



**Town of Aurora
Council Report**

No. FS17-050

Subject: 2018 Operating Budget Final Approval

Prepared by: Dan Elliott, Director of Financial Services - Treasurer

Department: Financial Services

Date: December 12, 2017

Recommendation

- 1. That Report No. FS17-050 be received; and**
- 2. That the 2018 Operating Budget summarized in Attachment #1 which reflects all revisions recommended for approval by the Budget Committee, resulting in a total expenditure plan of \$64,095,000 and a total tax levy of \$44,453,300, resulting in an estimated 3.1% increase on the Aurora share of property tax bills, and a 2.3% residential tax bill increase when combined with the regional and education shares of the tax bill, be approved; and**
- 3. That the Town's full-time staff complement be increased by three (3) to 224 staff (excluding Library Board and Central York Fire Services) as presented in Attachment #2 and funded in the 2018 Operating Budget; and**
- 4. That the necessary by-law be enacted at a future Council Meeting to set the final billing 2018 tax rates and payment dates.**

Executive Summary

The intent of this report is to present to Council for its approval the 2018 Operating Budget as amended by the reviews and deliberations of Budget Committee at its recent series of meetings.

Under Ontario Regulation 284/09, made under the *Municipal Act, 2001*, all Ontario municipalities are permitted to exclude from their annual budgets a specified list of Public Sector Accounting Board (PSAB) accounting non-cash costs. However, this same regulation requires that if a municipality excludes any costs of this nature that they must report to their Council on the impact of these excluded costs. Another purpose of this report is to satisfy this disclosure requirement and to illustrate the 2018 budget in the PSAB format.

Background

Budget Committee has concluded its review and discussions of the draft 2018 Operating Budget. Amendments made to the draft budget during the Committee deliberations are summarized on Attachment 1.

The Town of Aurora, like most municipalities, prepared its 2018 budget in the traditional, cash based, balanced municipal budget approach. The Province of Ontario enacted a regulation (O.Reg. 284/09, s.1.) under the *Municipal Act, 2001*, that permits all Ontario municipalities to exclude from their annual budgets the following PSAB accounting non-cash costs:

- amortization expenses
- post-employment benefits, and
- solid waste landfill closure and post-closure expenses (not applicable for Aurora).

Where these non-cash items have been excluded, Council are to receive:

- an estimate of the change in the accumulated surplus of the municipality to the end of the year resulting from the exclusion of any of these expenses, and
- an analysis of the estimated impact of the exclusion on the future tangible capital asset funding requirements of the municipality.

Exclusion in the annual budget of the amortization of tangible capital assets has no impact on the future tangible capital asset funding requirements of the Town. The Town includes in its municipal budget allocations to capital reserves for the purposes of funding future capital asset renewal and replacements. An approved detailed Asset Management Plan is in place, and drives the decisions and recommendations reflected in the detailed ten year capital and investment plan document. This long term plan includes all replacement needs, as well as new assets required for growth and other purposes. The long term plan is updated each year. It carefully evaluates the adequacy of the Town's reserves, anticipated future cash flows, and makes recommendations for continued annual dedicated tax increases for the purpose of increasing the capital reserve contributions for infrastructure. Council has a six year history of making such incremental increases specifically for infrastructure as recommended by the plan and staff. Continuing with such recommendations is evaluated annually by Council during the annual review of the ten year capital and investment plan, as well as the annual contribution to reserves amount included in the budget.

Analysis

2018 budget process continues to be guided by Council's two foundational documents: Council Budget Principles, and Council Budget Process

The 2018 budget process continued to be guided by the two foundational documents that Council adopted in 2016. Council adopted these two foundational documents to set out clearly the principles to be followed in preparing and reviewing its annual operating and capital budgets, and the detailed process which would be followed in conducting those reviews. The budget processes document outlines the additional role that the Finance Advisory Committee fulfills in performing detailed departmental reviews outside of the annual budget review and approval process.

Council directed staff to keep budget to inflation, and to add 1% for fiscal strategies

At its July 2017 meeting, guided by the Council Budget Principles foundational document, Council approved specific budget preparation directions for staff. The base budget was to result in a tax increase of not more than inflation, with a further 1% increase to assist in funding the Town's long term financial strategies related to unsustainable revenues and needed funding for infrastructure sustainability.

Staff presented a budget of 1.9% tax increase, plus 1% for fiscal strategies

Despite inflation reported at 2.1% for twelve months to June 2017 for the Toronto area, staff presented Council with a base operating budget proposal with a resulting tax increase of 1.9%, plus the 1% for fiscal strategies, leaving 0.2% available within the maximum ceiling allotted by Council for subsequent Council funding decisions. In addition to this draft budget, Council was presented with several budget option decision units relating to increases in service levels in various areas for its consideration.

