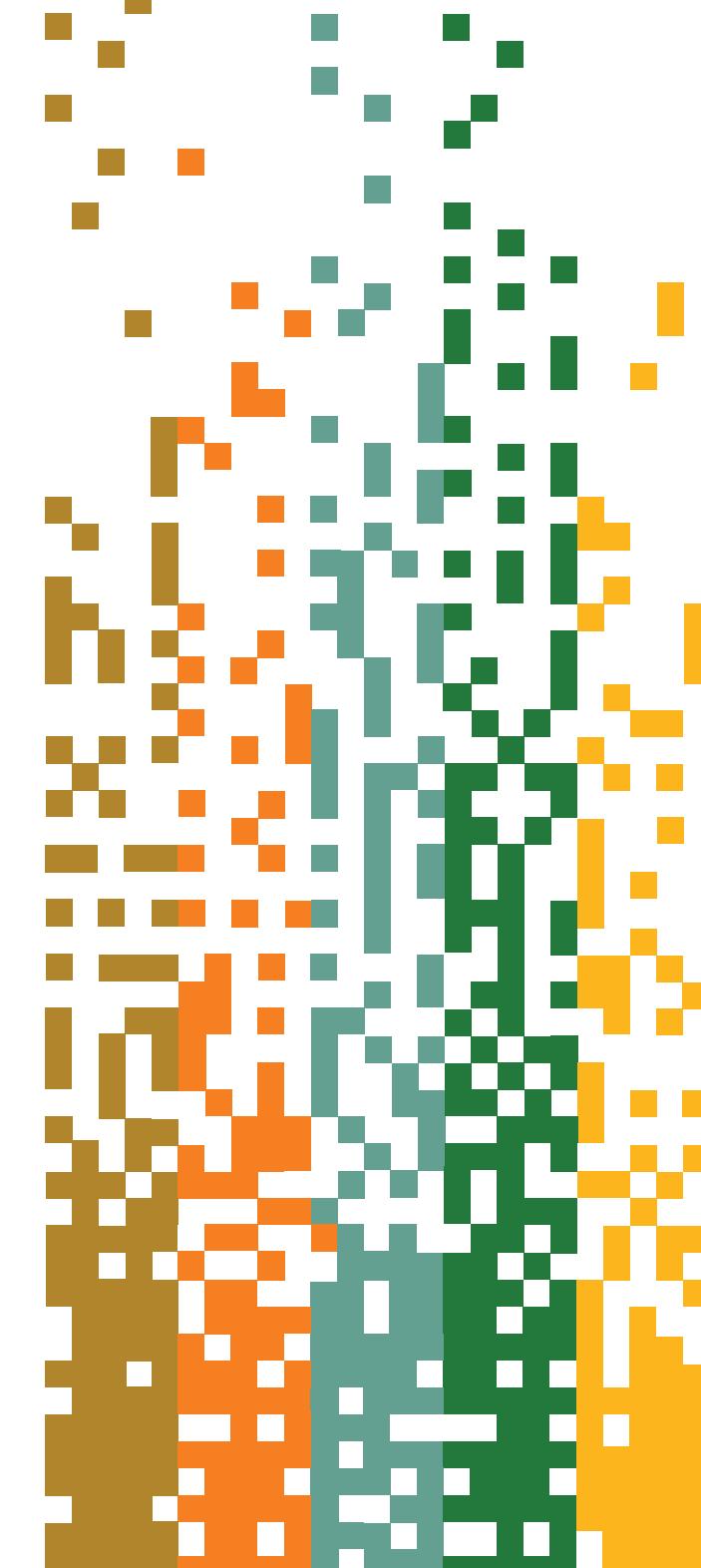




Annual Report

Building for Success

The Corporation of the City of Brampton



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This report was produced by the City of Brampton's Strategic Communications and Treasury Services Divisions.

THE CORPORATION OF THE CITY OF BRAMPTON
ONTARIO, CANADA, ANNUAL REPORT 2013



Susan Fennell
Mayor

Mayor's Message

2013 was a pivotal year in planning the future of our city. The year was about observing, understanding and anticipating corporate, economic and societal growth to set a new benchmark for future success. Harnessing the energy and enthusiasm of our citizens and staff, we embarked on an exciting journey of Strategic Plan Review and Corporate Realignment.

After extensive consultation with our citizens, the City of Brampton developed a new Strategic Plan that was approved by Council. This plan provides the framework for our annual budgets, master plans and studies. It will guide our activities and help direct resources as we work towards building a successful and sustainable Brampton.

The Corporate Realignment will enhance our ability to support the City's corporate goals, and prepare for our next phase of city-building. It will strengthen our operational effectiveness, improve business processes and create efficiencies as we address the challenges of a fast-growing city.

Our vision of a transit-oriented Brampton, with a pedestrian-friendly downtown core, preserved valuable green spaces and well-connected pathways, is steadily coming to fruition. The completion of the Southwest Quadrant Renewal Plan will bring another mixed-use signature building into the downtown core and will add vibrancy to community events and activities in the "Four Corners". It is a key element in the ongoing evolution and revitalization of Downtown Brampton.

Complementing this urban renewal is our rapidly growing Brampton Transit system. Since the launch of Züm, Brampton Transit's new world-class, high-tech Bus Rapid Transit service, ridership has grown an average of five per cent annually. Moving more than 19 million passengers in 2013, Brampton Transit is one of the fastest-growing transit providers in Canada.

Brampton is a diverse and vibrant city that is ready to do business with the world. On the economic front, the City of Brampton continues to fare well. To better market Brampton to national and international private-sector and government leaders, explaining why they should choose Brampton for their business needs, we undertook successful trade missions to India and the Philippines. These countries were chosen because they are growing markets to which Brampton companies can sell their products and services. They also present the best opportunities to attract foreign investment to Brampton.

The City of Brampton aims for excellence in managing the economy, development and growth of our city. As Brampton continues to grow, it is vital that we keep up with the pace in a strategic manner. As Canada's 9th largest city and the fastest-growing municipality in the Greater Toronto Area, we are committed to proactively pursuing a responsible growth management plan that will benefit both residents and businesses.

Whether you are seeking arts and culture, sports and entertainment, community or business activities, Brampton has it all. Our dynamic city is committed to a culture of excellence as we strive to make lives better for everyone who lives, works and plays in Brampton.



(Seated left to right)

Vicky Dhillon,
City Councillor, Wards 9 & 10

Mayor Susan Fennell

John Sanderson,
Regional Councillor, Wards 3 & 4

(Standing left to right)

Paul Palleschi,
Regional Councillor, Wards 2 & 6

Grant Gibson,
City Councillor, Wards 1 & 5

Sandra Hames,
Regional Councillor, Wards 7 & 8

Gael Miles,
Regional Councillor, Wards 7 & 8

John Sprovieri,
Regional Councillor, Wards 9 & 10

Elaine Moore,
Regional Councillor, Wards 1 & 5

Bob Callahan,
City Councillor, Wards 3 & 4

John Hutton,
City Councillor, Wards 2 & 6



John Corbett
Chief Administrative Officer

CAO's Message

2013 was a very exciting year for the City of Brampton as we began building for success by sharpening our focus on "city-building for our future".

Staff listened to what our residents and businesses had to say and worked diligently on the Strategic Plan Review. As a result, five key priorities were identified and we began the process of implementing progressive strategies for governing and managing the City of Brampton.

The Strategic Plan is about city-building for the future while celebrating the Brampton of today. In order to do that successfully we made significant changes to our corporate structure. The Corporate Realignment will not only help us deliver services efficiently and support our corporate values, but will also allow for continuous improvement as we grow and thrive.

Our goal is to ensure that the City provides services, programs and facilities that not only meet the needs of the community, but are also fiscally responsible. With this new strategic direction to guide the evolution, growth and development of the City over the next two decades, we are looking forward to building a successful, world-class city of opportunity.

Municipalities across Canada face the challenge of balancing their annual budgets and meeting community needs. In Brampton, the challenge is heightened as the city has evolved from a small town to a major urban centre. More than 530,000 people live in our city now, and another 300,000 are expected by 2031, in order to meet the provincially mandated Places to Grow legislation.

Despite the challenge, we continue to manage our growth responsibly. Our Triple 'A' Standard and Poor's credit rating for the eighth consecutive year bears testimony to that. It is the highest credit rating a municipality can receive and reflects Brampton's debt-free position, exceptional liquidity levels and excellent economy. Brampton is one of only seven municipalities in Canada, along with four municipalities globally, excluding the United States, to have this rating, placing us among the elite.

Looking beyond the present, City staff remains mindful of providing the best customer service possible. Integral to our success is the participation of our residents, by taking on active roles in community activities. One of the key priorities identified in the Strategic Plan is the Office of Community Engagement that will help foster the relationship between our residents and the City of Brampton. As we develop this initiative in the coming years, we hope to engage more citizens in civic affairs.

There is so much to celebrate. Our city continues to thrive and offer great opportunities for residents and businesses in terms of community, entertainment, culture, and recreation opportunities. And we are building a city that is successful and sustainable for future generations of Bramptonians.

