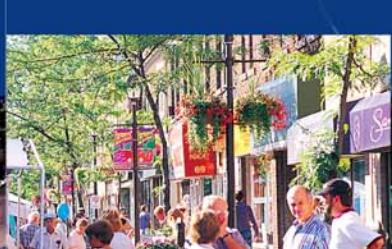
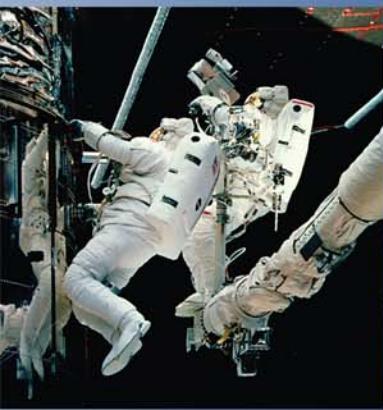


# 2003 annual report



THE CORPORATION OF THE CITY OF BRAMPTON, ONTARIO, CANADA





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This report was prepared by:  
The Corporation of the City of Brampton  
Finance Department and Economic Development & Public Relations Department

## MESSAGE FROM THE MAYOR



**Susan Fennell**  
Mayor

In 2003 the City of Brampton celebrated its sesquicentennial. Throughout the year there were many wonderful events, each one providing an opportunity for us all to pause and reflect on the many attributes that make Brampton such a great place to live, work and play.

The citizens and leaders who came before us have provided a solid legacy to build on. The City of Brampton is considered one of the most accomplished municipalities in Canada. As members of this community we have been given the honour of continuing that legacy. I am proud to say that as a community we have clearly embraced the challenge.

It began with the overwhelming community response to our request for input during the development stage of the City's new Strategic Plan. The result was a unifying vision for the City, which will serve as the guiding template for how our City is shaped and developed over the next ten years.

Already those guiding principles have had a positive impact on the City's changing face. Our Growth Management Program is now in place and will allow the City to control growth and urban sprawl and develop Brampton in a responsible manner. The Bram West develop-



ment in southwest Brampton is totally inspired by the vision outlined in the City's Strategic Plan. And with ground being broken on our new Performing Arts Centre this year, Brampton's five-year \$55-million downtown revitalization program is clearly underway.

It's an exciting time to be in Brampton. We've collaborated on the strategies. The plans



are in place. And now those plans are in action.

Without question our city is on the move. Guided by our past, inspired by our future. Brampton clearly offers something for us all to celebrate for years to come.

**Susan Fennell**  
*Mayor, City of Brampton*

#### CITY OF BRAMPTON COUNCIL, 2003 – 2006

**Back Row (left to right):** John Hutton, John Sprovieri, Garnett Manning, Paul Palleschi, Grant Gibson, Bob Callahan.

**Front Row (left to right):** Susan DiMarco, Elaine Moore, Mayor Susan Fennell, Gael Miles, Sandra Hames.

# MESSAGE FROM THE CITY MANAGER



**Lorne V. McCool**  
City Manager

## On behalf of all employees of the Corporation of the City of Brampton, I am pleased to introduce our 2003 Annual Report.

Overall, 2003 was a year of many highlights for Brampton, including the following:

- Three years in the making, the Brampton Strategic Municipal Management Process (SMMP) culminated in 2003, linking together Council's vision and strategic plan with our new Service Plan, Multi-year Financial Strategy and Performance Measurement systems.
- An exciting celebration of Brampton's Sesquicentennial. We dedicated the year to a full calendar of activities showcasing the City's proud heritage, diverse cultural make-up and community attributes.
- To respond to the intense transportation and transit demands in Brampton, we have stepped up service in all of our key works and transportation programs, including: bridge repair; road construction and resurfacing; and bus acquisition.
- We further strengthened the response capabilities of the City's Fire and Emergency Service by adding new fire stations, personnel and state of the art equipment.
- We increased by 30%, the number of outdoor play areas in the City's extensive park system. Our trail systems and pathways were expanded for the benefit of cyclists, walkers and joggers.
- The City's ongoing Community Beautification Program expanded in 2003, with an increased number of flowerbeds and gardens being added to Brampton's inventory, as well as through the dedicated efforts of our hard working parks and open space maintenance staff.
- The local economy achieved historic performance levels, in 2003, featuring a healthy balance between residential, manufacturing, headquarter and commercial growth along with \$1.8 billion in new construction. Brampton now has a workforce of 120,000 people employed in 8,000 business establishments. Brampton finished 2003 as the fourth most active construction market in Canada.
- Brampton's Corporate Excellence Awards program recognized and honoured the many

talents and achievements of over 40 employees, dedicated to excellence in the provision of service to City taxpayers.

With service levels being maintained or expanded in all areas, 2004 will be a challenging, busy and rewarding year for the City of Brampton.

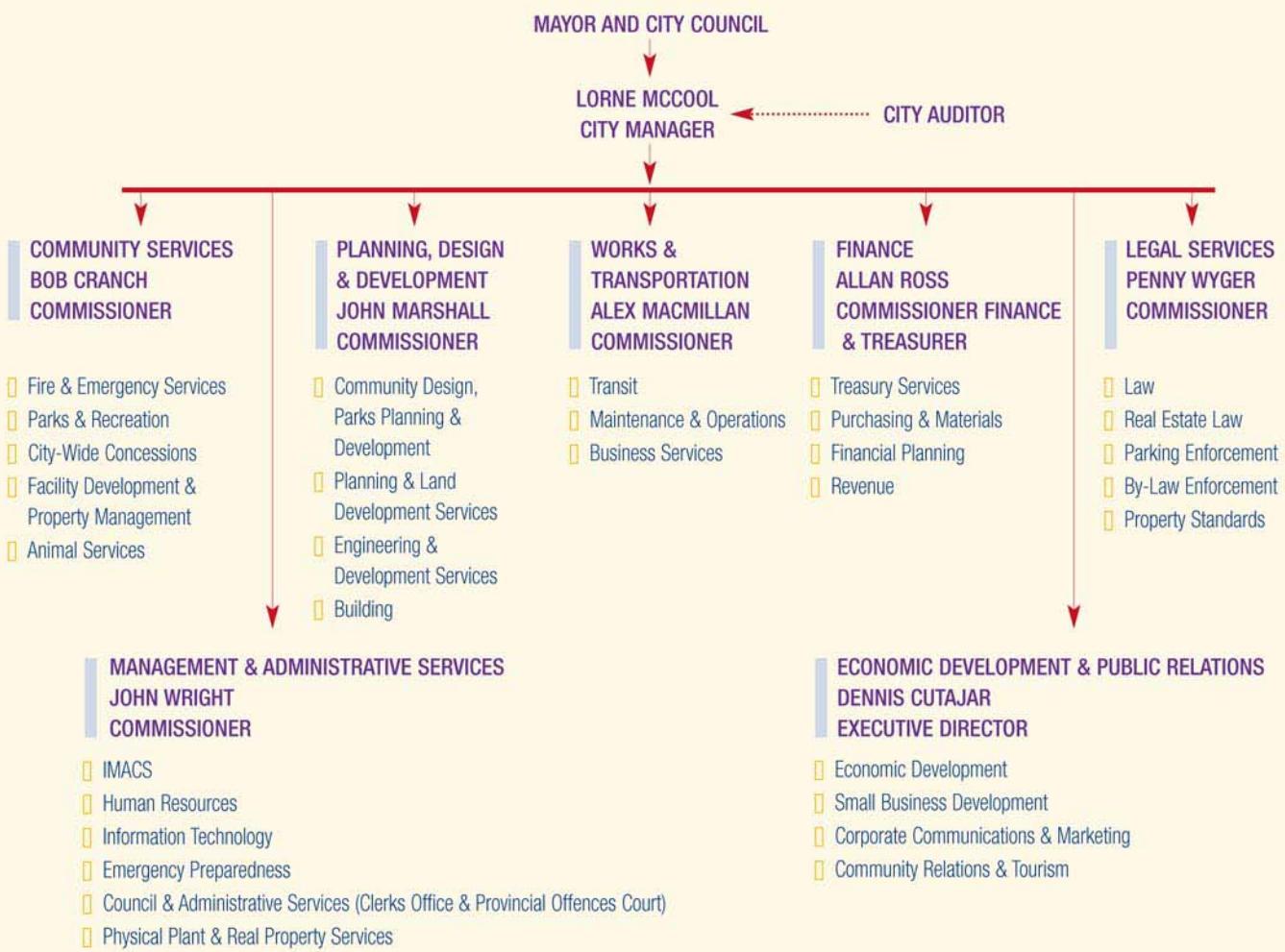
One of our most valued resources continues to be our employees. We are very thankful for their support and dedication to providing outstanding service. I am proud of the many awards and accolades City of Brampton staff continue to receive from prestigious external

organizations and associations. Our goal remains to be among the forefront 'benchmarks' in the planning and delivery of municipal services.

A bright light continues to be cast on the road ahead. With the ongoing partnership of Council, City employees, residents and community stakeholders, Brampton shall achieve its vision.

**Lorne V. McCool**  
**City Manager**

## CITY OF BRAMPTON CORPORATE ORGANIZATIONAL CHART



## BRAMPTON'S STRATEGIC MUNICIPAL MANAGEMENT PROCESS



**Above:**  
Overlooking Brampton's downtown core.

### ***Building Momentum, Making a Difference***

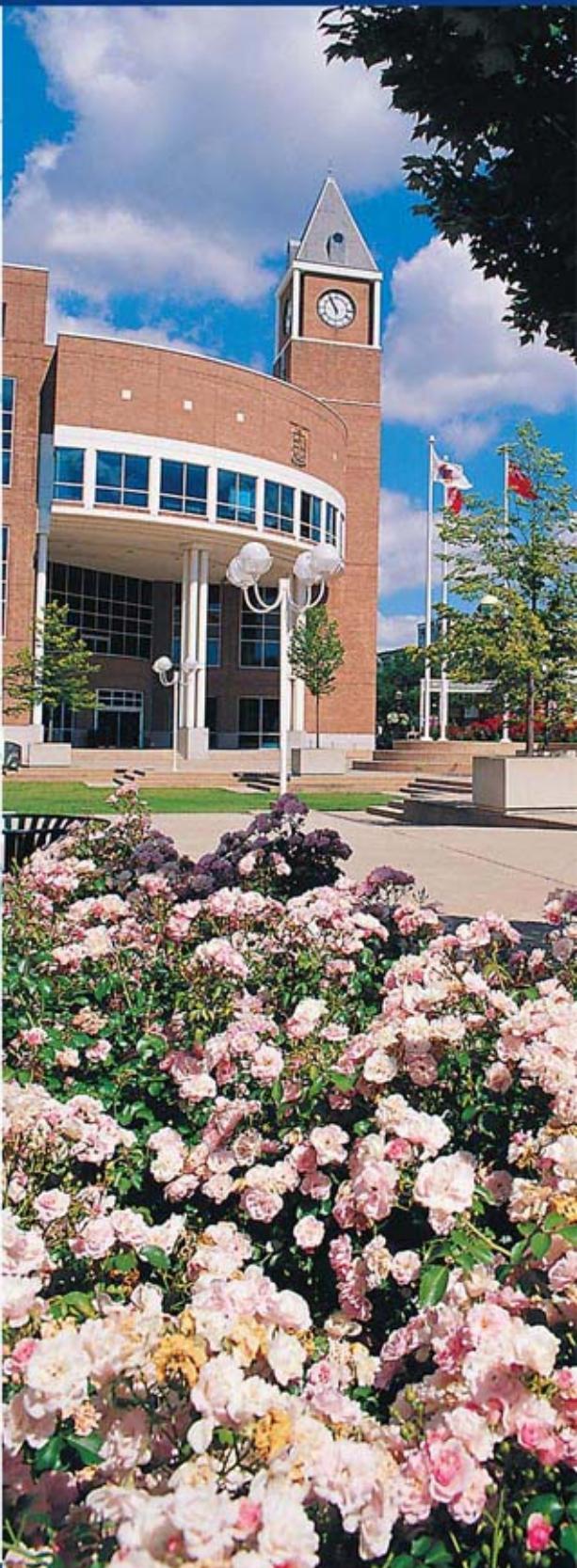
Between 1999 and 2003 over 70,000 new residents moved into Brampton, making the City among the top five urban growth areas in Canada. In order to deliver priority municipal services, faster and more cost effectively, a new management approach was required for Brampton. In response to this need, the Brampton Strategic Municipal Management Process (SMMP) was created.

### ***What is the Strategic Municipal Management Process?***

Launched in 2000, the Strategic Municipal Management Process was designed to be an integrated "horizontal" approach for linking community priorities with sustainable administrative tools, such as master plans, service plans, budgets, organizational development and skills development programs.

