



Financial Report

for the Fiscal Year Ended
December 31, 2017

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

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City of Brampton Corporate Organizational Chart

Mayor and City Council
Mayor Linda Jeffrey

Chief Administrative Officer
Harry Schlange
• City Clerk
• Human Resources
• Service Innovation and Corporate Performance
• Strategic Communications
• Strategic Development

Internal Audit
Director Foruzan Velji

Corporate Services
Commissioner Joseph Pittari
• Enforcement and By-Law Services
• Finance
• Information Technology
• Legal Services
• Purchasing
• Court Administration

Community Services
Commissioner Al Meneses
• Animal Services
• Building Design and Construction
• Facilities, Operations and Maintenance
• Realty Services
• Recreation
• Service Brampton

Public Works and Engineering
Commissioner Joe Pitushka
• Capital Works
• Environment and Development Engineering
• Parks Maintenance and Forestry
• Road Maintenance, Operations and Fleet
• Transportation Special Projects

Planning and Development Services
Commissioner Rob Elliott
• Building
• Development Services
• Policy Planning
• Transportation Planning
• Urban Design

Economic Development and Culture
Director Bob Darling
• Cultural Services
• Economic Development

Fire and Emergency Services
Chief Bill Boyes

Brampton Transit
General Manager Alex Milojevic

Message from the City Treasurer



I am pleased to present the City of Brampton's consolidated financial statements for the fiscal year 2017.

2017 was a year of transformation for the City. We realigned and modernized our Corporation for a more responsive business approach and stronger service culture.

The City also sharpened its focus on advancing key strategic priorities that would boost growth opportunities. This includes attracting a new university, strengthening health partnerships, enhancing local and regional transit connections, creating vibrant urban centres, and planning a more sustainable downtown through the Riverwalk project. These priorities are underpinned by a robust planning vision to guide our growth over the next two decades. Groundwork for the planning vision began in 2017 and was formalized early in 2018.

Why does this transformation matter? As Canada's second fastest-growing city, Brampton continues to face the challenge of balancing growth with public expectations. Our growth rate is three times Ontario's and two-and-a-half-times more than the national average. This makes it increasingly important for us to remain committed to effectively managing growth while remaining fiscally responsible.

In 2017, City Council endorsed a Long Term Financial Master Plan (LTFMP) that provides a series of policy recommendations to enhance rigorous financial management of the City's resources. It also identifies potential funding alternatives for addressing the major strategic initiatives in the short to medium term.

Our continued strong financial management, recent changes to the organization and a forward-thinking view to the future, have collectively strengthened Brampton's financial position now and into the future.

In addition to key financial results, this report provides an overview of the local economic climate, financial policies and performance related to the delivery of the City's programs and services.

Consolidated Financial Statements

Management is responsible for the preparation of the City's consolidated financial statements. These consolidated financial statements have been prepared in accordance with the reporting standards established for municipalities by the Public Sector Accounting Board (PSAB), and included within the CPA Canada Accounting Handbook. We are confident that controls are in place in the City's accounting and financial reporting systems that ensure accuracy of the consolidated financial statements being presented.

The 2017 consolidated financial statements have been audited by KPMG LLP, Chartered Professional Accountants (KPMG) in accordance with Canadian Generally Accepted Auditing Standards and their unqualified report is included with the consolidated financial statements. The role of the statutory auditor is to present an independent opinion on the fair presentation of the City's financial position and operating results as contained in the Financial Report, and confirm that the statements are free from material misstatements. The auditors are also responsible for advising management and City Council of any control or operational issues that may be identified during their audit.

The auditors have expressed the opinion that the City's consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the City of Brampton as at December 31, 2017, and comply with PSAB municipal financial reporting requirements.

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

Overview of Economic Climate and Financial Strategies

Brampton continues to see sustained economic growth. It holds a uniquely competitive position as no other Canadian city matches its pace of growth, youth and diversity. Brampton is a major contributor to the national economy, experiencing significant public and private sector investment in commercial and infrastructure development. Brampton's creative economy supports innovation, business growth and economic development. Brampton has a diverse and resilient economic base, home to businesses representing a variety of key sectors, including advanced manufacturing, health and life sciences, innovation and technology and entrepreneurship.

Brampton sits in the middle of the Innovation Super Corridor, the economic engine of Ontario and Canada. This location is significant to current and future growth opportunities, sparking business development and transformation around the upcoming Ryerson University campus and Centre for Innovation, and building a strong technology community.

Some key economic indicators in Brampton:

- Population of more than 600,000, expected to increase to nearly 900,000 by the year 2041.
- The number of new businesses in Brampton increased by nine per cent in 2017 to reach nearly 65,000 total businesses.
- The Region of Peel unemployment rate decreased to almost six per cent in 2017 (seven per cent in 2016) further emphasizing that the economy is working at full capacity.
- City-supported cultural and creative activities generated more than \$8 million in local spending in 2017.
- Brampton saw 2017 investment of \$1.4 billion in total construction across industrial, commercial, institutional and residential sectors.

- In 2017, the City committed to a strategic investment to bring a new Ryerson University campus and a Centre for Innovation to downtown Brampton, supporting significant economic and social benefits for Brampton's business community and its residents for generations to come.

City Council is committed to transparency in government and engagement with its community. City Council strives to balance the expectations of residents for programs and services with the need to insulate taxpayers where possible, to ensure ongoing value for money.

In addition to responding to the infrastructure needs of a growing community, the City is also committed to maintaining its existing infrastructure base in a state of good repair. The City's Corporate Asset Management Plan provides a framework for a strategic plan for managing our assets in an effective and efficient manner while complying with applicable regulations. In 2017, the City launched an Asset Management Training and Innovation Centre endorsed by the internationally recognized Institute of Asset Management (IAM). Brampton City Hall is now an IAM-approved training and exam venue and more than 100 professionals have graduated.

The City continues to pursue federal and provincial financial support for infrastructure projects to reduce the property tax burden to the residents, while City Council advocates on behalf of Brampton.

Financial Management Policies

The City of Brampton has established a number of financial management policies that provide a framework for the Corporation's overall fiscal planning and financial management. This includes proactive financial planning and financial reporting processes.

The City of Brampton is in compliance with the reporting guidelines required by the Ministry of Municipal Affairs and Housing.

The City's rigorous financial reporting on both operating and capital results exceeds the requirements of both the federal and provincial governments. Staff regularly provide financial reports to City Council in various forms, including financial status reports. These reports are prepared and submitted to City Council, four times per year for operating and two times per year for capital, and clearly compare budgets with results and provide comments on variances from budget and

Message from the City Treasurer

Message from the City Treasurer

forecasts. These comprehensive, easy-to-read reports enable City Council and the public to understand how their tax dollars are spent and how the City has performed against budget.

Through its risk management program, the City proactively protects the Corporation's assets against financial losses and ensures preservation of public service capacities. In addition, the City purchases insurance to ensure financial protection is available should a large loss occur. The City has continued with the implementation of an Enterprise Risk Management program. This initiative will incorporate a consistent approach to managing risk into the culture and strategic planning processes of the City.

The Government Finance Officers Association of the United States and Canada (the "GFOA") Award for Financial Reporting

In 2017, for the sixteenth consecutive year, the GFOA formally recognized Brampton for its excellence in financial reporting with the "Canadian Award for Financial Reporting" for the City's 2016 Annual Report.

The GFOA established the Canadian Award for Excellence in Financial Reporting Program to encourage Canadian local governments to go beyond the minimum requirement of generally accepted accounting principles to communicate the municipal government's finances in a comprehensive manner, based on a set of consistent reporting requirements established for all local government.

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

The GFOA Distinguished Budget Presentation Award

The City's Approved Business Plan and Budget 2017-2019 received 'The Distinguished Budget Presentation Award' from the GFOA which is the only national awards program in governmental budgeting. This is the second year the City applied for and received the award and it represents a significant achievement due to the stringent requirements for effective budget presentation.

Budget Process

The City's budget is prepared by setting priorities that reflect strategic objectives and service standards, while balancing the need for prudent financial management. Priority setting takes place at all levels of the organization by departmental staff, senior management, corporate leadership and, ultimately, City Council. During the budget process, public input received throughout the year was taken into account. This included calls and queries that come in to our staff, to interactions at events, surveys and other public engagement opportunities.

