Total	Tax	Water	Wastewater
2014	2014	2014	2014
224	2011		2011
Total			

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(000's)

Reconciliation	from T	raditional	Budget to	DCAR	Compliant
Reconciliation	trom i	raditional	Buaget to	PSAB	Compliant

Reconciliation from frautional budget to FSAB compilant				
Projected Net PSAB Surplus	100,035	53,527	17,469	29,039
Public Sector Accounting Board (PSAB) Reporting Requirements:				
Addback to revenues:				
Transfers from Capital	212	-	-	212
Transfers from Reserves and Reserve Funds	7,027	7,027	-	-
Deduct from expenses:				
Transfers to Reserves and Reserve Funds	(68,779)	(34,456)	(11,012)	(23,311)
Transfers to Capital	(60,020)	(31,170)	(16,946)	(11,904)
Debt principal repayments	(39,751)	(28,001)	(273)	(11,477)
PSAB adjustments:				
Capital program funding earned in year (1)	(24,256)	(17,852)	(419)	(5,985)
Capital projects not resulting in tangible capital assets (2)	26,405	14,346	3,577	8,482
Amortization (3)	123,656	69,689	13,162	40,805
Developer contributions of assumed tangible capital assets (4)	(45,000)	(20,540)	(5,837)	(18,623)
Loss on disposal of tangible capital assets (5)	1,000	365	242	393
Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)	(30,277)	(22,129)	(152)	(7,995)
Government Business Enterprises adjustments (7)	1,000	1,000	(101)	(7,555)
Landfill liability (8)	1,230	1,230		
Employee future benefit liability <sup>(9)</sup>	7,517	6,967	187	363
Employee ruture benefit hability	7,517	0,907	107	303
NET SURPLUS (DEFICIT) PER DRAFT BUDGET	_	_	_	_
. ,				
Comprised of:				
REVENUES				
Property Tax	479,637	479,637	-	-
Property Tax - Proposed budget increase	19,887	19,887	-	-
Government Grants & Subsidies	160,651	160,614	-	38
User Fees	199,142	45,678	69,496	83,967
Municipal Revenues - Other	62,180	61,719	148	312
Municipal Revenues - Transfers from Capital  Municipal Revenues - Transfers from Reserves and Reserve Funds	212 7,027	- 7,027	-	212
Total Revenues	928,736	7,027	69,644	84,529
Total Revenues	320,730	774,303	03,044	04,323
EXPENSES				
Personnel Costs	328,951	305,055	9,122	14,775
Administrative Expenses	11,404	5,928	2,900	2,576
Financial Expenses - Other	10,639	10,569	70 92	2 210
Financial Expenses - Interest & Discount on LTD Financial Expenses - Debt Principal Repayments	9,384 39,751	7,083 28,001	273	2,210 11,477
Financial Expenses - Transfers to Reserves and Reserve Funds	68,779	34,456	11,012	23,311
Financial Expenses - Transfers to Reserves and Reserve Funds	60,020	31,170	16,946	11,904
Purchased Services	154,829	148,852	2,782	3,195
Materials & Supplies	65,240	31,803	23,045	10,392
Furniture & Equipment	27,870	23,211	1,555	3,103
Transfers	165,263	165,263	-	-
Other Expenses	21,266	1,033	7,443	12,789
Recovered Expenses	(34,660)	(17,862)	(5,595)	(11,202)
Total Expenses	928,736	774,563	69,644	84,529
NET SURPLUS (DEFICIT)	<del>_</del>	-	<u>-</u>	

## Footnotes and assumptions:

- (1) represents capital revenue such as provincial and federal grants and other contributions. Does not include debenture financing, transfers from operating or reserve funds.
- (2) for PSAB purposes, expenses not considered to be part of the cost of a tangible capital asset are expensed as operating expenses although funded through capital. Estimated based on 13% of capital expenditure budget.
- (3) represents the annual writedown of the tangible capital assets over the useful life of the asset. Estimated 5% annual increase based on 2012 actuals.
- (4) contributed tangible capital assets are tangible capital assets that become the ownership of the City when a subdivision is assumed by the City. These assets are recognized at fair market value during the year of assumption. These assets are predominantly comprised of roads, water and wastewater infrastructure.
- (5) when an asset is replaced prior to the end of its useful life, an adjustment must be made to expense the remaining book value. Amount fluctuates from year to year. Estimated \$1 m for 2014.
- (6) transactions recorded directly to reserve funds must be accounted for through the operating or capital fund. This includes recognition of development charge levies earned and federal gas tax earned in the year.
- (7) London Hydro Inc., Fair-City Joint Venture and City-YMCA Joint Venture are considered Government Business Enterprises (GBE). At year end, the City must record the City's share of earnings based on our percentage ownership in each GBE.
- (8) represents the annual increase in the estimated future cost of post-closure related to landfills. Estimate based on 5 year average.
- (9) represents the annual change in the estimated future costs of employee benefits. Estimate based on 5 year average.

