



**Town of Aurora  
Council Report**

**No. FS19-041**

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**Subject:** Final 2020-2022 Operating Budget Approval

**Prepared by:** Jason Gaertner, Manager, Financial Management

**Department:** Finance

**Date:** December 10, 2019

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### **Recommendation**

1. That Report No. FS19-041 be received for information; and
2. That the 2020, 2021 and 2022 operating budgets as presented in Attachment 1, representing an estimated tax increase of 3.4, 3.4 and 2.9 percent, respectively be approved; and
3. That a total budget of \$11,755,300, \$12,200,100 and \$12,613,600 be approved for 2020, 2021 and 2022, respectively relating to the Town's share for Fire Services; and
4. That the Town's full-time staff complement be increased by a net of nine (9) to 240, net of eight(8) to 248 and a net of five(5) to 253 staff (excluding Library Board and Central York Fire Services) for 2020, 2021 and 2022, respectively as presented in Attachment #2 and funded in the appropriate year's operating budget; and
5. That the reconciliation of the 2020 to 2022 operating budgets to the full accrual basis of accounting, as required under Ontario Regulation 284/09, as summarized in Attachment 4 be endorsed; and
6. That the necessary by-law be enacted at a future Council Meeting to set the final billing 2020 tax rates and payment dates.

### **Executive Summary**

This report seeks Council's approval of the 2020 to 2022 operating budget as presented in Attachment 1. Items of consideration include:

- The 2020 multi-year budget process was guided by Council's two foundational documents: Council Budget Principles, and Council Budget Process

- Council's approval of the 2020, 2021 and 2022 operating budgets is required
- Each year's recommended budget successfully addresses all identified base, capital operating cost, growth driven, enhanced and transformational services or strategic initiative funding pressures
- The Budget Committee recommended two changes to staff's presented draft operating budget
- The Town's budget re-affirmation process offers an opportunity for Council to adjust a future year budget should changes be required
- Council's endorsement of the reconciliation of the 2020 to 2022 operating budgets to the full accrual basis of accounting responds to Ontario Regulation 284/09

## **Background**

The Town's new multi-year budgeting framework aligns with each Council's term. Council approves the first year's budget of its term and receives an accompanying forecast of the next three budgets. In the second year of its term, Council will approve a three-year operating budget, including all related tax impacts. Year's three and four of this budget will be re-affirmed by Council prior to their commencement.

As shown in Table 1, Council has already approved the first year's budget of its term being 2019, and received the budgets for 2020 to 2022. The Town has now reached the stage of its multi-year budget framework where Council's approval is sought for the Town's 2020 to 2022 budgets.

**Table 1**

<b>Year</b>	<b>Action</b>	<b>Status</b>
One	Approve 2019 Receive 2020 to 2022	Complete
Two	Approve 2020 to 2022	In Progress
Three	Re-affirm 2021 & 2022	
Four	Re-affirm 2022	

The Budget Committee concluded its review and discussions of the Town's first multi-year budget for the 2020, 2021 and 2022 fiscal years on November 25, 2019. The Budget Committee's final recommended budgets for Council's approval are presented in Attachment 1.

## **Analysis**

### **The 2020 multi-year budget process was guided by Council's two foundational documents: Council Budget Principles, and Council Budget Process**

At its meeting of June 18, 2019, Council adopted the Town's updated budget principals and process documents. The 2020 multi-year budget process was guided by these foundational documents. Council adopted these documents to set out clearly the principles to be followed in preparing and reviewing its annual operating and capital budgets, which included the detailed process which would be followed in conducting those reviews. The budget process document outlines the additional role that the Finance Advisory Committee fulfils in performing detailed departmental reviews outside of the annual budget review and approval process.

### **Council's approval of the 2020, 2021 and 2022 operating budgets is required**

The Budget Committee is recommending that Council approve total tax increases of 3.4, 3.4 and 2.9 percent for 2020, 2021 and 2022, respectively. Each of these recommended annual increases include 1.9 percent for inflationary pressures and 1 percent for fiscal strategies. The 2020 and 2021 increases include a further 0.5 percent as per of the Town's planned phase-in of the debt carrying costs relating to its new library square development.