### ***Led by a full-time team***

To steer the Strategic Municipal Management Process into place the City of Brampton recruited Corporate Effectiveness staff to serve as the full-time Project Management Team under the leadership of the City Manager and the Senior Management Team. Working closely with the Senior Management Team (SMT) a comprehensive work



**Below:**  
Staff serve as the full-time Project Management Team for Brampton's Strategic Municipal Management Process.





*Below:*  
The front steps of  
Brampton's City Hall.



*Left:* Brampton is among the top five urban growth areas in Canada.

## IMPACT OF THE STRATEGIC MUNICIPAL MANAGEMENT PROCESS TO DATE.

### □ PRIORITIES IDENTIFIED:

- Growth Management
- Transit and Transportation Systems
- Protecting the Environment
- Leisure Services (Parks and Recreation, Arts, Culture)
- Economic Development
- Local Government Excellence and Financial Stability

### □ MASTER PLANS CREATED:

- Growth Management Plan
- Transit and Transportation Master Plan

### □ SERVICE PLANNING FRAMEWORK

A plan that will guide departmental activities to ensure resources are applied to achieve priorities.

### □ ORGANIZATIONAL DEVELOPMENT STRATEGY

Will build and sustain organizational effectiveness throughout the corporation and links the people resources of the City with the Strategic Municipal Management Process.

### □ MUNICIPAL PERFORMANCE

Management Indicators  
Created performance indicators for Transit Services, Fire Services, Road Services and Local Government Administration.

### □ FINANCIAL SUSTAINABILITY PLAN

Financial sustainability is an important objective for change and a key pillar to supporting the Strategic Municipal Management Process.

- Strategic financial vehicles were created for managing the proceeds of the Brampton Hydro sale
- Established Brampton's first 3-Year Current Budget Program
- Established Brampton's first 10-Year Capital Budget Program
- The City retired its outstanding debt allowing the Corporation to not be financially encumbered by a major long-term liability
- Sale of Brampton Hydro Electricity Utility for \$260.2 million

program was developed to achieve the objectives of the plan. City employees, residents and business enterprises were engaged in the process.

### ***The input phase was a real community effort***

The input phase of the work program was an exhaustive community consultative process involving City of Brampton staff, community leaders, business leaders and the general public. This non-department specific and comprehensive approach formed the foundation of Brampton's new Strategic Municipal Management Process.

### ***Setting the foundation for future success***

The Strategic Municipal Management Process has had a wide-felt, positive impact on the community and continues to gain momentum locally, inter-regionally and with Brampton's Provincial partners. The City of Brampton now has a strong revenue (tax) base and an obligation to plan and carry out the priorities constituents require. As a result, the City can now pay a great deal of attention to efficient, timely and cost-effective service delivery. With the Strategic Municipal Management Process as the foundation, the future looks promising in Brampton.



## A YEAR OF ACCOMPLISHMENTS

### Initiating change, inspiring pride

2003 was the third year of a 10-year program the City of Brampton has undertaken to address a number of initiatives. They include:

- Restore service levels
- Upgrade infrastructure
- Cut major repair/maintenance backlog
- Entrench sound fiscal management and long-term financial planning

At the close of 2003, great strides had been made in meeting these initiatives.

### Corporate Accomplishments

#### Brampton one of the top municipalities in Ontario

In a survey of 61 municipalities, 75% of the provincial population, the City of Brampton rated the following:

- Higher than average proportion of

industrial/commercial assessment

- Tax ratios and rates among the lowest surveyed across the property classes
- 2nd highest level of reserves as % of total expenditures
- Tax subsidization of transit lower than majority surveyed
- Taxes as a % of income, among the lowest surveyed

### Number of Action Plans Initiated

- Strategic Plan
- Growth Management
- Transit and Transportation
- Pathways and Parkways
- Floral Strategy/Urban & Civic Design
- Organizational Development
- 3/5/10-year fiscal plans
- Service plans

**Above:**  
The City of Brampton at night.

**Right:**  
Brampton celebrated its sesquicentennial with a year of exciting activities. To the right, Sassy, the Sesquicentennial Squirrel, during one of the many events that took place.



## Community Accomplishments

The residents of Brampton are proud of Brampton's parks, recreational facilities, and clean, safe community. In 2003 they had even more reasons to feel that way as the commitment to the community increased across a number of areas.

### Fire & Emergency Services

- 65 new firefighters (29% increase)
- 3 new fire stations (38% increase)
- Purchase of additional fire vehicles, equipment (including hand held thermal imaging detectors)

### Parks and Operations

- 29 new park staff members (52% increase)
- Maintenance standards for grass cutting (50-67% increase)
- Play structures (30% increase)
- Flowerbed and shrub areas (86% & 44% increase respectively)
- Maintained parkland (25% increase)
- Trails (14% increase)



### Indoor/Outdoor Facilities

- Annual tax based repair and replacement fund up from \$2.7M to \$10.3M (271% increase)

*Above:*

*The opening of one of Brampton's new fire stations.*

### Works & Transportation

- Annual major road resurfacing increased from \$3M to \$7.5M (143% increase)
- Bridge repairs increased from annual average of \$200K to \$470K (235% increase)
- 23 new buses/60 operators

*Below:*

*Participants in the many Parks & Recreation programs.*



## CURRENT AND CAPITAL PROGRAM

### *A long-term financial plan that's working*

**Above:**

One of sixty-four streets which underwent major road repair in 2003.

**Right:**

The City's capital budget is part of a ten-year, \$1.37 billion, infrastructure program to ensure a modern and livable city.



The 2004 current and capital budgets are an integral part of Brampton's long-term financial plan to ensure the City continues to run like a business. From new roads, bridges and buses to indoor recreational facilities, parks development and the new Performing Arts Centre, the City's capital budget is part of a 10-year, \$1.37 billion infrastructure program developed and designed to ensure a modern and livable city for both the current and future citizens of Brampton.

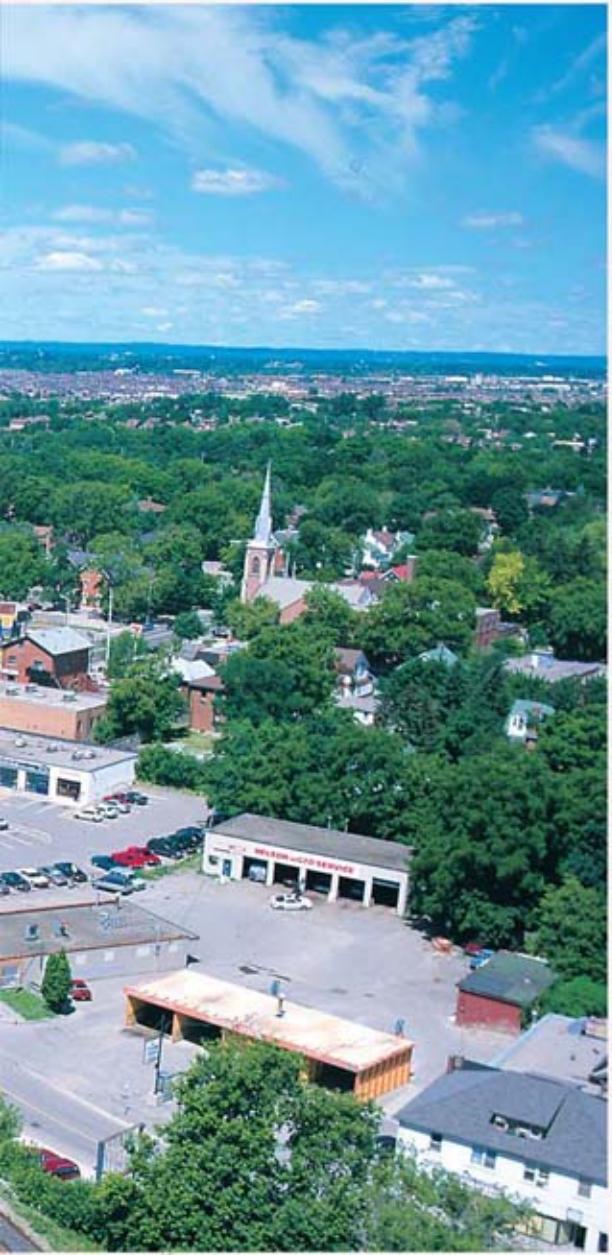
The 2004 budget achieves a difficult balance between providing taxpayers with the services and facilities a modern City demands, while protecting the significant investment taxpayers have already made in their community.

### **2004 Budget Corporate Overview**

#### **\$187 million committed to capital projects**

The priorities for discretionary spending in 2004 are:

- \$17 million for 35 new buses (17 replacement and 18 additional buses) plus transit operational and administrative improvements
- \$28 million for construction of the Dixie/Sandalwood recreational facility
- \$10 million for development of the Creditview/Sandalwood City-Wide park
- 25 new firefighters to man Pumper 212 at Station 206 and improve fire response time
- \$3.5 million to address the backlog for fleet replacement

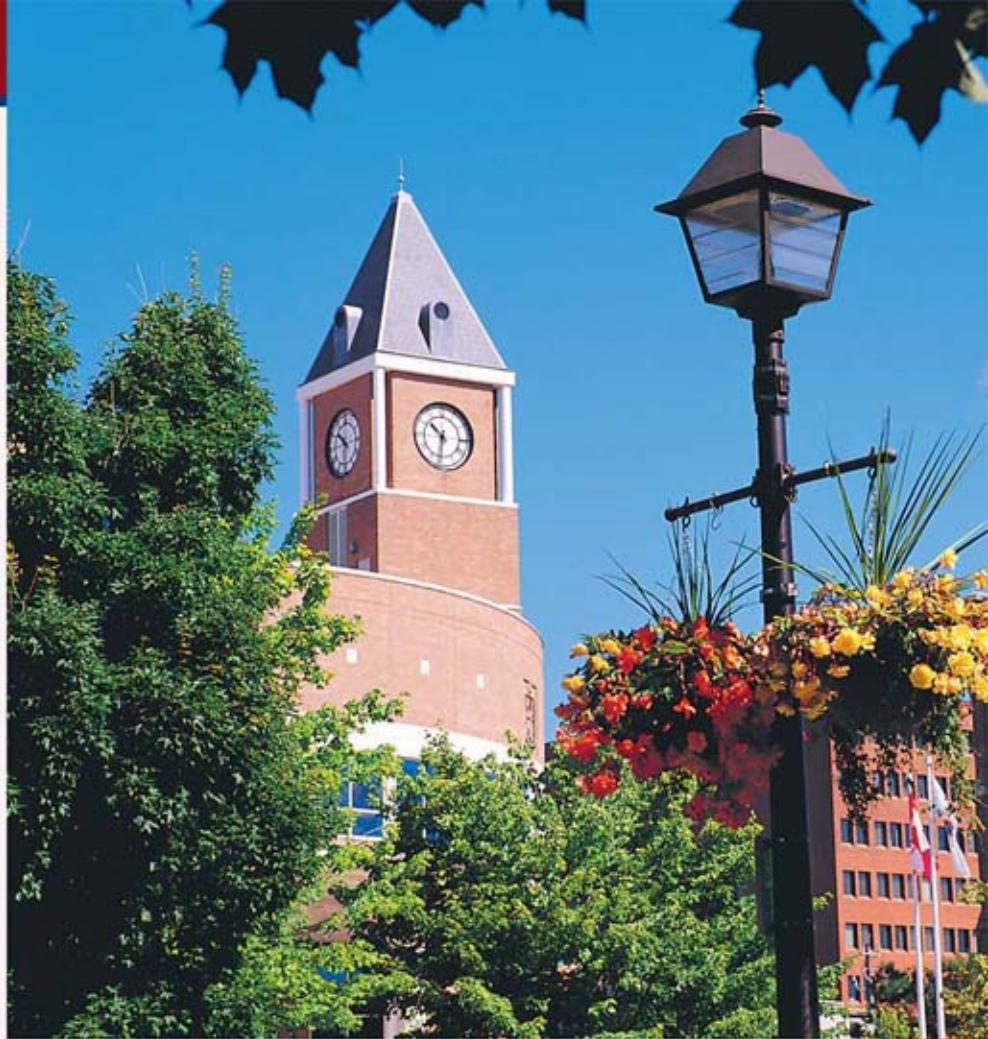


- 64 streets undergoing major road repair
- 18 new traffic signals
- Additional staffing for the Building Division to help cope with the demands of rapid growth
- Two temporary library/recreation centre locations to accommodate new growth
- Additional staff for the Community Services and Information technology areas to help cope with the needs of the City's expanding population.

