

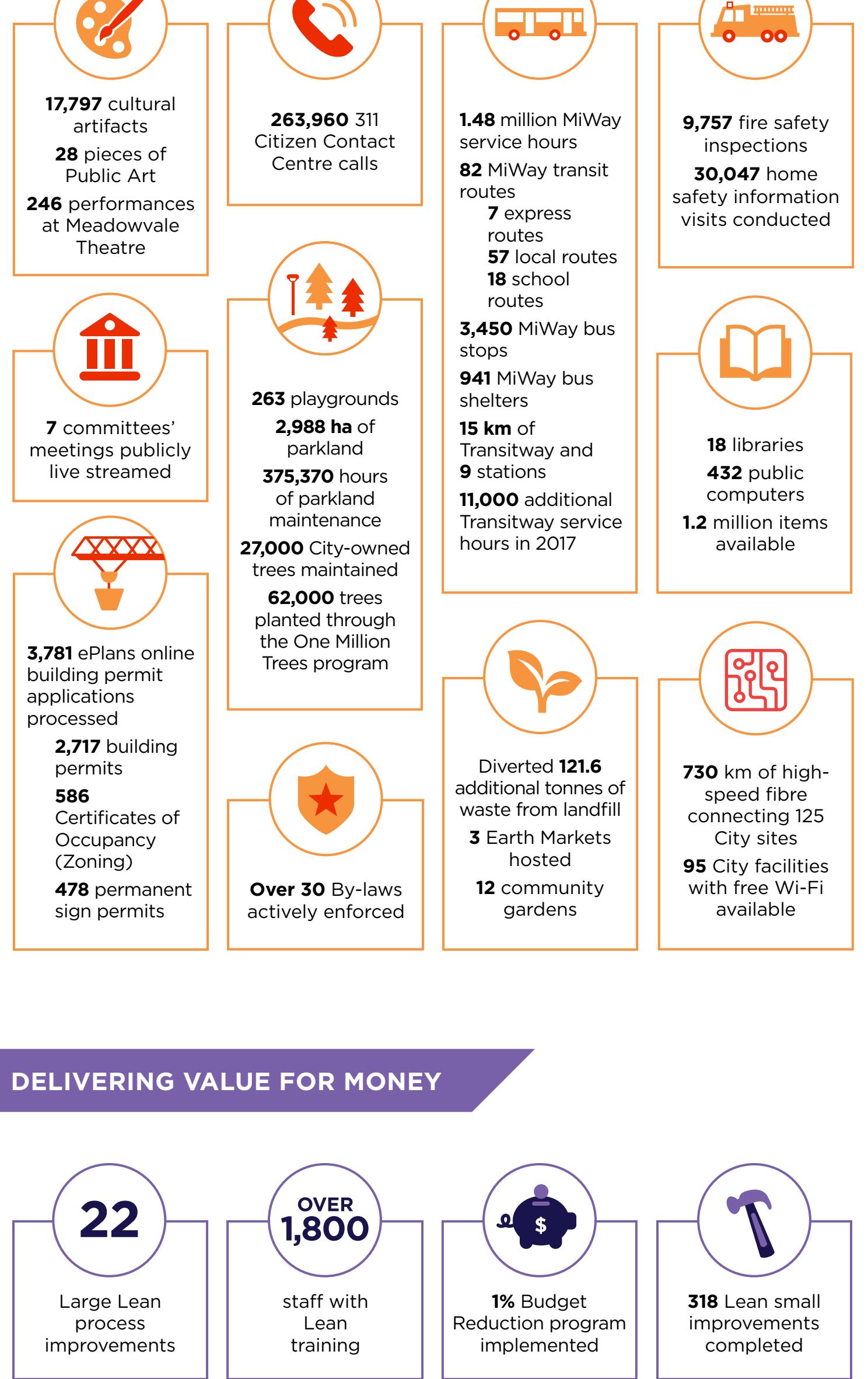


I'm pleased to present the City of Mississauga's **2016 Annual Report Highlights**. It provides a quick overview of the City's financial position and highlights some of the outstanding achievements from 2016. We're proud of our tradition of excellence and transparency in reporting and hope that you enjoy this unique format. The financial highlights have been extracted from the City's Audited Financial Statements in the 2016 Annual Financial Report.