Separate Capital and Operating budgets are prepared in parallel, but are closely linked in recognition of the impact that each has on the other.

The City uses a full accrual basis (PSAB) budgeting methodology. This methodology does not change how the tax levy is calculated, or how funding decisions are made by City Council. The 2017 consolidated financial statements reflect full accrual budget figures for comparison purposes.

The capital budget methodology uses a capital contract budgeting approach. This methodology only allows budgeting for contracts (purchase orders) with vendors that are anticipated to be issued in the budget year. This aligns annual funding requirements with the City's capacity to deliver capital projects.

Budget submissions are consolidated and supported by the analysis of budget drivers and justification of all proposed new initiatives. The Corporate Leadership Team then determines a recommended set of objectives and priorities for allocation of available resources. These proposed budgets and priorities are considered by City Council in open public meetings, amendments are made as appropriate, and budget approval is granted.

The capacity to fund, deliver and manage the large quantity of new capital infrastructure needed to accommodate growth continued to be a major consideration in the 2017 budget process. The 2017 budget reflected a balance between priorities of the community and a fiscally responsible approach to running the City.

Key budget objectives included in the 2017 budget were:

- Establishing the framework and plan for Brampton's next phase of growth
- Enhancing Transit and Fire services

- Advancing Brampton's strategic priorities
- Maintaining and developing corporate infrastructure
- Ensuring continued value for money in the provision of all City services
- Insulating taxpayers to the extent possible

Audit Committee

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

Financial Results

The City of Brampton's accumulated surplus at the end of 2017 was \$4.1 billion (2016: \$4.0 billion), of which \$3.7 billion reflects investments in tangible capital assets. This increase reflects the City's continuing commitment to invest in capital infrastructure to support current City services and future growth.

Revenues

Revenues totalled \$829 million in 2017. The sources were:

- \$450 million from property taxes
- \$187 million from user fees, fines, interest income and other
- \$3 million from federal and provincial government grants
- \$133 million from development levies and other restricted capital contributions (i.e. development charges and government transfer payments for restricted purposes being applied to applicable capital works)
- \$56 million of developer contributed tangible capital assets

Total revenues in 2017 were \$49 million higher than 2016 increasing from \$780 to \$829 million. Major factors contributing to this increase include:

- The higher number of subdivisions assumed during 2017 over 2016 from developers resulted in a \$26 million increase in the Developer contributed tangible capital assets.

- \$25 million increase in property taxation as a result of assessment growth and budgetary increases. The majority of the growth is realized from new construction, particularly residential, and new plans of subdivision. Also contributing to the increase is the increased supplementary assessment received from MPAC.
- Increase in Transit revenues associated with 18% ridership growth.

Expenses

The operating expenses totalled \$719 million, including:

- General government - \$74 million
- Protection to persons and property - \$115 million
- Transportation services - \$308 million
- Environmental and health services - \$20 million
- Social and family services - \$4 million
- Recreation and cultural services - \$176 million
- Planning and development services - \$22 million

Total operating expenses of \$719 million (2016: \$734 million) decreased by \$15 million. This decrease was partially offset by \$5 million increase in amortization expense representing the value of tangible capital assets that were consumed during the year. The amortization expense increased due to the \$220 million in new tangible capital assets that were added during 2017. This increase in tangible capital assets is mainly due to the infrastructure assets assumed from developers through subdivision agreements, construction of the Williams Parkway Administrative Building Phase 2, New Springdale Library and Neighborhood Park, Sandalwood Works Yard expansion, purchase of transit buses and road construction activities.

Amortization expense does not require an outlay of cash and is not directly included in the determination of the annual property tax levy.

Following are key items driving the operating expense variance from 2016 to 2017:

- **Favorable:**
 - One-time payment of \$40 million to the Peel Memorial Centre for Integrated Health and Wellness in 2016
 - One-time costs associated with the City transformation in 2016

Message from the City Treasurer

Message from the City Treasurer

• Unfavorable:

- \$4 million increase in post-employment benefits and other liabilities
- Increase in diesel fuel rates
- Increases from the operating and maintenance of the City's growing infrastructure investment as well as continued growth in transit service

Reserve Funds

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

As at December 31, 2017, the City of Brampton's reserves and reserve fund balances totalled \$376 million, compared to \$324 million in 2016. These funds are reported as a component of the accumulated surplus (see Note 9 of the consolidated financial statements).

Included in the Consolidated Statement of Financial Position are deferred revenues from gas taxes, provincial and federal transfer payments, development charges and other contributions from developers for future growth-related capital works. These deferred revenues totalled \$307 million as at December 31, 2017 as compared to \$323 million in 2016, a decrease of \$16 million.

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

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

Final Comments

We are committed to ensuring accountability, transparency, credibility and clarity in financial reporting. We have established a framework to help with long-term prioritization and decision-making. 2017 was about looking inward to create a cohesive and responsive team, and for 2018 and beyond, we turn our focus to building a future ready Brampton.

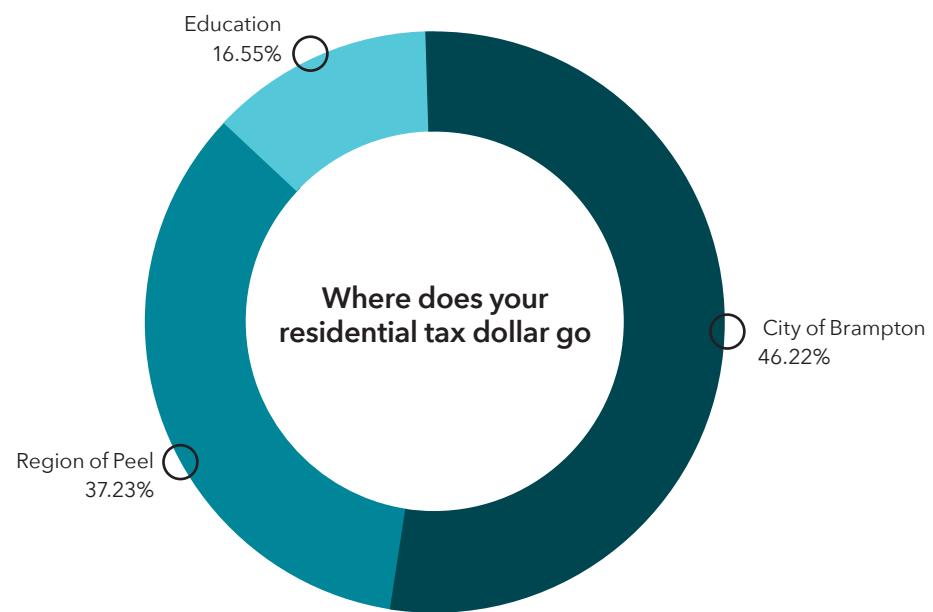
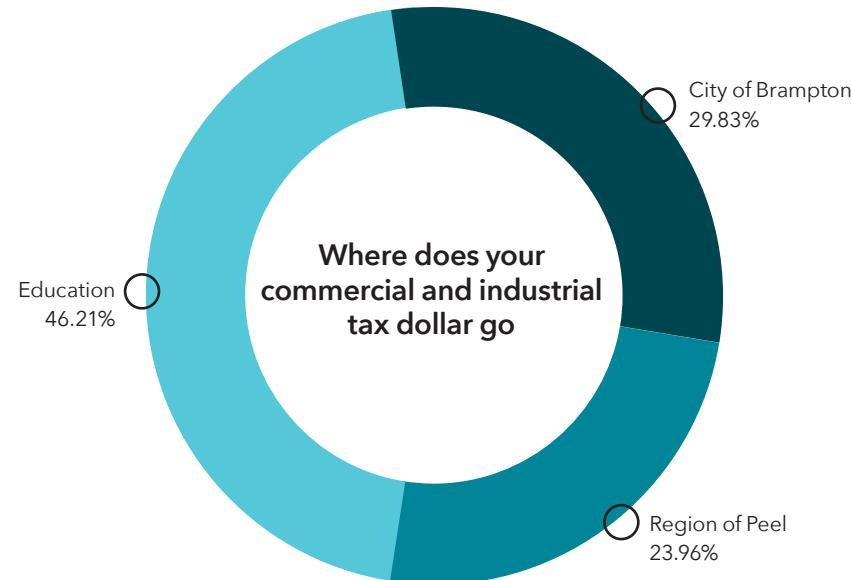
Brampton continues to meet the challenge of balancing service delivery, infrastructure building and maintenance, while remaining fiscally responsible in a rapidly growing city. We will continue to invest in our infrastructure priorities to help address the needs of our community - now and into the future. Our aim is to manage that future investment with prudent financial policy, while continuing to provide the best possible service to our residents and businesses.