## Capital Budget Overview

### Over \$70 million slated for Parks & Recreation

The 2004 capital budget will be \$173,719,000 and funded from development charges (61%), current



and reserve funds (22%), internal borrowing (14%) and subsidies. Capital spending in 2004 will support:

- Parks & recreation development (41%)
- Major road repairs, intersection improvements and new traffic signals (34.3%)
- Transit buses (14%)
- Investing in information technology (10.7%)

**Above:**  
*Capital spending will support parks and recreation development.*



**Above:**  
AcceleRide encourages innovative projects.



## SUPPORTING GOOD PLANNING

AcceleRide supports the promotion of a strong economy, a healthy environment, and encourages innovative projects and investment strategies by developing a transit network that:

- Uses existing infrastructure and corridors in Brampton and GTA
- Connects commuters from Brampton Transit to GO Transit and inter-regional transit service
- Improves accessibility to and from Brampton within the GTA commuteshed
- Generates employment intensification opportunities along existing commercial corridors and nodes
- Builds on short-term initiatives, with flexibility to develop major transit corridors and services
- Respects Provincial and Federal environmental policy guidelines



## Transit & Transportation Master Plan

### **A clear path to more efficient roadways**

By the year 2031, the City of Brampton is expected to reach a population of 680,000 people and 290,000 jobs, clearly indicating the City's current position as a key centre of growth within the GTA and the Province of Ontario. To respond to this growth the City of Brampton initiated a Transportation & Transit Master Plan (TTMP) Study to produce a long-term strategy for effectively and efficiently accommodating Brampton's transportation needs, with particular attention given to increasing and improving the role of transit.

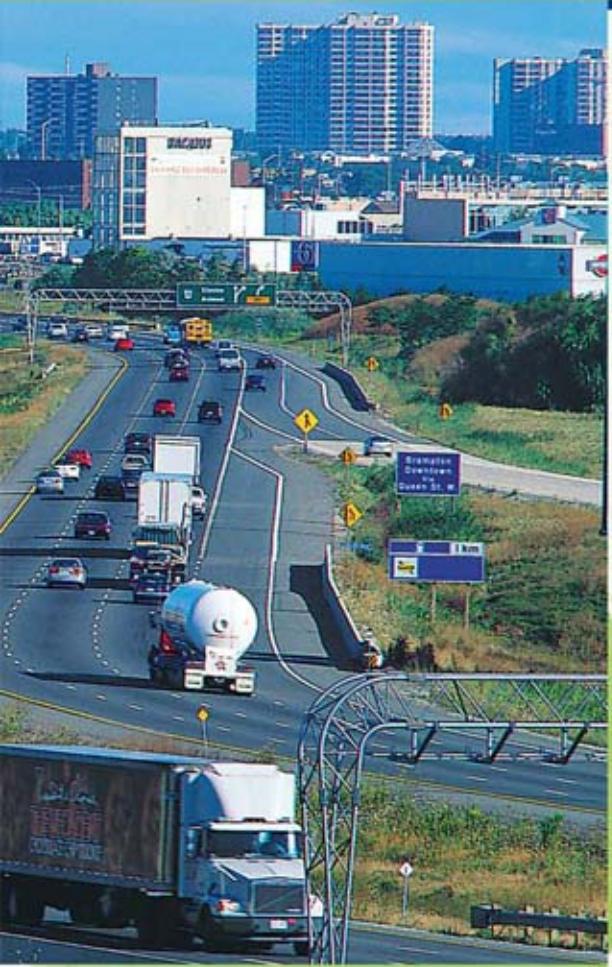
### **Phase 1**

The first phase of the TTMP Study work program documented the current conditions of Brampton's transportation systems. The Phase 1 report recommended a number of transit initiatives:

- Introduce improved services on Queen Street East and Main Street as the first stage in Bus Rapid Transit
- Work with the Region of Peel to implement

transit priorities on:

- Queen Street East, connecting to York Region
- Airport Road south of Queen Street, connecting to Pearson Airport and the Airport Corporate Centre
- Steeles Avenue east of Shoppers World, connecting to York Region and Toronto
- Improving transit access to and from transit terminals in the City (including GO Stations). This would include changes to signals, pavement markings and signing to give transit vehicles priority
- Work with York Region and their private sector partner, and with Mississauga Transit to improve inter-regional and inter-municipal transit service connections and integration, and develop a plan for long-term expansion of this concept
- Expand express services linking key residential areas to GO and Brampton Transit terminals in the City
- Continue transit service expansion into the north-east
- Improve service connections to employment zones in the airport area



## **AcceleRide** *An innovative vehicle for easing traffic flow*

In response to the needs and recommendations identified in the TTMP Study, and to address the issue of a coordinated transit network throughout the Region, a transit network and service strategy called AcceleRide is now being developed by City staff and the TTMP consultant team.

Brampton's current transportation situation focuses heavily on accommodating the private, single-occupant vehicle, and is unsustainable in the long term. In order to overcome this the City is committed to:

- Improving transit service in high demand corridors
- Encouraging increased commuter use of transit
- Integrating with transit networks throughout the GTA

AcceleRide Bus Rapid Transit (BRT) represents this commitment in action.

## **Improving services on key routes**

Over the next 3-5 years AcceleRide will become a separate, enhanced service on Queen Street



East/Regional Road 107 and Main Street, which will serve to encourage commuter usage.

As the City and region continue to grow, the transit system will evolve to expand BRT services to other high demand corridors to enhance connectivity within and beyond Brampton's boundaries. The implementation of the Queen Street East/Regional Road 107 Line and the Main Line will create a number of enhancements:

- Increase service frequency to 5-minute headways throughout the corridors
- Enhance East-West connections (with York Region services) to the TTC
- Establish north-south connections with GO services in the Highway 407 corridor, emerging services in the 403 corridor, to Mississauga, Port Credit GO Station

### **Above:**

*Brampton is committed to improving transit service in high-demand corridors.*

### **Center:**

*Brampton's Transportation and Transit Master Plan produced a long-term strategy for effectively and efficiently accommodating Brampton's transportation needs.*

# LOOKING AHEAD



## Above:

In 2003 Brampton approved an innovative and comprehensive Growth Management Program.

## Right:

The Growth Management Program balances the needs of existing and future residents, businesses, developers and the environment.

### BRAMPTON'S GROWTH MANAGEMENT PLAN INCLUDES:

- One of the toughest architectural control by-laws in Canada – in place to ensure our neighbourhoods are the safest, best planned and most attractive in the country
- A commitment to deliver the infrastructure – major roads, transit, schools, in concert with housing and employment development, before not after
- A commitment to preserving and enhancing our beautiful parks and natural spaces

### BENEFITS OF THE GROWTH MANAGEMENT PLAN:

- Gives decision makers the right information at the right time
- Balances growth and the impact growth has on a neighbourhood
- Includes growth-related policies
- Financially sustainable
- Makes sure tax dollars are spent on the right project at the right time

## Growth Management Plan *A plan proven to control the growth*

Brampton stands among Canada's largest and fastest growing cities. The city is expected to grow by 14,000 people a year, which amounts to more than 4,000 new residential units a year. By 2031 the population is expected to almost double to over 680,000 - close to capacity.

Growth equals jobs, prosperity and a continuously increasing quality of life. But when not managed properly growth can also lead to gridlock, and strain on transportation, schools, water and sewer use, emergency and social services, the environment, and public health and safety. The key is to make sure the City grows intelligently. To ensure this happens Brampton approved an innovative and comprehensive Growth Management Program.

### ***One of the best action plans in Ontario***

Approved by Brampton City Council in April 2003,



the Growth Management Program will allow the City to control growth and urban sprawl as it plans and develops areas of Brampton in a responsible manner. It has been recognized as one of the best action plans for delivering the Province's Smart Growth policies. It clearly puts the City of Brampton on a path to managed development and gives the public confidence that transit and transportation, infrastructure, community design and environmental protection are under control.

### ***How the Growth Management Program Works***

The Growth Management Program balances the needs of existing and future residents, businesses, developers and the environment. It co-ordinates the level and distribution of development growth in Brampton together with planning, budgeting and delivering Regional, City, and School Board services and infrastructure to support that growth.

### ***The Growth Management Program in Action***

An example of the GMP at work is the Fletcher's Meadow development. This area of Brampton has grown much more rapidly than forecast. In January 2003, for the first time, the City applied its new Growth Management Program. Councillors halted the development. Before construction approvals were given for more homes to be built and occupied, commitments to road improvements and school sites had to be in place.



## Bram West

### *A planned community that's right on strategy*

The Bram West Development Area covers about 6,050 acres in southwest Brampton. According to the current plan, Bram West is expected to house about 38,600 residents and employ 39,000 people.

The vision for Bram West fits perfectly within the City's Strategic Plan and Vision. This is a direct result of the development being designed based on meeting the requirements outlined in a number of strategies.



### **A Community Design Strategy**

- The Credit River Valley shall be protected and will determine urban form
- Prestige Industrial and Office uses will occupy the most highly visible sites fronting the exterior of commercial blocks, while business parks will be on less visible sites inside such blocks
- Residential and business areas will be separated by valley corridors, woodlots and major roads.

**Above:**  
Prestige Industrial and Office uses will occupy the most highly visible sites.

**Left:**  
Brampton is expected to grow by 14,000 people a year.

**Above:**

Growth equals jobs, prosperity and a continuously increasing quality of life.

Landscaping, buffering and edging will beautify these dividers

- A variety of lot sizes and house designs will be provided to encourage executive housing in key locations
- New roads will be landscaped corridors, sensitive to the environmental features of Bram West
- Gateways at primary street intersections will convey the community's character
- Environmental protection principles will be followed in the Greening Policy of the City's Asset Management Department

### **Environmental Management Strategy**

The environmental management strategy within Bram West will be carried out according to the Gateway West Subwatershed Study (1999) recommendations. The environmental policies address the following:

- Locations, configurations and boundaries of Open Space lands will be confirmed through studies as part of the Block Plan Process, or as a result of a Class Environment Assessment
- Trees and hedgerows will be integrated into parklands and developments wherever possible
- Continuous road frontage will be used to help make public parks and open spaces highly visible and accessible

### **Valleylands**

Designated Valleylands will remain in a natural state or be used for stormwater management

### **Woodlots**

Woodlots will be protected where possible because of their ecological significance and long-term value to the community. They will be conserved and used for passive recreation.

### **Stormwater Management**

- Stormwater will be considered as a resource not a waste product
- Stormwater facilities will maintain ecological integrity, and provide a net benefit to the environment wherever practical

### **Pathways Strategy Connects People to Places**

The Bram West Pathways Strategy proposes a network of multi-use trails to connect neighbourhoods to parks, school sites, open spaces and residential





areas to business areas, and provides regional and inter-regional pathway connections.

#### **Growth Management Strategy**

The Bram West Secondary Plan will respect the guidelines of the Brampton Growth Management Program (GMP), which was designed to control growth and urban sprawl in a responsible manner as the City plans and develops areas of Brampton.

#### **Financial and Economic Management Strategy**

Financial and economic impact studies were employed to help determine a balanced land use mix for Bram West. They confirmed that the two proposed land use options will be financially and economically beneficial to the City of Brampton and the Region of Peel.

**Above:**

*Gateways at primary street intersections will convey the community's character.*

**Left:**

*Brampton's transit network will improve accessibility to and from Brampton within the GTA commuteshed.*



## NEW PERFORMING ARTS CENTRE

*Setting the Stage for Downtown Redevelopment*



**Above:**

Artist's concept of the exterior for the new Performing Arts Centre.

**Right:**

Artist's concept of the new Performing Arts Centre interior and stage design.

**Far right:**

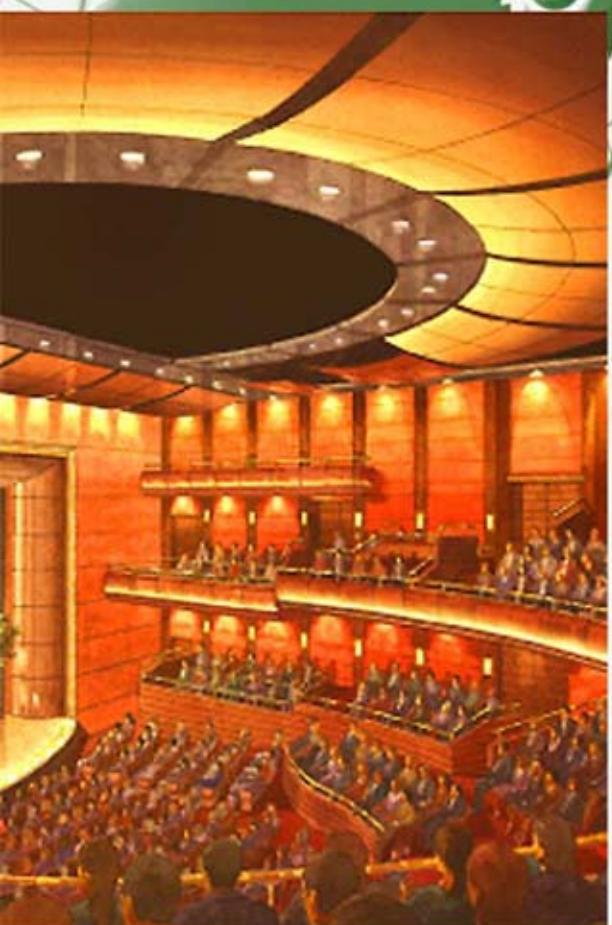
Brampton's new Performing Arts Centre will expand artistic opportunities for audiences, and professional and community performers.