We are building for success.

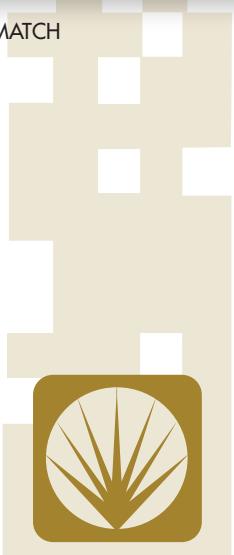
We are city-building.



Thriving



CRICKET MATCH



BRAMPTON SOCCER CENTRE

With a new Economic Development brand that speaks to the entrepreneurial spirit of residents, the City is charting the future of Brampton with a fresh vision that not only defines and builds the kind of city residents want, but also attracts business and tourists. Contributing to the stability and growth of the local economy, the Small Business Enterprise Centre continues to foster the long-term sustainability of micro and small businesses across all sectors in Brampton. And the HACE™ program plays a key role in stimulating the creative economy through heritage, arts, culture and entertainment.

The 2013 Junior Women's World Softball Championships, which brought in participants from 15 countries, and the 2013 Men's Pan American Cup Field Hockey qualifiers with teams from eight countries, had thousands of spectators flocking to the city, which resulted in increased sports tourism revenue. The City manages and explores diversity to stimulate creativity and innovation, thereby generating economic prosperity and a better quality of life for the community as a whole.

Strategy, initiative and economy: outstanding lifestyle, innovation and entrepreneurship are the stepping stones to building our city for success.



Growing



SOUTHWEST QUADRANT



MOUNT PLEASANT

As the second fastest-growing city in Canada, effective growth management is critical to building a sustainable Brampton. First-rate transit, welcoming neighbourhoods and thriving community centres make up the healthy, dynamic and successful city that is Brampton. The ground-breaking for Phase 2 Züm service, the ongoing work on the Southwest Quadrant Renewal and the advocacy programs for a second healthcare facility and a university are some of the key milestones of the comprehensive plan to meeting the immediate and longer-term needs of Brampton.

A revision of ward boundaries, in order to accommodate our fast-growing population more efficiently, showcases the commitment to ensuring a more equitable representation of our community in local and regional government.

Management, responsibility and planning: growth and diversity reinforce the priorities that are critical in building our city for success.



Serving



ZÜM BUS



DMG CHINGUACOUSY PARK PETTING ZOO

With more than 6,000 acres of parks and green space, 120 kilometres of city-wide trails and pathways and state-of-the-art community centres, Brampton is nurturing a rapidly growing urban centre of excellence. The opening of Gore Meadows Community Centre and Library marks yet another milestone in the strategic planning of a successful community. The ease and ability to walk, cycle or take transit played a key role in determining the location of this new facility.

To help ensure a healthy and active lifestyle for residents, the City of Brampton, in conjunction with other municipalities in the Region of Peel, introduced the new Outdoor Smoking By-law. Reducing exposure to second-hand smoke at the entrances of playgrounds, sports arenas and other City buildings is a huge step forward in improving public health.

Innovation, commitment and excellence: customer service provides the vital link to building our city for success.



Preserving



ALDERLEA



EBENEZER SCHOOL HOUSE

Providing a vital link to the past as well as providing a foundation for future planning, heritage preservation reflects the new vibe in Brampton. In building a world-class city that balances the natural, built and cultural environment, Brampton is committed to protecting and conserving all heritage resources. With more than 400 heritage properties, the assimilation of the past with the future is in good hands since heritage policy in Brampton guides all land use planning decisions.

Judiciously preserving its historical and cultural identity, the Alderlea redevelopment is a significant asset in the integrated, re-adaptive use of a heritage property. Maximizing energy efficiency and water conservation in City buildings, integrating renewable energy and using low-emission vehicles, Brampton is setting new benchmarks in environmental sustainability.

Education, preservation and conservation:
the natural and built environment ensures the heritage, identity, pride and vitality needed for building our city for success.





Engaging



CELEBRAMPTON



NEWCOMERS BUS TOURS

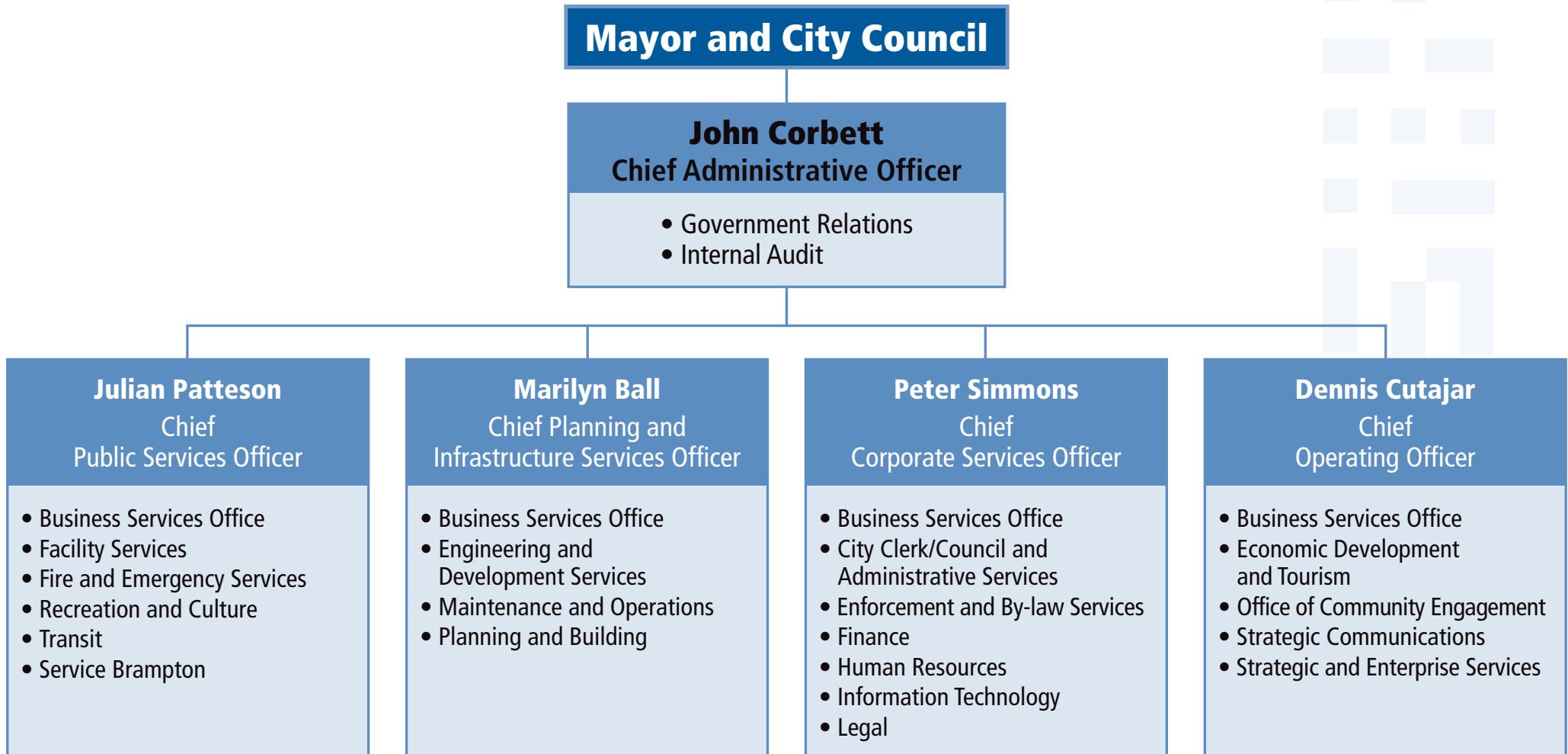
As one of Canada's most diverse cities, Brampton weaves together a community that is made up of people from more than 200 distinct ethnic backgrounds, speaking nearly 90 different languages. Engaging with citizens to establish a foundation of mutual respect, trust and cooperation, the City of Brampton aims to foster a unique sense of civic pride and local identity. From newcomers to longtime residents, events such as Newcomers Bus Tours, CeleBRAMPTON, Good Neighbours contests, Christmas Tree Lighting and various public meetings bring together Bramptonians, strengthening our social and economic fabric.

The new Strategic Plan that reflects who we are and where we are heading comes as a result of extensive public engagement. Collaborative relationships, transparency and easy access to information pave the way to city-building and decision-making in Brampton.

Information, consultation and participation:
Brampton's citizens shape the vision that is building our city for success.



City of Brampton Corporate Organizational Chart



FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

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

Message from the Executive Director, Finance and City Treasurer



I am pleased to present the City of Brampton's financial statements for the 2013 fiscal year. Brampton strives to provide a balance between fiscal responsibility and service delivery, and this report reflects the City's ongoing commitment to accountability, credibility and clarity in its financial reporting. In addition to key financial results, this report provides taxpayers, residents, business leaders and other interested parties with an overview of the local economic climate, financial policies, budget initiatives, and financial performance related to the delivery of the City's programs and services.