The one percent tax increases in 2020, 2021 and 2022 for the Town's fiscal strategies will primarily support its on-going strategy of increasing its contributions to infrastructure reserves in support of infrastructure renewal and the reduction in the Town's reliance on supplementary tax revenues.

The Town's final recommended three year budget is presented under Attachment #1 by department. As per Council's approved multi-year budget framework, its approval is sought for the 2020, 2021 and 2022 operating budgets.

### **Each year's budget successfully addresses all identified base, capital operating cost, growth driven, enhanced & transformational services or strategic initiative funding pressures**

The Town used two forms of incremental tax levy revenues to successfully address all identified funding pressures in each year. In addition to the above noted annual tax levy increases, the Town accessed all of its available incremental tax revenue arising from tax assessment growth that has taken place over the course of the prior fiscal year. The Town strived to use its available assessment growth tax revenues, as much as possible,

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to fund its growth driven tax pressures. This enables the Town to provide the same level of service to a growing community. The additional tax levy revenue from assessment growth does not impact the tax bill for any of the Town's existing tax payers.

Each year's recommended budget successfully addressed its identified funding pressures within the Town's budgeted incremental revenues. Some common pressures addressed in all years include:

1. Funding of the inflationary impact on various Town contracts
2. Cost of living adjustments (COLA) and step increases for existing staff
3. The Town's share of incremental core and growth Central York Fire Services requirements
4. New staffing requirements driven predominantly by the Town striving to provide the same level of service to a growing community. A summary of all new staffing included in these budgets can be found under Attachment #2
5. Increased contributions to infrastructure reserves in support of asset management
6. Continued reduction in Town reliance upon development driven revenues
7. All 2020, 2021 and 2022 rates, fees, and charges of the Town have been indexed where permissible by two percent in an effort to offset the estimated inflationary erosion of service delivery costs
8. All revenue estimates have been carefully considered in the context of anticipated service demand for each fiscal year

The year-over-year net budget changes are outlined in Attachment #3. These changes include all anticipated new revenues, the above noted budget pressures, as well as any other new incremental costs that are expected in each year.

**The Budget Committee recommended two changes to staff's presented draft operating budget**

After careful consideration and discussion, the Budget Committee made two modifications to staff's originally tabled draft operating budgets for 2020 to 2022. These noted modifications relate to the Town's planned Library Square development and the operations of its community partner, the Aurora Cultural Centre (ACC).

The total required investment for the Library Square project is presently estimated to be \$47.9 million. The Town's proposed investment strategy for this project includes the use of debt as a source of funding. The Town's debt tolerance for this project was defined as the debt principal cannot exceed a point where its annual carrying costs exceed an

equivalent value to a 1 percent tax rate increase being \$484,700 in 2020. The investment strategy for this project plans to use this maximum defined debt threshold. The debt is expected to be required in late 2021 or early 2022. This provides the Town time to phase in the annual carrying costs, principal and interest, of this debt. The Budget Committee agreed to phase in these planned requirements over 2020 and 2021 in two equal tax rate increases of 0.5%.

The ACC identified operating pressures in each of the next three fiscal years totaling \$67,000, \$19,000 and \$21,400 in 2020, 2021 and 2022, respectively. Upon the application of the Town's already budgeted incremental amounts in support of the ACC, its net remaining funding requirements were \$58,700, \$10,500 and \$12,800 for the next three years. The Budget Committee agreed to fund these net remaining pressures out of existing Library Square operating budget funding already included in the recommended operating budgets for the next three years thus avoiding the need for any further incremental tax rate increases.

**The Town's budget re-affirmation process offers an opportunity for Council to adjust a future year budget should changes be required**

As per the Municipal Act Council is required to re-affirm the budget for future years annually. In 2020 Council will be asked to re-affirm the budget for 2021 and 2022 and then asked in 2021 to re-affirm the budget for 2022. However, the focus of these budget reviews would be on the changes to the previously approved budget.