Brampton is a strong contributor to Canada's economy. It is one of the most diverse cities in the country. Our team is committed to help achieve City Council's vision to be a connective city that is innovative, inclusive and bold.

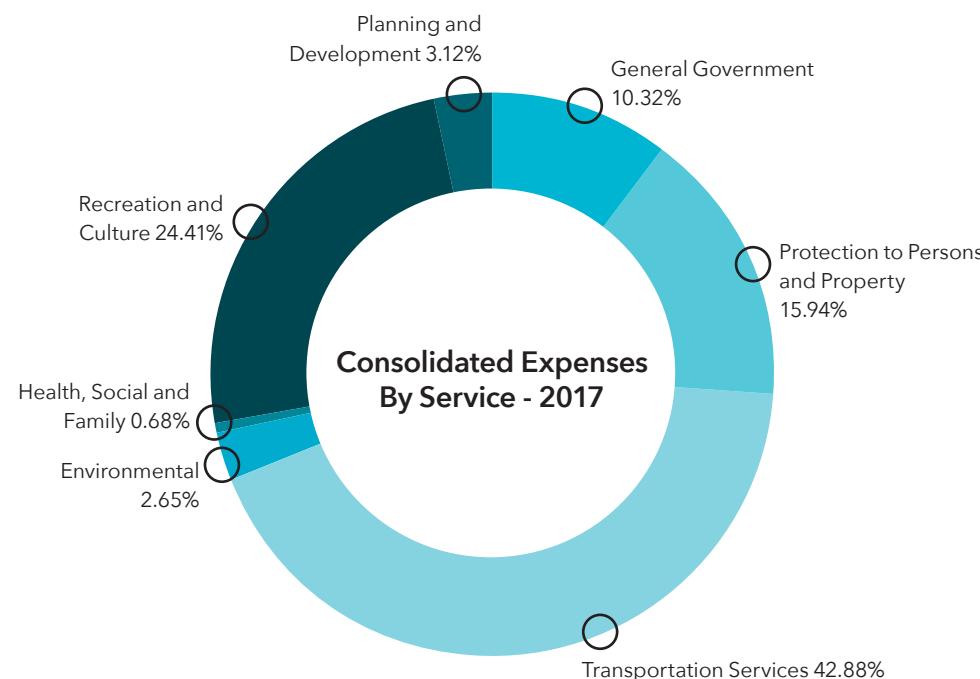
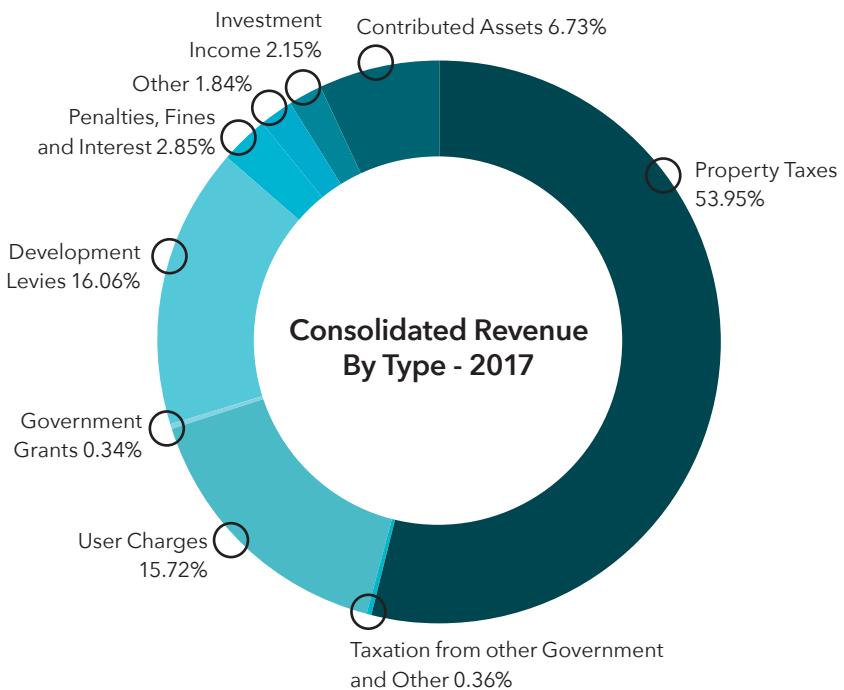
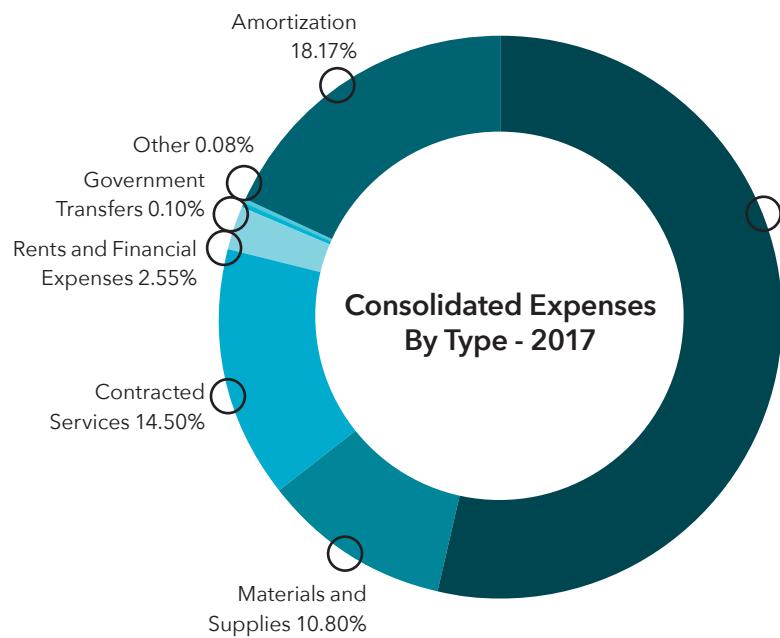


Dave Sutton,
City Treasurer

June 14, 2018



Financial Highlights
for the year Ended December 31, 2017





Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**The Corporation of the City of Brampton
Ontario**

For its Annual
Financial Report
for the Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

Consolidated Financial Statements

**The Corporation of the City of Brampton for the
Fiscal Year Ended December 31, 2017**

Management's Report

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

The consolidated financial statements are prepared by management, in accordance with generally accepted accounting principles established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. They necessarily include some amounts that are based on the best estimates and judgments of management. Financial data elsewhere in the report is consistent with that in the financial statements. To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

City Council fulfils its responsibility for financial reporting through The City Council and its Audit Committee. The City Council consists of the Mayor and ten Councillors. The Audit Committee consists of five Councillors.

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



Harry Schlangen
Chief Administrative Officer



David Sutton
Treasurer

Brampton, Canada
May 8, 2018

Auditors' Report



KPMG LLP
Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan ON L4K 0J3
Canada
Tel 905-265-5900
Fax 905-265-6390

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of The Corporation of the City of Brampton, which comprise the consolidated statement of financial position as at December 31, 2017, the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

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



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Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the City of Brampton as at December 31, 2017, and its consolidated results of operations and accumulated surplus, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

May 8, 2018
Vaughan, Canada

Consolidated Statement of Financial Position

as at December 31, 2017
(All dollar amounts in \$000)

	2017	2016
FINANCIAL ASSETS		
Cash and short-term investments (Note 3)	\$ 348,750	\$ 425,801
Taxes receivable	48,665	41,257
User charges receivable	4,053	3,725
Accounts receivable	35,526	29,101
Long-term investments (Note 3)	595,286	538,644
Other assets (Note 4)	8,309	8,361
Total financial assets	1,040,589	1,046,889
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	134,944	148,448
Capital lease obligation (Note 5)	88,597	90,165
Deferred revenue - general (Note 6 (a))	4,014	3,744
Deferred revenue - obligatory reserve funds (Note 6 (b))	306,686	323,282
Employee benefits and other liabilities (Note 7)	77,118	72,837
Total financial liabilities	611,359	638,476
Net Financial Assets	429,230	408,413
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 14)	3,687,386	3,598,234
Inventory and prepaids	6,596	6,071
Total non-financial assets	3,693,982	3,604,305
Guarantee (Note 4)		
Contingencies (Note 12)		
Commitments (Note 15)		
Accumulated surplus (Note 9)	\$ 4,123,212	\$ 4,012,718

