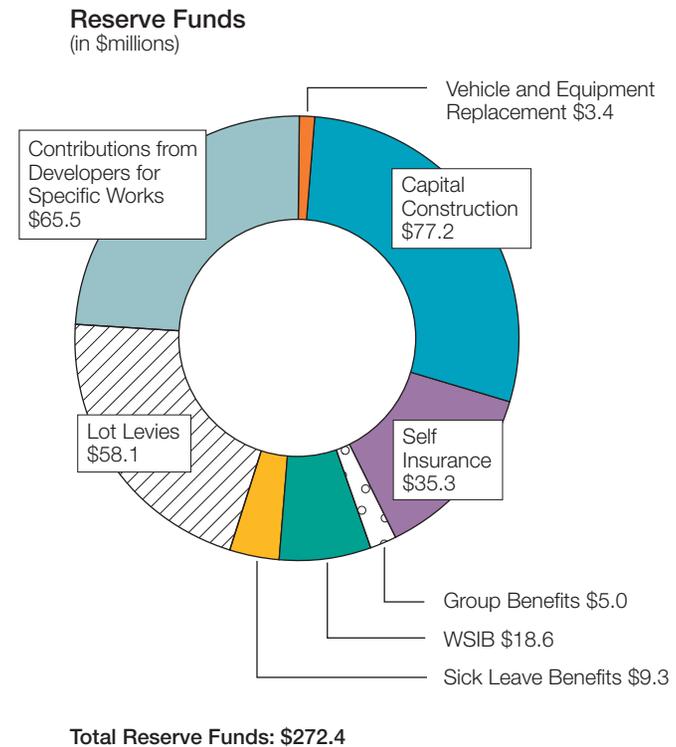
**Reserves**  
(in \$millions)



## Reserve Funds

Reserve Funds are non-discretionary, segregated and restricted to meet specific identified purposes for the municipality. Total Reserve Funds in 2012 were \$272.4 million (2011 \$279.7 million), a decrease of \$7.3 million from the prior year. This decrease is the result of the drawdown of Reserve Funds to finance capital projects. This drawdown is greater than funds being transferred or deposited into the Reserve Funds. The reduction in capital reserves has been presented for many years as part of the City's capital forecast.

The Reserve and Reserve Funds will help the City meet the projected expenditure needs in the upcoming years. However, draws on Reserve and Reserve Funds in future years to support our growing capital infrastructure and maintenance needs will reduce these balances and therefore reduce the total accumulated surplus. This has been anticipated for many years, recognizing that as the City matured, infrastructure renewal would require increased funding. Additional funding support is needed from senior levels of government as well as ongoing increased annual contributions from the operating funds, in order to help sustain and invest in new and replacement infrastructure.



# Introduction to the Financial Statements

The accompanying Financial Statements have been prepared in accordance with the Municipal Act and based on the reporting standards set by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

The Consolidated Financial Statements and all other financial information included within this financial report are the responsibility of the management of the City of Mississauga. The City's Financial Statements have been prepared in accordance with the accounting principles and disclosure requirements of the Canadian Institute of Chartered Accountants guidelines contained in the Public Sector Accounting and Auditing Standards Manual.

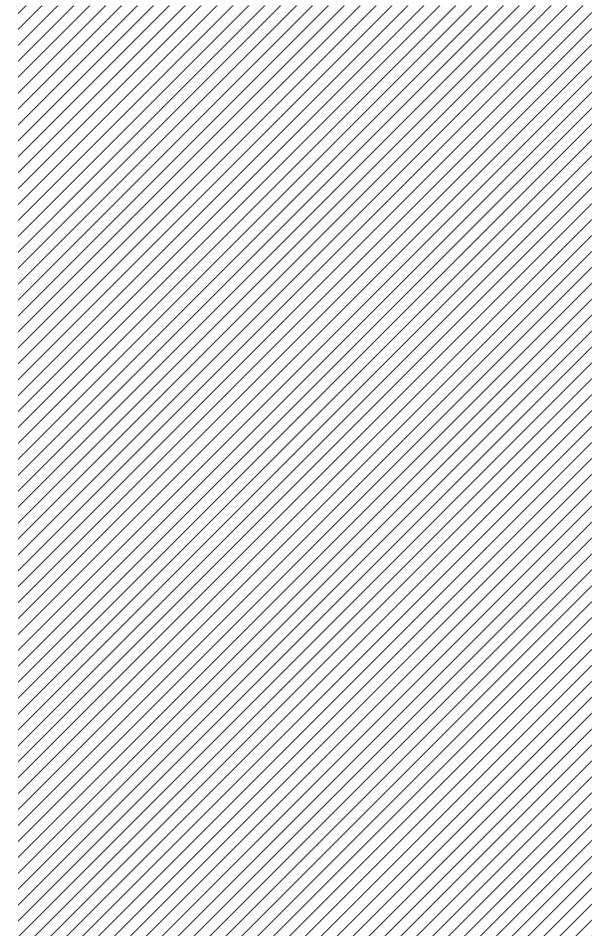
The Commissioner of Corporate Services and Treasurer is responsible for submitting annually to the Audit Committee and Council audited financial statements. These financial statements include the consolidated results of the City of Mississauga for the fiscal year ending December 31, 2012.

Finance staff are responsible for the coordination and completion of the annual financial statements in a timely, accurate and efficient manner, as well as providing support and related financial information to external auditors during the year-end audit.

The Consolidated Financial Statements of the City of Mississauga provide important information about the overall financial condition of the City. The purpose of the Consolidated Financial Statements is to present the effects of transactions of the City taking into consideration the accounting for all City Funds and associated City business enterprises. The financial statements should reflect the full nature and extent of the government's financial affairs.

The following audited financial statements have been included in this Annual Financial Report:

- City of Mississauga
- Trust Funds of the City of Mississauga



# Independent Auditors' Report



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

We have audited the accompanying consolidated financial statements of **The Corporation of the City of Mississauga**, which comprise the consolidated statement of financial position as at December 31, 2012, the consolidated statements of operations and accumulated surplus, change in net financial assets, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

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

### **Auditors' Responsibility**

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

our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the City of Mississauga as at December 31, 2012, and its consolidated results of operations and accumulated surplus, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Accountants,  
Licensed Public Accountants  
April 17, 2013  
Toronto, Canada

# City of Mississauga

## Consolidated Statement of Financial Position

as at December 31, 2012 with comparatives for 2011 (All dollar amounts are in \$000's).

	2012 \$	2011 \$
<b>FINANCIAL ASSETS</b>		
		Restatement Note 4
Cash and short-term investments	320,411	352,751
Taxes receivable (Note 2)	46,036	50,863
Accounts receivable (Note 2)	56,816	29,180
Inventories for resale	366	285
Investments (Note 3)	540,486	521,794
Loans receivable	982	1,015
Investment in Enersource Corporation (Note 4)	264,972	267,667
<b>Total Financial Assets</b>	<b>1,230,069</b>	<b>1,223,555</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	130,179	132,096
Deferred revenue – general	8,277	6,588
Deferred revenue – obligatory reserve funds (Note 5)	378,912	300,062
Employee benefits and other liabilities (Note 6)	186,557	184,700
<b>Total Financial Liabilities</b>	<b>703,925</b>	<b>623,446</b>
<b>Net Financial Assets</b>	<b>526,144</b>	<b>600,109</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 7)	7,620,065	7,552,173
Inventory of supplies	7,118	7,570
Prepaid expenses	2,701	1,872
<b>Total Non-Financial Assets</b>	<b>7,629,884</b>	<b>7,561,615</b>
<b>Accumulated Surplus (Note 8)</b>	<b>8,156,028</b>	<b>8,161,724</b>

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

# City of Mississauga

## Consolidated Statement of Operations

for the year ended December 31, 2012 with comparatives for 2011 (All dollar amounts are in \$000's).