Should a significant change arise to one of these future year budgets Council will be able to make adjustments to the applicable future year approved budgets at the time of re-affirmation. These adjustments may include, but are not limited to;

- a) Legislation changes
- b) Unplanned service level changes
- c) Material changes to the projected inflation rate
- d) Material changes to labour agreements
- e) Changes to assessment growth projections

**Council's endorsement of the reconciliation of the 2020 to 2022 operating budgets to the full accrual basis of accounting responds to Ontario Regulation 284/09**

This report responds to the requirements of Ontario Regulation 284/09. The regulation requires municipalities to report on whether they are budgeting for amortization expenses, post-employment benefit expenses and solid waste landfill closure and post-

closure expenses. It also requires that this report be prepared prior to adopting the budget for that year.

Attachment 4 fulfills these requirements. This attachment includes a reconciliation of the recommended 2020, 2021 and 2022 budgets which are completed based upon a modified accrual method of accounting with the Public Sector Accounting Board (PSAB) Standards which are based upon the full accrual method.

### **Advisory Committee Review**

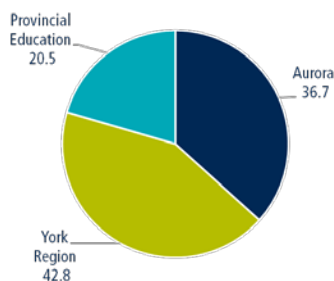
The Financial Advisory Committee does not review the annual draft operating budget, however they review the detailed budgets of each Town department on a rotating basis. This approach allows the Budget Committee to focus their review on the key changes and pressures arising in the annual budget, while relying upon the work of the Finance Advisory Committee in regards to the review of each department's ongoing core operating budget details.

### **Legal Considerations**

Section 291 of the Municipal Act provides that a municipality may prepare and adopt multi-year budgets. For the second and each subsequent year, Town Council will have the opportunity to re-review the budget, make any necessary changes and re-adopt the budget for the year to which the budget applies.

### **Financial Implications**

Residential tax bills contain three different property taxes. Taxes collected for provincial education purposes represents approximately 20.5 percent of a residential tax bill, while taxes for York Region are approximately 42.8 percent and the Town's share is the remaining 36.7 percent.



Total gross expenditures of \$71,774,400; \$74,953,300; and \$77,676,400 are planned for the next three years. These planned expenditures are partially offset by non-tax revenues such as investment income, user fees, grants, and fines & penalties. The remaining requirement is raised through property taxes. Table 2 outlines the recommended tax levy requirements for each of these years.

**Table 2**

Year	Proposed Gross Expenditures	Planned Non-Tax Revenues	Total Tax Levy Requirement
2020	71,774,400	(21,669,900)	50,104,500
2021	74,953,300	(21,883,800)	53,069,500
2022	77,676,400	(21,845,400)	55,831,000

Table 3 summarizes the estimated impact that the Town’s recommended annual tax increases of 3.4, 3.4 and 2.9 percent for 2020, 2021 and 2022 respectively, will have on a typical Aurora residential tax payer. When these recommended tax increases are combined with those of York Region and the Board of Education

**Table 3**

Year	Proposed Tax Increase	Increase per \$100k of Assessed Value	Increase for Average Aurora Home Assessed at \$800k
2020	3.4%	\$10	\$79
2021	3.4%	\$10	\$83
2022	2.9%	\$9	\$73

When combined with the Region of York’s proposed tax increases of 2.96% per year for 2020 to 2022, and the expected net 0% increase on the provincial education share of the tax bill, the combined effect on the overall tax bill in Aurora is expected to be approximately 2.5%, 2.6% and 2.4% on average for residential properties. This translates to an average incremental cost of \$158, \$164 and \$157 for an average home assessed at \$800,000.

All reports, presentations and materials presented to the Budget Committee will remain available to the public on the Town’s Budget and Financial Information website page.

## **Communications Considerations**

A press release and information kit has been prepared related to the approval of the Town's 2020, 2021 and 2022 Operating Budgets. Updated budget information will be included on the reverse side of the Final Tax Bill Brochure included with all mailed tax billings to be issued in June. The full budget details have been updated to the Town's Budget and Financial Information page on our website, including the capital budget approval report and detailed capital sheets of all approved projects.