The new Performing Arts Centre will be the star of Brampton's five-year \$55-million revitalization program in its historic downtown core. Not only will theatregoers frequent nearby restaurants, retailers and services, the Centre will benefit our community in many other ways:

- Expected to generate \$2.7 million in economic activity the first year and grow to \$19.8 million by the fifth year
- Attract more than 55,000 visitors annually who will spend about \$275,000 on before and after-show entertainment
- Create close to 300 permanent jobs
- Expand artistic opportunities for audiences, and professional and community performers who will appreciate the excellent technical and production facilities

The facility will host an 850-seat theatre, community space for meetings and small performances, plus display and catering capabilities. Its spacious multi-purpose, two-level atrium lobby will host large meetings, conventions, public assemblies, receptions, and civic and private functions.





**Above:**

*The new centre will benefit our community in many ways.*

**Below:**

*Artist's concept of the Performing Arts Centre with the Urban Square Design.*



## MESSAGE FROM THE COMMISSIONER OF FINANCE AND TREASURER



**Allan Ross**  
*Commissioner of  
Finance and Treasurer*

**I am pleased to present the Financial Report for the City of Brampton for the 2003 fiscal year. This report provides taxpayers, residents, investors and other interested parties with a summary of the City's financial health.**

A number of years ago, Brampton's City Council directed that the City cease using debt as a method of financing. As a result of that direction, I am pleased to report that the City of Brampton became debt free in September 2003 with the exception of minor debenture debt incurred under the Tile Drainage Act, which is paid by benefiting landowners.

2003 saw the City of Brampton take a significant step forward with the establishment of a comprehensive framework to implement the City's future direction set out in its 2003 Strategic Plan. Departmental Service Plans, tied to the Strategic Plan, were developed to identify key initiatives required to achieve the Six Pillars of the Strategic Plan. These key departmental initiatives were translated into specific action plans and were incorporated in the financial planning and budgeting process to ensure proper alignment of strategic services and financial objectives.

During 2003, The City's Finance Department commenced a new development charges study, which will form the basis of a new comprehensive Development Charges By-Law to be implemented in 2004. Other continuing Finance initiatives of note include maximizing investment returns from the City's Reserve Funds, Capital Fund and Current Fund and providing financial leadership to other Ontario municipalities regarding the administration of the Ontario Provincial Offences Act.

The new Development Charge study and subsequent By-Law will take into account the tremendous growth rate that Brampton has experienced since the current Development Charge By-Law was passed by Council in 1999.

The increased rate of growth has put pressure on the City to provide infrastructure and services such as roads and fire protection services earlier than was expected in 1999. The financial implications of building and operating this infrastructure are significant.

Changes resulting from the Province of Ontario Development Charges Act passed in 1997 have resulted in reduced funds available for some growth related capital construction. Due to the restrictions of this Act, a number of services, including parkland acquisition, information technology and administrative space required to service the rapid growth in the community, are no longer fundable through development charges. In addition, the majority of City services charges must be discounted to 90% of identified growth related costs. This necessitates further tax-based funding for these growth related costs.

### Budget Process

Preparation of the City's budget revolves around priority setting, reflecting the City's Strategic Plan and objectives. Priority setting takes place at all levels of the organization including at the functional level by departmental staff, by Senior Management and by City Council. Throughout the process, public input is taken into account, as expressed both through public opinion surveys and 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 service levels and accommodating rapid growth. For the 2004 budget, these priorities are set out in the City's Service Plan (a new feature introduced in the planning and budgeting process) which is linked to the Six Pillars of the City's 2003 Strategic Plan,

3. review of the City's longer term financial outlook, with a three year operating budget projection and a 10 year forecast of capital project needs, and
4. identification of factors impacting the budget, such as inflation and legislative requirements, that are beyond the control of City decision-makers.

These steps result in a determination of the base case financial resources available for the budget year, proposed financial strategies and specific guidelines for the development of detailed budget submissions by each department. Separate Capital and Current budgets are prepared in parallel but closely linked in recognition of the impact that each of these budgets has on the other.

When these submissions are consolidated and supported by analyses of budget drivers and justification of all proposed new initiatives, Senior Management determines a recommended set of priorities for allocation of available resources. These proposed budgets and priorities are considered by Council in open public meetings and budget approval is obtained.

### **Financial Statements**

The accompanying consolidated financial statements and all other information included in this financial report are the responsibility of the management of the City of Brampton. The City's Financial Statements contained in this report have been prepared in accordance with the accounting principals and disclosure requirements of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

### **External Audit**

Included in the Financial Statements is a report prepared by our statutorily appointed auditors, KPMG LLP, Chartered Accountants. The role of the statutory auditor is to present an independent opinion on the fair presentation of the City's financial position and operat-

ing 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.

### **Financial Highlights**

The 2003 financial statements of the City of Brampton have been completed on a fund basis. Three fund types make up the City's financial statements: Operating Fund, Capital Fund and Reserve funds. The results of these funds have been consolidated to report the overall financial position and financial activities of the City. The following is a financial summary for each fund type.

### **Current Fund**

Revenues of \$220.2 Million reported in 2003 exceeded the budget by \$14.9 Million or 7.23%. Revenues in 2003 were higher than 2002 by \$20.8 Million largely due to the combined impact of City growth and increased tax rates.

Current year operating expenditures of \$186 Million in 2003 were lower than the budgeted amount by \$8.9 Million or 4.56%. The current year operating expenditures were \$24 Million higher than 2002 due to the continued high growth rate in Brampton and targeted service level increases as directed by City Council.

Net revenue of \$34.3 Million in 2003 was applied to debt principal payments and transfers to other funds resulting in a net fund balance of \$344,827. As required by statute, this surplus will be used to reduce the tax levy for the 2004 fiscal year.

## MESSAGE FROM THE COMMISSIONER OF FINANCE AND TREASURER

### **Capital Fund**

Capital expenditures of \$76.3 Million reported in 2003 were \$5.9 Million higher than the capital expenditures reported in 2002. Major capital projects included road improvements and major road repairs, parkland acquisition and development, purchase of twenty-one new buses as well as construction of new Fire Stations in each of the last two years.

Capital projects were primarily financed by tax base funded revenues and developer contributions. In compliance with City Council's direction of no debt financing, non-growth related capital works are financed on a "pay-as-you-go" basis.

### **Reserve Funds**

The City of Brampton has established a number of reserve funds to fund long-term liabilities, eliminate/minimize tax rate fluctuations, smooth expenditures and fund capital projects.

As at December 31, 2003, the City of Brampton's Reserves and Reserve Fund Balances totalled \$286.6 Million as compared to \$321.6 Million in 2002. The decrease of \$35 Million from 2002 to 2003 was primarily due to Council approved internal loans to finance selected acquisitions or capital projects. These loans have specific repayment terms and include interest at rates that would otherwise have been earned by the Reserve Funds.

Included on the City's Statement of Financial Position are deferred revenues from development charges and other contributions from developers for future necessary growth related capital works. These deferred revenues totalled \$158.1 Million as at December 31, 2003 as compared to \$153.2 Million in 2002, a net increase of \$4.9 Million. Total contributions received from developers in 2003 amounted to \$67 Million versus \$60.8 Million in 2002.

Contributions from developers are recognized as revenue and transferred to the Capital Fund when growth related capital projects are initiated. Developers contributions recognized as revenue in 2003 amounted to \$62 Million as com-

pared to \$38.8 Million in 2002; this reflects an increase in growth related capital spending necessary due to the continued high rate of growth being experienced in the community.

Transfers from Reserves and Reserve Funds are required on an annual basis to fund portions of the City's operating costs and capital expenditure program. In addition, some of these transfers are directed towards insurance claims, sick leave payouts and other city related costs.

The City of Brampton has healthy reserve balances that have been notably improved over the past few years. Staff continues to review reserve balances on a multi-year basis based on all known requirements in order to ensure the City is well positioned to meet future challenges and opportunities.

### **Final Comments**

During 2003, for the 2nd year, the Government Finance Officers Association of the United States and Canada formally recognized the City's excellence in financial reporting with the awarding of a "Canadian Award For Financial Reporting" for the City's 2002 Annual Report. The City has also demonstrated financial leadership roles in several areas including investment management and administration of the financial components of the Ontario Provincial Offences Act.

The leadership of City Council and continuing efforts of staff have contributed to the accomplishments noted in this annual report and to the City's sound financial position. I trust the financial statements provided in this annual report will provide further explanation to the City's financial performance.

## CANADIAN AWARD FOR FINANCIAL REPORTING

# 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, 2002

A Canadian Award for Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to municipalities whose annual financial reports achieve the high program standards for Canadian Government accounting and financial reporting.



*Edward Harrington*  
President

*Jeffrey L. Esser*  
Executive Director

# AWARD

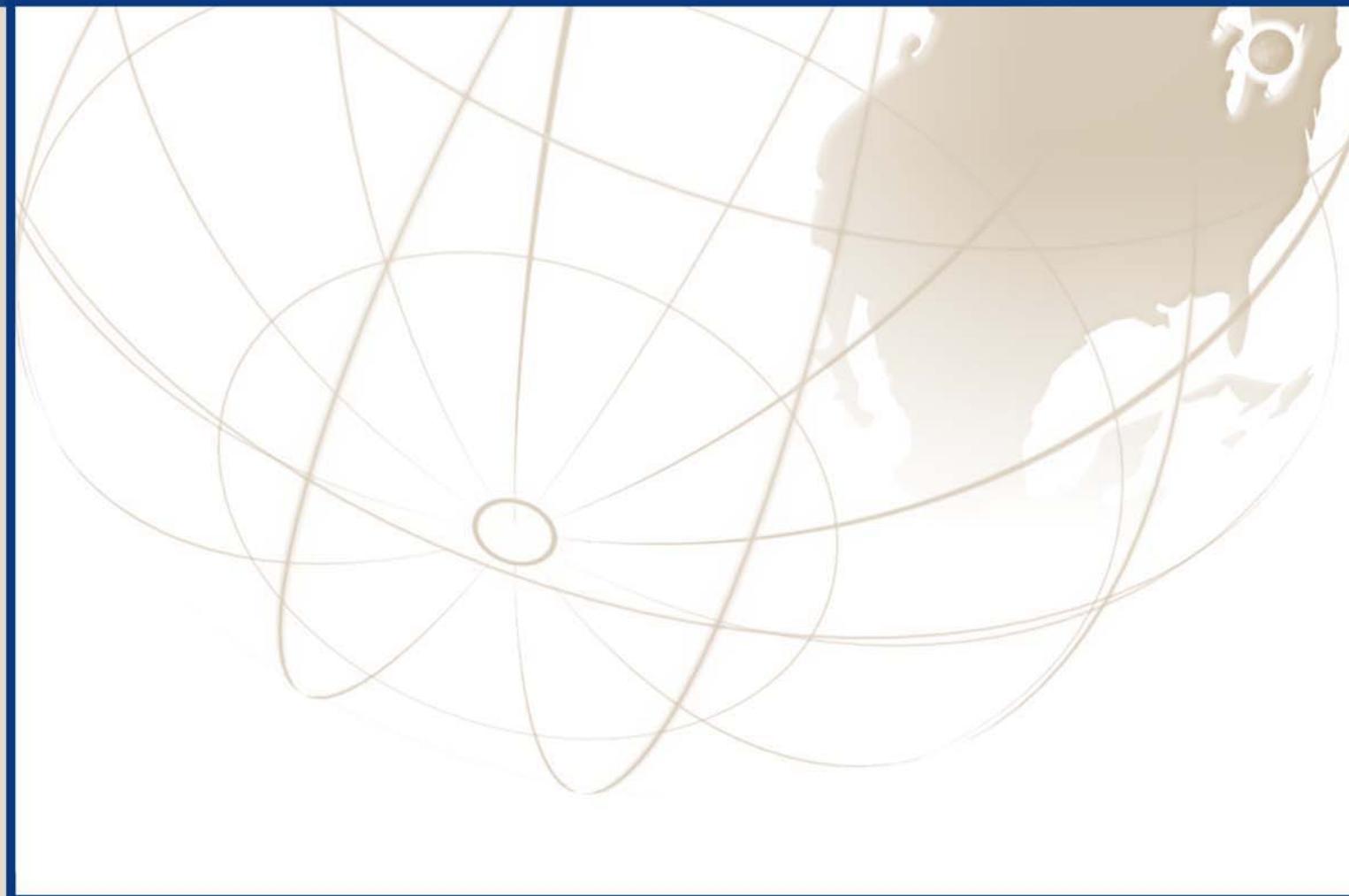
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting (CanFR) to the Finance Department at The Corporation of the City of Brampton for its annual financial report for the fiscal year ended December 31, 2002. The Canadian Award for Financial Reporting Program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to the program standards. Such reports should be in conformity with the Public Sector Accounting Board (PSAB) Standards as issued by The Canadian Institute of Chartered Accountants (CICA). The financial report should clearly communicate the municipal government's financial picture; enhance an understanding of financial reporting by municipal governments, and address users needs.