	Budget 2012 \$	Actual 2012 \$	Actual 2011 \$
	Unaudited Note 1 (f)		Restatement Note 4
<b>REVENUES</b>			
Taxation (Note 9)	375,499	374,304	353,659
User charges	165,288	171,957	155,238
Recovery charges	10,036	38,724	28,098
Funding transfers from other governments (Note 17)	18,418	5,305	51,171
Development and other contributions applied	43,100	14,579	81,036
Investment income	24,954	44,061	49,614
Penalties and interest on taxes	7,000	9,012	9,268
Contributed assets	-	30,873	32,019
Other	1,611	3,919	5,036
Equity in income of Enersource Corporation (Note 4)	-	9,588	25,091
<b>Total Revenues</b>	<b>645,906</b>	<b>702,322</b>	<b>790,230</b>
<b>EXPENSES</b>			
General government services	143,323	143,701	159,976
Protection services	109,376	108,309	103,162
Transportation services	283,718	274,632	267,489
Environmental services	11,623	12,108	11,775
Health services	63	72	93
Social and family services	635	524	627
Recreation and cultural services	147,849	145,202	139,425
Planning and development services	18,691	16,562	14,777
Loss on disposal of tangible capital assets	-	6,908	3,068
<b>Total Expenses</b>	<b>715,278</b>	<b>708,018</b>	<b>700,392</b>
<b>Annual Surplus/(Deficit)</b>	<b>(69,372)</b>	<b>(5,696)</b>	<b>89,838</b>
Accumulated surplus, beginning of year	8,161,724	8,161,724	8,071,886
<b>Accumulated Surplus, end of year</b>	<b>8,092,352</b>	<b>8,156,028</b>	<b>8,161,724</b>

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

# City of Mississauga

## Consolidated Statement of Change in Net Financial Assets

for the year ended December 31, 2012 with comparatives for 2011 (All dollar amounts are in \$000's).

	Budget 2012 \$	Actual 2012 \$	Actual 2011 \$
	Unaudited Note 1 (f)		Restatement Note 4
<b>Annual Surplus/(Deficit)</b>	<b>(69,372)</b>	<b>(5,696)</b>	<b>89,838</b>
Acquisition of tangible capital assets	(183,190)	(244,853)	(411,856)
Amortization of tangible capital assets	116,789	116,592	109,770
Loss on disposal of tangible capital assets (Note 7)	-	6,908	3,068
Transfer of assets under construction	-	53,461	141,108
	<b>(135,773)</b>	<b>(73,588)</b>	<b>(68,072)</b>
Acquisition of inventory of supplies	-	(7,118)	(7,570)
Acquisition of prepaid expenses	-	(2,701)	(1,872)
Consumption of inventory of supplies	-	7,570	6,953
Use of prepaid expenses	-	1,872	1,785
<b>Change in net financial assets</b>	<b>(135,773)</b>	<b>(73,965)</b>	<b>(68,776)</b>
Net financial assets, beginning of year	600,109	600,109	668,885
<b>Net financial assets, end of year</b>	<b>464,336</b>	<b>526,144</b>	<b>600,109</b>

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

# City of Mississauga

## Consolidated Statement of Cash Flows

For the year ended December 31, 2012 with comparatives for 2011 (All dollar amounts are in \$000's).

	Actual 2012 \$	Actual 2011 \$
<b>CASH PROVIDED BY (USED IN): OPERATING ACTIVITIES</b>		
		Restatement Note 4
Annual surplus/(deficit)	(5,696)	89,838
<b>ITEMS NOT INVOLVING CASH</b>		
Amortization	116,592	109,770
Loss on disposal of tangible capital assets (Note 7)	6,908	3,068
Transfer of assets under construction	53,461	141,108
Contributed assets	(30,873)	(32,019)
Change in employee benefits and other liabilities	1,857	14,888
Equity in income of Enersource Corporation	(9,588)	(25,091)
<b>CHANGE IN NON-CASH ASSETS AND LIABILITIES</b>		
Accounts receivable	(27,636)	9,144
Taxes receivable	4,827	15,689
Accounts payable and accrued liabilities	(1,917)	(6,521)
Deferred revenue – general	1,689	398
Deferred revenue – obligatory reserve funds	78,850	8,359
Inventories for resale	(81)	(21)
Inventories of supplies	452	(617)
Prepaid expenses	(829)	(87)
<b>Net change in cash from operating activities</b>	<b>188,016</b>	<b>327,906</b>
<b>CAPITAL ACTIVITIES</b>		
Tangible capital asset additions	(213,980)	(379,837)
<b>Net change in cash from capital activities</b>	<b>(213,980)</b>	<b>(379,837)</b>
<b>INVESTING ACTIVITIES</b>		
Increase in investments	(18,692)	(21,035)
Dividends from Enersource Corporation	12,283	9,560
Decrease/(increase) in loans receivable	33	(42)
<b>Net change in cash from capital activities</b>	<b>(6,376)</b>	<b>(11,517)</b>
<b>Net change in cash and short-term investments</b>	<b>(32,340)</b>	<b>(63,448)</b>
Cash and short-term investments, beginning of year	352,751	416,199
<b>Cash and short-term investments, end of year</b>	<b>320,411</b>	<b>352,751</b>

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



## City of Mississauga Notes to Consolidated Financial Statements

for the year ended December 31, 2012  
(All dollar amounts are in \$000's).

The City of Mississauga 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, Planning Act, Building Code Act, Provincial Offences Act and other related legislation.

### 1. Significant Accounting Policies

The consolidated financial statements of The Corporation of the City of Mississauga (the City) are prepared by management in accordance with generally accepted accounting principles (GAAP) for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). Significant aspects of the accounting policies adopted by the City are as follows:

#### a) Basis of consolidation

##### (i) Consolidated entities

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the

reporting entity. The reporting entity is comprised 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 except for the City's Government Business Enterprise which is accounted for on the modified equity basis of accounting.

#### These entities and organizations include:

- City of Mississauga Public Library Board
- Clarkson Business Improvement District Association
- Port Credit Business Improvement Area
- Streetsville Business Improvement District Association

Inter-departmental and inter-organizational transactions and balances between these entities and organizations are eliminated.

##### (ii) Investment in a Government Business Enterprise

The City's investment in Enersource Corporation is accounted for on a modified equity basis, consistent with GAAP as recommended by PSAB for investments in Government Business Enterprises. Under the modified equity basis, the

Government Business Enterprise's accounting policies are not adjusted to conform with those of the City, and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of Enersource Corporation in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from Enersource Corporation will be reflected as reductions in the investment asset account.

##### (iii) Accounting for Region and School Board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Region and the school boards are not reflected in these consolidated financial statements.

##### (iv) Trust funds

Trust funds and their related operations administered by the City are not included in these consolidated financial statements. The Perpetual Care Fund and Election Trust Fund are not accounted for as part of a municipality's assets. A municipality acts as a trustee, investing and administering such funds, in accordance with regulations of the Cemeteries Act and the Municipal Elections Act.