### **Link to Strategic Plan**

Developing the annual budget supports all aspects of the Strategic Plan. Specifically, this report supports the Plan principles of Leadership in Corporate Management, Leveraging Partnerships, and Progressive Corporate Excellence and Continuous Improvement.

## **Alternative(s) to the Recommendation**

1. Council may make further adjustments to the budget than those recommended by Budget Committee.

## **Conclusions**

The Budget Committee has concluded its review of the Town's first multi-year operating budget covering the 2020, 2021 and 2022 fiscal years. The result of these final recommended budgets is a 3.4, 3.4 and 2.9 percent tax increase for each of the next three years on the Aurora share of the tax bill. When combined with the increases for the Region of York and the provincial education portions, the estimated overall tax impact for Aurora residents is 2.5, 2.6 and 2.4 percent.

This operating budget includes the first phase-in amount relating to the funding of the estimated annual debt carrying costs for the planned Library Square debenture.

In the preparation of the 2020-22 operating budgets, in accordance with Ontario Regulation 284/09 section 2, the Town of Aurora has undertaken a reconciliation of these operating budgets to the full accrual basis of accounting.

## **Attachments**

Attachment # 1 – 2020, 2021, 2022 Draft Operating Budget – By Department



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- Attachment # 2 – Three Year New proposed staffing summary (continuity schedule)
- Attachment # 3 – Summary of Key 2020, 2021, 2022 Operating Budget Pressures by Category
- Attachment # 4 – Reconciling the 2020, 2021 and 2022 Budgets with PSAB Standards

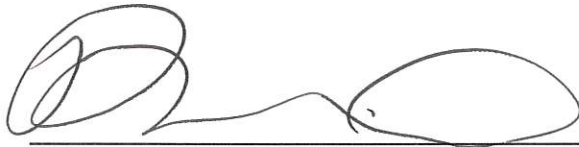
### **Previous Reports**

- FS19-031: 2020-22 Operating Budget
- FS19-020: 2020-22 Budget Development Direction

### **Pre-submission Review**

The Agenda Management Team's review of this report was facilitated by e-mail on Monday, December 2, 2019.

#### **Departmental Approval**



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**Rachel Wainwright-van Kessel, CPA, CMA  
Director, Finance  
- Treasurer**

#### **Approved for Agenda**



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**Doug Nadorozny  
Chief Administrative Officer**

**Attachment #1**

**FINAL Program Tax Levy Summary**

\$000's	Net Actual Results		2019 Budget			2020 Proposed		Net Change	
	2017	2018	Net Fcst*	Gross	Net	Gross	Net	\$	%
Mayor & Council	538.9	607.3	571.1	576.1	576.1	578.1	578.1	2.0	0.3%
Office of the CAO	1,065.6	1,166.0	1,276.6	1,332.4	1,332.1	1,378.8	1,378.5	46.4	3.5%
Corporate Services	6,706.7	7,111.0	7,420.6	8,269.9	7,472.9	9,330.6	8,364.7	891.8	11.9%
Finance	1,302.9	2,119.9	1,730.9	2,293.8	1,837.5	2,503.6	2,073.6	236.1	12.9%
Planning & Development Services	(959.6)	(161.8)	535.1	5,868.5	1,047.8	6,124.6	1,117.3	69.5	6.6%
Operational Services	9,991.5	10,009.7	9,919.0	11,063.9	9,996.1	11,724.0	10,578.3	582.3	5.8%
Community Services	7,553.1	7,901.0	8,728.9	14,654.1	9,429.7	15,381.5	9,628.3	198.6	2.1%
Corporate Revenues and Expenses	2,402.7	1,724.6	589.6	8,364.9	535.0	9,129.8	762.2	227.1	42.5%
<b>Departmental Total</b>	<b>28,603.7</b>	<b>30,479.7</b>	<b>30,771.8</b>	<b>52,423.7</b>	<b>32,227.3</b>	<b>56,151.0</b>	<b>34,481.1</b>	<b>2,253.8</b>	<b>7.0%</b>
Central York Fire Services	10,225.0	10,496.4	11,188.1	11,188.1	11,188.1	11,755.3	11,755.3	567.2	5.1%
Library	3,767.7	3,843.1	3,843.1	3,843.1	3,843.1	3,868.1	3,868.1	25.0	0.7%
<b>Total</b>	<b>42,596.4</b>	<b>44,819.1</b>	<b>45,803.0</b>	<b>67,454.9</b>	<b>47,258.5</b>	<b>71,774.4</b>	<b>50,104.5</b>	<b>2,846.0</b>	<b>6.0%</b>
<b>Assessment Growth</b>								<b>1,209.4</b>	<b>2.6%</b>
<b>Proposed Tax Increase</b>								<b>1,636.6</b>	<b>3.4%</b>