The Canadian Award for Financial Reporting recognizes excellence in governmental accounting and financial reporting and represents a significant accomplishment by a municipal government and its management.

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003





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Chartered Accountants  
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Canada

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## AUDITORS' REPORT

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

We have audited the consolidated statement of financial position of the Corporation of the City of Brampton as at December 31, 2003 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation of the City of Brampton as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The current year's supplementary information included in the schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*KPMG LLP*

Chartered Accountants

Toronto, Canada  
April 2, 2004



KPMG LLP, a Canadian owned limited liability partnership established under the laws of Ontario, is a member firm of KPMG International, a Swiss association.

# THE CORPORATION OF THE CITY OF BRAMPTON

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at December 31, 2003

	<b>2003</b> \$	<b>2002</b> \$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and short-term deposits	592,363,189	531,372,093
Taxes receivable	43,025,077	41,746,472
User charges receivable	3,916,332	3,861,336
Accounts receivable	14,947,207	28,196,063
Other Assets (Note 11)	7,984,110	8,636,289
<b>Total Financial Assets</b>	<b>662,235,915</b>	<b>613,812,253</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	33,613,087	37,573,292
Deferred revenue - general (Note 3 (a))	1,686,878	1,641,494
Deferred revenue - obligatory reserve funds (Note 3 (b))	158,111,591	153,172,591
Employee benefits and other liabilities (Note 4)	13,793,288	13,025,306
Net long-term liabilities (Note 6)	-	362,599
Accrued Interest on net long-term liabilities	-	12,707
<b>Total Liabilities</b>	<b>207,204,844</b>	<b>205,787,989</b>
<b>Net Financial Resources</b>	<b>455,031,071</b>	<b>408,024,264</b>
<b>Other Non-Financial Assets</b>		
Inventory and prepaids	2,769,990	3,127,729
<b>TOTAL NET ASSETS</b>	<b>457,801,061</b>	<b>411,151,993</b>
<b>MUNICIPAL POSITION</b>		
<b>Amounts to be recovered</b>		
From reserves and reserve funds on hand	(6,801,887)	(7,055,031)
From future revenues	(6,991,401)	(6,345,580)
<b>Total Amounts to be recovered</b>	<b>(13,793,288)</b>	<b>(13,400,611)</b>
<b>Fund Balances (Note 7)</b>		
Current fund	344,827	227,739
Capital fund	184,629,010	102,675,511
Reserves	1,847,100	2,068,588
Reserve funds	284,773,412	319,580,766
<b>Total Fund Balances</b>	<b>471,594,349</b>	<b>424,552,604</b>
<b>TOTAL MUNICIPAL POSITION</b>	<b>457,801,061</b>	<b>411,151,993</b>

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

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended December 31, 2003

	2003 Budget*	2003 Actual	2002 Actual
	\$	\$	\$
<b>REVENUES</b>			
Property taxation (Note 2)	131,639,258	135,113,320	116,623,693
Taxation from other governments	899,000	907,209	1,436,684
User charges	53,406,693	64,739,765	59,452,128
Government grants	2,795,946	2,789,044	2,160,474
Development levies	82,638,000	62,048,511	38,760,553
Investment income - Current and Capital Funds	4,806,000	5,847,622	3,368,207
Investment income - Reserve and Reserve Funds	14,207,000	24,006,341	24,930,829
Penalties, Fines and Interest	13,371,970	12,647,852	12,373,721
Other	650,893	869,413	5,597,771
<b>Total Revenues</b>	<b>304,414,760</b>	<b>308,969,077</b>	<b>264,704,060</b>
<b>EXPENDITURES</b>			
<b>Current</b>			
General government	13,110,557	7,875,898	8,361,538
Protection to persons and property	42,325,224	41,055,844	34,790,356
Transportation services	58,606,645	57,202,160	48,248,862
Environmental services	1,918,106	1,918,106	1,783,827
Health services (cemeteries)	385,622	387,298	384,300
Social and family services	652,447	285,182	110,892
Recreation and cultural services	58,712,689	57,776,125	52,955,062
Planning and development	19,141,481	19,113,673	15,879,073
<b>Total Current Expenditures</b>	<b>194,852,771</b>	<b>185,614,286</b>	<b>162,513,910</b>
<b>Capital</b>			
General government	16,810,555	9,814,194	5,938,485
Protection to persons and property	6,619,380	6,892,678	7,780,423
Transportation services	48,215,378	33,851,318	37,437,814
Health Services (cemeteries)	–	33,118	21,572
Recreation and cultural services	55,836,003	25,300,156	19,039,504
Planning and development	578,664	456,520	196,574
<b>Total Capital Expenditures</b>	<b>128,059,980</b>	<b>76,347,984</b>	<b>70,414,372</b>
<b>Total Expenditures</b>	<b>322,912,751</b>	<b>261,962,270</b>	<b>232,928,282</b>
<b>Increase (decrease) in Net Financial Resources</b>		<b>47,006,807</b>	<b>31,775,778</b>
Increase (decrease) in amounts to be recovered		392,677	(1,886,213)
Increase (decrease) in non-financial assets		(357,739)	537,819
<b>INCREASE (DECREASE) IN FUND BALANCES</b>		<b>47,041,745</b>	<b>30,427,384</b>

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

\*Unaudited. Please see Note 1(n).



# THE CORPORATION OF THE CITY OF BRAMPTON

## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

for the year ended December 31, 2003

	<b>2003</b> \$	<b>2002</b> \$
<b>OPERATIONS</b>		
<b>Increase in Net Financial Assets</b>	47,006,807	31,775,778
<b>Uses:</b>		
Increase in taxes receivable	(1,278,605)	–
Increase in user charges receivable	(54,996)	(1,756,212)
Increase in accounts receivable	–	(15,710,263)
Decrease in accounts payable and accrued liabilities	(3,960,205)	–
Decrease in employee benefits and other liabilities	–	(296,023)
Decrease in accrued Interest-long term liabilities	(12,707)	(234,762)
<b>Total Uses</b>	<b>(5,306,513)</b>	<b>(17,997,260)</b>
<b>Sources</b>		
Decrease in taxes receivable	–	349,649
Decrease in accounts receivable	13,248,856	–
Decrease in other assets	652,179	–
Increase in accounts payable and accrued liabilities	–	8,659,491
Increase in deferred revenue - general	45,384	210,419
Increase in deferred revenue - obligatory reserve fund	4,939,000	22,086,064
Increase in employee benefits and other liabilities	767,982	–
<b>Total Sources</b>	<b>19,653,401</b>	<b>31,305,623</b>
<b>FINANCING</b>		
Long term debt repaid	(362,599)	(1,355,427)
<b>Net change in cash from financing</b>	<b>(362,599)</b>	<b>(1,355,427)</b>
<b>Net change in cash and cash equivalents</b>	<b>60,991,096</b>	<b>43,728,714</b>
Opening cash and cash equivalents	531,372,093	487,643,379
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>592,363,189</b>	<b>531,372,093</b>

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

The City of Brampton 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, Municipal Affairs Act and related legislation.

## **1. Significant Accounting Policies:**

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

- The City of Brampton Public Library Board
- Brampton Downtown Business Association
- Brampton Theatres Board of Directors
- Brampton Race Relations Action Council

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

### **c) Accounting for Region and School Board transactions:**

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

### *1. Significant Accounting Policies (continued):*

#### **d) Fund Accounting:**

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

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

Sinking Funds and their related operations are administered by the Region of Peel and as such are not included in these financial statements.

#### **e) Basis of Accounting:**

The City follows the accrual method of accounting. The accrual basis of accounting recognizes revenues, as they become measurable. Expenditures are the cost of goods or services acquired in the period whether or not payment has been made or invoices received.

#### **f) Capital assets:**

Expenditures made on capital assets are reported as capital expenditures on the statement of financial activities in the period incurred.

#### **g) Reserves and reserve funds:**

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

#### **h) Government transfers:**

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

#### **i) Deferred revenue - General:**

Deferred revenues 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 year the services are performed.

#### **j) Deferred Revenue - Obligatory Reserve Funds**

The City receives development charge contributions under the authority of the 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

## **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 Region 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 recorded 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.

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 current funds, capital funds, reserves and reserve funds (other than obligatory funds) are 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 defined contribution plan. Vacation entitlements are accrued for as entitlements are earned. Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the City's employment.

## **n) Budget Figures:**

Brampton City Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2003 is reflected on the Consolidated Schedule of Current Fund Operations and is included in budget figures shown in Consolidated Statement of Financial Activities.

Budgets established for the Capital Fund are set on a project-oriented basis, the costs of which may be carried out over one or more fiscal years. The budget reflected in the Consolidated Schedule of Capital Fund Operations and included in the budget figures shown in the Consolidated Statement of Financial Activities is an annual budget only. During 2003, Council approved transfers totaling \$83,574,612 (2002 - \$41,456,890) from reserve funds for capital projects.

## **o) Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from these estimates.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

**2. Tax Revenues:**

Property tax billings are prepared by the City based on an assessment roll prepared by the Municipal Property Assessment Corporation ("MPAC"). All assessed property values in the City were reviewed and new values established based on a common valuation date, which was used by the City in computing the property tax bills. However, the property tax revenue and tax receivables of the City are subject to measurement uncertainty as significant numbers of appeals submitted by ratepayers for adjustments to assessment have yet to be heard. A significant allowance has been recorded to provide for possible negative adjustments. Further, changes to assessed value reflecting new construction is included in supplementary assessments prepared by "MPAC". 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, the Fairness for Property Taxpayers Act, 1998 (Bill 79) in December 1998. The effect of this legislation, together with regulations issued subsequent to its enactment, was to cause the adjustment of certain property tax bills issued by the municipality to its commercial, industrial and multi-residential ratepayers. Any necessary adjustments were reflected on the billings for the affected ratepayers. The adjustments caused by this legislation may also impact interest and penalties the municipality can collect on arrears of taxes where it is subsequently determined that such amounts have been overstated.

The capping provisions of Bill 79 expired at the end of 2000. The Province of Ontario subsequently enacted Bill 140 "Continued Protection for Property Taxpayers" which extends the capping provisions of Bill 79. The new legislation limits 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 are taxed at a level equivalent to the tax otherwise calculated based on their current value assessment.

**3. (a) Deferred Revenue – General:**

Deferred Revenue - General is comprised primarily of program registration fees for Parks & Recreation programs and Transit Advertising revenues applicable for the following year. As at December 31, 2003 the deferred revenue - general amounted to \$1,686,878 (2002- \$1,641,494).

**3. (b) Deferred Revenue – Obligatory Reserve Funds:**

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

	<b>2003</b>	<b>2002</b>
	\$	\$
Development charges	148,155,236	137,886,192
Parkland	9,956,355	15,286,399
<b>TOTAL</b>	<b>158,111,591</b>	<b>153,172,591</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

### 4. 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 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 financial statements.

	<b>2003</b> \$	<b>2002</b> \$
WSIB	2,358,437	1,975,064
Accumulated Sick Leave Benefit Plan entitlements	4,072,915	4,212,326
Vacation Pay	4,164,261	3,504,241
Other Liabilities	3,197,675	3,333,675
<b>Subtotal</b>	<b>13,793,288</b>	<b>13,025,306</b>
Less: Recoverable from reserves and reserve funds on hand	6,801,887	7,055,031
<b>AMOUNT TO BE FUNDED FROM FUTURE REVENUES</b>	<b>6,991,401</b>	<b>5,970,275</b>

Further actuarial valuations are expected to be carried out in 2004 as the City intends to fully adopt the recommendations of Section 3255 of the Public Sector Accounting Standards Board of the Canadian Institute of Chartered Accountants, Post-employment Benefits, Compensated Absences and Termination Benefits.

### 5. Pension Agreements:

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

The amount contributed to OMERS for 2003 was \$1,797,000 (2002 – \$0) for current service and is included as an expenditure on the "Consolidated Statement of Financial Activities". The OMERS temporary contribution holiday concluded end of year 2002. The contributions resumed on partial rate basis effective the first full pay in 2003.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

**6. Net Long-Term Liabilities:**

- a) The balance of "Net long-term liabilities" at the end of the year as reported on the "Consolidated Statement of Financial Position" is made up of the following:

	<b>2003</b> \$	<b>2002</b> \$
The Municipality has assumed responsibility for the payment of principal and interest charges on certain long-term liabilities issued by The Region of Peel. At the end of the year, the outstanding principal amount of the liability is:	–	362,599
<b>NET LONG-TERM LIABILITIES AT END OF YEAR</b>	<b>–</b>	<b>362,599</b>

- b) The long-term liabilities in (a) issued in the name of the Municipality, have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs.