## **b) Basis of accounting**

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the legal obligation to pay.

## **c) 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.

## **d) Deferred revenue**

Deferred revenues represent licenses, permits and other fees which have been collected, but for which the related services or inspections have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

## **e) Investment income**

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

## **f) Cash and short-term investments**

Cash and short-term investments include highly liquid investments with a term to maturity of 1 year or less at acquisition.

## **g) Land held for resale**

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

## **h) Investments**

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

## **i) Employee future benefits**

(i) The City provides certain employee benefits which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board (WSIB) Act, and life insurance, extended health and dental benefits for early retirees.

The costs of sick leave, benefits under WSIB Act and life insurance, extended health and dental benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, long-term inflation rates and discount rates.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities, compensated absences and health, dental and life insurance benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains or losses that are related to these benefits are recognized immediately in the period they arise.

(ii) The costs of multi-employer defined benefit pension plan, such as the Ontario Municipal Employees Retirement System (OMERS) pensions which is accounted for as a defined contribution plan, are the employer's defined contributions to the plan in the period.

## j) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations.

### (i) 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, excluding land, are amortized on a straight-line basis over their useful lives as follows:

ASSET	USEFUL LIFE - YEARS
Land	Infinite
Land Improvements	15 – 20
Buildings	40 – 50
Equipment, Books and Other	5 – 40
Linear – Storm Drainage	25 – 100
Linear – Transportation	15 – 100
Vehicles	10 – 20

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.

### (ii) Contributions of tangible capital assets

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

### (iii) Works of art and cultural and historic assets

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

### (iv) Interest capitalization

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

### (v) 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.

### (vi) Inventories of supplies

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

## k) Use of estimates

The preparation of financial statements 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 expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and in performing actuarial valuations of employee future benefits.

In addition, the City's implementation of the Public Sector Accounting Handbook Section 3150 has required management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results could differ from these estimates.

## l) Budget Data - unaudited

The 2012 operating and capital budgets, as approved by Council were adopted by the City at the February 8, 2012 meeting.

## 2. Taxes Receivable and Accounts Receivable

Taxes receivable are reported net of a valuation allowance of \$0 (2011 \$5,579). Accounts receivable are reported net of a valuation allowance of \$245 (2011 \$221).

### 3. Investments

Investments reported on the consolidated statement of financial position have cost and market values as follows:

	2012		2011	
	COST \$	MARKET VALUE \$	COST \$	MARKET VALUE \$
<b>Short-term notes and deposits</b>	88,771	99,673	131,666	134,812
<b>Government and government guaranteed bonds</b>	329,313	354,377	256,103	293,039
<b>Municipal bonds</b>	122,371	129,714	133,994	146,412
<b>Guaranteed Investment Certificates</b>	31	31	31	31
<b>Total</b>	<b>540,486</b>	<b>583,795</b>	<b>521,794</b>	<b>574,294</b>

### 4. Investment in Enersource Corporation

The City has a 90 per cent interest in Enersource Corporation and is accounted for on the modified equity basis in these consolidated financial statements. Enersource Corporation serves as the electrical distribution utility for City of Mississauga residents and businesses. Other activities of the Corporation are to provide energy services, billing services, street lighting services, retrofit multi-residential buildings to metered units and utility related construction.

Enersource's consolidated financial statements for the year ended December 31, 2012 are the first annual financial statements prepared in accordance with IFRS and comparatives for the year ended December 31, 2011 were restated to conform.

This table provides condensed financial information for Enersource Corporation for its 2012 fiscal year, together with comparative figures for 2011:

	2012 \$	2011 \$
<b>ASSETS</b>		
Current	230,220	259,533
Capital	505,231	465,866
Other	32,657	33,189
<b>Total Assets</b>	<b>768,108</b>	<b>758,588</b>
<b>LIABILITIES</b>		
Current	143,382	133,084
Long-term debt	330,312	328,096
<b>Total liabilities</b>	<b>473,694</b>	<b>461,180</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	175,691	175,691
Accumulated other comprehensive income net	(926)	(615)
Retained earnings	119,649	122,332
<b>Total shareholders' equity</b>	<b>294,414</b>	<b>297,408</b>
<b>Total liabilities and shareholders' equity</b>	<b>768,108</b>	<b>758,588</b>
<b>RESULTS OF OPERATIONS AND NON-OPERATIONS</b>		
Revenues	832,662	830,585
Expenses (including income tax provision)	822,008	802,706
<b>Net income</b>	<b>10,654</b>	<b>27,879</b>
<b>City share of net income</b>	<b>9,588</b>	<b>25,091</b>

During the year, the City of Mississauga recorded a dividend of \$12,283 (2011 \$9,560) declared by Enersource Corporation.

The City's investment in Enersource Corporation is reflected in the following table for its 2012 fiscal year together with comparative figures for 2011.

	2012 \$	2011 \$
<b>INVESTMENT IN ENERSOURCE CORPORATION</b>		
		Restatement Note 4
<b>Opening balance, beginning of year (as previously reported)</b>	<b>267,667</b>	<b>213,525</b>
City's share of net adjustment on transition to IFRS	-	38,611
<b>Opening balance, beginning of year</b>	<b>267,667</b>	<b>252,136</b>
City's share of net income	9,588	25,091
City's share of dividend	(12,283)	(9,560)
<b>Closing balance, end of year</b>	<b>264,972</b>	<b>267,667</b>

## 5. Deferred Revenue – Obligatory Reserve Funds

Revenues received that have been set aside for specific purposes by Provincial legislation, certain City by-laws, or agreements are included in deferred revenue and reported on the consolidated statement of financial position. Details of these deferred revenues are as follows:

	2012 \$	2011 \$
Development charges	168,566	163,573
Parkland	56,926	48,705
<b>Subtotal</b>	<b>225,492</b>	<b>212,278</b>
Provincial public transit funds	94,570	49,147
Federal public transit funds	20,302	18,788
Provincial gasoline tax	18,166	19,849
Federal gasoline tax	20,382	-
<b>Subtotal</b>	<b>153,420</b>	<b>87,784</b>
<b>Total Deferred Revenue – Obligatory Reserve Funds</b>	<b>378,912</b>	<b>300,062</b>

## 6. Employee Benefits and Other Liabilities

The employee benefits and other liabilities, reported on the consolidated statement of financial position, are made up of the following:

	2012 \$	2011 \$
Future payments required to WSIB	16,691	16,512
Accumulated Sick Leave Benefit Plan entitlements	10,361	10,143
Early retirement benefits	35,553	34,883
Post employment benefits	7,299	6,793
Vacation pay	20,003	19,753
Developer charges credits	47,029	48,000
Other liabilities	49,621	48,616
<b>Total</b>	<b>186,557</b>	<b>184,700</b>

The City has established reserve funds of \$129,433 (2011 \$125,735) to mitigate the future impact of these obligations.

(i) WSIB: The City has elected to be a Schedule 2 employer under the provisions of WSIB, and as such remits payments to the WSIB only as required to fund disability payments. A full actuarial study of this obligation was completed in December 2010, in accordance with the financial reporting guidelines established by PSAB, with extrapolated data provided for both 2011 and 2012 at that time.