Projected Net PSAB Surplus   109,356   52,501   19,925   36,930   36,930		2013	2013	2013	2013
Page	ADDENIDIY "A"				
Projected Net PSAB Surplus  Projected Net PSAB Surplus  109,356   52,501   19,925   36,930	AFFLINDIA A	Total	Tax	Water	Wastewater
Projected Net PSAB Surplus   109,356   52,501   19,925   36,930   36,935	(000's)				
Public Sector Accounting Board (PSAB) Reporting Requirements:   Addback to revenues:	Reconciliation from Traditional Budget to PSAB Compliant				
Addback to revenues:         Transfers from Capital         255         84         11         161           Transfers from Reserves and Reserve Funds         7,816         7,816         7,810         1         161           Deduct from expenses:         1         1,517         34,3131         (7,508)         11,978           Transfers to Reserves and Reserve Funds         (61,517)         34,3131         (13,750)         (10,056)           Transfers to Reserves and Reserve Funds         (69,028)         2(20,231)         (13,750)         (10,056)           Debut principal repayments         (68,701)         (10,790)         (29,411)         (24,500)           Capital projects not resulting in tangible capital assets <sup>(6)</sup> 45,558         66,31         23,967         14,960           Amortization <sup>(6)</sup> 117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets <sup>(6)</sup> (45,000)         20,540         (58,331         (18,623)           Developer contributions of assumed tangible capital assets <sup>(6)</sup> (45,000)         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax <sup>(6)</sup> (30,277)         (22,129)         (15,29)         (7,995)           Gov	Projected Net PSAB Surplus	109,356	52,501	19,925	36,930
Transfers from Capital					
Transfers from Reserves and Reserve Funds   7,816		255	0.4	4.4	4.54
Deduct from expenses:	•			11	161
Transfers to Reserves and Reserve Funds         (61,517)         (34,131)         (7,508)         (19,878)           Transfers to Capital         (50,828)         (27,023)         (13,750)         (10,056)           Debt principal repayments         (38,373)         (27,591)         (196)         (10,587)           PSAB adjustments:           Capital program funding earned in year (1)         (64,701)         (10,790)         (29,411)         (24,500)           Capital projects not resulting in tangible capital assets (2)         45,558         6,631         23,967         14,960           Amortization (2)         117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets (4)         (45,000)         20,540         (18,33)         (18,623)           Loss on disposal of tangible capital assets (4)         (45,000)         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (40)         30,0277         (22,129)         (152)         (7,995)           Government Business Enterprises adjustments (7)         1,000         1,000         1,000         1         1         2         1         2         1         2         1         2         1         2	transfers from Reserves and Reserve Funds	7,816	7,816	-	-
Transfer to Capital         (50,828)         (27,023)         (13,750)         (10,568)           Debt principal repayments         (38,373)         (27,591)         (19,687)           PSAB adjustments:         23,627         (10,587)           Capital program funding earned in year <sup>(1)</sup> (64,701)         (10,790)         (29,411)         (24,500)           Capital projects not resulting in tangible capital assets <sup>(2)</sup> 45,558         6,631         23,967         14,960           Amortization <sup>(6)</sup> (117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets <sup>(6)</sup> (45,000)         (20,540)         (5,837)         (16,623)           Loss on disposal of tangible capital assets <sup>(6)</sup> 1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax <sup>(6)</sup> (30,277)         (22,129)         (152)         (7,995)           Government Business Enterprises adjustments <sup>(7)</sup> 1,000         1,000         1,000         1         (7,995)         (7,995)           Government Business Enterprises adjustments <sup>(7)</sup> 6,896         6,391         1,72         333         33         33         1,72         2,72         2,72         2,72	Deduct from expenses:				
Debt principal repayments         (38,373)         (27,591)         (196)         (10,587)           PSAB adjustments:         Capital program funding earned in year <sup>(1)</sup> (64,701)         (10,790)         (29,411)         (24,500)           Capital projects not resulting in tangible capital assets <sup>(2)</sup> 45,558         6,631         23,967         14,960           Amortization <sup>(3)</sup> 117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets <sup>(4)</sup> (45,000)         (20,540)         (5,837)         (18,623)           Loss on disposal of tangible capital assets <sup>(5)</sup> 1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax <sup>(6)</sup> (30,277)         (22,129)         (152)         (7,995)           Covernment Business Enterprises adjustments <sup>(7)</sup> 1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax <sup>(6)</sup> 1,000         1,000         1.0         -           Covernment Business Enterprises adjustments <sup>(7)</sup> 1,000         1,000         1,000         -         -           Employee future benefit liability <sup>(8)</sup> 47,867         47,867         -         -	Transfers to Reserves and Reserve Funds	, , ,			
PSAB adjustments:   Capital program funding earned in year (1)	·				