**7. Municipal Fund Balances at the End of the Year:**

Municipal fund balances at the end of the year reported on the "Consolidated Statement of Financial Position" are comprised of the following:

	<b>2003</b> \$	<b>2002</b> \$
<b>Current Fund</b>	<b>344,827</b>	<b>227,739</b>
Unexpended capital financing (or capital operations not yet permanently financed) is comprised of:		
Capital expenditures to be recovered through taxation or user charges	(3,918)	–
Capital expenditures to be recovered through reserve funds	(62,520)	(115,982)
Capital expenditures to be recovered from donations, provincial subsidy and developer deposits	(399,586)	(1,101,893)
Funds available for the completion of capital projects	185,095,034	103,893,386
<b>Total Capital</b>	<b>184,629,010</b>	<b>102,675,511</b>
Reserves	1,847,100	2,068,588
Reserve Funds	284,773,412	319,580,766
<b>TOTAL MUNICIPAL FUND BALANCES</b>	<b>471,594,349</b>	<b>424,552,604</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

## 8. Expenditures by Object:

The following is a summary of the current and capital expenditures reported on the Consolidated Statement of Financial Activities by object:

	<b>2003</b> \$	<b>2002</b> \$
Salaries, wages and fringe benefits	122,161,649	106,556,853
Interest on net long-term debt charges	34,320	826,000
Materials and supplies	29,706,807	25,446,550
Contracted services	27,284,339	24,622,592
Rents and financial expenses	5,821,471	5,053,915
Transfer payments	605,700	8,000
<b>TOTAL CURRENT EXPENDITURES</b>	<b>185,614,286</b>	<b>162,513,910</b>
Salaries, wages and fringe benefits	2,040,317	797,413
Materials and supplies	32,083,786	35,884,421
Contracted services	42,223,881	33,732,538
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>76,347,984</b>	<b>70,414,372</b>

## 9. Trust Funds:

Trust funds administered by the City amounted to \$6,427,102 (2002 – \$5,470,137) are presented in a separate financial statement of trust fund 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 financial position or financial activities.

## 10. Public Liability Insurance:

The City is self-insured for public liability claims up to \$25,000 with the exception for Transit which is up to \$10,000 ((2002- \$25,000 (Transit - \$10,000)) 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, 2003 amounted to \$405,360 (2002 - \$524,477) and is reported on the "Consolidated Statement of Financial Position".

Claims settled during the year amounting to \$1,392,405 (2002 – \$1,117,863) have been provided for from the reserve fund, and are accordingly reported as an expenditure on the "Consolidated Statement of Financial Activities".

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

### **11. Brampton Centre for Sports and Entertainment:**

In 1998, the City advanced \$6,000,000 towards the construction of the Brampton Centre for Sports and Entertainment (BCSE). This amount, defined as the "City Loan", has been reported as part of the "Other Assets" on the Consolidated Statement of Financial Position and is secured by a second mortgage with a due date of August 31, 2034. In addition, the City has guaranteed a first mortgage with a due date of January 1, 2019 with an outstanding principal balance of \$13,220,828 as at December 31, 2003 (2002 - \$13,839,454), which is defined as the "Project Loan".

The City has further agreed to fund any deficiencies of operating cash-flow under the "Project Loan" over 20 years as "Priority Advances" up to an annual maximum of \$600,000 per year until \$6,000,000 is reached, thereafter, at \$300,000 per year. Should there continue to be cash-flow deficiencies after the operator, Real-Star, has contributed 50% of its annual management fees under the Complex Management Agreement with BSCE, the City is also liable for one-half of the remaining cash flow deficiencies. Under these agreements, \$1,984,110 (2002 - \$2,636,289) has been advanced to December 31, 2003.

### **12. Capital Project Commitments:**

As at December 31, 2003, the City was managing a total of 287 capital projects with approved budgets totaling \$441.2 Million. The following notes provide a brief description and status of projects that have an approved budget greater than \$5 Million.

#### **a) City Hall Expansion**

In 2003 the City approved \$8,000,000 for the future expansion of City Hall. This initial funding will be used for the preparation of conceptual designs as well as the purchase of land necessary for the extension of City Hall. The high rate of growth in Brampton in the past few years has led to an increase in City staff and a shortage of space at City Hall to accommodate these staffing increases. Currently, City staff has been relocated to other locations as a short-term solution. The expansion of City Hall will offer a long-term solution for the current and future demands for administrative space.

#### **b) POA Court Hearing Facility**

The City of Brampton approved \$1,950,000 in 2000 for the land acquisition and design of a new POA Court Hearing Facility and a further \$1,550,000 in 2002 for the design completion and tendering of the project. In 2003 \$6,659,265 was approved for the construction of the POA facility. Construction began in September 2003 and is expected to be completed in July 2004.

#### **c) Performing Arts Centre**

In 1999 City Council committed to the building of a Performing Arts Centre in downtown Brampton. Funding from previous budget years has been provided for the purchase of the air rights above Market Square Parking Garage, land acquisitions surrounding the new theatre site and the design of the theatre itself. As of 2003 a total of \$52,690,000 was approved for the continued development of the Performing Arts Centre and the adjacent open space and for the upgrading of the Market Square Parking Garage facilities. Additional financing of \$12,250,000 was approved in 2004. Funding for the Performing Arts Centre has been provided from reserves.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

## d) Tableland Acquisition

The 2003 Capital Budget included \$13,850,000 for the purchase of tableland for future Community and City Wide Parks. Some acquisitions are for large parcels of land to be used for City Wide parks and other acquisitions are for Community Parks and for lands that are adjacent to existing City Wide parks. The purchase of these lands is to fulfill approved subdivision agreements and to maintain existing service levels.

## e) Park Development

The approved budget for park development of \$11,592,000 in 2003 is close to the 2002 level of \$12,153,000. This reflects the continued growth in Brampton and the need to service new development areas and maintain current service levels. Park development includes play structures, sports fields, general park development and valleyland development. Funding for park development comes primarily from development charges.

## f) Roads

### Land Acquisitions

City Council approved \$8,423,000 in 2003 for the purchase of lands that are to be used for certain road widening projects. The City will attempt to purchase all required lands one year in advance of anticipated construction of the road. This will ensure that road widening projects may proceed upon budget approval and are not held up by land issues.

### Major Road Repair

The City continued its aggressive major road repair and asphalt overlay program in 2003. The \$7,500,000 budget will help maintain the existing road infrastructure to minimum standards. The ongoing road maintenance and rehabilitation program will result in extending the life of existing roads as well as ensuring safe road conditions. Funding for major road repairs comes from current revenues and tax-based reserves.

### Sandalwood Parkway Construction at Highway 410

In 2003 \$7,000,000 was approved for the construction of Sandalwood Parkway between Heart Lake Road and Dixie Road across the future Highway 410 including the grade separation structures. Construction began in the fall of 2003 and should be completed by the end of September 2004. The majority of this cost is being recovered from the Province of Ontario and the Region of Peel.

## g) Expansion of Transit Facility at Clark Blvd.

Funded primarily by development charges, the expansion of the transit facility will allow for the storing and repairing of 36 additional buses. The purchase of additional buses in the last few years has brought this facility to its maximum capacity. The cost of \$5,056,000 to expand the garage on Clark Blvd. will help alleviate the shortage of space available for the storage of City buses.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2003

### **12. Capital Project Commitments (continued):**

#### **h) Purchase of New Buses**

The City of Brampton continued its support of public transit with the approval of \$8,385,000 for new buses in 2003. Of the 17 buses delivered in 2003, 9 were required for growth and 8 were required for replacement. The cost of the buses was financed from tax-based reserves, development reserves and a provincial subsidy.

### **13. Provincial Offences Administration:**

Effective June 28, 1999 the City of Brampton assumed the responsibilities of the Provincial Offences Act (POA) from the Ministry of the Attorney General.

The 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 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 \$4,674,744 for the year ended December 31, 2003; (2002 – \$4,721,678).

The operating costs for the administration of the Provincial Offences Act for year ending December 31, 2003 amount to \$ 3,376,162 (2002 – \$3,089,387), resulting in a net contribution of \$1,298,582 (2002 – \$1,632,291).

### **14. Grant to The Sheridan College Institute of Technology and Applied Learning:**

On February 10, 2003, with the approval of the 2003 Current and Capital Budgets, City Council authorized a payment schedule supporting five equal payments of \$500,000 per year for five years to The Sheridan College of Institute of Technology and Applied Learning. These funds are contribution towards Sheridan for the development of a new center of Advanced Manufacturing and Design at their Brampton "Davis" Campus. In addition, Council authorized that the financial donation was a one-time commitment only. Agreement has been negotiated with Sheridan in form of a Memorandum of Understanding depicting the completion of criteria that needs to be satisfied each year before the annual installments of grants would be released.

## CONSOLIDATED SCHEDULE OF CURRENT FUND OPERATIONS

For the year ended December 31, 2003

	<b>2003 Budget*</b> <b>\$</b>	<b>2003 Actual</b> <b>\$</b>	<b>2002 Actual</b> <b>\$</b>
<b>REVENUES</b>			
Property taxation	131,639,258	135,113,320	116,623,693
Taxation from other governments	899,000	907,209	1,436,684
User charges	53,406,693	64,739,765	59,452,128
Government grants	595,946	641,507	663,684
Investment income	4,806,000	5,304,846	3,315,879
Penalties, Fines and Interest	13,371,970	12,647,852	12,373,721
Other	650,893	869,413	5,526,198
<b>Total Revenues</b>	<b>205,369,760</b>	<b>220,223,912</b>	<b>199,391,987</b>
<b>EXPENDITURES</b>			
General government	13,110,557	8,614,354	8,161,377
Protection to persons and property	42,325,224	41,055,844	34,790,358
Transportation services	58,606,645	56,796,058	48,112,988
Environmental services	1,918,106	1,918,106	1,783,827
Health services (cemeteries)	385,622	387,298	384,300
Social and family services	652,447	285,182	110,892
Recreation and cultural services	58,712,689	57,801,510	52,753,278
Planning and development	19,141,481	19,113,673	15,879,072
<b>Total Expenditures</b>	<b>194,852,771</b>	<b>185,972,025</b>	<b>161,976,092</b>
<b>NET REVENUE</b>		<b>34,251,887</b>	<b>37,415,895</b>
<b>FINANCING AND TRANSFERS</b>			
Debt principal repayments		(362,599)	(1,355,428)
Employee benefits and other liabilities		755,276	(530,785)
Transfers to reserves and reserve funds		(24,539,429)	(22,006,634)
Transfers to Capital fund		(9,988,047)	(13,427,864)
<b>Net Financing and Transfers</b>		<b>(34,134,799)</b>	<b>(37,320,711)</b>
<b>CHANGE IN CURRENT FUND BALANCE</b>		<b>117,088</b>	<b>95,184</b>
Opening Current Fund Balance		227,739	132,555
<b>CLOSING CURRENT FUND BALANCE</b>		<b>344,827</b>	<b>227,739</b>

\*Unaudited. Please see Note 1(n).



# THE CORPORATION OF THE CITY OF BRAMPTON

## CONSOLIDATED SCHEDULE OF CAPITAL FUND OPERATIONS

For the year ended December 31, 2003

	2003 Budget*	2003 Actual	2002 Actual
	\$	\$	\$
<b>REVENUES</b>			
Grants:			
Government of Canada	–	68,736	125,613
Province of Ontario	2,200,000	1,966,490	1,300,809
Donations	–	112,311	70,368
<b>Total Grants</b>	<b>2,200,000</b>	<b>2,147,537</b>	<b>1,496,790</b>
Investment Income	–	542,776	52,328
Development levies	82,638,000	62,048,511	38,760,553
<b>Total Revenues</b>	<b>84,838,000</b>	<b>64,738,824</b>	<b>40,309,671</b>
<b>EXPENDITURES</b>			
General Government	16,810,555	9,814,194	5,938,485
Protection to persons and property	6,619,380	6,892,678	7,780,423
Transportation services	48,215,378	33,851,318	37,437,814
Health Services (cemeteries)	–	33,118	21,572
Recreation and cultural services	55,836,003	25,300,156	19,039,504
Planning and development	578,664	456,520	196,574
<b>Total Expenditures</b>	<b>128,059,980</b>	<b>76,347,984</b>	<b>70,414,372</b>
<b>NET REVENUES/(EXPENDITURES)</b>		<b>(11,609,160)</b>	<b>(30,104,701)</b>
<b>FINANCING AND TRANSFERS</b>			
Transfers from Revenue Fund		9,988,047	13,427,864
Transfers from Reserve Funds		83,574,612	41,456,890
Net transfers		93,562,659	54,884,754
<b>CHANGE IN CAPITAL FUND BALANCE</b>		<b>81,953,499</b>	<b>24,780,053</b>
Opening Capital Fund Balance		102,675,511	77,895,458
<b>CLOSING CAPITAL FUND BALANCE</b>		<b>184,629,010</b>	<b>102,675,511</b>

\*Unaudited. Please see Note 1(n).