(ii) Accumulated sick leave benefits accrue to certain employees of the City and are paid out either on approved retirement, or upon termination or death. The accrued benefit obligation and the net periodic benefit cost were determined by an actuarial valuation completed in December 2010, in accordance with the financial reporting guidelines established by PSAB, with extrapolated data provided for both 2011 and 2012 at that time.

(iii) Early retirement benefits are representative of the City's share of the cost to provide certain employees with extended benefits upon early retirement. The accrued benefit obligation and the net periodic benefit cost were determined by an actuarial valuation completed in December 2010, in accordance with the financial reporting guidelines established by PSAB, with extrapolated data provided for both 2011 and 2012 at that time.

(iv) Post employment benefits are paid on behalf of any employee on long-term disability. The accrued benefit obligation and the net periodic cost were determined by an actuarial valuation completed in December 2010, in accordance with the financial reporting guidelines established by PSAB, with extrapolated data provided for both 2011 and 2012 at that time. Information about liabilities for defined benefit plans is as follows:

	2012				TOTAL \$	2011 TOTAL \$
	WSIB \$	SICK LEAVE \$	EARLY RETIREMENT \$	POST EMPLOYMENT \$		
<b>Accrued benefit obligation, beginning of year</b>	<b>16,512</b>	<b>10,143</b>	<b>34,883</b>	<b>6,793</b>	<b>68,331</b>	<b>67,377</b>
Service cost	1,626	1,004	1,333	1,179	5,142	4,878
Interest cost	763	671	1,449	268	3,151	3,095
Amortization of actuarial (gain)/loss	(69)	420	(351)	11	11	9
Benefit payments	(2,141)	(1,877)	(1,761)	(952)	(6,731)	(7,028)
<b>Accrued benefit liability, end of year</b>	<b>16,691</b>	<b>10,361</b>	<b>35,553</b>	<b>7,299</b>	<b>69,904</b>	<b>68,331</b>
Unamortized actuarial (gain)/loss	(123)	3,987	(3,815)	37	86	97
Actuarial valuation update, end of year	16,568	14,348	31,738	7,336	69,990	68,428
Expected average remaining service life	10 yrs	12 yrs	13 yrs	8 yrs	n/a	n/a

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:

	WSIB	SICK LEAVE	POST EMPLOYMENT	EARLY RETIREMENT
Expected inflation rate	2.00%	2.00%	2.00%	2.00%
Expected level of salary increases	n/a	3.00%	3.00%	3.00%
Interest discount rate	4.75%	4.75%	3.85%	4.75%
Expected health care increases	-1.25%	6.67%	6.67%	6.67%

**(v)** Developer charge credits are liabilities and obligations that arise through the Development Charges Act. For the year ended December 31, 2012, the developer charge credit liability is \$47,029 (2011 \$48,000).

#### **(vi) Other pension plans**

The City makes contributions to OMERS, a multi-employer plan, on behalf of 4,463 employees. 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.

Contributions for employees with a normal retirement age of 65 were being made at a rate of 8.3% for earnings up to the annual maximum pensionable earnings of \$50.1 and at a rate of 12.8% for earnings greater than the annual maximum pensionable earnings.

Contributions for employees with a normal retirement age of 60 (firefighters) were being made at a rate of 9.4% up to the annual maximum pensionable earnings of \$50.1 and at a rate of 13.9% for earnings greater than the annual maximum pensionable earnings.

The amount contributed to OMERS for 2012 was \$29,102 (2011 \$25,534) for current service and is included as an expense on the consolidated statement of operations. Employees' contribution to OMERS in 2012 was \$29,143 (2011 \$25,597).

The Corporation of the City of Mississauga is current with all payments to OMERS, therefore, there is neither a surplus nor deficit with the pension plan contributions. However, at OMERS, the pension plan's funding deficit in 2012 climbed to \$10 billion (2011 \$7.3 billion). OMERS expects investment returns, temporary contribution increases from members as well as benefit reductions should return the plan to surplus within 10 to 15 years.

In response OMERS increased contributions for both employees and employers by 0.7% for 2013 on earnings up to CPP earnings limit and by 1.8% for earnings over the CPP earnings limit. If actuarial surpluses are not available to offset the existing deficit and subsidize future contributions, additional increases in the contributions may be required.

## **7. Tangible Capital Assets**

### **a) Assets under construction**

Assets under construction having a value of \$161,298 (2011 \$134,817) have not been amortized. Amortization of these assets will commence when the asset is put into service.

### **b) Contributed tangible capital assets**

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$30,873 (2011 \$32,019) comprised of infrastructure in the amount of \$0 (2011 \$10,060) and land in the amount of \$30,873 (2011 \$21,959).

### **c) Works of art and historical treasures**

The City owns both works of art and historical treasures at various City-owned facilities such as Benares/Bradley Museums and the Mississauga Art Gallery. These assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. These assets are not recorded as tangible capital assets and are not amortized.

### **d) Write-down of tangible capital assets**

The write-down of tangible capital assets during the year was \$nil (2011 \$nil).

### **e) Disposal of tangible capital assets**

The costs of assets under construction are excluded in calculating the loss on disposal of tangible capital assets. The purchase cost of \$8,415 (land \$6,818 and vehicles \$1,597) less the accumulated amortization of \$1,507 results in a loss on disposal of \$6,908 (2011 \$3,068).

## 2012 Tangible Capital Assets

Notes to Consolidated Financial Statements (All dollar amounts are in \$000's).

	December 31, 2011 \$	Additions \$	Disposals \$	December 31, 2012 \$
		Unaudited Note 1 (f)		Restatement Note 4
<b>COST</b>				
Land	4,899,118	40,709	6,818	4,933,009
Land Improvements	135,432	4,369	-	139,801
Buildings	836,969	57,746	-	894,715
Equipment	178,451	17,867	-	196,318
Linear – Storm Drainage	757,394	3,660	-	761,054
Linear – Transportation	1,710,270	32,146	-	1,742,416
Vehicles	261,560	8,414	1,597	268,377
Assets under construction	134,817	79,942	53,461	161,298
<b>Total</b>	<b>8,914,011</b>	<b>244,853</b>	<b>61,876</b>	<b>9,096,988</b>

### ACCUMULATED AMORTIZATION

Land	-	-	-	-
Land Improvements	67,068	5,296	-	72,364
Buildings	230,153	23,180	-	253,333
Equipment	102,632	14,406	-	117,038
Linear – Storm Drainage	177,033	9,549	-	186,582
Linear – Transportation	666,588	42,589	-	709,177
Vehicles	118,364	21,572	1,507	138,429
Assets under construction	-	-	-	-
<b>Total</b>	<b>1,361,838</b>	<b>116,592</b>	<b>1,507</b>	<b>1,476,923</b>

### NET BOOK VALUE

Land	4,899,118	-	-	4,933,009
Land Improvements	68,364	-	-	67,437
Buildings	606,816	-	-	641,382
Equipment	75,819	-	-	79,280
Linear – Storm Drainage	580,361	-	-	574,472
Linear – Transportation	1,043,682	-	-	1,033,239
Vehicles	143,196	-	-	129,948
Assets under construction	134,817	-	-	161,298
<b>Total</b>	<b>7,552,173</b>	<b>-</b>	<b>-</b>	<b>7,620,065</b>

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

## 8. Accumulated surplus

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2012 \$	2011 \$
<b>SURPLUS</b>		
		Restatement Note 4
Invested in tangible capital assets	7,620,065	7,552,173
Unexpended capital	134,451	199,488
Enerource Corporation	264,972	267,667
BIAs	47	76
Unfunded Employee benefits	(186,557)	(184,700)
<b>Total Surplus</b>	<b>7,832,978</b>	<b>7,834,704</b>