\$000's	2021 Proposed		Net Change		2022 Proposed		Net Change	
	Gross	Net	\$	%	Gross	Net	\$	%
Mayor & Council	587.6	587.6	9.5	1.6%	597.2	597.2	9.7	1.6%
Office of the CAO	1,403.1	1,402.8	24.4	1.8%	1,428.1	1,427.8	25.0	1.8%
Corporate Services	10,160.2	9,174.6	809.8	9.7%	10,559.4	9,555.2	380.6	4.1%
Finance	2,688.3	2,160.3	86.6	4.2%	2,849.7	2,334.7	174.5	8.1%
Planning & Development Services	6,466.8	1,116.1	(1.2)	(0.1%)	6,786.3	1,184.0	68.0	6.1%
Operational Services	12,230.0	11,106.4	528.1	5.0%	12,755.1	11,629.9	523.5	4.7%
Community Services	15,982.7	10,208.3	580.0	6.0%	16,263.4	10,535.0	326.8	3.2%
Corporate Revenues and Expenses	9,338.4	1,217.3	455.1	59.7%	9,889.5	2,019.4	802.1	65.9%
<b>Total Departmental Budget</b>	<b>58,857.1</b>	<b>36,973.3</b>	<b>2,492.2</b>	<b>7.2%</b>	<b>61,128.7</b>	<b>39,283.3</b>	<b>2,310.0</b>	<b>6.2%</b>
Central York Fire Services	12,200.1	12,200.1	444.8	3.8%	12,613.6	12,613.6	413.5	3.4%
Library	3,896.1	3,896.1	28.0	0.7%	3,934.1	3,934.1	38.0	1.0%
<b>Total Proposed Budget</b>	<b>74,953.3</b>	<b>53,069.5</b>	<b>2,965.0</b>	<b>5.9%</b>	<b>77,676.4</b>	<b>55,831.0</b>	<b>2,761.5</b>	<b>5.2%</b>
<b>Assessment Growth</b>			<b>1,204.7</b>	<b>2.4%</b>			<b>1,178.6</b>	<b>2.2%</b>
<b>Proposed Tax Increase</b>			<b>1,760.3</b>	<b>3.4%</b>			<b>1,582.9</b>	<b>2.9%</b>