# CONSOLIDATED SCHEDULE OF RESERVE AND RESERVE FUNDS

For the year ended December 31, 2003

	<b>2003 Actual \$</b>	<b>2002 Actual \$</b>
<b>REVENUES</b>		
Investment income	24,006,341	24,930,829
Other	-	71,574
<b>Total Revenue</b>	<b>24,006,341</b>	<b>25,002,403</b>
<b>NET TRANSFER FROM / (TO) OTHER FUNDS</b>		
Transfers from / (to) current fund	24,539,429	22,006,634
Transfers from / (to) capital fund	(83,574,612)	(41,456,890)
<b>Total Net Transfer</b>	<b>(59,035,183)</b>	<b>(19,450,256)</b>
<b>CHANGE IN RESERVES AND RESERVE FUND BALANCE</b>	<b>(35,028,842)</b>	<b>5,552,147</b>
Opening Reserves and Reserve Fund Balance	321,649,354	316,097,207
<b>CLOSING RESERVES AND RESERVE FUND BALANCE</b>	<b>286,620,512</b>	<b>321,649,354</b>
<b>Analyzed as follows:</b>		
<b>Reserves set aside for specific purposes by Council:</b>		
Library board contingencies	123,889	345,377
Sick Leave	118,211	118,211
Working Capital	1,575,000	1,575,000
Downtown Improvement	30,000	30,000
<b>Total Reserves</b>	<b>1,847,100</b>	<b>2,068,588</b>
<b>Reserves Funds set aside for specific purposes by Council:</b>		
Lot Levies	1,837,606	-
Replacement of equipment	4,458,441	3,852,506
Recreation facilities repairs and renovations	206,170	423,775
Acquisition or replacement of assets	16,428,892	12,330,036
Conversion of employee sick leave credit plan	4,964,461	4,729,080
Self insurance	405,360	524,477
OMEX retros	247,056	235,646
Corporate properties	946,415	1,419,263
Firefighters' 27th bi-weekly pay date (2008)	414,373	269,008
Tax rate stabilization	38,948,813	41,802,510
Building & By-Law stabilization	13,083,584	8,813,040
Employee benefit rate stabilization	2,780,718	2,106,897
OMERS rate stabilization	3,130,306	2,768,740
Workers' compensation	5,662,438	5,187,545
Community Investment/Community Dividend/Legacy	186,901,343	229,322,543
Other purposes	4,357,436	5,795,700
<b>Total Reserve Funds</b>	<b>284,773,412</b>	<b>319,580,766</b>
<b>TOTAL RESERVE AND RESERVE FUNDS</b>	<b>286,620,512</b>	<b>321,649,354</b>





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## AUDITORS' REPORT

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

We have audited the statement of financial position of The Corporation of The City of Brampton Trust Funds as at December 31, 2003 and the statement of financial activities and changes in fund balances for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2003 and the results of their operations and their cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Toronto, Canada  
April 2, 2004



KPMG LLP, a Canadian owned limited liability partnership established under the laws of Ontario, is a member firm of KPMG International, a Swiss association.

## TRUST FUNDS

### Statement of Financial Position

December 31, 2003, with comparative figures for 2002

	CEMETRIES CARE AND MAINTENANCE TRUST FUNDS \$	DEVELOPERS' PERFORMANCE DEPOSITS TRUST \$	HOME RENEWAL PROGRAM \$	DEVELOPER FRONT END FINANCING TRUST FUND \$	BMB, GTA AND GTMA TRUST FUNDS \$	2003 TOTAL \$	2002 TOTAL \$
<b>FINANCIAL ASSETS AND LIABILITIES</b>							
<b>Assets</b>							
Cash	198,354	5,419,834	419	663,789	35,246	6,317,642	4,968,284
Accounts receivable	1,834	17,257	—	418,550	83	437,724	435,626
<b>Subtotal</b>	<b>200,188</b>	<b>5,437,091</b>	<b>419</b>	<b>1,082,339</b>	<b>35,329</b>	<b>6,755,366</b>	<b>5,403,910</b>
<b>Investments, at cost (market – 487,058 2002 – 489,607):</b>							
Federal	24,646	—	—	—	—	24,646	24,646
Canada Bonds - Corporate	24,767	42,000	—	—	—	66,767	66,767
Provincial Bonds	72,680	—	—	—	—	72,680	72,679
Short-term Investments	252,615	—	—	—	—	252,615	150,277
Municipal Bonds	99,722	—	—	—	—	99,722	199,213
<b>Subtotal</b>	<b>474,430</b>	<b>42,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>516,430</b>	<b>513,582</b>
Long-term receivables	—	—	1,236	—	—	1,236	1,562
<b>Total Assets</b>	<b>674,618</b>	<b>5,479,091</b>	<b>1,655</b>	<b>1,082,339</b>	<b>35,329</b>	<b>7,273,032</b>	<b>5,919,054</b>
<b>Liabilities</b>							
Accounts payable	—	—	390	—	—	390	4,358
Due to City Revenue Fund	7,338	822,176	29	—	15,997	845,540	57,104
Due to City Capital Fund	—	—	—	—	—	—	387,455
<b>Total Liabilities</b>	<b>7,338</b>	<b>822,176</b>	<b>419</b>	<b>—</b>	<b>15,997</b>	<b>845,930</b>	<b>448,917</b>
Net financial resources	667,280	4,656,915	1,236	1,082,339	19,332	6,427,102	5,470,137
<b>Fund balances</b>	<b>667,280</b>	<b>4,656,915</b>	<b>1,236</b>	<b>1,082,339</b>	<b>19,332</b>	<b>6,427,102</b>	<b>5,470,137</b>

See accompanying notes to financial statements.



# THE CORPORATION OF THE CITY OF BRAMPTON

## TRUST FUNDS

Statement of Financial Activities and Changes in Fund Balances  
December 31, 2003, with comparative figures for 2002

	CEMETERIES CARE AND MAINTENANCE TRUST FUNDS \$	DEVELOPERS' PERFORMANCE DEPOSITS TRUST \$	HOME RENEWAL PROGRAM \$	DEVELOPER FRONT END FINANCING TRUST FUND \$	BMB, GTA AND GTMA TRUST FUNDS \$	2003 TOTAL \$	2002 TOTAL \$
<b>REVENUE</b>							
Monuments and markers deposits	4,600	—	—	—	—	4,600	4,200
Perpetual Care deposits	35,767	—	—	—	—	35,767	25,921
Gain on sale of investments	2,848	—	—	—	—	2,848	244
Performance deposits received	—	1,961,003	—	—	—	1,961,003	1,779,401
Contribution from Developers	—	—	—	326,255	—	326,255	—
Marketing initiatives	—	—	—	—	45,500	45,500	1,000
<b>Subtotal</b>	<b>43,215</b>	<b>1,961,003</b>	<b>—</b>	<b>326,255</b>	<b>45,500</b>	<b>2,375,973</b>	<b>1,810,766</b>
Interest Income	26,135	131,512	92	10,575	990	169,304	134,162
<b>Total Revenue</b>	<b>69,350</b>	<b>2,092,515</b>	<b>92</b>	<b>336,830</b>	<b>46,490</b>	<b>2,545,277</b>	<b>1,944,928</b>
<b>EXPENDITURES</b>							
Transfers to City Revenue Fund:							
Maintenance Contribution	26,135	—	—	—	—	26,135	26,244
Interest Transfer	—	131,512	—	—	—	131,512	99,107
Administration Charges	—	—	29	—	—	29	39
<b>Subtotal</b>	<b>26,135</b>	<b>131,512</b>	<b>29</b>	<b>—</b>	<b>—</b>	<b>157,676</b>	<b>125,390</b>
Marketing initiatives	—	—	—	—	37,580	37,580	19,996
Return of performance deposits	—	1,367,729	—	—	—	1,367,729	1,258,228
Payments on behalf of developers	—	24,938	—	—	—	24,938	53,288
Provincial payments	—	—	389	—	—	389	389
<b>Total Expenditures</b>	<b>26,135</b>	<b>1,524,179</b>	<b>418</b>	<b>—</b>	<b>37,580</b>	<b>1,588,312</b>	<b>1,457,291</b>
Increase (decrease) in net financial resources	43,215	568,336	(326)	336,830	8,910	956,965	487,637
Fund balances, beginning of year	624,065	4,088,579	1,562	745,509	10,422	5,470,137	4,982,500
<b>Fund balances, end of year</b>	<b>667,280</b>	<b>4,656,915</b>	<b>1,236</b>	<b>1,082,339</b>	<b>19,332</b>	<b>6,427,102</b>	<b>5,470,137</b>

See accompanying notes to financial statements.

# TRUST FUNDS

Notes to Financial Statements  
Year ended December 31, 2003

## 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 City of Brampton (the "City") funds.  
All expenditures are reported on the accrual basis of accounting.  
The accrual basis of accounting recognizes expenditures 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 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, Grahamsville, Zion, Mt. Olivet, St. John - Castlemore, St. John - Snelgrove and St. Mary - Tullamore. 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.
- (c) As amounts are not significant enough to warrant their own trust, municipal election campaign surpluses of registered candidates are held in this Trust. In accordance with the Municipal Election Law Section 132(a)(i), the surplus should be held in trust until "the next regular election." At December 31, 2003, no campaign surpluses are held in this Trust (2002 - \$3,969).

## TRUST FUNDS

Notes to Financial Statements  
Year ended December 31, 2003

### **4. Ontario Home Renewal Program ("O.H.R.P."):**

The O.H.R.P. was established by the Ontario Ministry of Housing in 1973 to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their home to local property standards. Individual loans are limited to \$7,500, of which the maximum forgivable portion is \$4,000.

O.H.R.P. loans receivable at December 31, 2003 comprise repayable loans of \$1,236 (2002 - \$1,562). Loan forgiveness is earned and recorded at a rate of up to \$600 per year of continued ownership and occupancy. In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balances of the repayable loan and the unearned forgivable loan immediately become due and payable by the homeowner.

During 1994, the City returned the balance of funds at December 31, 1993 in the O.H.R.P. trust account to the Province of Ontario in accordance with the amendment made to the Housing Development Act. As of July 1993, municipalities are no longer able to issue further O.H.R.P. loans. The City will retain interest earned on trust account balances and will receive an administration fee on the collection of loans receivable.

Loans receivable collected in each subsequent year are to be remitted within two months of the year end.

### **5. 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.

### **6. Brampton Marketing Board and 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.

## 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.)

	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
<b>NON-FINANCIAL YEAR-END STATISTICS</b>					
Population	372,000	352,986	336,265	316,958	302,086
Households	111,357	102,573	96,609	92,770	89,305
Areas in hectares	27,138	27,138	27,138	27,138	27,138
Full-time employees	1,564	1,517	1,359	1,248	1,230
Housing Starts	6,670	6,367	4,861	5,145	3,239
Building Permit Values	\$1,791,423	\$1,418,062	\$1,044,149	\$1,125,162	\$767,626
<b>TAXABLE ASSESSMENT UPON WHICH TAX RATES WERE SET (Note 1)</b>					
Residential and farm	\$21,011,523	\$18,005,079	\$17,137,575	\$13,294,267	\$12,791,500
Commercial and industrial	5,680,336	4,625,824	4,475,893	4,292,693	4,100,880
<b>Total</b>	<b>\$26,691,859</b>	<b>\$22,630,903</b>	<b>\$21,613,468</b>	<b>\$17,586,960</b>	<b>\$16,892,380</b>
Total per capita	71,752	64,113	64,275	55,487	55,919
<b>TAX RATES/MILL RATES (URBAN AREA) - (Note 1)</b>					
<b>Residential and farm</b>					
City purposes	0.436701%	0.449351%	0.439283%	0.46343%	0.46322%
Region purposes	0.519418%	0.586853%	0.576367%	0.66400%	0.66620%
School board purposes	0.335000%	0.373000%	0.373000%	0.41400%	0.41400%
<b>Total</b>	<b>1.291119%</b>	<b>1.409204%</b>	<b>1.388650%</b>	<b>1.54143%</b>	<b>1.54342%</b>
<b>Commercial</b>					
City purposes	0.566445%	0.582853%	0.569795%	0.61524%	0.61328%
Region purposes	0.673738%	0.761207%	0.747605%	0.88103%	0.88205%
School board purposes	1.825042%	2.075397%	2.075397%	2.46743%	2.46743%
<b>Total</b>	<b>3.065225%</b>	<b>3.419457%</b>	<b>3.392797%</b>	<b>3.96370%</b>	<b>3.96276%</b>
<b>Industrial</b>					
City purposes	0.641950%	0.718332%	0.702239%	0.77934%	0.78356%
Region purposes	0.763545%	0.938144%	0.921380%	1.11700%	1.12725%
School board purposes	2.151155%	2.668928%	2.678392%	3.11247%	3.11247%
<b>Total</b>	<b>3.556650%</b>	<b>4.325404%</b>	<b>4.302011%</b>	<b>5.00881%</b>	<b>5.02328%</b>
<b>TAXES RECEIVABLE, END OF THE YEAR</b>					
Amount	\$43,025	\$41,746	\$42,096	\$60,483	\$43,807
Per capita	\$116	\$118	\$125	\$191	\$145
Percentage of years' levy	8.99%	9.41%	10.16%	15.92%	11.98%
<b>NET LONG-TERM LIABILITIES, END OF YEAR</b>					
Amount	—	\$363	\$1,718	\$3,247	\$6,980
Per Capita	—	\$1	\$5	\$10	\$23
<b>CHARGES FOR NET LONG-TERM LIABILITIES</b>					
Amount	\$397	\$1,945	\$6,111	\$4,884	\$7,993
Per capita	\$1	\$6	\$18	\$15	\$26
As a tax rate/mill rate (Note 1)	0.001%	0.009%	0.028%	0.028%	0.047%
<b>LONG-TERM DEBT SUPPORTED BY PROPERTY TAXES</b>					
Gross Long-Term Debt (Note 2)	—	—	\$10,192	\$24,263	\$24,849
Net Long-Term Debt (Note 2)	—	—	\$1,718	\$3,247	\$6,980
<b>LONG-TERM DEBT OF BRAMPTON HYDRO CORP.</b>					
Gross Long-Term Debt	—	—	—	\$20,675	\$21,118
Net Long-Term Debt	—	—	—	\$3,843	\$6,824
<b>DEBT REPAYMENT LIMIT</b> (as determined by the Province of Ontario)	<b>\$45,021</b>	<b>\$35,935</b>	<b>\$27,133</b>	<b>\$22,774</b>	<b>\$30,468</b>