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

Consolidated Statement of Operations and Accumulated Surplus

for the year ended December 31, 2017

(All dollar amounts in \$000)

	2017 Budget (notes 1 (o) and 16)	2017	2016
REVENUES			
Property taxation	\$ 443,767	\$ 447,408	\$ 422,459
Taxation from other governments	2,913	2,963	2,903
User charges	124,126	130,400	124,722
Government grants	579	2,788	12,252
Development levies earned	167,810	133,174	145,597
and other restricted capital contributions			
Investment income	6,717	6,097	7,641
Interest earned on reserves	9,717	11,755	9,286
Penalties, fines and interest	21,583	23,628	21,474
Developer contributed tangible capital assets (Note 14 (b))	78,913	55,834	29,856
Other	3,507	15,294	3,363
Total revenues	859,632	829,341	779,553
EXPENSES			
General government	73,105	74,199	111,689
Protection to persons and property	111,232	114,553	100,510
Transportation services	309,400	308,223	291,662
Environmental services	17,834	19,053	17,141
Health services (cemeteries)	834	829	759
Social and family services	4,325	4,052	3,879
Recreation and cultural services	178,615	175,485	179,336
Planning and development services	25,683	22,453	29,045
Total expenses	721,028	718,847	734,021
Annual Surplus	\$ 138,604	\$ 110,494	\$ 45,532
Accumulated surplus, beginning of year		4,012,718	3,967,186
Accumulated surplus, end of year (Note 9)		\$ 4,123,212	\$ 4,012,718

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

Consolidated Statement of Change in Net Financial Assets

for the year ended December 31, 2017
(All dollar amounts in \$000)

	2017 Budget (notes 1 (o) and 16)	2017	2016
ANNUAL SURPLUS	\$ 138,604	\$ 110,494	\$ 45,532
Acquisition of tangible capital assets	-	(220,339)	(216,140)
Amortization of tangible capital assets	129,354	130,611	125,971
Net book value of disposed tangible capital assets	-	576	350
Acquisition of inventory and prepaids	-	(9,824)	(8,438)
Use of inventory and prepaids	-	9,299	7,762
CHANGE IN NET FINANCIAL ASSETS	267,958	20,817	(44,963)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	408,413	408,413	453,376
NET FINANCIAL ASSETS, END OF YEAR	\$ 676,371	\$ 429,230	\$ 408,413

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

Consolidated Statement of Cash Flows

for the year ended December 31, 2017
 (All dollar amounts in \$000)

	2017	2016
OPERATING ACTIVITIES		
Cash provided by (used in):		
Annual surplus	\$ 110,494	\$ 45,532
Change in non-cash assets and liabilities:		
Taxes receivable	(7,408)	3,032
User charges receivable	(328)	(306)
Accounts receivable and other assets	(6,373)	6,312
Accounts payable and accrued liabilities	(13,504)	20,995
Deferred revenue - general	270	405
Deferred revenue - obligatory reserve fund	(16,596)	6,572
Employee benefits and other liabilities	4,281	4,474
Inventory and prepaids	(525)	(676)
	(40,183)	40,808
Items not involving cash:		
Amortization of tangible capital assets	130,611	125,971
Loss on disposal of tangible capital assets	576	350
Developer contributed tangible capital assets	(55,834)	(29,856)
NET CHANGE IN CASH FROM OPERATIONS	145,664	182,805
FINANCING ACTIVITIES		
Réparation of capital lease obligation	(1,568)	(1,454)
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(164,505)	(186,284)
INVESTING ACTIVITIES		
Increase in long-term investments	(56,642)	(82,501)
	(222,715)	(270,239)
INCREASE IN CASH AND SHORT-TERM INVESTMENTS	(77,051)	(87,434)
Cash and short-term investments, beginning of year	425,801	513,235
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	\$ 348,750	\$ 425,801

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

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

1. Significant accounting policies:

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

a) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity. The reporting entity is comprising of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City. These consolidated financial statements include:

- **Brampton Public Library Board**
- **Downtown Brampton Business Improvement Area**

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

b) Non-consolidated entities:

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

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

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

c) Accounting for Region and School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of The Regional Municipality of Peel ("Region of Peel") and the school boards are not

reflected in the accumulated surplus of these consolidated financial statements.

d) Basis of accounting:

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

e) Investments:

Cash and short-term investments include short-term highly liquid investments with terms to maturity of 90 days or less.

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

f) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (i) an environmental standard exists
- (ii) contamination exceeds the environmental standard
- (iii) the organization is directly responsible or accepts responsibility for the liability
- (iv) future economic benefits will be given up, and
- (v) a reasonable estimate of the liability can be made.

g) Non-financial assets:

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

h) Tangible capital assets:

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

Notes to Consolidated Financial Statements

Year ended December 31, 2017
(All dollar amounts are in 000s)

Notes to Consolidated Financial Statements

Year ended December 31, 2017
 (All dollar amounts are in 000s)

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

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

(i) Contributions of tangible capital assets

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

(ii) Works of art and cultural and historic assets

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

(iii) Interest capitalization

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

(iv) Leased tangible capital assets

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

(v) Tangible capital assets disclosed at nominal values

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

i) Government grants:

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

j) Deferred revenue - general:

Deferred revenue represent user charges and fees which have been collected but for which the related services have yet to

be performed. These amounts will be recognized as revenues in the fiscal period the services are performed.

k) Deferred revenue - obligatory reserve funds:

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

l) Taxation and related revenues:

Taxation revenues are recorded at the time tax billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The City may receive supplementary assessment rolls over the course of the year from Municipal Property Assessment Corporation ("MPAC"), identifying new or omitted assessments. Property taxes for these supplementary and/or omitted amounts are then billed according to the approved tax rate for the property class.

m) Investment income:

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

n) Pensions and employee benefits:

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

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

Notes to Consolidated Financial Statements

Year ended December 31, 2017
(All dollar amounts are in 000s)

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

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

o) Budget figures:

The City budgets for the following items on the consolidated statement of operations: interest earned on reserves, developer contributed tangible capital assets and amortization expense.

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

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

p) Use of estimates:

The preparation of these consolidated financial statements requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Significant estimates and assumptions include allowance for doubtful accounts for certain accounts receivable, carrying value of tangible capital assets, provisions accrued liabilities and obligations related to employee future benefits. Actual results could differ from these estimates.

2. Future Accounting Pronouncements:

These standards and amendments were not effective for the year ended December 31, 2017, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

(i) PS 3210, Assets, provides a definition of assets and further expands that definition as it relates to control. The standard also includes some disclosure requirements related to economic resources that are not recorded as assets to provide the user with better information about the types of resources available to the public sector entity. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year-end).

(ii) PS 3320, Contingent Assets, defines contingent assets and outlines two basic characteristics of contingent assets: (a) an existing condition or situation that is unresolved at the financial statement date, (b) an expected future event that will resolve the uncertainty as to whether an asset exists. The standard also has specific disclosure requirements for contingent assets when the occurrence of the confirming event is likely. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year-end).

(iii) PS 3380, Contractual Rights, defines contractual rights to future assets and revenue. The standard requires that a public sector entity's contractual rights to certain types of revenue for a considerable period into the future or revenues that are abnormal in relation to the financial position or usual business operations should be disclosed in notes or schedules to the financial statements and should include descriptions about their nature and extent and timing. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year-end).

(iv) PS 2200, Related Party Disclosures, establishes related party disclosure requirements and defines related parties. This standard also specifies the information required to be disclosed including the type of transactions, amounts classified by financial statement category, the basis of measurement, and the amounts of any outstanding items, any contractual obligations and any contingent liabilities. The standard also requires disclosure of related party transactions that have occurred where no amounts have been recognized. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year-end).

(v) PS 3430, Restructuring Transactions, requires that assets and liabilities in restructuring transactions to be measured at their carrying amount. It also prescribes financial statement presentation and disclosure requirements. This standard is effective for fiscal periods beginning on or after April 1, 2018 (the City's December 31, 2019 year-end).