Financial Statements

These financial statements are the responsibility of management and have been prepared in accordance with the reporting standards established for municipalities by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Management is confident that controls are in place in the City's accounting and financial reporting systems that ensure accuracy of the financial statements being presented.

The 2013 financial statements have been audited by KPMG LLP, Chartered Accountants (KPMG) in accordance with Canadian Generally Accepted Auditing Standards. Included in the financial statements is a report prepared by KPMG. The role of the statutory auditor is to present an independent opinion on the fair presentation of the City's financial position and operating results as contained in the Financial Report, and confirm that the statements are free from material misstatements. The auditors are also responsible for advising management and City Council of any control or operational issues that may be identified during their audit.

The auditors have expressed the opinion that the City's financial statements present fairly the financial position of The Corporation of the City of Brampton as at December 31, 2013, and did not identify any financial reporting control deficiencies. The receipt of the audit opinion from the auditors is consistent with all prior fiscal years.

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

Message from the Executive Director, Finance and City Treasurer

Overview of Economic Climate and Financial Strategies

As a provincially designated growth community, Brampton continues to manage its growth responsibility through prudent fiscal management and tough management policies. The overall goal is to build a brighter future for our world-class city and its residents.

Some key economic indicators in Brampton:

- Population increased to 557,800 in 2013 from 540,000 in 2012, and is expected to increase to 738,000 by the year 2031.
- Number of households increased to 156,000 in 2013 from 153,000 in 2012, and is projected to be more than 200,000 by 2031.
- The Region of Peel unemployment rate decreased to 7.5 per cent in 2013 (7.7 per cent in 2012), reflecting improving economic conditions in the region.
- Total construction building permit values decreased by 50.8 per cent to \$1.21 billion in 2013 from \$2.46 billion in 2012, reflecting normalization of development activity (subsequent to Region of Peel development charges review in the second half of 2012).
- Housing permits issued decreased by 49.2 per cent to 2,757 in 2013, from 5,428 in 2012.

Brampton City Council continues to balance the expectations of residents for programs and services with the need to insulate taxpayers where possible, to ensure ongoing value for money. Significant engagement with the community contributed to the development of the City's new Strategic

Plan. The priorities identified (thriving, growing, serving, preserving and engaging) will provide direction for future budgets and financial plans.

In addition to responding to the infrastructure needs of a growing community, the City is also committed to maintaining its existing infrastructure base in a state of good repair. The City continues to pursue federal and provincial financial support for infrastructure projects to reduce tax burden to the residents, while the Mayor and City Council continue to advocate on behalf of Brampton.

The Federal Gas Tax Fund – a permanent source of funding since 2011 – provides Brampton with more than \$26 million per year to fund various eligible capital programs. To date, Brampton has utilized this funding for transit bus replacements and road resurfacing programs.

Other successes include the continued expansion of the Züm Bus Rapid Transit service and various recreation infrastructure improvements (projects funded equally by the City of Brampton, the Province of Ontario and the Government of Canada), completion of the Gore Meadows Community Centre and Library (Phase I) and park developments across the City.

Financial Management Policies

The City of Brampton has established a number of financial management policies which, along with proactive financial planning and financial reporting processes, provide a framework for the City's overall fiscal planning and management.

The City of Brampton is in compliance with the guidelines of the Municipal Performance Measurement Program (MPMP), a program required by the Ministry of Municipal Affairs and Housing. Municipalities report on measures reflecting the effectiveness and efficiencies of programs and services implemented in the City. Readers are encouraged to visit the City of Brampton's website for regular updates on performance and progress achieved throughout the year.

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

The City has taken a proactive approach by implementing a risk management program that protects the Corporation's assets against financial losses and ensures preservation of public service capacities. In addition, the City purchases insurance to provide a safety net. Insurance costs are reduced through self-insured deductibles, the cost of which is funded by a dedicated reserve fund.

The strength of the City's financial policies and its solid financial position is reinforced by the fact that, since 2006, Brampton has enjoyed a Standard and Poor's 'AAA' rating, the highest credit rating a municipality can receive.

GFOA Canadian Award for Financial Reporting

In 2013, for the twelfth consecutive year, the Government Finance Officers Association (GFOA) of the United States and Canada formally recognized Brampton for its excellence in financial reporting with the "Canadian Award for Financial Reporting" for the City's 2012 Annual Report.

The GFOA established the Canadian Award for Excellence in Financial Reporting Program to encourage Canadian local governments to go beyond the minimum requirement of generally accepted accounting principles to communicate the municipal government's finances in a comprehensive

Message from the Executive Director, Finance and City Treasurer

manner, based on a set of consistent reporting requirements established for all local government.

The City of Brampton's 2013 achievements demonstrated the high standards in financial reporting supported by evidence of transparency and full disclosure.

Budget Process

The City's budget is prepared by setting priorities that reflect strategic objectives and service standards, while balancing the need for prudent financial management. Priority setting takes place at all levels of the organization by departmental staff, senior management, executive leadership and, ultimately, City Council. Throughout the process, public input is taken into account, as expressed through public participation in regular and special open meetings.

The initial stages in the process involve:

1. Review of the current year's actual and projected financial performance and operating results.
2. Determination of priorities for maintaining and improving services and accommodating rapid growth. These priorities are set out in the City's service plans that translate key departmental initiatives into specific action plans and funding requirements.
3. Review of the City's long-term financial outlook including a multi-year operating budget projection, a 10-year forecast of capital project needs, and development of short- and long-term funding strategies.
4. Identification of factors impacting the budget, such as inflation and legislative requirements, which are beyond the control of City decision-makers.

Separate Capital and Operating budgets are prepared in parallel, but are closely linked in recognition of the impact that each has on the other. The capacity to fund, deliver and manage the large quantity of new capital infrastructure needed to accommodate growth continued to be a major consideration in the 2013 budget process.

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

Key budget objectives included in the 2013 budget were:

- Delivering a shared vision and direction for Brampton's next phase of growth through the strategic planning process
- Continuing and expanding community engagement
- Seeking out national and foreign investment opportunities
- Maintaining and developing corporate infrastructure
- Ensuring continued value for money in the provision of all City services
- Targeting limited capital funds to support managed growth
- Insulating taxpayers to the extent possible

Audit Committee

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

Financial Results

The City of Brampton's accumulated surplus at the end of 2013 was \$3.7 billion (2012- \$3.6 billion), of which \$3.2 billion reflects investments in tangible capital assets. This increase reflects the City's continuing commitment to invest in capital infrastructure to support current City services and future growth.

Revenues

Revenues totalled \$654 million in 2013. The sources were:

- \$342 million from property taxes
- \$142 million from user fees, fines and interest income
- \$7 million from federal and provincial government grants
- \$103 million from development levies and other restricted capital contributions (i.e. development charges and government transfer payments for restricted purposes being applied to applicable capital works)
- \$60 million of developer contributed tangible capital assets

Total revenues reported in 2013 were \$79 million lower than 2012. Major factors contributing to this decrease include:

- A \$6.4 million decrease in user charges resulting from declining recreation participation rates and a delay in the implementation of the natural systems maintenance fee.
- A \$70.9 million decrease in development levies earned and other capital contributions in 2013 over 2012, which reflects a decrease of development charges (DC) receipts and internal fund transfers from DC reserves and other obligatory reserve funds as capital project financing.
- A \$20.9 million decrease in developer-contributed tangible capital assets, as a result of fewer subdivision assumptions from developers in 2013 over 2012.

Message from the Executive Director, Finance and City Treasurer

Expenses

The operating expenses totalled \$576 million, including:

- General government - \$43 million
- Protection to persons and property - \$97 million
- Transportation services - \$238 million
- Environmental and health services - \$14 million
- Social and family services - \$3 million
- Recreation and cultural services - \$155 million
- Planning and development services - \$26 million

Total operating expenses of \$576 million (2012 – \$550 million) increased by \$26 million. \$4 million reflects an increase in amortization (depreciation) expense, representing the value of tangible capital assets that was consumed during the year. The amortization expense increased due to the impact of the \$163 million in new tangible capital assets that were added during 2013. This increase in tangible capital assets is mainly due to the infrastructure assets assumed from developers through subdivision agreements, construction of the new Gore Meadows Community Centre and Library and road construction activity. Amortization expenses do not require an outlay of cash and are not included in the determination of the annual property tax levy.

The remaining \$22 million in increased expenses include:

- A moderate increase in fuel costs due to higher prices and volumes
- Higher winter control and hydro costs caused by severe winter weather
- Unanticipated costs associated with December 2013 ice storm response and cleanup
- An increase in tax write-offs
- Operation and maintenance of the City's growing infrastructure investment

Reserve Funds

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

As at December 31, 2013, the City of Brampton's reserves and reserve fund balances totalled \$232 million, compared to \$230 million in 2012. These funds are reported as a component of the accumulated surplus (see Note 8 of the financial statements).