# THE CORPORATION OF THE CITY OF BRAMPTON

## FIVE YEAR REVIEW SUMMARY (continued)

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

	2003 \$	2002 \$	2001 \$	2000 \$	1999 \$
<b>TAXES COLLECTED</b>					
City collection	136,020	118,060	108,493	99,195	87,747
Taxes Transferred to the Region	161,730	156,068	143,968	146,042	135,883
Taxes Transferred to the School Boards	182,840	172,777	164,360	169,153	144,888
<b>Total</b>	<b>480,590</b>	<b>446,905</b>	<b>416,821</b>	<b>414,390</b>	<b>368,518</b>
<b>TRUST FUNDS BALANCE – End of year</b>	<b>6,427</b>	<b>5,470</b>	<b>4,982</b>	<b>4,289</b>	<b>3,102</b>
<b>CURRENT FUND OPERATIONS:</b>					
<b>REVENUES BY SOURCE</b>					
Taxation - City only	135,113	116,624	106,805	97,761	86,386
Payment in lieu of taxes	907	1,437	1,688	1,434	1,360
User charges	64,740	59,452	50,647	51,530	46,597
Government grants	642	664	603	1,055	5,914
Other	18,822	21,215	81,258	18,385	10,064
<b>Total</b>	<b>220,224</b>	<b>199,392</b>	<b>241,001</b>	<b>170,165</b>	<b>150,321</b>
<b>CURRENT EXPENDITURES BY FUNCTION</b>					
General government	8,614	8,161	3,914	795	570
Protection to persons and property	41,056	34,791	38,280	33,194	31,229
Transportation services	56,796	48,113	48,861	48,213	45,256
Environment services	1,918	1,784	990	750	19
Health services (cemeteries)	387	384	370	281	275
Social and family services	285	111	131	310	310
Recreation and cultural services	57,802	52,753	47,894	42,721	39,872
Planning and development	19,114	15,879	6,963	6,169	5,476
<b>Total</b>	<b>185,972</b>	<b>161,976</b>	<b>147,403</b>	<b>132,433</b>	<b>123,007</b>
Financing raised less expenditures	34,252	37,416	93,598	37,732	27,314
Net transfers from (to) other City Funds	(34,135)	(37,321)	(203,323)	71,988	(27,488)
<b>Current Fund Balance – Beginning of year</b>	<b>228</b>	<b>133</b>	<b>109,858</b>	<b>138</b>	<b>312</b>
<b>CURRENT FUND BALANCE – END OF YEAR</b>	<b>345</b>	<b>228</b>	<b>133</b>	<b>109,858</b>	<b>138</b>
<b>CURRENT EXPENDITURES BY OBJECT</b>					
Salaries, wages and employee benefits	122,162	106,557	95,748	83,691	78,909
Long term debt payments	397	1,945	6,111	4,884	7,993
Goods and services	63,413	53,474	45,544	43,858	36,105
<b>Total</b>	<b>185,972</b>	<b>161,976</b>	<b>147,403</b>	<b>132,433</b>	<b>123,007</b>

## 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.)

	2003 \$	2002 \$	2001 \$	2000 \$	1999 \$
<b>CAPITAL FUND OPERATIONS:</b>					
<b>REVENUES BY SOURCE</b>					
Financing raised					
Grants	2,147	1,497	107	301	288
Development levies (Note 3)	62,049	38,760	32,675	16,613	N/A
Other	543	53	406	252	187
<b>Total</b>	<b>64,739</b>	<b>40,310</b>	<b>33,188</b>	<b>17,166</b>	<b>475</b>
<b>CAPITAL EXPENDITURES BY FUNCTION</b>					
General government	9,814	5,938	4,419	4,587	4,825
Protection to persons and property	6,893	7,780	3,919	1,055	1,357
Transportation services	33,851	37,438	18,354	12,555	7,323
Health services (cemeteries)	33	22	4	—	—
Recreation and cultural services	25,300	19,039	16,652	10,196	19,942
Planning and development	457	197	500	194	159
<b>Total</b>	<b>76,348</b>	<b>70,414</b>	<b>43,848</b>	<b>28,587</b>	<b>33,606</b>
Financing raised less expenditures	(11,609)	(30,104)	(10,660)	(11,421)	(33,131)
Net transfers from (to) other City funds	93,562	54,885	30,298	30,049	40,837
<b>Capital Fund Balance – Beginning of year</b>	<b>102,676</b>	<b>77,895</b>	<b>58,257</b>	<b>39,629</b>	<b>31,923</b>
<b>CAPITAL FUND BALANCE – END OF YEAR</b>	<b>184,629</b>	<b>102,676</b>	<b>77,895</b>	<b>58,257</b>	<b>39,629</b>
<b>CAPITAL EXPENDITURES BY OBJECT</b>					
Salaries, wages and fringe benefits	2,040	797	201	62	156
Materials and supplies	32,084	35,884	20,977	13,941	20,127
Contracted services	42,224	33,733	22,670	14,584	13,323
<b>Total</b>	<b>76,348</b>	<b>70,414</b>	<b>43,848</b>	<b>28,587</b>	<b>33,606</b>
<b>RESERVE AND RESERVE FUND OPERATIONS:</b>					
<b>REVENUES BY SOURCE</b>					
Contribution from developers (Note 3)	—	—	—	—	31,108
Investment income	24,006	24,931	13,256	9,082	5,507
Other	—	71	57	33	37
<b>Total</b>	<b>24,006</b>	<b>25,002</b>	<b>13,313</b>	<b>9,115</b>	<b>36,652</b>
Net transfers from (to) other City funds	(59,035)	(19,450)	260,097	4,422	(19,285)
<b>Reserve &amp; Reserve Fund Balance – Beginning of year</b>	<b>321,649</b>	<b>316,097</b>	<b>42,687</b>	<b>29,150</b>	<b>95,103</b>
<b>RESERVE &amp; RESERVE FUND BALANCE – END OF YEAR</b>	<b>286,620</b>	<b>321,649</b>	<b>316,097</b>	<b>42,687</b>	<b>112,470</b>

**Note 1:** Taxation related information reflect Current Value Assessment (CVA) effective January 1, 1998. These data may not be comparable to those of prior years.

**Note 2:** By the order of City Council, the current outstanding long-term debt is to be financed from existing reserve funds.

**Note 3:** As a result of City adopting recommendations of PSAB (Public Sector Accounting Board) commencing in year 2000, funds previously presented as Reserve Funds have been reported as part of deferred revenue.



## STATUTORY DISCLOSURE OF SALARIES AND BENEFITS

for the year ended December 31, 2003

*Pursuant to the requirements of the Public Sector Salaries Disclosure Act, 1996, the following officers of the Corporation of the City of Brampton received a salary in excess of \$100,000 during the year ended December 31, 2003:*

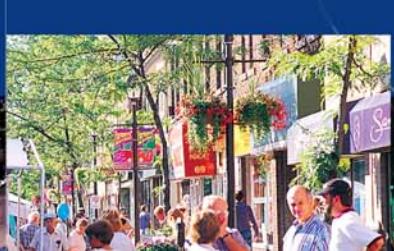
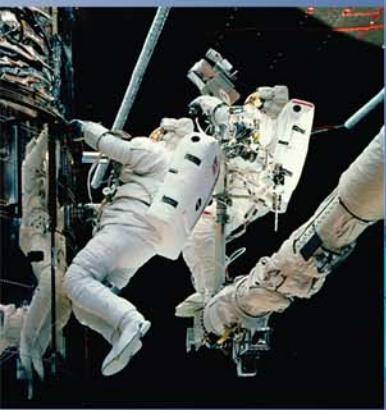
NAME	POSITION	SALARY PAID*	TAXABLE BENEFITS
Bino, Richard	Director, Engineering & Development Services	\$ 114,541.75	\$ 770.34
Brophy, John	Director, Maint & Operations Works & Transportation	\$ 106,829.36	\$ 728.60
Campbell, Brenda	Chief Building Officer, Director of Building	\$ 110,306.94	\$ 741.48
Clark, Verrall	Fire Chief	\$ 114,793.15	\$ 1,038.65
Connor, Clayton	Corporate Counsel, Director of Real Estate	\$ 123,275.33	\$ 813.92
Corbett, John	Director, Planning & Development Services	\$ 118,637.59	\$ 797.48
Cranch, Robert	Commissioner, Community Services	\$ 141,031.12	\$ 12,823.49
Cutajar, Dennis	Executive Director, Bus. Develop & PR	\$ 118,177.41	\$ 12,667.67
Eskelson, Bonnie	Sr. Manager, Financial Planning & Budgets	\$ 101,080.86	\$ 690.70
Honeyborne, Peter	Director, Treasury Services, Deputy Treasurer	\$ 107,866.28	\$ 719.46
Irwin, Terry	Fire Chief	\$ 108,301.75	\$ 2,934.70
Lagerquist, Gary	Assistant Deputy Fire Chief	\$ 139,281.60	\$ 572.64
Lee, William	Associate Director, Special Projects	\$ 110,767.14	\$ 749.02
MacMillan, Alexander	Commissioner, Works & Transportation	\$ 131,589.02	\$ 12,761.79
Marshall, John A.	Commissioner, Planning & Development	\$ 144,708.41	\$ 12,848.89
McCool, Lorne V.	City Manager	\$ 191,990.86	\$ 13,130.05
Mikulich, Leonard J.	City Clerk	\$ 101,671.11	\$ 696.04
Moore, Christopher	Chief Information Officer	\$ 102,649.21	\$ 700.96
Newlove, Harvey	Director, Facility & Program Services	\$ 119,036.99	\$ 795.02
Petkovski, Janice	Corporate Counsel, Director of Litigation	\$ 119,827.56	\$ 789.26
Ross, Allan	Commissioner of Finance and Treasurer	\$ 142,427.57	\$ 12,831.51
Sibley, Dan	Director, Human Resources	\$ 120,004.96	\$ 795.48
Tracogna, Deborah	Sr. Manager, Client Services	\$ 102,835.97	\$ 695.24
Walsh, Karl	Director of Community Design	\$ 125,372.04	\$ 806.80
Wilton, Garry D.	District Chief of Firefighting	\$ 103,209.97	\$ 557.34
Winterhalt, William	Associate Director, Planning Policy & Growth Mgmt	\$ 110,562.50	\$ 744.94
Wright, John	Commissioner, Management & Administrative Services	\$ 130,446.39	\$ 12,739.17
Young, David I.	Director of IMACS	\$ 123,964.91	\$ 737.10
Zammit, Kathryn	Director, Council & Admin. Services	\$ 111,692.06	\$ 761.02

\* Salary paid figures include one-time payments. One-time payments include payments in respect of merit bonuses, vacation pay and payout of sick-banks required by the Collective Agreement.

# THE CORPORATION OF THE CITY OF BRAMPTON

## NOTES







City of Brampton, 2 Wellington Street West, Brampton, Ontario, Canada, L6Y 4R2. [www.city.brampton.on.ca](http://www.city.brampton.on.ca)