Notes to Consolidated Financial Statements

Year ended December 31, 2017
(All dollar amounts are in 000s)

(vi) PS 3420, Inter-Entity Transactions, relates to the measurement of related party transactions and includes a decision tree to support the standard. Transactions are recorded at carrying amounts other than certain exceptions. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year-end).

(vii) PS 1201, Financial Statement Presentation, was issued in June, 2011. This standard requires entities to present a new statement of remeasurement gains and losses separate from the consolidated statement of operations and accumulated surplus. This new statement includes unrealized gains and losses arising from remeasurement of financial instruments and items denominated in foreign currencies and any other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This section is effective for fiscal years beginning on or after April 1, 2019 (the City's December 31, 2020 year-end) and applies when PS 3450, Financial Instruments, and PS 2601, Foreign Currency Translation, are adopted.

(viii) PS 3450, Financial Instruments, establishes the standards on accounting for and reporting all types of financial instruments including derivatives. The effective date of this standard has recently been deferred and is now effective for fiscal periods beginning on or after April 1, 2019 (the City's December 31, 2020 year-end).

(ix) PS 2601, Foreign Currency Translation, establishes the standards on accounting for and reporting transactions that are denominated in a foreign currency. The effective date of this standard has been deferred and is now effective for fiscal periods beginning on or after April 1, 2019 (the City's December 31, 2020 year-end). Earlier adoption is permitted. A public sector entity adopting this standard must also adopt the new financial instruments standard.

3. Cash and Investments:

Cash and short-term investments of \$348,750 (2016 - \$425,801) includes short-term investments of \$29,115 (2016 - \$33,102) with a market value \$29,569 (2016 - \$33,295) at the end of the year.

Long-term investments of \$595,286 (2016 - \$538,644) have a market value of \$590,375 (2016 - \$540,873), at the end of the year.

4. Other Assets:

Included under other assets in the consolidated statement of financial position is \$7,984 (2016 - \$7,984) consisting of a construction loan of \$6,000 advanced by the City towards the construction of the Powerade Centre with a due date of August 31, 2034 and a further \$1,984 representing advances under the Loan and Priorities Agreement established in 1998.

The City is also the guarantor for the Powerade Centre Term Loan ("Term Loan", previously a mortgage) held by the Royal Bank of Canada which expired on March 21, 2017. In 2017, the Term Loan, which has an amortization period ending in August 2034, was renegotiated with a 5-year term ending on March 21, 2022. The Term Loan has an outstanding balance of \$8,209 on December 31, 2017 (2016 - \$8,594).

5. Capital Lease Obligation:

In 2014, the City entered into a capital lease arrangement (the "agreement") on a building in downtown Brampton as part of the Southwest Quadrant Renewal Plan.

The agreement requires equal monthly lease payments over a period of 25 years until 2039. At the expiry of the agreement, the legal title of the building will be transferred to the City.

Annual lease payments under the agreement are as follows:

2018	\$ 8,354
2019	8,354
2020	8,354
2021	8,354
2022	8,354
2023 and Thereafter	138,527
<hr/>	
Total minimum lease payments	\$ 180,297
<hr/>	
Less amount representing implicit interest at 7.59%	91,700
<hr/>	
Capital lease obligation	\$ 88,597

In 2017, the interest expense of \$6,785 (2016 - \$6,900) is reported in the consolidated statement of operations.

6. (a) Deferred revenue - general:

Deferred revenue - general is comprised of program registration fees for parks and recreation programs, Transit advertising revenues applicable for the following year and unspent Provincial funding for capital projects. As at December 31, 2017 the deferred revenue - general amounted to \$4,014 (2016 - \$3,744).

Notes to Consolidated Financial Statements

Year ended December 31, 2017
(All dollar amounts are in 000s)

(b) Deferred revenue - obligatory reserve funds:

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

As at December 31, 2017, obligatory reserve funds amounted to \$306,686 (2016 - \$323,282). This balance includes unspent development charges, unspent gas tax receipts as well as unspent funding for specific infrastructure projects received from federal and provincial governments. Details of these deferred revenues are as follows:

	Opening	Amount received	Amount recognized as revenue	Other adjustments	Closing
Developers	\$ 139,009	66,090	77,133	-	\$ 127,966
Federal gas tax	31,972	29,431	30,063	-	31,340
Provincial gas tax	3,253	11,333	10,899	-	3,687
Other	149,048	9,085	15,079	639	143,693
Total	\$ 323,282	115,939	133,174	639	\$ 306,686

7. 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 WSIB, the City has elected to be treated as a Schedule 2 employer and remits payments to the WSIB as required to fund disability payments. An actuarial estimate of future liabilities has been completed and forms the basis for the estimated liability reported in these consolidated financial statements.

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

	2017	2016
WSIB	\$ 12,505	\$ 10,114
Vested sick leave benefits	19,099	17,145
Vacation pay	12,295	11,801
Non-pension post employment benefits	23,225	20,721
Self insurance liability	9,586	4,826
Legal liability	-	8,230
Total	\$ 76,710	\$ 72,837

As at December 31, 2017, the City has allocated reserves and reserve funds of \$31,022 (2016 - \$28,216) to fund these obligations. The most recent full actuarial valuation was performed as at December 31, 2016.

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

Item	WSIB	Vested Sick Leave Benefits	Non-Pension Post Employment Benefits	2017 Total	2016 Total
Accrued Benefit obligation ("ABO"), beginning of year	\$ 18,795	\$ 25,311	\$ 33,522	\$ 77,628	\$ 51,362
Add: Current benefit costs	2,671	2,487	1,620	6,778	3,990
Add: Increase due to plan amendment	151	-	-	151	-
Add: Interest Cost	723	1,012	1,336	3,071	2,402
Less: Current Benefit Payments	2,020	2,498	1,843	6,361	4,678
ABO, end of the year	\$ 20,320	\$ 26,312	\$ 34,635	\$ 81,267	\$ 53,076
Unamortized actuarial gain/(loss)	(7,815)	(7,213)	(11,410)	(26,438)	(5,096)
Liability for Benefits, end of the year	\$ 12,505	\$ 19,099	\$ 23,225	\$ 54,829	\$ 47,980

Notes to Consolidated Financial Statements

Year ended December 31, 2017
(All dollar amounts are in 000s)

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the more significant assumptions made:

	Non-Pension	Sick Leave	WSIB
Expected inflation rate	1.75%	1.75%	1.75%
Expected level of salary increases	2.75%	2.75%	n/a
Interest discount rate	4.00%	4.00%	3.75%
Dental premium rate increase	3.75%	n/a	n/a
Health care premium rates increase	6.42%	n/a	6.42%
Expected average remaining service life	15 years	14 years	11 years

8. Pension agreements:

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

The amount contributed to OMERS for 2017 was \$27,525 (2016 - \$25,332) for current service and is included as an expense on the consolidated statement of operations. Employee contributions totaled \$27,525 (2016 - \$25,332).

The City is current with all payments to OMERS, therefore, there is neither a surplus nor deficit with the pension plan contributions. However, the OMERS pension plan had a deficit at December 31, 2017 of \$5.4 billion based on actuarial valuation of plan assets.

9. Accumulated Surplus:

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

	2017	2016
Tangible capital assets	\$ 3,687,386	\$ 3,598,234
Surplus funds from committed capital projects and other	59,524	90,140
	3,746,910	3,688,374
Reserves	78,808	76,323
Reserve Funds	297,494	248,021
Total	\$ 4,123,212	\$ 4,012,718

10. Expenses by object:

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

	2017 Budget	2017	2016
Salaries, wages and fringe benefits	\$ 393,078	\$ 386,748	\$ 379,483
Materials and supplies	76,965	77,668	73,531
Contracted services	104,399	104,216	98,931
Rents and financial expenses	16,363	18,311	15,370
Government transfers	869	717	40,385
Amortization	129,354	130,611	125,971
Other	-	576	350
Total expenses	\$ 721,028	\$ 718,847	\$ 734,021

11. Trust funds:

Trust funds administered by the City amounted to \$27,728 (2016 - \$29,179) are presented in the separate financial statements of trust funds balances and operations. As such balances are held in trust by the City for the benefit of others, they are not presented as part of the City's consolidated financial position or operations.