Included in the Consolidated Statement of Financial Position are deferred revenues from gas taxes, provincial and federal transfer payments, development charges and other contributions from developers for future growth-related capital works. These deferred revenues totalled \$230 million as at December 31, 2013 as compared to \$195 million in 2012, an increase of \$35 million.

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

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

Final Comments

As Brampton grows from a mid-sized city to a major urban centre, the City will strive to maintain and improve its high standards of service and respond to challenges and opportunities such as growth management, infrastructure maintenance and environmental stewardship. Through its strategic planning initiatives and continued advocacy to other levels of government for equitable funding, the City will focus on strategic financial management while addressing the needs of its citizens.

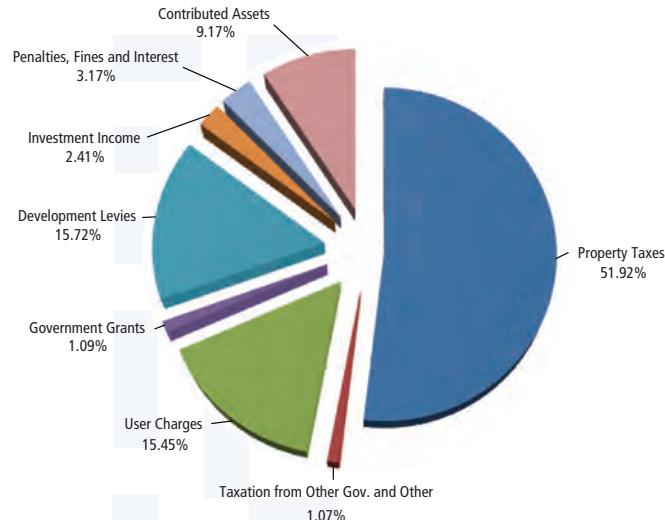
Peter Honeyborne,
Executive Director, Finance and City Treasurer

May 31, 2014

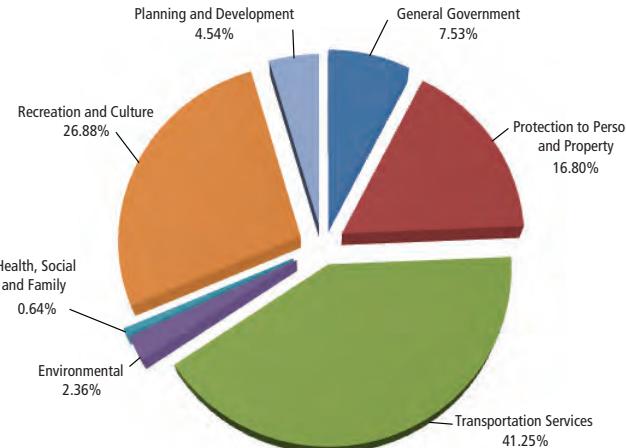
Financial Highlights

for the Year Ended December 31, 2013

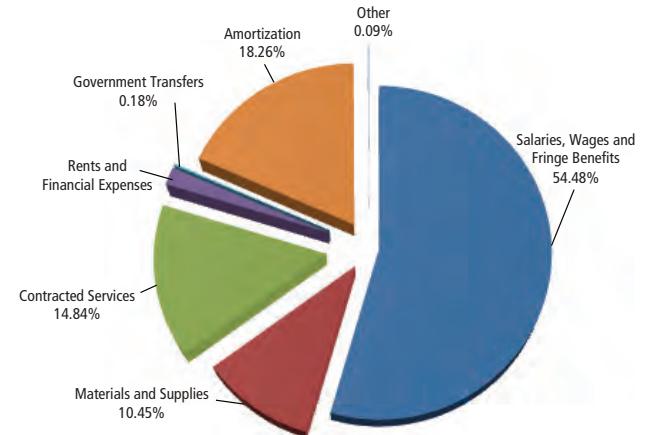
CONSOLIDATED REVENUE BY TYPE - 2013



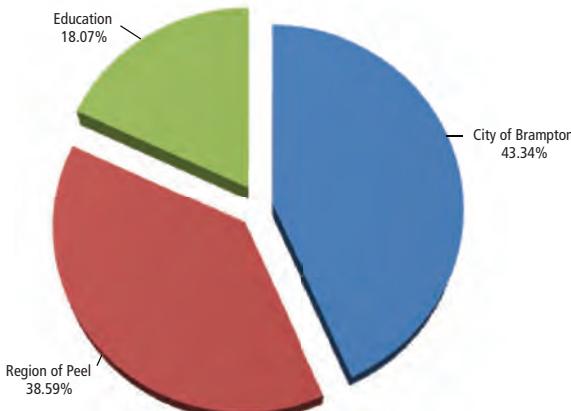
CONSOLIDATED EXPENSES BY SERVICE - 2013



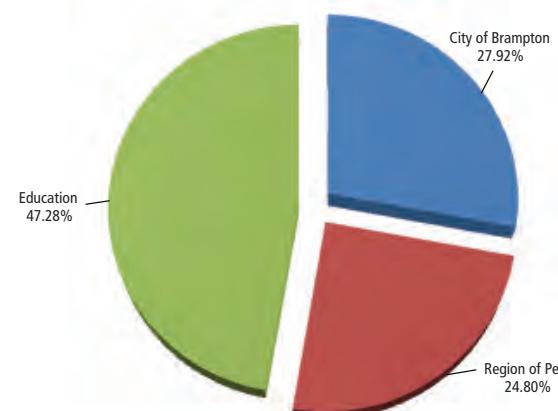
CONSOLIDATED EXPENSES BY TYPE - 2013



WHERE DOES YOUR RESIDENTIAL TAX DOLLAR GO?



WHERE DOES YOUR COMMERCIAL AND INDUSTRIAL TAX DOLLAR GO?





Government Finance Officers Association

Canadian Award for Financial Reporting

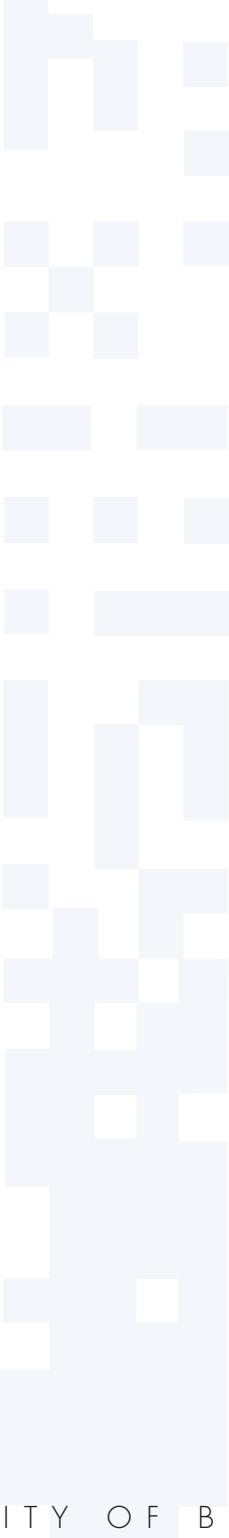
Presented to
**The Corporation of the
City of Brampton, Ontario**

For its Annual
Financial Report
for the Year Ended

December 31, 2012

A handwritten signature in black ink, which appears to read "Jeffrey P. Emmer".

Executive Director/CEO



CONSOLIDATED FINANCIAL STATEMENTS

The Corporation of the City of Brampton for the Fiscal Year Ended December 31, 2013

Responsibility for Financial Reporting

Management's Report

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

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

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

City Council fulfills its responsibility for financial reporting through the Standing Committee of Council and its Audit Committee. The Standing Committee of Council consists of the Mayor and 10 Councillors. The Audit Committee consists of four Councillors.

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



John Corbett
Chief Administrative Officer

Brampton, Canada
May 30, 2014



Peter Honeyborne
Executive Director, Finance and City Treasurer

Auditors' Report



KPMG LLP
Yonge Corporate Centre
4100 Yonge Street Suite 200
Toronto ON M2P 2H3
Canada

Telephone (416) 228-7000
Fax (416) 228-7123
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

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

We have audited the consolidated financial statements of The Corporation of the City of Brampton, which comprise the consolidated statement of financial position as at December 31, 2013, the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the City of Brampton as at December 31, 2013, and its consolidated results of operations and accumulated surplus, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

May 30, 2014
Toronto, Canada

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

Consolidated Statement of Financial Position

as at December 31, 2013

(All dollar amounts in \$000)

	2013	2012
FINANCIAL ASSETS		
Cash and short-term investments (Note 3)	\$417,330	\$326,173
Taxes receivable	53,493	51,818
User charges receivable	3,583	3,349
Accounts receivable	22,232	20,425
Long-term investments (Note 3)	411,839	419,879
Other assets (Note 4)	8,033	8,336
Total Financial Assets	916,510	829,980
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	119,232	97,812
Deferred revenue - general (Note 5 (a))	3,278	3,114
Deferred revenue - obligatory reserve funds (Note 5 (b))	229,568	194,941
Employee benefits and other liabilities (Note 6)	64,193	53,805
Total Financial Liabilities	416,271	349,672
Net Financial Assets	500,239	480,308
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 14)	3,158,611	3,100,939
Inventory and prepaids	4,458	4,129
Total Non-Financial Assets	3,163,069	3,105,068
Guarantee (Note 4)	-	-
Contingencies (Note 12)	-	-
Commitments (Note 16)	-	-
ACCUMULATED SURPLUS (Note 8)	\$3,663,308	\$3,585,376