The Base Budget accommodated services extension to accommodate all growth, while also making significant budget adjustments to several specific budget lines which had become substantially out of line with historical expense or revenue realities. The base budget presented by Council also accommodated substantial cost increases resulting from renewal of the long term solid waste collection contract and from provincial legislation contained in Bill 148, including the increases to minimum wage in Ontario. Both of these major budget pressures have been planned to be phased into the budget over two years, by drawing approximately half of the impact of these pressures from the Town's tax rate stabilization reserve fund for 2018, with the draw to be eliminated in 2019.

A key fiscal strategic goal was achieved with the 2018 budget

Since the sale of Aurora Hydro in 2005, the Town has held the proceeds of the sale in reserve, earning interest each year. Prior to the sale, the Town's operating budget benefitted from dividend income from the hydro to support the operations of the Town. Since the sale, the Town's budget has relied upon interest earned by the hydro sale proceeds rather than the dividend. However, drawing interest from the proceeds reserve meant that the reserve's purchasing power was not keeping up with inflation. A key long term financial strategy of the Town has been to gradually reduce and eliminate the amount of interest relied upon each year. For 2018, the town's reliance upon this revenue source has been fully eliminated; the Town's budget no longer has any draw upon interest from the hydro sale proceeds reserve fund. This accomplishment has taken many years. It means that the interest earned by the sale proceeds will now fully accumulate within the reserve and allow the purchasing power of the principle portion to keep pace with inflation, until needed by the Town for strategic purposes.

The Budget Committee made multiple adjustments

The Budget Committee made several adjustments, both budget reductions, as well as budget increases. Several options presented by staff for consideration were added to the budget. All budget adjustments made to the draft budget are detailed in Attachment #3.

The key elements affecting the budget increase are graphically presented in Attachment #4, while the sources of revenue and net operating budget by service is presented in graphs in Attachment #5 and 6, respectively.

2018 budget exclusions

For compliance with the regulation, the Town of Aurora's 2018 Business Plan, Operating Budget and Capital Investment Program as approved excludes the following expenses:

- an expense for the 2017 amortization of the Town's non-water rate funded tangible capital assets, estimated to be \$8,100,000 (see Attachment #8 for categorized list). Of this total estimated amount, \$7,769,800 is directly supported by taxes while \$330,300 is indirectly supported by taxes via a funding contribution to the Aurora Public Library and Central York Fire Services. In regards to the portion of the total estimated amortization expense that is directly supported by the tax levy, this amount has been under-funded by \$2,716,400; meaning the budgeted contributions to capital reserves are not keeping pace with the depreciation of the town's tangible capital assets. The Town is able to

partially subsidize this noted funding gap through alternative funding sources such as federal and provincial grants and gas tax sharing, reducing this noted gap to a remaining short-fall of \$539,900.

- the current year's post-employment benefit obligation in relation to eligible employee early retirement and/or accrued sick leave is estimated to grow by approximately \$209,700, thus creating a related non-cash expense;
- the current year's Workplace Safety & Insurance Board benefit obligation is estimated to decrease by approximately \$135,900, thus creating a related non-cash savings;
- the Town does not own or operate a landfill site and therefore is not subject to solid waste landfill closure or post-closure expenses.

The 2018 operating budget was prepared in the traditional cash-based municipal budget approach whereby total revenues (including taxation) equal total expenditures, resulting in a "balanced" budget. Attachment #9 illustrates the differences between the 2018 approved operating budget as prepared (on a cash basis) to what it would be if prepared under PSAB guidelines on an accrual basis budgeting. The accrual basis approach would result in an estimated annual surplus of \$19,379,400 as shown on Attachment #2. Two significant contributors to the 'accrual based' estimated surplus is the planned utilization of \$11,512,100 in DC revenues and a cost recovery of \$7,044,500 from the Town of Newmarket as funding sources for a group of approved 2018 capital projects. Both of these 'revenues' are excluded in the standard municipal budget approach, and therefore increase total revenues under PSAB, creating surplus.

Water, Wastewater and Stormwater utility budgets

The water utility budgets will be presented for review and approval in the first quarter of 2018. Staff require additional time for their preparation due in part to organizational changes, and required time to understand recent budget variance drivers.

Advisory Committee Review

The Finance Advisory Committee is not involved in the detailed budget reviews of the annual budget. However, this Committee is expected to review the detailed budgets of each operating department and budget section once per term of Council. It will continue these reviews in the new year.

Financial Implications

The 2018 Operating Budget sets out planned expenditures totalling \$64,095,000, funded with non-tax revenues of \$19,641,700, such as investment income, user fees, Federal Gas Tax grants, and fines & penalties. The remaining \$44,453,300 requirement is to be raised through property taxes.

The final approved budget results in an average increase to the Aurora share of the residential tax bill of 3.1%. When combined with the Region of York's estimated tax increase of 2.77%, 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 2.3% on average for residential properties. For each \$100,000 of assessment, these increases will add \$9.82 to the Aurora share, and \$20.12 total overall. For an average home assessed at \$770,000, the impacts are \$75.61 to the Aurora share, and \$154.93 total overall, on average. All reports, presentations and materials presented to Budget Committee will remain available to the public on the Town's Budget and Financial Information website page. Attachment #7 outlines Aurora's history of increases to its share of property tax levies.