The City administers the following trust funds:

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

12. Public liability insurance:

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

The City has created a reserve fund for self-insurance which as at December 31, 2017 had a \$15,725 balance (2016 - \$12,980) and is reported on the consolidated statement of financial position. Claims settled during the year amounting to \$2,793 (2016 - \$3,757) have been provided for from the reserve fund, and are accordingly reported as expenses on the consolidated statement of operations.

In the normal course of its operations, the City is subject to various litigation and claims. Where management has assessed

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

13. Provincial Offences Administration:

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

The revenues of the combined operations of the Court House and City Hall and revenues collected on behalf of the City at other POA court sites in the Province of Ontario consist

of fines levied under Parts I and III for POA charges and amounted to \$8,920 for the year ended December 31, 2017 (2016 - \$7,890).

The operating costs for the administration of the POA for the year ended December 31, 2017 amounted to \$6,209 (2016 - \$6,055), resulting in a net contribution of \$2,712 (2016 - \$1,835) exclusive of capital asset additions.

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

Notes to Consolidated Financial Statements

**Year ended December 31, 2017
(All dollar amounts are in 000s)**

14. Tangible capital assets:

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

Cost	December 31, 2016	Additions	Disposals	Transfers	December 31, 2017
Land	\$ 1,630,775	\$ 2,923	\$ -	\$ -	\$ 1,633,698
Asset under capital lease	93,500	-	-	-	93,500
Buildings and building improvements	657,459	53,707	(604)	-	710,562
Furniture, computer and office equipment	87,745	15,355	(13,165)	-	89,935
Infrastructure	1,961,773	93,350	-	-	2,055,123
Land improvements	88,460	5,479	(37)	-	93,902
Vehicles and machinery	314,079	26,129	(3,359)	-	336,849
Assets under construction	165,284	159,420	-	(136,024)	188,680
Total	\$ 4,999,075	\$ 356,363	\$ (17,165)	\$ (136,024)	\$ 5,202,249

Accumulated amortization	December 31, 2016	Disposals	Amortization expense	December 31, 2017
Land	\$ -	\$ -	\$ -	\$ -
Asset under capital lease	9,038	-	3,740	12,778
Buildings and building improvements	254,222	(141)	26,742	280,823
Furniture, computer and office equipment	46,957	(13,123)	14,605	48,439
Infrastructure	885,475	-	58,015	943,490
Land improvements	36,181	(37)	4,533	40,677
Vehicles and machinery	168,968	(3,288)	22,976	188,656
Total	\$ 1,400,841	\$ (16,589)	\$ 130,611	\$ 1,514,863

Notes to Consolidated Financial Statements

Year ended December 31, 2017
 (All dollar amounts are in 000s)

Net book value	December 31, 2016	December 31, 2017	
Land	\$ 1,630,775	\$ 1,633,698	
Asset under capital lease	84,462	80,722	
Buildings and building improvements	403,237	429,739	
Furniture, computer and office equipment	40,789	41,496	
Infrastructure	1,076,300	1,111,633	
Land improvements	52,279	53,225	
Vehicles and machinery	145,111	148,193	
Assets under construction	165,284	188,680	
Total	\$ 3,598,234	\$ 3,687,386	

a) Assets under construction

Assets under construction having a value of \$188,680 (2016 - \$165,284) have not been amortized. Amortization of these assets will commence when the assets are put into service.

b) Contributed tangible capital assets

Contributed capital assets have been recognized at fair market value at the date of contribution. Contributed capital assets are comprised of infrastructure assets acquired through subdivision assumptions. The value of contributed assets received during the year is \$55,834 (2016 - \$29,856).

15. Commitments:

The City leases facilities and equipment under operating leases expiring beyond 2022. The minimum amounts payable under these arrangements are as follows:

2018	\$ 2,293
2019	2,108
2020	2,007
2021	1,828
2022	1,524
2023 and thereafter	15,126
	\$ 24,886

Excluded from these amounts is the capital lease obligation outlined in Note 5. Also excluded is the \$20 million commitment to the William Osler Health Centre for the construction of second phase of Peel Memorial Centre for Integrated Health and Wellness. Conditions required for the release of these funds have not been met in 2017.

16. Budget Data:

Budget data presented in these consolidated financial statements are based upon the 2017 operating and capital budgets as approved by Council and adopted by the City at the

December 14, 2016 meeting. Adjustments to budgeted values were required to provide comparative budget values based on the components of full accrual basis of accounting. The chart below reconciles the approved operating budget with the budget figures presented in these consolidated financial statements.

Revenue:

Approved operating budget	\$ 632,002
Less: Contributions from reserve funds	28,180
Less: Other	630
Add: Development levies earned and other restricted capital contributions	167,810
Add: Interest earned on reserves	9,717
Add: Developer contributed assets	78,913
Total reported on Consolidated Financial Statements	\$ 859,632

Expenses:

Approved operating budget	\$ 632,002
Less: Contributions to reserve funds	78,534
Add: Other	4,409
Add: Operating projects budget	33,797
Add: Amortization	129,354
Total reported on Consolidated Financial Statements	\$ 721,028

18. Segmented Information

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

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

General government

General Government is comprised of Mayor and Councilor's as well as Corporate Management and Support sections.

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

Notes to Consolidated Financial Statements

Year ended December 31, 2017
(All dollar amounts are in 000s)

Protection to persons and property

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

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

Transportation services

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

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

Environmental services

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

Health, social and family services

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

Recreation and cultural services

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

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

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

Planning and development services

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

Consolidated Schedule of Segment Disclosure

for the year ended December 31, 2017

(All dollar amounts in \$000)

	General government	Protection to persons and property	Transportation services	Environmental services	Health, social and family services	Recreation and cultural services	Planning and development services	2017 Total	2016 Total
Revenues									
Property taxation and taxation from other governments	\$ 449,978	-	-	-	-	-	393	\$ 450,371	\$ 425,362
User charges	12,013	13,644	71,399	-	880	28,460	4,004	130,400	124,722
Government grants	-	-	1,705	-	110	470	503	2,788	12,252
Development levies earned and other restricted capital contributions	80	2,905	101,461	-	-	24,006	4,722	133,174	145,597
Investment income (including Reserves and Reserve Funds)	17,793	-	-	-	-	54	5	17,852	16,927
Penalties, fines and interest	9,918	13,213	-	-	1	496	-	23,628	21,474
Developer contributed tangible capital assets	-	-	55,834	-	-	-	-	55,834	29,856
Other	535	2,732	10,963	-	19	888	157	15,294	3,363
Total Revenues	490,317	32,494	241,362	-	1,010	54,374	9,784	829,341	779,553
Expenses									
Salaries, wages and fringe benefits	66,237	93,292	133,970	1,471	2,235	76,251	13,292	386,748	379,483
Materials	14,745	3,233	42,734	25	484	14,914	1,533	77,668	73,531
Contracted services	31,913	3,765	40,751	2,582	202	21,672	3,331	104,216	98,931
Rents and financial expenses	15,901	112	1,460	-	3	768	67	18,311	15,370
Government transfers	(64,720)	8,825	19,721	452	1,380	33,142	1,917	717	40,385
Amortization	10,123	5,326	69,587	14,523	577	28,176	2,299	130,611	125,971
Other	-	-	-	-	-	562	14	576	350
Total Expenses	74,199	114,553	308,223	19,053	4,881	175,485	22,453	718,847	734,021
Annual surplus (deficit)	\$ 416,118	\$ (82,059)	\$ (66,861)	\$ (19,053)	\$ (3,871)	\$ (121,111)	\$ (12,669)	\$ 110,494	\$ 45,532

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

Trust Funds

**Financial Statements of the Corporation of the City of Brampton
Year Ended December 31, 2017**

Auditors' Report



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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the trust funds of The Corporation of the City of Brampton, which comprise the statement of financial position as at December 31, 2017, the statement of operations and fund balances for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the City of Brampton as at December 31, 2017, and its results of operations and fund balances for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

May 8, 2018
Vaughan, Canada

Statement of Financial Position

Trust Funds - December 31, 2017,
with comparative figures for 2016

	Cemeteries Care and Maintenance Trust Funds	Developers' Performance Deposits Trust	Developer Front End Financing Trust Fund	Brampton Sports Hall of Fame	Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds	2017 Total	2016 Total
Financial Assets and Liabilities							
ASSETS							
Cash	947,159	27,133,290	313,278	94,833	53,112	28,541,672	28,919,630
Accounts receivable	1,299	3,089	412	125	70	4,996	4,347
Due from City Revenue Fund	558	-	-	-	-	558	(227)
Subtotal	949,017	27,136,379	313,690	94,957	53,182	28,547,226	28,923,750
Investments, at cost (market - \$250,561 2015 - \$260,623):							
Federal	-	-	-	-	-	-	-
Canada Bonds - Corporate	-	-	-	-	-	-	-
Provincial Bonds	-	-	-	-	-	-	-
Short-term Investments	-	-	-	-	-	-	-
Municipal Bonds	-	-	-	-	-	-	257,544
Subtotal	-	-	-	-	-	-	257,544
Long-term receivables							
Total Financial Assets	949,017	27,136,379	313,690	94,957	53,182	28,547,226	29,181,294
LIABILITIES							
Accounts payable	2,289	816,800	-	-	-	819,089	2,196
Due to the City of Brampton	-	-	-	-	-	-	-
Due to City Capital Fund	-	-	-	-	-	-	-
Total Liabilities	2,289	816,800	-	-	-	819,089	2,196
Net financial resources	946,728	26,319,579	313,690	94,957	53,182	27,728,136	29,179,098
Fund balances	946,728	26,319,579	313,690	94,957	53,182	27,728,136	29,179,098

See accompanying notes to financial statements.