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

Consolidated Statement of Operations and Accumulated Surplus

for the Year Ended December 31, 2013

(All dollar amounts in \$000)

	2013 Budget (notes 1 (n) and 17)	2013	2012
REVENUES			
Property taxation (note 9)	\$338,107	\$339,523	\$305,644
Taxation from other governments	2,412	2,611	3,305
User charges	100,113	101,023	107,411
Government grants	12,230	7,130	24,315
Development levies earned and other restricted capital contributions	112,466	102,824	173,685
Investment income	7,957	8,287	7,296
Interest earned on reserves	-	7,480	8,373
Penalties, fines and interest	19,734	20,750	19,551
Developer contributed tangible capital assets (note 14 b)	-	59,995	80,861
Other	2,700	4,405	2,553
Total Revenues	595,719	654,028	732,994
EXPENSES			
General government	38,770	43,404	44,746
Protection to persons and property	91,307	96,761	90,639
Transportation services	186,795	237,603	225,950
Environmental services	2,121	13,585	13,238
Health services (cemeteries)	533	817	748
Social and family services	2,126	2,883	2,840
Recreation and cultural services	142,127	154,875	147,142
Planning and development services	23,400	26,168	24,873
Total Expenses	487,179	576,096	550,176
Annual Surplus	\$108,540	\$77,932	\$182,818
Accumulated Surplus, beginning of year		3,585,376	3,402,558
Accumulated Surplus, end of year		\$3,663,308	\$3,585,376

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

Consolidated Statement of Change in Net Financial Assets

for the year ended December 31, 2013

(All dollar amounts in \$000)

	2013 Actual	2012 Actual
Annual Surplus	\$77,932	\$182,818
Acquisition of tangible capital assets	(163,394)	(237,527)
Amortization of tangible capital assets	105,189	101,372
Net book value of disposed tangible capital assets	533	3,680
Acquisition of inventory and prepaids	(4,252)	(4,761)
Use of inventory and prepaids	3,923	4,286
Change in Net Financial Assets	19,931	49,868
Net Financial Assets, beginning of year	480,308	430,440
Net Financial Assets, end of year	\$500,239	\$480,308

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

Consolidated Statement of Cash Flows

for the year ended December 31, 2013

(All dollar amounts in \$000)

	2013 Actual	2012 Actual
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OPERATING ACTIVITIES

Cash provided by:		
Annual surplus	\$77,932	\$182,818
Change in non-cash assets and liabilities:		
Taxes receivable	(1,675)	6,460
User charges receivable	(234)	(893)
Accounts receivable and other assets	(1,504)	8,297
Accounts payable and accrued liabilities	21,420	(942)
Deferred revenue - general	164	(61)
Deferred revenue - obligatory reserve fund	34,627	36,846
Employee benefits and other liabilities	10,388	5,404
Inventory and prepaids	(329)	(475)
	62,857	54,636
Items not involving cash:		
Amortization of tangible capital assets	105,189	101,372
Net book value of disposed tangible capital assets	533	3,680
Developer contributed tangible capital assets	(59,995)	(80,861)
Net Change In Cash From Operations	186,516	261,645

CAPITAL ACTIVITIES

Acquisition of tangible capital assets	(103,399)	(156,666)
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INVESTING ACTIVITIES

Decrease (increase) in long-term investments	8,040	(3,521)
	(95,359)	(160,187)
INCREASE IN CASH AND SHORT-TERM INVESTMENTS	91,157	101,458
Cash and short-term investments, beginning of year	326,173	224,715
Cash and Short-Term Investments, end of year	\$417,330	\$326,173

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

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

1. Significant Accounting Policies:

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

a) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus 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. These consolidated financial statements include:

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

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

b) Non-consolidated entities:

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

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

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

c) Accounting for Region and School Board transactions:

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

d) Basis of accounting:

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

e) Cash and short-term investments:

Cash and short-term investments include short-term highly liquid investments with terms to maturity of 365 days or less.

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

f) Non-financial assets:

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

g) Tangible capital assets:

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

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

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

(i) Contributions of tangible capital assets

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

(ii) Works of art and cultural and historic assets

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

(iii) Interest capitalization

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

(iv) Leased tangible capital assets

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

(v) Tangible capital assets disclosed at nominal values

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

h) Government grants:

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

i) Deferred revenue - general:

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

j) Deferred revenue – obligatory reserve funds

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

k) Taxation and related revenues:

Property tax billings are prepared by the City based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by City Council, incorporating amounts to be raised for local services, the requisition made by the Regional Municipality of Peel in respect of Regional services and amounts the City is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the City determines the taxes applicable and renders supplementary tax billings.

Taxation revenues are recognized at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known, and allocated to the various bodies proportionately as to their share of the levy.

The City is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

l) Investment income:

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

m) Pensions and employee benefits:

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

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

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

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

n) Budget figures:

The City does not currently budget for the following items on the consolidated statement of operations: interest earned on reserves, developer contributed tangible capital assets, gain/loss on disposal of tangible capital assets and amortization expense.

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

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

o) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

2. Future Accounting Pronouncements:

Newly adopted accounting standard:

- a) PSAB issued Section PS3410 *Government Transfers* that establishes the recognition, measurement, and disclosure requirements for government transfers. It provides specific revenue recognition criteria for both the transferring government and the recipient government. The City adopted this standard on January 1, 2013. The adoption of this standard did not have a material effect on the 2013 consolidated financial statements.
- b) PSAB issued PS 3510 Tax Revenue that addresses recognition and reporting of tax revenue. A government should recognize taxes when they meet the definition of an asset, are authorized by a legislature or council and when the taxable event occurs. The City adopted the standard on January 1, 2013. The adoption of this standard does not have any material impact on the 2013 financial statements.

Future accounting pronouncements:

These standards and amendments are not yet effective for the year ended December 31, 2013, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

- a) The PSAB has issued Section PS 3260 Liability for Contaminated sites that establishes the recognition, measurement, and disclosure requirements for contaminated sites when the government is responsible for, or accepts the responsibility for, the contamination, and the contamination exceeds existing environmental standards. This standard is effective for years beginning on or after April 1, 2014, and early adoption is encouraged.

- b) Section PS3450, *Financial Instruments* establishes recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments for public sector entities. The standard requires fair value measurement of derivatives and portfolio investments that are equity instruments quoted in an active market. All other non-derivative financial instruments will be measured at cost or amortized cost. A government can elect to record other financial assets or liabilities on a fair value basis, if they manage and evaluate the asset and liability groups on that basis. Unrealized gains and losses are presented in the new statement of re-measurement gains and losses. New requirements clarify when financial liabilities can be derecognized. Disclosure of the nature and extent of risks arising from holding financial instruments is also required. This section is effective for fiscal years beginning on or after April 1, 2015. Early adoption is permitted.
- c) Section PS2601, *Foreign Currency Translation*, was issued in June 2011 and replaces the existing Section PS2600. This standard has been revised to ensure consistency with the financial instruments standard. The standard requires that non-monetary items denominated in a foreign currency that are included in the fair value category are adjusted to reflect the exchange rate at the financial statement date. Unrealized exchange gains and losses are presented in the new statement of re-measurement gains and losses. This section is effective for fiscal years beginning on or after April 1, 2016. Early adoption is permitted.
- d) Section PS 1201, *Financial Statement Presentation*, was issued in June 2011. This standard requires entities to present a new statement of re-measurement gains and losses separate from the statement of operations. This new statement includes unrealized gains and losses arising from re-measurement of financial instruments and items denominated in foreign currencies and any other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This section is effective for fiscal years beginning on or after April 1, 2016 and applies when PS2601 and PS3450 are adopted.

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

3. Investments:

Cash and short-term investments of \$417,330 (2012 - \$326,173) includes cash and short-term investments of \$12,000 (2012 - \$0) with market value \$12,148 (2012 - \$0).

Long-term investments of \$411,839 (2012 - \$419,879) have a market value of \$414,532 (2012 - \$426,054), at the end of the year.

4. Powerade Centre:

Included under other assets in the consolidated statement of financial position is \$7,984 (2012 - \$7,984) consisting of a loan of \$6,000 advanced by the City towards the construction of the Powerade Centre with a due date of August 31, 2034 and a further \$1,984 representing advances provided to the Powerade Center under the Loan and Priorities Agreement established in 1998.

In March 2011, PA Sports Centre Inc. (PA Sports, the operator of Powerade Centre) and Royal Bank (RBC) agreed on a restructured credit facility to replace the previous first mortgage of \$15,500 which had an outstanding balance of \$8,786 as at December 31, 2010. The new arrangements have significantly lowered monthly payments that enables the Powerade Centre to generate positive cash flow annually and reduce reliance of further financial contributions from the City and PA Sports in order to maintain its operating and capital improvement needs.