### RESERVES SET ASIDE BY COUNCIL

Development revenue	2,730	2,730
Assessment appeals	5,195	5,947
Vacation pay	5,820	5,820
Contingencies	7,247	4,361
Labour settlements	6,620	6,620
Planning process update	2,227	2,227
Building permit revenue stabilization	49	49
Transit revenue stabilization	-	-
Legal settlements	1,836	1,836
Winter maintenance	8,313	8,313
Elections	2,179	1,679
Commitments	324	461
Early retirement benefits	500	500
Arts	1,630	1,714
Bus shelter advertising	967	-
Other	22	22
Utilities	5,028	5,028
<b>Total Reserves</b>	<b>50,687</b>	<b>47,307</b>

<b>RESERVES FUNDS SET ASIDE FOR SPECIFIC PURPOSES BY COUNCIL</b>	<b>2012 \$</b>	<b>2011 \$</b>
Lot levies	58,090	56,152
Contributions from developers for specific works	65,561	59,881
Vehicle and equipment replacement	3,370	5,095
Capital construction	77,163	92,569
Self-insurance	35,332	33,626
Group benefits	4,993	4,589
WSIB	18,585	18,048
Sick leave benefits	9,269	9,753
<b>Total Reserve Funds</b>	<b>272,363</b>	<b>279,713</b>
<b>Total Accumulated Surplus</b>	<b>8,156,028</b>	<b>8,161,724</b>

## 9. Taxation

Taxation revenue, reported on the consolidated statement of operations, is made up of the following:

	2012 \$	2011 \$
Municipal and school property taxes	1,400,140	1,387,597
Payments in lieu of property taxes	34,769	33,571
	<b>1,434,909</b>	<b>1,421,168</b>
Payments to Region and school boards	1,060,605	1,067,509
<b>Net property taxes and payments in lieu available for municipal purposes</b>	<b>374,304</b>	<b>353,659</b>

## 10. Trust funds

Trust funds administered by the City amounting to \$507 (2011 \$454) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations.

## 11. Contingent liabilities

As at December 31, 2011, the City has been named as defendant or co-defendant in a number of outstanding legal actions. No provision has been made for any claims that are expected to be covered by insurance or where the consequences are undeterminable. Where the claims are not expected to be covered by insurance and where management has assessed the likelihood of exposure as being more likely than not and is able to reasonably assess the exposure, an amount is provided for in these financial statements.

## 12. Letter of comfort

In 1998, the City provided the Canadian Imperial Bank of Commerce (CIBC) with a Letter of Comfort for a line of credit of \$500,000 on behalf of the Living Arts Centre in Mississauga. The Letter of Comfort is a credit facility which serves as a security for repayment to CIBC. Thirty days prior written notice must be given to the CIBC if the City wishes to withdraw the support expressed in the Letter of Comfort. The Letter of Comfort continues to be honoured by the City.

## 13. Segmented information

Segmented information has been identified based upon lines of service provided by the City. City services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### (i) General Government Services

The General Government Services segment comprised the following service areas: Mayor and Council, City Manager's Office, Internal Audit, Economic Development, Strategic Initiatives; Office of the City Clerk; Finance, Information Technology, Facilities and Property Management, Revenue, Materiel Management, Legal, Customer Service, and Communications. These divisions are responsible for bylaws and administrative policies, levying taxes, acquiring, managing City assets, ensuring effective financial management, planning and budgeting, monitoring financial and operating performance, and ensuring that high quality City service standards are met.

### (ii) Protection Services

The Protection Services segment is comprised of the following service areas: Fire Services including fire suppression, fire prevention programs, and fire inspection; By-law Enforcement; Animal Control; Vehicle and Business Licensing; Security; and Provincial Offences.

**(iii) Transportation Services**

The Transportation Services segment is comprised of the following service areas: Roadway Services including road maintenance, public works, street cleaning, traffic operations, planning, engineering and development; Winter Control; Transit; and Street lighting.

**(iv) Environmental Services**

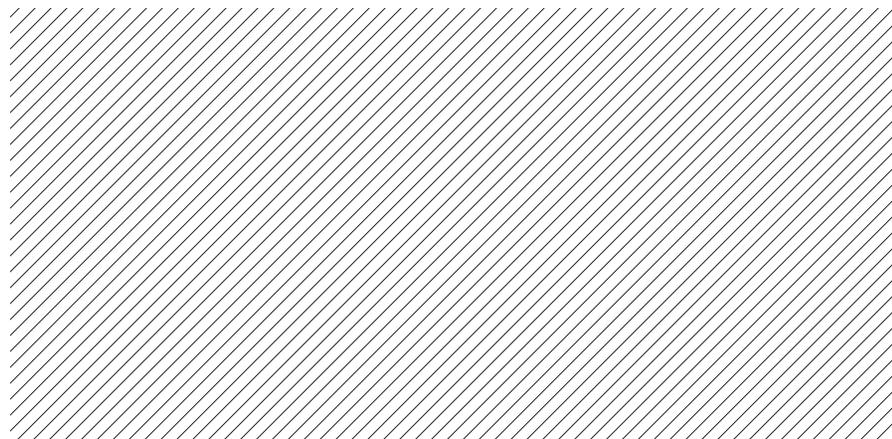
The Environmental Services segment is comprised primarily of Storm Sewer Services. The City provides storm water management to ensure the overall health and maintenance of creeks, rivers, and water channels in Mississauga. Water and Sanitary Sewer services are provided by the Region of Peel.

**(v) Health Services**

The Health Services segment is comprised primarily of cemetery maintenance and management.

**(vi) Social and Family Services**

Social and Family Services segment is comprised primarily of assistance to aged persons. Social and Family Services are handled directly by the Region of Peel. However, the City does offer limited programs and services to support and aid seniors in Mississauga.



**(vii) Recreation and Cultural Services**

The Recreation and Cultural Services segment is comprised of the following service areas: Parks and Forestry; Recreation Programs; Recreation Facilities; Marinas and Golf Courses; Libraries; Museums and Other Cultural Services and Activities.

**(viii) Planning and Development Services**

The Planning and Development Services segment is comprised of the following service areas: Planning and Zoning; Commercial and Industrial Developments; and Policy Planning. The Planning and Development Services manages urban development for business interests, environmental concerns, heritage matters, local neighbourhoods and the downtown through City planning and community development.

The segmented information was provided in accordance with the financial reporting guidelines established by the PSAB (section PS2700). For additional information see the Consolidated Schedule of Segment Disclosure.