Statement of Financial Activities and Changes in Fund Balances

Trust Funds - December 31, 2017,
with comparative figures for 2016

	Cemeteries Care and Maintenance Trust Funds	Developers' Performance Deposits Trust	Developer Front End Financing Trust Fund	Brampton Sports Hall of Fame	Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds	2017 Total	2016 Total
Revenue							
Monuments and markers deposits	2,400	-	-	-	-	2,400	2,400
Perpetual care deposits	4,908	-	-	-	-	4,908	8,691
Other deposits - Trusts	-	190,000	-	-	-	190,000	68,000
Gain/Loss on sale of investments	(12,544)	-	-	-	-	(12,544)	-
Performance deposits received	-	3,300,070	-	-	-	3,300,070	6,654,352
Contribution from Front End Financing	-	-	-	-	-	-	-
Deposit-Base Castlemore	-	-	-	-	-	-	-
Marketing initiatives	-	-	-	-	-	-	-
Subtotal	(5,236)	3,490,070	-	-	-	3,484,834	6,733,443
Interest Income	22,750	213,754	3,886	1,176	659	242,225	133,119
Total Revenues	17,515	3,703,824	3,886	1,176	659	3,727,060	6,866,562
Expenditures							
Transfers to City Revenue Fund:							
Maintenance Contribution	18,727	-	-	-	-	18,727	16,522
Professional Services/Audit	-	-	-	-	-	-	3,837
Office Expenses	-	-	-	-	-	-	1,591
Computer Software/Maint	-	-	-	-	-	-	1,995
Interest Transfer	-	213,754	-	-	-	213,754	108,811
Administration Charges	4,023	-	-	-	-	4,023	3,023
Subtotal	22,750	213,754	-	-	-	236,504	135,779
Marketing initiatives	-	-	-	-	-	-	-
Return of performance deposits	-	4,915,116	-	-	-	4,915,116	7,294,762
Payments on behalf of developers	-	26,402	-	-	-	26,402	4,900
Provincial payments	-	-	-	-	-	-	-
Total Expenditures	22,750	5,155,272	-	-	-	5,178,022	7,435,441
Increase (decrease) in net financial resources	(5,236)	(1,451,448)	3,886	1,176	659	(1,450,963)	(568,878)
Fund balances, beginning of year	951,963	27,771,027	309,804	93,781	52,523	29,179,099	29,747,977
Fund balances, end of year	946,728	26,319,579	313,690	94,957	53,182	27,728,136	29,179,099

See accompanying notes to financial statements.

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

1. Significant accounting policies:

(a) Revenue recognition:

(i) 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.

(ii) Returns of performance deposits are reported in the periods in which they are paid either directly by the Trust Funds or through The Corporation of the City of Brampton (the "City") funds. All other expenses are reported on the accrual basis of accounting.

(b) Expenses:

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

(c) Investments:

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

2. Cemeteries Care and Maintenance Trust Funds:

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

3. Developers' Performance Deposits Trust:

The Developers' Performance Deposits Trust was established

for the following purposes:

(a) To hold performance deposits made by individual parties to the City as assurance that specific obligations agreed upon are fulfilled. Once fulfilled, the deposit held is returned to the respective party.

(b) When a party develops a property in the City, generally a letter of credit is obtained from the party's bank, which provides a guarantee to the City that the contract will be completed as specified. Otherwise, the City is able to draw upon the letter of credit and to deposit the funds in the Trust to be later used to pay a third party to complete the contract.

4. Developer Front End Financing Trust Fund:

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

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

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

6. Brampton Sports Hall of Fame:

The Brampton Sports Hall of Fame (the "BSHF") is a non-profit organization that was founded to recognize and honour the history of sport in the City of Brampton and in particular those persons who have made outstanding contributions and achievements in the development of sport within the community. The BSHF will collect, preserve, research, exhibit and promote all those objects, images and histories which are determined to be significant to the development of sport in the City of Brampton.

Notes to the Financial Statements

Trust Funds - Year ended December 31, 2017

Statistical Information

Year Ended December 31, 2017

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.)

	2017	2016	2015	2014	2013
Population	607,740	593,638	580,600	571,700	557,800
Households	172,563	168,120	164,680	160,710	156,403
Areas in hectares	27,138	27,138	27,138	27,138	27,138
Full-time employees	3,299	2,933	2,872	2,872	2,819
Housing Starts	2,985	4,044	5,449	4,366	2,714
Building Permit Values	1,161,294	1,961,406	2,731,791	2,260,649	1,210,568
TAXABLE ASSESSMENT UPON WHICH TAX RATES WERE SET					
Residential and farm	\$ 69,032,110	\$ 63,219,818	\$ 61,363,309	\$ 59,324,796	\$ 57,602,952
Commercial and industrial	14,328,624	13,639,517	13,498,302	13,035,512	12,870,830
Total	\$ 83,360,734	\$ 76,859,335	\$ 74,861,611	\$ 72,360,308	\$ 70,473,782
Total per capita	137,165	129,472	128,938	126,570	126,342
TAX RATES/MILL RATES (URBAN AREA)					
Residential					
City purposes	0.492331%	0.504409%	0.499812%	0.492340%	0.499550%
Region purposes	0.396521%	0.410616%	0.420315%	0.430992%	0.444781%
School board purposes	0.179000%	0.188000%	0.195000%	0.203000%	0.212000%
Total	1.067852%	1.103025%	1.115127%	1.126332%	1.156331%
Commercial					
City purposes	0.638603%	0.654269%	0.648306%	0.638614%	0.647966%
Region purposes	0.514327%	0.532610%	0.545191%	0.559040%	0.576926%
School board purposes	1.042947%	1.057399%	1.069252%	1.107083%	1.147477%
Total	2.195877%	2.244278%	2.262749%	2.304737%	2.372369%

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.)

	2017	2016	2015	2014	2013
Industrial					
City purposes	0.723727%	0.741481%	0.734724%	0.723740%	0.734338%
Region purposes	0.582886%	0.603606%	0.617863%	0.633558%	0.653828%
School board purposes	1.231495%	1.292875%	1.325843%	1.361148%	1.399256%
Total	2.538108%	2.637962%	2.678430%	2.718446%	2.787422%
 TAXES RECEIVABLE, END OF THE YEAR					
Amount	\$ 54,859	\$ 46,567	\$ 50,150	\$ 57,768	\$ 53,493
Per capita	\$90	\$78	\$86	\$101	\$96
Percentage of years' levy	5.00%	4.46%	5.05%	6.18%	5.97%
 NET LONG-TERM LIABILITIES, END OF YEAR					
Amount	\$ 88,597	\$ 90,165	\$ 91,619	\$ 92,967	-
Per Capita	\$146	\$152	\$158	\$163	-
 CHARGES FOR NET LONG-TERM LIABILITIES					
Amount	\$ 6,785	\$ 6,900	\$ 7,005	\$ 2,948	-
Per capita	\$11	\$12	\$12	\$5	-
 DEBT REPAYMENT LIMIT	\$ 145,581	\$ 132,609	\$ 124,718	\$ 101,068	\$ 111,795
(as determined by the Province of Ontario)					

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.)