Under this new lending agreement between PA Sports and RBC, there is a \$10,400 fixed rate 36-month term loan/mortgage due February 18, 2014 with the condition that the City continues to be a guarantor on the loan. As the City is the guarantor of the loan/mortgage held by RBC, Council approval was sought and granted to complete the transaction with RBC. Council also approved to amend the Loan and Priorities agreement between the City and PA Sports in February 2011.

The new loan has an outstanding balance of \$9,574 on December 31, 2013 (2012 - \$9,882).

5. (a) Deferred Revenue – General:

Deferred revenue – general comprised program registration fees for Parks and Recreation programs, Transit advertising revenues applicable for the following year and unspent Provincial funding for capital projects. As at December 31, 2013 the deferred revenue – general amounted to \$3,278 (2012 - \$3,114).

As at December 31, 2013, obligatory reserve funds amounted to \$229,568 (2012 - \$194,941). This balance includes unspent development charges, unspent gas tax receipts as well as unspent funding for specific infrastructure projects received from federal and provincial governments. Also included in this balance are unamortized downtown incentive charges.

(b) Deferred Revenue – Obligatory Reserve Funds:

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

The Downtown Incentive Program was initiated in 2000 with the intent of promoting new development in the downtown core. As part of this program, development charges are waived and amortized by the City over a 25 year period. As of December 31, 2013, unamortized downtown incentive charges were \$12,970 (2012 - \$10,788).

Details of these deferred revenues are as follows:

	Opening	Amount received	Amount recognized as revenue	Other	Closing
Developers	\$59,885	\$81,551	\$80,718	-	\$60,718
Federal gas tax	22,532	24,352	15,657	-	31,227
Provincial gas tax	1,110	8,710	8,261	-	1,559
Other	111,414	25,021	(1,812)	2,183	136,064
Total	\$ 194,941	139,634	102,824	2,183	\$ 229,568

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

6. Employee Benefits and Other Liabilities:

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

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

	2013	2012
WSIB	\$ 8,923	\$ 8,209
Vested sick leave benefits	14,149	12,653
Vacation pay	10,895	10,494
Non-pension post employment benefits	16,046	14,571
Other liabilities	14,180	7,878
Total	\$ 64,193	\$ 53,805

As at December 31, 2013, the City has allocated reserves and reserve funds of \$22,018 (2012 - \$19,732) to fund these obligations.

The most recent full actuarial valuation for post employment and sick leave benefits was performed as at December 31, 2011 and as at December 31, 2010 for WSIB.

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

Item	Non-Pension Post Employment Benefits	Vested Sick Leave Benefits	WSIB	2013	2012 Total
Accrued Benefit Obligation ("ABO"), beginning of year	\$18,440	\$18,724	\$8,698	\$45,862	\$43,501
Add: Current benefit costs	888	1,902	1,588	4,378	4,146
Add: Interest cost	878	889	417	2,184	2,073
Less: Current benefit payments	782	1,926	1,408	4,116	3,859
ABO, end of the year	\$19,424	\$19,589	\$9,295	\$48,308	\$45,861
Unamortized actuarial gain/(loss)	(3,378)	(5,440)	(372)	(9,190)	(10,428)
Liability for Benefits, end of the year	\$16,046	\$14,149	\$8,923	\$39,118	\$35,433

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:

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

7. Pension Agreements:

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

The amount contributed to OMERS for 2013 was \$21,948 (2012 - \$19,741) for current service and is included as an expense on the consolidated statement of operations. Employee contributions totaled \$21,948 (2012 - \$ 19,741).

The Corporation of the City of Brampton is current with all payments to OMERS, therefore, there is neither a surplus nor deficit with the pension plan contributions. However, the OMERS pension plan had a deficit at December 31, 2013 of \$8,600,000 based on actuarial valuation of plan assets. OMERS expects investment returns and benefit reductions should return the plan to surplus by 2025. If actuarial surpluses are not available to offset the existing deficit and subsidize future contributions, additional increases in the contributions may be required.

OMERS has held contributions for both employers and employees at the 2013 rates for 2014. If actuarial surpluses are not available to offset the existing deficit and subsidize future contributions, additional increases in the contributions may be required.

8. Accumulated Surplus:

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

	2013	2012
Invested in tangible capital assets	\$3,158,611	\$3,100,939
Surplus funds from committed capital projects and other	272,658	254,183
	3,431,269	3,355,122
Reserves	47,256	46,867
Reserve funds	184,783	183,387
Total	\$3,663,308	\$ 3,585,376

9. Tax Revenues:

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

The Province enacted legislation together with regulations, the Fairness for Property Taxpayers Act, 1998 (Bill 79) in December 1998, which was replaced in 2000 by Bill 140, "Continued Protection for Property Taxpayers Act". These pieces of legislation limited assessment-related increases in property tax bills to 5 per cent annually for commercial, industrial and multi-residential classes of property until the affected properties were taxed at a level equivalent to taxes based on their actual current assessed value.

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

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

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

10. Expenses by Object:

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

	2013 Budget	2013	2012
Salaries, wages and fringe benefits	\$308,517	\$313,854	\$295,364
Materials and supplies	59,312	60,189	57,857
Contracted services	111,143	85,471	82,831
Rents and financial expenses	7,156	9,814	7,865
Government transfers	1,051	1,046	1,183
Amortization	–	105,189	101,372
Other	–	533	3,704
Total Expenses	\$487,179	\$576,096	\$ 550,176

11. Trust Funds:

Trust funds administered by the City amounted to \$29,979 (2012 - \$31,974) are presented in the separate financial statements of trust funds balances and operations. As such balances are held in trust by the City for the benefit of others, they are not presented as part of the City's consolidated financial position or operations.

The City administers following trust funds:

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

12. Public Liability Insurance:

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

The City has created a reserve fund for self-insurance which as at December 31, 2013 had \$7,100 balance (2012 - \$5,362) and is reported on the consolidated statement of financial position. Claims settled during the year amounting to \$3,490 (2012 - \$3,368) have been provided for from the reserve fund, and are accordingly reported as expenses on the consolidated statement of operations.

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

13. Provincial Offences Administration:

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

The revenues of the combined operations of the Court House and City Hall and revenues collected on behalf of the City at other POA court sites in the Province of Ontario consist of fines levied under Parts I and III for POA charges and amounted to \$6,702 for the year ended December 31, 2013 (2012 - \$6,661).

The operating costs for the administration of the POA for the year ended December 31, 2013 amounted to \$5,444 (2012 - \$5,380), resulting in a net contribution of \$1,258 (2012 - \$1,281) exclusive of capital asset additions.

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

14. Tangible Capital Assets:

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

Cost	December 31, 2012	Additions	Disposals	Transfers	December 31, 2013
Land	\$1,595,418	\$8,331	\$(173)	-	\$1,603,576
Buildings and building improvements	530,506	36,771	-	-	567,277
Furniture, computer and office equipment	131,557	14,254	(1,442)	-	144,369
Infrastructure	1,496,174	99,965	(641)	-	1,595,498
Land improvements	70,974	8,217	(232)	-	78,959
Vehicles and machinery	243,270	10,358	(4,086)	-	249,542
Assets under construction	94,647	106,119	-	(120,621)	80,145
Total	\$4,162,546	\$284,015	\$(6,574)	\$(120,621)	\$4,319,366

Net Book Value	December 31, 2012	December 31, 2013
Land	\$1,595,418	\$1,603,576
Buildings and building improvements	369,384	384,284
Furniture, computer and office equipment	49,098	47,313
Infrastructure	812,788	868,442
Land improvements	44,833	49,162
Vehicles and machinery	134,772	125,689
Assets under construction	94,647	80,145
Total	\$3,100,939	\$3,158,611

Accumulated Amortization	December 31, 2012	Disposals	Amortization Expense	December 31, 2013
Land	-	-	-	-
Buildings and building improvements	161,122	-	21,871	182,993
Furniture, computer and office equipment	82,459	(1,429)	16,026	97,056
Infrastructure	683,388	(530)	44,198	727,056
Land improvements	26,140	(193)	3,850	29,797
Vehicles and machinery	108,498	(3,889)	19,244	123,853
Total	\$1,061,607	\$(6,041)	\$105,189	\$1,160,755

a) Assets under construction

Assets under construction having a value of \$80,145 (2012 - \$94,647) have not been amortized. Amortization of these assets will commence when the assets are put into service.

b) Contributed tangible capital assets

Contributed capital assets have been recognized at fair market value at the date of contribution. Contributed capital assets are mainly comprised of infrastructure assets acquired through subdivision assumptions. The value of contributed assets received during the year is \$59,995 (2012 - \$80,861).

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

15. Segmented Information

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

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

General government

General Government is comprised of Mayor and Councillors, as well as Corporate Management and Support sections.