Capital program funding earned in year (1)         (64,701)         (10,790)         (29,411)         (24,500)           Capital projects not resulting in tangible capital assets (2)         45,558         6,631         23,967         14,960           Amortization (3)         117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets (4)         (45,000)         (20,540)         (5,837)         (8,623)           Loss on disposal of tangible capital assets (5)         1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)         1,000         1,000         -         -           Government Business Enterprises adjustments (7)         1,000         1,000         -         -           End fill liability (8)         1,048         1,048         1,04         -           Employee future benefit liability (9)         6,8896         6,391         172         333           NET SURPLUS (DEFICIT) PER DRAFT BUDGET         -         -         -         -         -         -           REVENUES           REVENUES           REVENUES           Supposed budget increase         -         -	Debt principal repayments	(38,373)	(27,591)	(196)	(10,587)
Capital projects not resulting in tangible capital assets (2)         45,558         6,631         23,967         14,960           Amortization (3)         117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets (4)         (45,000)         (20,400)         (5,837)         (18,623)           Loss on disposal of tangible capital assets (5)         1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)         (30,277)         (22,129)         (152)         (7,995)           Government Business Enterprises adjustments (7)         1,000         1,000         1,000         -         -           Landfill ilability (8)         1,048         1,048         -         -         -           Employee future benefit liability (9)         6,896         6,891         172         333           NET SURPLUS (DEFICIT) PER DRAFT BUDGET         -<	PSAB adjustments:				
Amortization (3)         117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets (4)         (45,000)         (20,540)         (5,837)         (18,623)           Loss on disposal of tangible capital assets (5)         1,000         365         242         333           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)         (30,277)         (22,129)         (152)         (7,995)           Government Business Enterprises adjustments (7)         1,000         1,000         -         -           Landfill liability (8)         1,048         1,048         -         -           Employee future benefit liability (9)         6,896         6,391         172         333           NET SURPLUS (DEFICIT) PER DRAFT BUDGET         -         -         -         -         -         -         -           Comprised of:           REVENUES           Property Tax - Proposed budget increase         479,637         479,637         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         - <td< td=""><td>Capital program funding earned in year (1)</td><td>(64,701)</td><td>(10,790)</td><td>(29,411)</td><td>(24,500)</td></td<>	Capital program funding earned in year (1)	(64,701)	(10,790)	(29,411)	(24,500)
Amortization (3)         117,767         66,370         12,535         38,862           Developer contributions of assumed tangible capital assets (4)         (45,000)         (20,540)         (5,837)         (18,623)           Loss on disposal of tangible capital assets (5)         1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)         (30,277)         (22,129)         (152)         (7,995)           Government Business Enterprises adjustments (7)         1,000         1,000         -         -         -           Landfill liability (8)         1,048         1,048         1         -         -           Employee future benefit liability (9)         6,896         6,391         172         333           NET SURPLUS (DEFICIT) PER DRAFT BUDGET         -         -         -         -         -         -           Comprised of:           EXEVENUES           Property Tax - Proposed budget increase         479,637         479,637         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         - <t< td=""><td>Capital projects not resulting in tangible capital assets (2)</td><td>45,558</td><td>6,631</td><td>23,967</td><td>14,960</td></t<>	Capital projects not resulting in tangible capital assets (2)	45,558	6,631	23,967	14,960
Developer contributions of assumed tangible capital assets   1,000   1,000   365   242   393   393   395	Amortization (3)	117,767	66,370	12,535	38,862
Loss on disposal of tangible capital assets (5)         1,000         365         242         393           Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)         (30,277)         (22,129)         (152)         (7,995)           Government Business Enterprises adjustments (7)         1,000         1,000         -         -           Landfill liability (8)         1,048         1,048         1,048         -         -           Employee future benefit liability (9)         6,896         6,891         172         333           NET SURPLUS (DEFICIT) PER DRAFT BUDGET         -         -         -         -         -           Comprised of:           REVENUES           REVENUES           Property Tax         479,637         479,637         -		(45,000)	(20,540)	(5,837)	(18,623)
Colligatory reserve fund deferred revenue earned in year - DC, Gas Tax (6)   (30,277)   (22,129)   (152)   (7,995)					, , ,
Covernment Business Enterprises adjustments   1,000		· ·			
Employee future benefit liability (9)         1,048         3,043				-	-
Employee future benefit liability (9)         6,896         6,391         172         333           NET SURPLUS (DEFICIT) PER DRAFT BUDGET         -		•	•	_	_
REVENUES         -<	•			172	333
Comprised of:           REVENUES           Property Tax         479,637         479,637         -         -           Property Tax - Proposed budget increase         -	z.np.oyec rata e senenciasmiy				
REVENUES           Property Tax         479,637         479,637	NET SURPLUS (DEFICIT) PER DRAFT BUDGET		<u> </u>		-