Certain allocation methodologies are employed in the preparation of segmented financial information. User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

## 13. Segmented Information

Notes to Consolidated Financial Statements (All dollar amounts are in \$000's)

2012

	General Government Services \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Recreation and Cultural Services \$	Planning and Development Services \$	Other \$	2012 Total \$	2011 Total \$
<b>REVENUES</b>											
Taxation	374,304	-	-	-	-	-	-	-	-	<b>374,304</b>	<b>353,659</b>
User charges	4,433	23,999	89,342	199	135	194	47,535	3,364	2,756	<b>171,957</b>	<b>155,238</b>
Recovery charges	-	-	2,163	3	-	-	-	-	36,558	<b>38,724</b>	<b>28,098</b>
Funding transfers from other governments	49	-	-	-	-	55	1,403	119	3,679	<b>5,305</b>	<b>51,171</b>
Investment income	14,460	-	-	-	15	-	21	-	29,565	<b>44,061</b>	<b>49,614</b>
Penalties and interest on taxes	9,012	-	-	-	-	-	-	-	-	<b>9,012</b>	<b>9,268</b>
Development and other contributions applied	-	-	-	-	-	-	-	-	14,579	<b>14,579</b>	<b>81,036</b>
Contributed assets	-	-	24,260	-	-	-	6,613	-	-	<b>30,873</b>	<b>32,019</b>
Other	1,725	163	74	-	-	39	639	293	986	<b>3,919</b>	<b>5,036</b>
Equity in income of Enersource Corporation	-	-	-	-	-	-	-	-	9,588	<b>9,588</b>	<b>25,091</b>
<b>Total Revenues</b>	<b>403,983</b>	<b>24,162</b>	<b>115,839</b>	<b>202</b>	<b>150</b>	<b>288</b>	<b>56,211</b>	<b>3,776</b>	<b>97,711</b>	<b>702,322</b>	<b>790,230</b>
<b>EXPENSES</b>											
Salary, wages and fringe benefits	76,474	98,334	137,967	586	-	330	80,061	13,277	-	<b>407,029</b>	<b>404,876</b>
Operating expenses	54,416	6,362	72,514	1,973	72	112	38,895	3,145	-	<b>177,489</b>	<b>182,678</b>
Amortization	12,811	3,613	64,151	9,549	-	82	26,246	140	-	<b>116,592</b>	<b>109,770</b>
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	6,908	<b>6,908</b>	<b>3,068</b>
<b>Total expenses</b>	<b>143,701</b>	<b>108,309</b>	<b>274,632</b>	<b>12,108</b>	<b>72</b>	<b>524</b>	<b>145,202</b>	<b>16,562</b>	<b>6,908</b>	<b>708,018</b>	<b>700,392</b>
<b>Annual Surplus/(Deficit)</b>	<b>260,282</b>	<b>(84,147)</b>	<b>(158,793)</b>	<b>(11,906)</b>	<b>78</b>	<b>(236)</b>	<b>(88,991)</b>	<b>(12,786)</b>	<b>90,803</b>	<b>(5,696)</b>	<b>89,838</b>

#### 14. Expenses by Object

The consolidated statement of operations represents the expenses by function; the following classifies those same expenses by object:

	<b>Budget 2012 \$ Unaudited</b>	<b>Actual 2012 \$</b>	<b>Actual 2011 \$</b>
Salary, wages and fringe benefits	416,626	407,029	404,876
Materials and supplies	55,782	53,098	52,219
Contracted services	63,558	61,464	70,295
Rents and financial expenses	58,309	58,989	56,606
External transfers to others	3,736	3,938	3,558
Loss on disposal of tangible capital assets	-	6,908	3,068
Debt Principal	478	-	-
Amortization	116,789	116,592	109,770
<b>Total</b>	<b>715,278</b>	<b>708,018</b>	<b>700,392</b>

#### 15. Provincial Offences Administration

The Ministry of the Attorney General requires all municipal partners administering Provincial Offences Administration to disclose in the year-end audited financial statements the gross and net provincial offence revenues earned. The following table provides condensed financial information required by the terms in the Memorandum of Understanding for the City's 2012 fiscal year with comparative figures for 2011:

	<b>2012 \$</b>	<b>2011 \$</b>
<b>REVENUES</b>		
Gross revenues	8,632	8,430
Less refunds	86	88
<b>Net Revenues</b>	<b>8,546</b>	<b>8,342</b>
<b>EXPENSES</b>		
Provincial charges	698	654
City operating expenses	3,349	3,286
<b>Total Expenses</b>	<b>4,047</b>	<b>3,940</b>
<b>Net Revenue</b>	<b>4,499</b>	<b>4,402</b>
<b>Net Contribution</b>	<b>4,499</b>	<b>4,402</b>

## 16. Budget Data - unaudited

Budget data presented in these consolidated financial statements are based upon the 2012 operating and capital budgets as approved by Council and adopted by the City at the February 8, 2012 meeting. Adjustments to budgeted values were required to provide comparative budget values based on the full accrual basis of accounting. The chart below reconciles the approved budget with the budget figures as presented in these consolidated statements.

REVENUE	Budget Amount \$
<b>Approved operating budget</b>	<b>567,250</b>
<b>Approved capital budget</b>	<b>156,300</b>
Adjustments for transfers from reserve funds	(88,100)
<b>Adjusted capital budget</b>	<b>68,200</b>
<b>Reserve funds interest budget</b>	<b>10,456</b>
<b>Total Revenue</b>	<b>645,906</b>

EXPENSES	
<b>Approved operating budget</b>	<b>574,269</b>

ADJUSTMENTS	
BIAs	381
PSAB Liability	1,857
<b>Adjusted operating budget</b>	<b>576,507</b>
<b>Approved capital budget</b>	<b>156,300</b>

ADJUSTMENTS	
Eliminate capital expense budget	(156,300)
Amortization	116,789
Capital expenses reclassified to operating expenses for TCA purposes	21,982
<b>Adjusted capital budget</b>	<b>138,771</b>

<b>Total Expenses</b>	<b>715,278</b>
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<b>Annual Deficit</b>	<b>69,372</b>
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## 17. Funding Transfers from Other Governments

	2012 \$	2011 \$
<b>REVENUES</b>		
General government services	70	80
Protection services	-	-
Transportation services	-	-
Environmental services	-	-
Health services	-	-
Social and family services	55	70
Recreation and cultural services	5,062	50,905
Planning and development services	118	116
<b>Total Funding</b>	<b>5,305</b>	<b>51,171</b>

## 18. Commitments

The City of Mississauga has entered into various operating leases for premises. Anticipated payments under such leases during the next five years are approximately as follows:

2013	\$2,630
2014	3,090
2015	2,520
2016	2,380
2017	1,990
<b>Total</b>	<b>\$12,610</b>

## 19. Comparative figures

Certain 2011 figures have been reclassified to conform to the financial statement presentation adopted in 2012.

# Independent Auditors' Report



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

We have audited the accompanying financial statements of the **trust funds** of The Corporation of the City of Mississauga, which comprise the statement of financial position as at December 31, 2012, the statement of operations for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting policies, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the City of Mississauga as at December 31, 2012, and its results of operations for the year then ended in accordance with Canadian generally accepted accounting policies.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Accountants,  
Licensed Public Accountants  
April 17, 2013  
Toronto, Canada

# City of Mississauga

## Trust Funds Statement of Operations

as at December 31, 2012 with comparatives for 2011 (All dollar amounts are in \$000's).

	2012			2011
	PERPETUAL CARE	ELECTION SURPLUS	TOTAL	TOTAL
	\$	\$	\$	\$
<b>Revenues</b>				
Interest	15	-	15	15
Perpetual Care receipts	52	-	52	5
Surplus election proceeds (Note 5)	-	3	3	2
<b>Total Revenues</b>	<b>67</b>	<b>3</b>	<b>70</b>	<b>22</b>
<b>Expenses</b>				
Surplus forfeited to City	-	2	2	-
Cemetery maintenance	15	-	15	15
<b>Total Revenues</b>	<b>15</b>	<b>2</b>	<b>17</b>	<b>15</b>
<b>Annual Surplus/(Deficit)</b>	<b>52</b>	<b>1</b>	<b>53</b>	<b>7</b>
<b>Accumulated surplus, beginning of year</b>	<b>452</b>	<b>2</b>	<b>454</b>	<b>447</b>
<b>Accumulated surplus, end of year</b>	<b>504</b>	<b>3</b>	<b>507</b>	<b>454</b>

## Trust Funds Statement of Financial Position

as at December 31, 2012 with comparatives for 2011 (All dollar amounts are in \$000's).