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

Protection to persons and property

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

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

Transportation services

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

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

Environmental services

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

Health, social and family services

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

Recreation and cultural services

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

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

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

Planning and development services

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

Notes to Consolidated Financial Statements

Year ended December 31, 2013

(All dollar amounts in \$000)

16. Commitments:

- a) The City leases facilities and equipment under operating leases expiring beyond 2018. The minimum amounts payable under these arrangements are as follows:

2014	\$3,133
2015	2,425
2016	2,124
2017	1,722
2018	503
2019 and Thereafter	2,524
Total	\$12,431

- b) The City entered into lease agreements for Phase 1 and 1a development and maintenance of the Southwest Quadrant Renewal Plan. The minimum amounts payable commencing 2014 under these agreements are as follows:

2014	\$6,932
2015	9,243
2016	9,243
2017	9,243
2018	9,243
2019 and Thereafter	187,171
Total	\$231,075

17. Budget Data:

Budget data presented in these consolidated financial statements are based upon the 2013 operating and capital budgets as approved by Council and adopted by the City at December 11, 2013 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 operating budget with the budget figures presented in these consolidated financial statements.

Revenue:	
Approved operating budget	\$501,370
Less: Contributions to reserve funds	25,680
Less: Other	4,110
Add: Development levies earned and other restricted capital contributions	112,466
Add: Project budget for grants and subsidies	11,673
Total reported on Consolidated Financial Statements	\$595,719

Expenses:	
Approved operating budget	\$501,370
Less: Contributions to reserve funds	61,885
Less: Other	3,741
Add: Operating projects budget	51,435
Total reported on Consolidated Financial Statements	\$487,179

Consolidated Schedule of Segment Disclosure

for the year ended December 31, 2013

(All dollar amounts in \$000)

	General government	Protection to persons and property	Transportation services	Environmental services	Health, social and family services	Recreation and cultural services	Planning and development services	2013 Total	2012 Total
REVENUES									
Property taxation	\$341,756	-	-	-	-	-	378	342,134	308,949
User charges	11,007	15,961	45,830	-	685	23,948	3,592	101,023	107,411
Government grants	-	-	6,156	-	126	707	141	7,130	24,315
Development levies earned and other restricted capital contributions	904	5,190	60,260	-	-	35,216	1,254	102,824	173,685
Investment income(including Reserves and Reserve Funds)	15,652	-	-	-	-	107	8	15,767	15,669
Penalties, fines and interest	10,359	9,787	-	-	-	604	-	20,750	19,551
Developer contributed tangible capital assets	-	-	59,995	-	-	-	-	59,995	80,861
Other	307	250	2,770	-	25	457	596	4,405	2,553
Total Revenues	379,985	31,188	175,011	-	836	61,039	5,969	654,028	732,994
EXPENSES									
Salaries and benefits	54,224	75,855	99,355	868	1,790	66,198	15,564	313,854	295,364
Materials	14,117	2,463	29,135	42	266	12,988	1,178	60,189	57,857
Contracted services	18,261	5,425	35,589	869	366	21,349	3,612	85,471	82,831
Rents and financial expenses	8,118	149	1,059	-	11	411	66	9,814	7,865
Government transfers	(56,454)	7,686	18,557	394	577	27,220	3,066	1,046	1,183
Amortization	4,966	4,993	53,804	11,412	690	26,642	2,682	105,189	101,373
Other	172	190	104	-	-	67	-	533	3,703
Total Expenditures	43,404	96,761	237,603	13,585	3,700	154,875	26,168	576,096	550,176
Annual Surplus(Deficit)	\$336,581	(65,573)	(62,592)	(13,585)	(2,864)	(93,836)	(20,199)	77,932	182,818

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

TRUST FUNDS

Financial Statements of the Corporation of the City of Brampton

Year Ended December 31, 2013

Auditors' Report



KPMG LLP
Yonge Corporate Centre
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Toronto ON M2P 2H3
Canada

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the trust funds of The Corporation of the City of Brampton, which comprise the statement of financial position as at December 31, 2013, the statement of operations and fund balances for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the City of Brampton as at December 31, 2013, and its results of operations and fund balances for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

May 30, 2014
Toronto, Canada

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

Statement of Financial Position

TRUST FUNDS — December 31, 2013, with comparative figures for 2012

Financial Assets and Liabilities

	Cemeteries Care and Maintenance Trust Funds	Developers' Performance Deposits Trust	Developer Front End Financing Trust Fund	Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds	2013 Total	2012 Total
ASSETS						
Cash	\$503,261	\$28,739,831	\$298,956	\$50,731	\$29,592,778	\$31,975,983
Accounts receivable	534	3,089	317	54	3,995	10,841
Due from City Revenue Fund	-	-	-	-	-	710
Subtotal	503,795	28,742,920	299,273	50,785	29,596,773	31,987,534
Investments, at cost (market - \$438,397 2012 - \$450,972):						
Municipal bonds	422,470	-	-	-	422,470	422,470
Total Financial Assets	926,265	28,742,920	299,273	50,785	30,019,243	32,410,004
LIABILITIES						
Due to City Revenue Fund	1,150	38,880	-	-	40,031	435,572
Total Liabilities	1,150	38,880	-	-	40,031	435,572
Net Financial Resources	\$925,115	\$28,704,039	\$299,273	\$50,785	\$29,979,212	\$31,974,432
Fund Balances	\$925,115	\$28,704,039	\$299,273	\$50,785	\$29,979,212	\$31,974,432

See accompanying notes to financial statements.

Statement of Financial Activities and Changes in Fund Balances

TRUST FUNDS — Year Ended December 31, 2013, with comparative figures for 2012

Cemeteries Care and Maintenance Trust Funds	Developers' Performance Deposits Trust	Developer Front End Financing Trust Fund	Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds	2013 Total	2012 Total
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REVENUE

Monuments and markers deposits	\$1,550	\$-	\$-	\$-	\$1,550	\$3,200
Perpetual care deposits	5,885	-	-	-	5,885	8,825
Other deposits - Trusts	-	12,000	-	-	12,000	42,000
Performance deposits received	-	4,375,639	-	-	4,375,639	6,081,222
Subtotal	7,435	4,387,639	-	-	4,395,074	6,135,247
Interest Income	24,631	29,267	3,716	631	58,245	63,071
Total Revenues	32,066	4,416,906	3,716	631	4,453,319	6,198,318

EXPENDITURES

Transfers to City Revenue Fund:						
Maintenance contribution	24,600	-	-	-	24,600	24,427
Interest transfer	-	29,267	-	-	29,267	34,269
Administration charges	31	-	-	-	31	34
Subtotal	24,631	29,267	-	-	53,898	58,730
Return of performance deposits	-	6,273,405	-	-	6,273,405	3,758,207
Payments on behalf of developers	-	121,236	-	-	121,236	929,581
Total Expenditures	24,631	6,423,908	-	-	6,448,539	4,746,518

Increase(decrease) in net financial resources	7,435	(2,007,002)	3,716	631	(1,995,220)	1,451,800
Fund balances, beginning of year	917,680	30,711,041	295,557	50,154	31,974,432	30,522,632
Fund Balances, end of year	\$925,115	\$28,704,039	\$299,273	\$50,785	\$29,979,212	\$31,974,432

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2013

1. Significant Accounting Policies:

Revenue recognition:

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

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

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

2. Cemeteries Care and Maintenance Trust Funds:

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

3. Developers' Performance Deposits Trust:

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

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

4. Developer Front End Financing Trust Fund:

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

5. Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance:

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

STATISTICAL INFORMATION

Year Ended December 31, 2013

Five Year Review Summary

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

	2013	2012	2011	2010	2009
Population - (Note 1)	557,800	540,145	523,911	504,600	497,680
Households - (Note 2)	156,403	152,837	149,016	143,414	140,686
Areas in hectares	27,138	27,138	27,138	27,138	27,138
Full-time employees	2,819	2,658	2,593	2,521	2,441
Housing starts	2,714	5,372	3,352	3,416	1,235
Building permit values	1,210,568	2,458,744	1,435,352	1,268,876	422,443

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

Residential and farm	\$57,602,952	\$45,778,991	\$44,466,430	\$43,416,203	\$42,427,150
Commercial and industrial	12,870,830	11,442,405	11,221,581	10,945,599	10,665,437
Total	\$70,473,782	\$57,221,396	\$55,688,011	\$54,361,802	\$53,092,587
Total per capita	126,342	105,937	106,293	107,732	106,680

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

RESIDENTIAL					
City purposes	0.499550%	0.481609%	0.476934%	0.476736%	0.483392%
Region purposes	0.444781%	0.459138%	0.473900%	0.484531%	0.497866%
School board purposes	0.212000%	0.221000%	0.231000%	0.241000%	0.252000%
Total	1.156331%	1.161747%	1.181834%	1.202267%	1.233258%

COMMERCIAL					
City purposes	0.647966%	0.624695%	0.618631%	0.618374%	0.627007%
Region purposes	0.576926%	0.595548%	0.614695%	0.628486%	0.645782%
School board purposes	1.147477%	1.177386%	1.253034%	1.339544%	1.439162%
Total	2.372369%	2.397629%	2.486360%	2.586404%	2.711951%