\*Net forecast as of August 31, 2019

**Attachment #2**

**FINAL 2020 TO 2022 Operating Budget Impacts**

**Converted & New Positions, and Other Adjustments Included 2020, 2021 and 2022 Budgets**

	2020			2021			2022		
	FTE	Gross	Net	FTE	Gross	Net	FTE	Gross	Net
<b>Opening Full Time Equivalent (FTE)</b>	<b>231</b>			<b>240</b>			<b>248</b>		
<b>Corporate Services</b>									
IT Strategic Plan Positions	2	252,000	252,000	1	111,800	111,800	1	111,800	111,800
Project Manager, PMO (Conversion)	1	136,200	-						
Parking/By-Law Officers (Conversion)	2	163,000	8,500						
Uplift of Part Time to Full Time Customer Service Rep				1	55,700	55,700			
Human Resources Consultant				1	108,800	108,800			
Legal Assisstant				1	74,300	74,300			
Legal Acticling Student							1	90,000	90,000
<b>Finance</b>									
Senior Financial Management Advisor	1	119,800	119,800						
Financial ERP Specialist				1	111,100	-			
Procurement Analyst							1	90,900	90,900
<b>Planning &amp; Development Services</b>									
Administrative Assistant - Engineering Division							1	75,000	75,000
<b>Operational Services</b>									
Water Meter/Backflow Administrator	1	82,000	-						
Flex Service Person (Conversion)	1	81,300	15,900						
Flex Service Person				1	81,300	81,300			
Parks Operator							1	83,000	83,000
<b>Community Services</b>									
Community Programmer	1	83,900	83,900						
Facility Booking Administrator				1	68,200	68,200			
Sport & Community Development Specialist (Conversion)				1	100,900	-			
<b>Closing Full Time Equivalent (FTE)</b>	<b>240</b>	<b>918,200</b>	<b>480,100</b>	<b>248</b>	<b>712,100</b>	<b>500,100</b>	<b>253</b>	<b>450,700</b>	<b>450,700</b>

**FINAL Financial Summary**

\$000's	Net Actual Results		Fcst* 2019	Budget 2019	Proposed Budget		
	2017	2018			2020	2021	2022
Departmental:							
Expenditures	48,921.5	54,541.9	54,418.3	52,423.7	56,151.0	58,857.1	61,128.7
Non-Tax Revenues	(20,317.8)	(24,062.2)	(23,646.5)	(20,196.4)	(21,669.9)	(21,883.9)	(21,845.4)
<b>Net Departmental</b>	<b>28,603.7</b>	<b>30,479.7</b>	<b>30,771.8</b>	<b>32,227.3</b>	<b>34,481.1</b>	<b>36,973.3</b>	<b>39,283.3</b>
Fire Services	10,225.0	10,496.4	11,188.1	11,188.1	11,755.3	12,200.1	12,613.6
Library	3,767.7	3,843.1	3,843.1	3,843.1	3,868.1	3,896.1	3,934.1
<b>Total Proposed Budget</b>	<b>42,596.4</b>	<b>44,819.1</b>	<b>45,803.0</b>	<b>47,258.5</b>	<b>50,104.5</b>	<b>53,069.5</b>	<b>55,831.0</b>
<b>Assessment Growth</b>					<b>1,209.4</b>	<b>1,204.7</b>	<b>1,178.6</b>
<b>Proposed Tax Increase</b>					<b>1,636.6</b>	<b>1,760.3</b>	<b>1,582.9</b>