	2012			2011
	PERPETUAL CARE	ELECTION SURPLUS	TOTAL	TOTAL
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash	19	3	22	170
Due from City of Mississauga (Note 2)	52	-	52	-
Investments (Note 3)	433	-	433	284
<b>Net financial assets</b>	<b>504</b>	<b>3</b>	<b>507</b>	<b>454</b>
<b>Accumulated Surplus</b>	<b>504</b>	<b>3</b>	<b>507</b>	<b>454</b>

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



## Trust Funds

### Notes to Consolidated Financial Statements

for the year ended December 31, 2012  
(All dollar amounts are in \$000's).

#### 1. Significant Accounting Policies

##### Basis of Accounting

Perpetual Care receipts are reported on the cash basis of accounting and interest income is reported on the accrual basis of accounting.

Expenditures are reported on the cash basis of accounting with the exception of administrative expenses which are reported on the accrual basis of accounting, which recognizes expenditures as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

#### 2. Due from the City of Mississauga

There are no specific terms of repayment and the amounts do not bear any interest due to/from the City.

#### 3. Investments

The total investments by the Trust Funds of \$433 (2011 \$284) reported on the Statement of Financial Position at cost, have a market value of \$453 (2011 \$304) at the end of the year.

#### 4. Perpetual Care Fund

The Perpetual Care Fund administered by the City is funded by the sale of cemetery plots. These funds are invested and earnings derived therefrom are used to perform perpetual care maintenance to the municipality's cemeteries. The operations and investments of the Funds are undertaken by the City in accordance with the regulations of the Cemeteries Act.

#### 5. Election Trust Fund

The Election Surplus Fund, as per S.79(7) of the 1996 Municipal Elections Act states that if in the next regular election or in an earlier by-election, the candidate is nominated for an office on the same council, the Clerk shall pay the amount in trust to the candidate, with interest. As per S.79(8), if subsection (7) does not apply, the amount becomes the property of the municipality.



# 2012 Statistics

City of Mississauga

# City of Mississauga Five-Year Financial Review

## Municipality Statistics

(All dollar amounts are in \$000's).

FISCAL YEAR	2012	2011	2010	2009	2008
Population	743,000	741,000	736,000	731,000	717,250
Area in acres	72,200	72,200	72,200	70,500	70,500
Households	235,000	235,000	232,500	231,000	227,500

### EMPLOYEES

Full time	4,109	4,065	4,187	4,104	4,031
Per 1000 people	5.5	5.5	5.7	5.6	5.6
Part time	3,343	3,178	3,203	2,904	2,955
Construction Activity	\$856,857	\$806,127	\$451,806	\$640,508	\$1,127,194

## Tax Assessment Information

ASSESSMENT VALUATION YEAR	2008	2008	2008	2008	2005
<b>TAXABLE ASSESSMENT UPON WHICH THE YEAR'S RATES OF TAXATION WERE SET</b>					
Residential, farm, multi-residential	\$74,664,351	\$74,483,486	\$70,484,292	\$66,204,948	\$62,123,065
Commercial, industrial and other	28,208,837	26,247,111	24,071,666	20,037,794	20,279,690
<b>Total Taxable Assessment</b>	<b>\$106,873,188</b>	<b>\$100,730,597</b>	<b>\$94,555,958</b>	<b>\$86,242,742</b>	<b>\$82,402,755</b>
Commercial, industrial, and business as a percentage of taxable assessment	26.4%	26.0%	25.4%	23.2%	24.6%

## Tax Rate Information

(per \$ of assessed value)

	2012	2011	2010	2009	2008
<b>RESIDENTIAL AND FARM</b>					
for City purposes	0.284851%	0.278907%	0.277387%	0.286190%	0.289828%
for Regional purposes	0.437847%	0.452704%	0.463728%	0.479403%	0.480934%
for School purposes	0.221000%	0.231000%	0.241000%	0.252000%	0.264000%
<b>Total Tax Rate - Residential and farm</b>	<b>0.943698%</b>	<b>0.962611%</b>	<b>0.982115%</b>	<b>1.017593%</b>	<b>1.034762%</b>

### COMMERCIAL

for City purposes	0.401587%	0.393207%	0.391065%	0.403475%	0.408604%
for Regional purposes	0.617284%	0.638230%	0.653772%	0.675870%	0.678028%
for School purposes	1.177386%	1.253034%	1.339544%	1.439162%	1.553938%
<b>Total Tax Rate - Commercial</b>	<b>2.196257%</b>	<b>2.284471%</b>	<b>2.384381%</b>	<b>2.518507%</b>	<b>2.640570%</b>

### INDUSTRIAL

for City purposes	0.447433%	0.438096%	0.435709%	0.449536%	0.455251%
for Regional purposes	0.687753%	0.711091%	0.728407%	0.753028%	0.755432%
for School purposes	1.421817%	1.499357%	1.585675%	1.681288%	1.777496%
<b>Total Tax Rate - Industrial</b>	<b>2.557003%</b>	<b>2.648544%</b>	<b>2.749791%</b>	<b>2.883852%</b>	<b>2.988179%</b>

## Tax Levies

(per \$ of assessed value)

FISCAL YEAR	2012 \$	2011 \$	2010 \$	2009 \$	2008 \$
<b>PROPERTY TAX LEVIES</b>					
City portion	350,728	330,232	306,504	291,911	277,899
Regional portion	534,788	531,508	507,616	484,054	458,481
School Board portion	516,000	525,857	510,884	491,580	495,425
<b>Total Tax Levies</b>	<b>1,401,516</b>	<b>1,387,597</b>	<b>1,325,004</b>	<b>1,267,545</b>	<b>1,231,805</b>
<b>PROPERTY TAXES COLLECTED</b>					
City collection	362,502	322,545	285,894	283,652	257,586
Taxes Transferred to the Region	534,788	531,508	507,616	484,054	458,481
Taxes Transferred to the School Boards	516,000	525,857	510,884	491,580	495,425
<b>Total Taxes collected</b>	<b>1,413,290</b>	<b>1,379,910</b>	<b>1,304,394</b>	<b>1,259,286</b>	<b>1,211,492</b>
<b>PROPERTY TAX ARREARS</b>					
Taxes Receivable	46,036	50,863	66,552	59,472	64,480
Taxes Receivable per capita	63	69	90	81	90
Percentage of current levy	3.3%	3.8%	5.0%	4.7%	5.2%
<b>CONSOLIDATED REVENUES</b>					
Property Taxation	350,728	330,232	306,504	291,911	277,899
Taxation from other governments	23,576	23,427	22,508	21,882	22,971
User charges	171,957	155,238	146,477	141,537	151,029
Recovery charges	38,724	28,098	3,138	2,089	-
Government grants	5,305	51,171	48,687	6,787	60,195
Development contributions applied	14,579	81,036	148,194	131,274	48,159
Investment income	44,061	49,614	52,262	73,651	58,337
Penalties and interest on taxes	9,012	9,268	9,983	10,376	8,755
Contributed assets	30,873	32,019	13,779	22,103	125,338
Other	3,919	5,036	18,306	20,931	28,376
Equity in Income of Enersource Corporation	9,588	25,091	15,933	15,808	17,300
Pick-up in Enersource's accounting policy change	-	-	-	582	-
<b>Total Revenues</b>	<b>\$702,322</b>	<b>\$790,230</b>	<b>\$785,771</b>	<b>\$738,931</b>	<b>\$673,021</b>
<b>Revenue per capita</b>	<b>\$945</b>	<b>\$1,066</b>	<b>\$1,068</b>	<b>\$1,011</b>	<b>\$938</b>