INDUSTRIAL					
City purposes	0.734338%	0.707965%	0.701093%	0.700802%	0.710586%
Region purposes	0.653828%	0.674933%	0.696632%	0.712261%	0.731862%
School board purposes	1.399256%	1.421817%	1.499357%	1.585675%	1.681288%
Total	2.787422%	2.804715%	2.897082%	2.998738%	3.123736%

	2013	2012	2011	2010	2009
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TAXES RECEIVABLE, END OF THE YEAR

Amount	\$53,493	\$51,818	\$58,278	\$50,622	\$52,616
Per capita	\$96	\$96	\$111	\$100	\$106
Percentage of years' levy	5.97%	6.12%	7.19%	6.49%	7.09%

NET LONG-TERM LIABILITIES, END OF YEAR

Amount	-	-	-	-	-
Per Capita	-	-	-	-	-

CHARGES FOR NET LONG-TERM LIABILITIES

Amount	-	-	-	-	-
Per capita	-	-	-	-	-
As a tax rate/mill rate (Note 3)	-	-	-	-	-

LONG-TERM DEBT SUPPORTED BY PROPERTY TAXES

Gross long-term debt (Note 4)	-	-	-	-	-
Net long-term debt (Note 4)	-	-	-	-	-

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

	\$111,795	\$102,527	\$94,913	\$160,443	\$81,632
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Five Year Review Summary

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

	2013	2012	2011	2010	2009
TAXES COLLECTED					
City collection	\$342,132	\$308,949	\$285,549	\$268,345	\$252,367
Taxes transferred to the region	302,695	292,146	281,703	270,706	258,050
Taxes transferred to the school boards	250,592	246,041	243,813	240,504	231,450
Total	\$895,419	\$847,136	\$811,065	\$779,555	\$741,867
TAX LEVIES					
City purposes	\$339,723	\$305,844	\$283,457	\$266,211	\$250,247
Region purposes	302,443	291,442	281,662	270,616	257,951
School board purposes	250,592	246,042	243,813	240,504	231,450
Total	\$892,758	\$843,328	\$808,932	\$777,331	\$739,648
Trust Funds Balance End of year	\$29,979	\$31,974	\$30,523	\$39,548	\$17,490
CONTRIBUTION FROM DEVELOPERS AND OTHER OBLIGATORY RESERVES					
Development charges	\$81,551	\$157,824	\$91,560	\$80,453	\$29,670
Gas tax - Province	8,710	8,144	7,740	7,647	5,537
Gas tax - Federal	24,352	24,352	24,352	24,352	20,107
Other obligatory reserves	25,021	19,700	1,254	8,305	9,339
Total	\$139,634	\$210,020	\$124,906	\$120,757	\$64,653
DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS					
Development charges	\$60,718	\$59,885	\$11,859	\$585	\$50,747
Gas tax - Province	1,559	1,110	681	1,239	327
Gas tax - Federal	31,227	22,532	28,851	15,003	8,527
Other obligatory reserves	136,064	111,414	116,704	88,904	96,054
Total	\$229,568	\$194,941	\$158,095	\$105,731	\$155,655

Five Year Review Summary

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

	2013	2012	2011	2010	2009
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CONSOLIDATED REVENUES BY SOURCE

Property taxation	\$339,523	\$305,644	\$283,457	\$266,211	\$250,247
Taxation from other governments	2,611	3,305	2,092	2,134	2,120
User charges	101,023	107,411	93,057	81,566	69,713
Government grants	7,130	24,315	29,095	26,708	5,702
Development levies earned and other restricted capital contributions	102,824	173,685	73,073	171,131	133,413
Investment income	8,287	7,296	9,292	6,749	10,155
Penalties, fines and interest	20,750	19,551	19,850	18,883	16,734
Interest earned on reserves	7,480	8,373	6,756	11,618	27,024
Developer contributed tangible capital assets	59,995	80,861	43,492	94,807	133,296
Other	4,405	2,553	5,040	2,802	950
Total	\$654,028	\$732,994	\$565,205	\$682,608	\$649,353

CONSOLIDATED EXPENSES BY FUNCTION

General government	\$38,266	\$40,511	\$32,232	\$32,160	\$29,102
Protection to persons and property	91,578	85,234	78,986	66,399	64,695
Transportation services	183,695	172,319	155,719	137,052	130,466
Environment services	2,173	2,500	4,146	3,299	3,069
Health services (cemeteries)	685	635	661	597	966
Social and family services	2,325	2,257	2,170	1,850	2,192
Recreation and cultural services	128,166	120,261	116,832	111,142	103,531
Planning and development	23,486	21,383	20,171	27,752	28,848
Amortization expense	105,189	101,373	94,167	78,279	58,119
Other	533	3,703	206	290	787
Total	\$576,096	\$550,176	\$505,289	\$458,818	\$421,775

Five Year Review Summary

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

	2013	2012	2011	2010	2009
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CONSOLIDATED EXPENSES BY OBJECT

Salaries, wages and employee benefits	\$313,854	\$295,364	\$276,318	\$255,659	\$241,959
Long-term debt payments					-
Goods and services	156,520	149,736	134,599	124,590	120,910
Amortization	105,189	101,373	94,167	78,279	58,119
Other	533	3,703	206	290	787
Total	\$576,096	\$550,176	\$505,289	\$458,818	\$421,775

ACCUMULATED SURPLUS, BEGINNING OF YEAR	\$3,585,376	\$3,402,558	\$3,342,642	\$3,118,852	\$2,891,274
RESTATEMENT, TANGIBLE CAPITAL ASSETS (Note 2)					
ANNUAL SURPLUS	77,932	182,818	59,916	223,790	227,579
ACCUMULATED SURPLUS, END OF YEAR	\$3,663,308	\$3,585,376	\$3,402,558	\$3,342,642	\$3,118,852

TOTAL FINANCIAL ASSETS	\$916,510	\$829,980	\$738,865	\$735,836	\$754,169
TOTAL FINANCIAL LIABILITIES	416,271	349,672	308,425	253,020	279,951
NET FINANCIAL ASSETS	\$500,239	\$480,308	\$430,440	\$482,816	\$474,218

Five Year Review Summary

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

	2013	2012	2011	2010	2009
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TANGIBLE CAPITAL ASSET NET BOOK VALUE					
Land	\$1,603,576	\$1,595,418	\$1,594,558	\$1,586,181	\$1,563,744
Buildings and building improvements	384,284	369,384	364,859	295,172	290,226
Furniture, computer and office equipment	47,313	49,098	46,581	27,126	34,382
Infrastructure	868,442	812,788	726,759	630,335	537,129
Land improvements	49,162	44,833	37,483	26,551	28,415
Vehicles and machinery	125,689	134,772	107,497	91,865	84,721
Assets under construction	80,145	94,646	90,728	199,086	101,813
Total	\$3,158,611	\$3,100,939	\$2,968,464	\$2,856,317	\$2,640,429

TANGIBLE CAPITAL ASSET COST					
Assets, beginning of year	\$4,162,546	\$3,939,483	\$3,737,541	\$3,445,865	\$3,136,179
Additions	284,015	390,786	477,478	391,693	346,348
Disposals and transfers	(127,195)	(167,723)	(275,537)	(100,017)	(36,661)
Assets, end of year	\$4,319,366	\$4,162,546	\$3,939,483	\$3,737,541	\$3,445,865

TANGIBLE CAPITAL ASSET AMORTIZATION					
Accumulated amortization, beginning of year	\$1,061,607	\$971,018	\$881,224	\$805,436	\$754,693
Current year expense	105,189	101,371	94,888	78,279	58,119
Accumulated amortization on disposals	(6,041)	(10,782)	(5,094)	(2,491)	(7,376)
Accumulated Amortization, end of year	\$1,160,755	\$1,061,607	\$971,018	\$881,224	\$805,436

TANGIBLE CAPITAL ASSET NET BOOK VALUE	\$3,158,611	\$3,100,939	\$2,968,464	\$2,856,317	\$2,640,429
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10 Largest Corporate Property Taxpayers in Brampton - 2013

Rank	Owner	Assessment Value \$
1	MORGARD CORPORATION	454,853,500
2	ORLANDO CORPORATION	250,542,000
3	RIOTRIN PROPERTIES (BRAMPTON)	171,156,000
4	1388688 ONTARIO LIMITED	161,876,000
5	INDUSTRIAL 5000 REAL ESTATE	151,118,500
6	LOBLAW PROPERTIES LIMITED	136,858,500
7	INVESTORS GROUP TRUST CO LTD	127,701,500
8	THE GREAT-WEST LIFE ASSURANCE	126,123,500
9	CONCERT REAL ESTATE CORPORATION	118,798,001
10	DAIMLERCHRYSLER CANADA INC	117,964,724
Top Ten - Assessment Total		1,816,992,225
	% of Total Industrial and Commercial Assessment	15.68%
	% of Total	3.01%

	Total Residential Assessment	48,710,670,325
	Total Industrial and Commercial Assessment	11,586,776,654
	Total	60,297,446,979

FLOWER CITY



BRAMPTON.CA

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