	2017	2016	2015	2014	2013
TAXES COLLECTED					
City collection	\$ 450,363	\$ 425,337	\$ 396,482	\$ 362,325	\$ 342,132
Taxes Transferred to the Region	362,048	345,653	331,371	315,094	302,695
Taxes Transferred to the School Boards	284,551	274,257	266,015	257,647	250,592
Total	\$ 1,096,962	\$ 1,045,247	\$ 993,868	\$ 935,066	\$ 895,419
TAX LEVIES					
City purposes	\$ 447,661	\$ 422,704	\$ 393,851	\$ 359,899	\$ 339,723
Region purposes	360,309	343,919	331,138	314,854	302,443
School board purposes	283,015	272,796	265,524	257,647	250,592
Total	\$ 1,090,985	\$ 1,039,419	\$ 990,513	\$ 932,400	\$ 892,758
TRUST FUNDS BALANCE - End of year	\$ 27,728	\$ 29,179	\$ 29,748	\$ 29,530	\$ 29,979
CONTRIBUTION FROM DEVELOPERS AND OTHER OBLIGATORY RESERVES					
Development charges	\$ 66,090	\$ 100,737	\$ 136,071	\$ 119,859	\$ 81,551
Gas tax - Province	11,333	10,467	10,047	11,837	8,710
Gas tax - Federal	29,431	29,149	27,761	28,117	24,352
Other obligatory reserves	9,085	11,176	18,369	13,772	25,021
Total	\$ 115,939	\$ 151,529	\$ 192,248	\$ 173,585	\$ 139,634
DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS					
Development charges	\$ 127,966	\$ 139,009	\$ 127,214	\$ 88,190	\$ 60,718
Gas tax - Province	3,687	3,253	2,885	3,572	1,559
Gas tax - Federal	31,340	31,972	47,224	56,674	31,227
Other obligatory reserves	143,693	149,048	139,387	158,014	136,064
Total	\$ 306,686	\$ 323,282	\$ 316,710	\$ 306,450	\$ 229,568

Five Year Review Summary

(Not subject to audit; all dollar amounts are in thousands
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and schedules to financial statements.)

	2017	2016	2015	2014	2013
CONSOLIDATED REVENUES BY SOURCE					
Property taxation	\$ 447,408	\$ 422,459	\$ 393,608	\$ 359,644	\$ 339,523
Taxation from other governments	2,963	2,903	2,874	2,681	2,611
User charges	130,400	124,722	114,620	111,357	101,023
Government grants	2,788	12,252	13,468	26,509	7,130
Development levies earned	133,174	145,597	182,628	97,344	102,824
and other restricted capital contributions					
Investment income	6,097	7,641	9,955	9,655	8,287
Penalties, fines and interest	23,628	21,474	21,688	21,259	20,750
Interest earned on reserves	11,755	9,286	9,728	8,021	7,480
Developer contributed tangible capital assets	55,834	29,856	76,271	115,410	59,995
Other	15,294	3,363	5,792	6,712	4,405
Total	\$ 829,341	\$ 779,553	\$ 830,632	\$ 758,592	\$ 654,028
CONSOLIDATED EXPENSES BY FUNCTION					
General government	\$ 64,076	\$ 102,172	\$ 51,649	\$ 52,003	\$ 38,266
Protection to persons and property	109,227	95,441	95,449	109,341	91,578
Transportation services	238,636	224,672	210,897	197,567	183,695
Environment services	4,530	3,047	6,792	3,288	2,173
Health services (cemeteries)	699	630	708	571	685
Social and family services	3,605	3,369	2,298	2,399	2,325
Recreation and cultural services	146,747	151,482	138,651	126,500	128,166
Planning and development	20,140	26,887	25,069	23,372	23,486
Amortization expense	130,611	125,971	119,939	118,399	105,189
Other	576	350	261	193	533
Total	\$ 718,847	\$ 734,021	\$ 651,713	\$ 633,633	\$ 576,096

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.)

	2017	2016	2015	2014	2013
CONSOLIDATED EXPENSES BY OBJECT					
Salaries, wages and employee benefits	\$ 386,748	\$ 379,483	\$ 345,602	\$ 334,507	\$ 313,854
Long term debt payments	6,785	6,900	7,005	2,948	
Goods and services	194,127	221,317	178,906	177,586	156,520
Amortization	130,611	125,971	119,939	118,399	105,189
Other	576	350	261	193	533
Total	\$ 718,847	\$ 734,021	\$ 651,713	\$ 633,633	\$ 576,096
ACCUMULATED SURPLUS, BEGINNING OF YEAR					
	\$ 4,012,718	\$ 3,967,186	\$ 3,788,267	\$ 3,663,308	\$ 3,585,376
ANNUAL SURPLUS	110,494	45,532	178,919	124,959	77,932
ACCUMULATED SURPLUS, END OF YEAR	\$ 4,123,212	\$ 4,012,718	\$ 3,967,186	\$ 3,788,267	\$ 3,663,308
TOTAL FINANCIAL ASSETS					
	\$ 1,040,589	\$ 1,046,889	\$ 1,060,860	\$ 994,172	\$ 916,510
TOTAL FINANCIAL LIABILITIES	611,359	638,476	607,484	592,059	416,271
NET FINANCIAL ASSETS	\$ 429,230	\$ 408,413	\$ 453,376	\$ 402,113	\$ 500,239
TANGIBLE CAPITAL ASSET NET BOOK VALUE					
Land	\$ 1,633,698	\$ 1,630,775	\$ 1,628,129	\$ 1,608,632	\$ 1,603,576
Asset under capital lease	80,722	84,462	88,202	91,942	-
Buildings and building improvements	429,739	403,237	396,139	395,169	384,284
Furniture, computer and office equipment	41,496	40,789	41,691	44,955	47,313
Infrastructure	1,111,633	1,076,300	1,060,870	986,006	868,442
Land improvements	53,225	52,279	47,983	48,039	49,162
Vehicles and machinery	148,193	145,111	139,507	132,904	125,689
Assets under construction	188,680	165,281	105,894	72,940	80,145
Total	\$ 3,687,386	\$ 3,598,234	\$ 3,508,415	\$ 3,380,587	\$ 3,158,611

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.)

	2017	2016	2015	2014	2013
TANGIBLE CAPITAL ASSET COST					
Assets - beginning of year	\$ 4,999,075	\$ 4,822,234	\$ 4,655,337	\$ 4,319,366	\$ 4,162,546
Additions	356,363	340,942	392,028	484,232	284,015
Disposals and transfers	(153,189)	(164,101)	(225,131)	(148,261)	(127,195)
Assets - end of year	\$ 5,202,249	\$ 4,999,075	\$ 4,822,234	\$ 4,655,337	\$ 4,319,366
TANGIBLE CAPITAL ASSET AMORTIZATION					
Accumulated amortization - beginning of year	\$ 1,400,841	\$ 1,313,819	\$ 1,274,750	\$ 1,160,755	\$ 1,061,607
Current year expense	130,611	125,971	119,939	118,399	105,189
Accumulated amortization on disposals	(16,589)	(38,949)	(80,870)	(4,404)	(6,041)
Accumulated amortization - end of year	\$ 1,514,863	\$ 1,400,841	\$ 1,313,819	\$ 1,274,750	\$ 1,160,755
TANGIBLE CAPITAL ASSET NET BOOK VALUE	\$ 3,687,386	\$ 3,598,234	\$ 3,508,415	\$ 3,380,587	\$ 3,158,611

10 Largest Corporate Property Taxpayers in Brampton - 2017

Rank	Owner Name	Assessment Value \$
1	Morguard Corporation	593,917,796
2	Orlando Corporation	481,137,250
3	1388688 Ontario Limited	202,787,252
4	Riotrin Properties (Brampton)	187,731,750
5	Industrial 5000 Real Estate	166,722,250
6	CP REIT Ontario Properties Ltd	160,866,250
7	Investors Group Trust Co Ltd	143,185,750
8	Chiefton Investments Limited	143,179,000
9	Concert Real Estate Corporate	136,334,501
10	Airport 407 Business Campus	121,545,500
Top Ten - Assessment Total		2,337,407,299
	% of Total Industrial and Commercial Assessment	16.49%
	% of Total	2.87%
	Total Residential Assessment	67,337,157,189
	Total Industrial and Commercial Assessment	14,174,958,610
	Total	81,512,115,799