\*Net forecast as of August 31, 2019

**Net Budget Change Summary**

	2020		2021		2022	
	FTE	\$000's	FTE	\$000's	FTE	\$000's
<b>Base</b>						
Salary & Wages including COLA, step increases and other approved staffing actions	-	947.3	-	642.0	-	523.2
Solid waste / recycling contract increases	-	318.3	-	184.1	-	219.1
Rate stabilization draws/contributions	-	291.6	-	(333.8)	-	208.9
Inflationary impacts on various Town contracts	-	192.5	-	130.1	-	191.5
Town Facility operating cost increases (utilities, heating, operating supplies)	-	86.6	-	88.7	-	98.3
Fleet and equipment operation	-	81.4	-	35.7	-	29.5
Insurance premium increases	-	55.2	-	60.8	-	66.8
Multi-year budget contingency	-	-	-	100.0	-	56.0
Penalty revenue increases	-	(495.3)	-	(61.7)	-	-
Overhead support recoveries from water & building operations	-	(235.0)	-	(129.7)	-	(92.2)
Other savings / revenues	-	(208.7)	-	(129.6)	-	(105.9)
One time provincial modernization grant	-	(160.4)	-	160.4	-	-
Lease revenues	-	(83.4)	-	(67.2)	-	103.9
Sponsorship / advertising revenues	-	(42.8)	-	(18.3)	-	(6.3)
	-	<b>747.4</b>	-	<b>661.5</b>	-	<b>1,292.9</b>
<b>Capital Operating Costs</b>						
Phase in of annual debt carrying costs for planned Library Square Debenture	-	253.0	-	257.0	-	-
Phase in of New Library Square Operating Budget	-	240.0	-	240.0	-	-
New HRIS Software Maintenance & Support	-	-	-	175.0	-	-
	-	<b>493.0</b>	-	<b>672.0</b>	-	-
<b>Maintaining Service Levels for Growth</b>						
Central York Fire Services	-	567.2	-	444.8	-	413.5
New positions - Various	5.0	357.5	6.0	500.1	5.0	450.7
Contract increases	-	189.0	-	158.8	-	65.8
Part time / contract increases	-	171.3	-	39.8	-	52.7
Solid waste / recycling contract increases	-	44.7	-	37.8	-	37.8
Community partner delivered services	-	37.3	-	38.6	-	45.3
New Positions - Various Conversions	4.0	8.5	1.0	-	-	-
Community program revenue increases	-	(328.7)	-	(38.1)	-	(57.8)
Development driven revenue increases	-	(181.7)	-	(115.9)	-	(129.2)
	<b>9.0</b>	<b>865.2</b>	<b>7.0</b>	<b>1,066.0</b>	<b>5.0</b>	<b>878.8</b>
<b>Enhancements and Transformation</b>						
IT Strategic Plan driven non staffing enhancements	-	229.1	-	30.0	-	-
New Positions - Financial & Systems Specialist	-	-	1.0	-	-	-
	-	<b>229.1</b>	<b>1.0</b>	<b>30.0</b>	-	-
<b>Fiscal Strategy</b>						
Cash to capital contribution to reserve	-	436.3	-	460.6	-	539.8
Reduce reliance on Supplementary Taxes	-	75.0	-	75.0	-	50.0
	-	<b>511.3</b>	-	<b>535.6</b>	-	<b>589.8</b>
<b>Total Net Budget Change</b>	<b>9.0</b>	<b>2,846.0</b>	<b>8.0</b>	<b>2,965.0</b>	<b>5.0</b>	<b>2,761.5</b>

**Attachment #4**

**Reconciling the 2020, 2021 and 2022 Budgets with PSAB Standards**

(in \$000's)	2020			2021			2022		
	Modified Accrual	Full Accrual	Reporting Change	Modified Accrual	Full Accrual	Reporting Change	Modified Accrual	Full Accrual	Reporting Change
	Operating Capital	Operating and Capital	Operating Capital*	Operating Capital	Operating and Capital	Operating Capital*	Operating Capital	Operating Capital*	Operating Change and Capital
<b>Revenues</b>									
Proposed budget	71,774	96,132	-	74,953	136,109	-	77,676	17,425	-
Transfers from reserves		(12,115)	(12,115)		(20,358)	(20,358)			(9,637)
<b>Total Revenues</b>	<b>71,774</b>	<b>84,017</b>	<b>(12,115)</b>	<b>74,953</b>	<b>115,751</b>	<b>(20,358)</b>	<b>77,676</b>	<b>17,425</b>	<b>(9,637)</b>
<b>Expenses</b>									
Proposed budget	71,774	96,132	-	74,953	136,109	-	77,676	17,425	-
Transfers to reserves		(10,397)	(10,397)		(10,420)	(10,420)			(11,066)
Acquisition of tangible capital assets		(23,267)	(23,267)		(60,856)	(60,856)			(17,393)
Debt principal repayments		(1,072)	(1,072)		(1,105)	(1,105)			(1,139)
Amortization		13,420	13,420		13,922	13,922			14,443
WSIB		59	59		53	53			49
Post employment benefits		313	313		324	324			336
<b>Total Expenses</b>	<b>71,774</b>	<b>75,187</b>	<b>(20,944)</b>	<b>74,953</b>	<b>78,027</b>	<b>(58,082)</b>	<b>77,676</b>	<b>17,425</b>	<b>(14,770)</b>
<b>Surplus</b>	<b>-</b>	<b>8,830</b>	<b>8,830</b>	<b>-</b>	<b>37,724</b>	<b>37,724</b>	<b>-</b>	<b>-</b>	<b>5,134</b>

\*As per ten year capital plan.