Property Tax         479,637         479,637         -         -           Property Tax - Proposed budget increase         -         -         -         -         -           Government Grants & Subsidies         158,854         158,821         -         33           User Fees         186,925         45,921         62,402         78,602           Municipal Revenues - Other         61,382         60,104         1,015         263           Municipal Revenues - Transfers from Capital         255         84         11         161           Municipal Revenues - Transfers from Reserves and Reserve Funds         7,816         7,816         -         -           Total Revenues         894,869         752,383         63,428         79,058           EXPENSES           Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Capital         50,828 <td< td=""><td>Comprised of:</td><td></td><td></td><td></td><td></td></td<>	Comprised of:				
Property Tax - Proposed budget increase         -	REVENUES				
Government Grants & Subsidies         158,854         158,821         -         33           User Fees         186,925         45,921         62,402         78,602           Municipal Revenues - Other         61,382         60,104         1,015         263           Municipal Revenues - Transfers from Capital         255         84         11         161           Municipal Revenues - Transfers from Reserves and Reserve Funds         7,816         7,816         -         -           Total Revenues         894,869         752,383         63,428         79,058           EXPENSES           Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Cap	Property Tax	479,637	479,637	-	-
User Fees         186,925         45,921         62,402         78,602           Municipal Revenues - Other         61,382         60,104         1,015         263           Municipal Revenues - Transfers from Capital         255         84         11         161           Municipal Revenues - Transfers from Reserves and Reserve Funds         7,816         7,816         -         -           Total Revenues         894,869         752,383         63,428         79,058           EXPENSES         894,869         752,383         63,428         79,058           Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023	Property Tax - Proposed budget increase	-	-	-	-
Municipal Revenues - Other         61,382         60,104         1,015         263           Municipal Revenues - Transfers from Capital         255         84         11         161           Municipal Revenues - Transfers from Reserves and Reserve Funds         7,816         7,816         -         -           Total Revenues         894,869         752,383         63,428         79,058           EXPENSES         Sexpenses         Sexpenses         Sexpenses         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056	Government Grants & Subsidies	•		-	
Municipal Revenues - Transfers from Capital         255         84         11         161           Municipal Revenues - Transfers from Reserves and Reserve Funds         7,816         7,816         -         -           Total Revenues         894,869         752,383         63,428         79,058           EXPENSES         EXPENSES           Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056					
Municipal Revenues - Transfers from Reserves and Reserve Funds         7,816         7,816         -         -           Total Revenues         894,869         752,383         63,428         79,058           EXPENSES         EXPENSES           Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056	·				
EXPENSES         894,869         752,383         63,428         79,058           Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056	·			11	161
EXPENSES         Personnel Costs       318,921       295,217       9,111       14,593         Administrative Expenses       11,042       5,672       2,991       2,379         Financial Expenses - Other       10,618       10,431       187       -         Financial Expenses - Interest & Discount on LTD       9,513       6,763       65       2,684         Financial Expenses - Debt Principal Repayments       38,373       27,591       196       10,587         Financial Expenses - Transfers to Reserves and Reserve Funds       61,517       34,131       7,508       19,878         Financial Expenses - Transfers to Capital       50,828       27,023       13,750       10,056	•			63 /128	79.058
Personnel Costs         318,921         295,217         9,111         14,593           Administrative Expenses         11,042         5,672         2,991         2,379           Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056	Total Nevenues	854,805	732,363	03,420	75,030
Administrative Expenses       11,042       5,672       2,991       2,379         Financial Expenses - Other       10,618       10,431       187       -         Financial Expenses - Interest & Discount on LTD       9,513       6,763       65       2,684         Financial Expenses - Debt Principal Repayments       38,373       27,591       196       10,587         Financial Expenses - Transfers to Reserves and Reserve Funds       61,517       34,131       7,508       19,878         Financial Expenses - Transfers to Capital       50,828       27,023       13,750       10,056					
Financial Expenses - Other         10,618         10,431         187         -           Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056					
Financial Expenses - Interest & Discount on LTD         9,513         6,763         65         2,684           Financial Expenses - Debt Principal Repayments         38,373         27,591         196         10,587           Financial Expenses - Transfers to Reserves and Reserve Funds         61,517         34,131         7,508         19,878           Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056	·	•			2,379
Financial Expenses - Debt Principal Repayments38,37327,59119610,587Financial Expenses - Transfers to Reserves and Reserve Funds61,51734,1317,50819,878Financial Expenses - Transfers to Capital50,82827,02313,75010,056	•				2.694
Financial Expenses - Transfers to Reserves and Reserve Funds 61,517 34,131 7,508 19,878 Financial Expenses - Transfers to Capital 50,828 27,023 13,750 10,056	•				
Financial Expenses - Transfers to Capital         50,828         27,023         13,750         10,056	• • • • •				
	•				
	·				