To access the full report, go to: mississauga.ca/portal/cityhall/financereports

GARY KENT
Commissioner, Corporate Services
and Chief Financial Officer

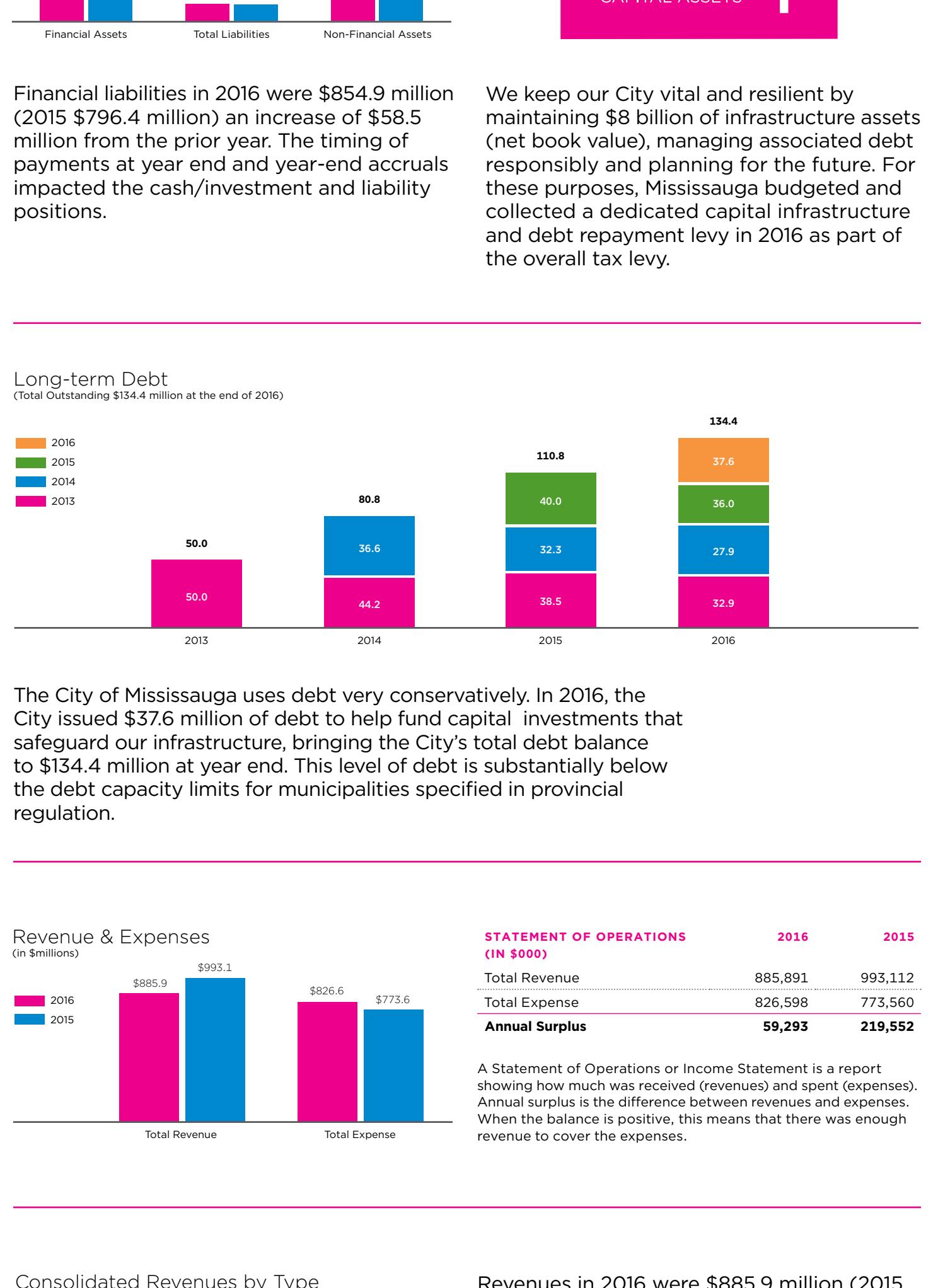
CITY



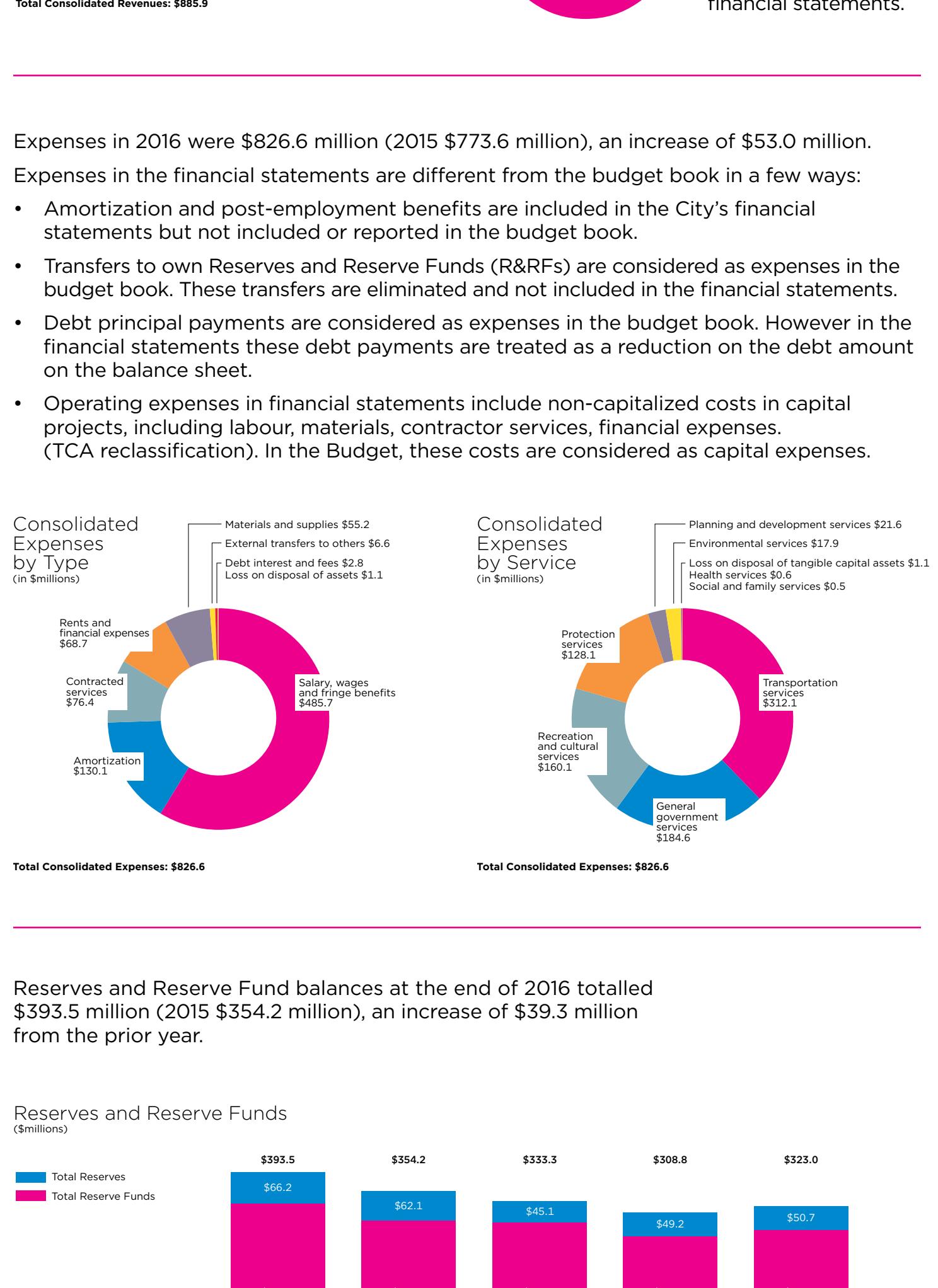
TRANSPORTATION



HIGHER EDUCATION



DELIVERING THE RIGHT SERVICES



DELIVERING VALUE FOR MONEY



MAINTAINING OUR INFRASTRUCTURE

ADVANCING ON OUR STRATEGIC VISION

FINANCIAL REPORT 2016

A Statement of Financial Position or Balance Sheet summarizes what the City owns (assets) and owes (liabilities) at a specific point in time. Financial assets are similar to cash resources and are more liquid than other tangible physical assets. Non-financial assets are physical assets that are owned and will be used for future services, including tangible capital assets, inventories and prepaid expenses. Accumulated surplus is an indicator of the City's overall financial health.

RESERVES AND RESERVE FUNDS

Reserves and Reserve Fund balances at the end of 2016 totalled \$393.5 million (2015 \$354.2 million), an increase of \$39.3 million from the prior year.

RESERVES AND RESERVE FUNDS

Revenues in 2016 were \$885.9 million (2015 \$993.1 million), a decrease of \$107.2 million.

Taxation revenues (property taxes and taxation from other governments) in 2016 were \$470.6 million (2015 \$446.6 million), an increase of \$24.0 million.

Revenues in the financial statements are different from the budget book:

- Taxation revenue is not included in the budget revenue. Total taxation revenue is equal to the net tax levy.
- The treatment of Enersource equity and dividends is accounted differently in the financial statements and budget book (see below).

The City has a 90% interest in Enersource Corporation and is accounted for on the modified equity basis in the consolidated financial statements.

EXPENSES

Expenses in 2016 were \$826.6 million (2015 \$773.6 million), an increase of \$53.0 million.

Expenses in the financial statements are different from the budget book in a few ways:

- Amortization and post-employment benefits are included in the City's financial statements but not included or reported in the budget book.
- Transfers to own Reserves and Reserve Funds (R&RFs) are considered as expenses in the financial statements these debt payments are treated as a reduction on the debt amount on the balance sheet.
- Debt principal payments are considered as expenses in the budget book. However in the financial statements these debt payments are treated as a reduction on the debt amount.
- Operating expenses in financial statements include non-capitalized costs in capital financial expenses. In the Budget, these costs are considered as capital expenses.

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RESERVES AND RESERVE FUNDS

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

RESERVES AND RESERVE FUNDS

For full details of the 2016 Annual Financial Report, click on the link below:

mississauga.ca/portal/cityhall/financereports

2016 FINANCIAL REPORT