## Consolidated Expenses By Function

	2012 \$	2011 \$	2010 \$	2009 \$	2008 \$
General government services	143,701	159,976	137,553	143,779	152,847
Protection services	108,309	103,162	101,819	98,073	94,522
Transportation services	274,632	267,489	250,980	233,948	230,566
Environmental services	12,108	11,775	11,775	11,469	10,887
Health services	72	93	68	68	79
Social and family services	524	627	610	587	572
Recreation and cultural services	145,202	139,425	126,843	126,167	124,483
Planning and development services	16,562	14,777	15,774	14,467	14,284
Loss on disposal of tangible capital assets	6,908	3,068	1,048	2,437	20,461
<b>Total Consolidated Expenses by Function</b>	<b>708,018</b>	<b>700,392</b>	<b>649,470</b>	<b>630,995</b>	<b>648,701</b>
<b>Annual Surplus/(Deficit)</b>	<b>(\$5,696)</b>	<b>\$89,838</b>	<b>136,301</b>	<b>107,354</b>	<b>149,658</b>
<b>Net Financial Assets</b>	<b>526,144</b>	<b>600,109</b>	<b>630,274</b>	<b>682,217</b>	<b>679,599</b>

## Capital Fund Information: Capital Financing

Development contributions applied	14,579	81,036	148,194	131,274	48,159
Government grants	3,679	49,229	47,115	5,482	14,173
Other	39,742	26,628	23,097	18,276	18,914
<b>Total Capital Financing</b>	<b>58,000</b>	<b>156,893</b>	<b>218,406</b>	<b>155,032</b>	<b>81,246</b>
<b>Current Year Unexpended Capital Financing</b>	<b>134,451</b>	<b>199,488</b>	<b>215,660</b>	<b>208,115</b>	<b>91,613</b>

**Expenses by Object:  
Consolidated Statement of Operations**

(All dollar amounts are in \$000 except per capita figures.)

<b>FISCAL YEAR</b>	<b>2012 \$</b>	<b>2011 \$</b>	<b>2010 \$</b>	<b>2009 \$</b>	<b>2008 \$</b>
Salary, wages and fringe benefits	407,029	404,876	379,183	379,326	362,155
Materials and supplies	53,098	52,219	44,778	41,675	48,424
Contracted services	61,464	70,295	66,677	57,841	76,500
Rents and financial expenses	58,989	56,606	53,380	52,159	47,803
External transfers to others	3,938	3,558	4,066	1,876	1,796
Amortization	116,592	109,770	100,338	95,681	91,562
Loss on disposal of assets	6,908	3,068	1,048	2,437	20,461
<b>Total Consolidated Expenses</b>	<b>708,018</b>	<b>700,392</b>	<b>649,470</b>	<b>630,995</b>	<b>648,701</b>

**Municipal Debt Information: Long-Term Liabilities**

General municipal activities	-	-	-	-	-
Per capita	-	-	-	-	-

**Charges for Long-Term Liabilities**

General municipal activities	-	-	-	-	-
Per capita	-	-	-	-	-
<b>*Debt Repayment Limit</b> (as determined by the Province of Ontario)	<b>137,000</b>	<b>142,265</b>	<b>122,653</b>	<b>115,020</b>	<b>109,314</b>

\*2012 has declined due to approved issuance of debentures and resulting annual debt charges.

**Tangible Capital Assets**

Net Book Value	7,620,065	7,552,173	7,394,263	7,205,095	7,099,585
Amortization	116,592	109,770	100,338	95,681	91,562
<b>Operating Fund Transfers To Capital Reserve Fund</b>	<b>42,985</b>	<b>26,296</b>	<b>21,129</b>	<b>18,720</b>	<b>15,678</b>

<b>ACCUMULATED SURPLUS</b>	<b>2012 \$</b>	<b>2011 \$</b>	<b>2010 \$</b>	<b>2009 \$</b>	<b>2008 \$</b>
Invested in tangible capital assets	7,620,065	7,552,173	7,394,263	7,205,095	7,099,585
Unexpended capital	134,451	199,488	215,660	208,114	91,613
**Enersource Corporation	264,972	267,667	213,525	207,076	201,066
Current Fund	-	-	-	-	2,515
Business Improvement Associations	47	76	150	118	128
Unfunded Employee benefits	(186,557)	(184,700)	(169,812)	(168,785)	(151,518)
Reserves	50,687	47,307	48,012	50,293	54,775
Reserve Funds	272,363	279,713	331,477	395,063	490,874
<b>Total Accumulated Surplus</b>	<b>8,156,028</b>	<b>8,161,724</b>	<b>8,033,275</b>	<b>7,896,974</b>	<b>7,789,038</b>
<b>Trust Funds Surplus</b>	<b>507</b>	<b>454</b>	<b>447</b>	<b>576</b>	<b>569</b>

\*\*Enersource Corporation: The statistics from 2008 onward are presented in accordance with the adoption of Public Sector Accounting Board (PSAB) sections 1200 Financial Statement Presentation and 3150 Tangible Capital Assets. The City has a 90 per cent interest in Enersource Corporation and is accounted for on the modified equity basis. Enersource Corporation prepared its consolidated financial statements for the year ended December 31, 2012 in accordance with International Financial Reporting Standards (IFRS) and comparatives for the year ended December 31, 2011 were restated to conform.

## City of Mississauga 10 Largest Corporate Property Taxpayers

OWNER		ASSESSMENT VALUE \$
1	OMERS Realty Management	709,674,670
2	Clear Channel	367,409,000
3	The Erin Mills Town Centre	249,897,120
4	3536785 Canada Inc.	182,728,570
5	Mississauga Complex Portfolio	126,801,580
6	Nuance Group (Canada) Inc.	111,774,000
7	Ivanhoe Cambridge I Inc.	104,515,150
8	HOOPP Realty Inc.	103,855,750
9	Select Properties Limited	99,307,650
10	Metrus Central Properties	88,356,751
<b>Top Ten Assessment Total</b>		<b>\$2,144,320,241</b>
<b>% of Total Industrial and Commercial Assessment</b>		<b>7.6%</b>
<b>% of Total Taxable Assessment</b>		<b>2.0%</b>
<b>Total Residential Assessment</b>		<b>\$78,790,084,330</b>
<b>Total Industrial and Commercial Assessment</b>		<b>\$28,083,104,102</b>
<b>Total Taxable Assessment</b>		<b>\$106,873,188,432</b>

## Contact Information

Reaching out to all our community

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[public.info@mississauga.ca](mailto:public.info@mississauga.ca)

If you need this information in an alternate  
format call 311 (or 905-615-4311 outside  
City limits).

## City of Mississauga Members of Council

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