**Total** 

## Footnotes and assumptions:

Materials & Supplies

Transfers

Other Expenses

**Total Expenses** 

**Recovered Expenses** 

**NET SURPLUS (DEFICIT)** 

Furniture & Equipment

(1) - represents capital revenue such as provincial and federal grants and other contributions. Does not include debenture financing, transfers from operating or reserve funds.

64,177

26.541

161.176

22,118

(33,575)

894,869

30,954

22,023

161,176

1,030

(17,524)

752,383

22,841

1,388

8,042

(5,263)

63,428

10,382

3,130

13,045

(10,788)

79,058

- (2) for PSAB purposes, expenses not considered to be part of the cost of a tangible capital asset are expensed as operating expenses although funded through capital. Estimated based on 13% of capital expenditure budget.
- (3) represents the annual writedown of the tangible capital assets over the useful life of the asset. Estimated 5% annual increase based on 2012 actuals.
- (4) contributed tangible capital assets are tangible capital assets that become the ownership of the City when a subdivision is assumed by the City. These assets are recognized at fair market value during the year of assumption. These assets are predominantly comprised of roads, water and wastewater infrastructure.
- (5) when an asset is replaced prior to the end of its useful life, an adjustment must be made to expense the remaining book value. Amount fluctuates from year to year. Estimated \$1 m for 2014.
- (6) transactions recorded directly to reserve funds must be accounted for through the operating or capital fund. This includes recognition of development charge levies earned and federal gas tax earned in the year.
- (7) London Hydro Inc., Fair-City Joint Venture and City-YMCA Joint Venture are considered Government Business Enterprises (GBE). At year end, the City must record the City's share of earnings based on our percentage ownership in each GBE.
- (8) represents the annual increase in the estimated future cost of post-closure related to landfills. Estimate based on 5 year average.
- (9) represents the annual change in the estimated future costs of employee benefits. Estimate based on 5 year average.