In 2018, the budgeted contributions to infrastructure reserves are as follows:

Direct property taxation contributions	\$5,053,400
Expected Federal Gas Tax contributions	1,694,600
Expected Ontario Infrastructure contributions	481,900
Total non-rate funded Infrastructure renewal contributions	\$7,229,900

Of note is the disparity between the estimated amortization expense of \$8,100,000 for tax levy directly supported assets and the tax levy contributions to reserves of \$5,053,400 (excluding federal and provincial infrastructure funding) for the rehabilitation and replacement of these aging assets.

The Town has approved an ongoing financial strategy to close this funding disparity. This strategy includes increasing property taxes each year by 1% more than the Consumer Price Index. This additional 1% helps to increase funding for the current and future replacement or rehabilitation of our existing capital assets. Provided Council continues to follow the strategy, significant sudden tax increases, new debt, or financial crisis can be avoided in the future.

Communications Considerations

A press release and information kit has been prepared related to the approval of the Town's 2018 Operating Budget. Updated budget information will be included on the reverse side of the Interim Tax Brochure included with all mailed tax billings issued in January. 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

Approval of the 2018 Operating Budget provides funding support and approval for all initiatives, services and operations of the Town, all of which support and advance the Strategic Plan objectives. Overall, the budget leads to improving the quality of life of the community we serve.

Alternative(s) to the Recommendation

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

Conclusions

The Budget Committee has concluded its review of the annual budget for 2018. The result of the recommended budget is a 3.1% tax increase on the Aurora share of the tax bill. When combined with the expected increases for the Region of York and the provincial education portions, the expected overall tax impact for Aurora residents is 2.3%.

In the preparation of the 2018 operating budget, the Town of Aurora has complied with requirements of the Municipal Act which identifies allowed exclusions from that budget (paragraph 3, subsection 289 (2) and paragraph 3, subsection 290 (2)). This report provides the disclosures required under this regulation which requires municipalities to report to Council when these exclusions exist and the impact on the overall accumulated surplus of each transaction.

Attachments

- Attachment #1 - 2018 Operating Budget Summary by Department
- Attachment #2 - New Full Time Staff Additions
- Attachment #3 - Details of Adjustments made to the Budget by Committee
- Attachment #4 - Key Budget Elements affecting tax increase
- Attachment #5 - Total Revenues by Source
- Attachment #6 - Net Operating Budget by Service
- Attachment #7 - History of Tax Rate Increases – Aurora Share
- Attachment #8 - Schedule of Estimated 2018 Tangible Capital Asset Amortization
- Attachment #9 - Reconciliation of 2018 Approved Budget to the 2018 Budget as if prepared under PSAB 3150

December 12, 2017

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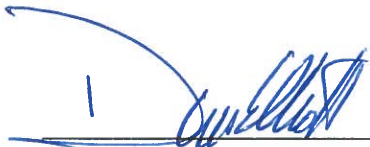
Previous Reports

FS17-046 - 2018 Draft Operating Budget
FS17-059 - Additional Budget Information
FA17-060 - Final Operating Budget Adjustments

Pre-submission Review

CAO and Treasurer only

Departmental Approval



**Dan Elliott, CPA, CA
Director of Financial Services
- Treasurer**

Approved for Agenda



**Doug Nadorozny
Chief Administrative Officer**

Attachment 1

**Town of Aurora
2018 Operating Budget**

Summary by Department

<u>Shown in \$000's</u>	<u>2017 Approved Budget (adjusted)</u>	<u>2018 Draft Budget</u>	<u>Dollar Change</u> favourable / (unfavourable)	<u>Tax Pressure Change</u> (unfavourable)
<u>Gross Expenses</u>				
Council	\$ 561.9	\$ 621.5	\$ (59.6)	(0.1 %)
CAO's Office	\$ 1,221.7	\$ 1,214.0	\$ 7.7	0.0 %
Corporate Services	\$ 7,499.2	\$ 7,658.1	\$ (158.9)	(0.4 %)
Election 2018	\$ 82.5	\$ 476.4	\$ (393.9)	(0.9 %)
Financial Services	\$ 1,948.7	\$ 2,057.7	\$ (109.0)	(0.3 %)
Planning and Building Services	\$ 4,665.1	\$ 4,821.9	\$ (156.8)	(0.4 %)
Infrastructure & Environmental Services	\$ 14,539.1	\$ 15,396.0	\$ (856.9)	(2.0 %)
Parks, Recreation & Cultural Services	\$ 9,253.9	\$ 9,770.5	\$ (516.6)	(1.2 %)
Corporate Expenses	\$ 7,050.1	\$ 7,751.6	\$ (701.6)	(1.6 %)
Fire Services	\$ 10,225.0	\$ 10,484.2	\$ (259.2)	(0.6 %)
Funding Provided for Library Operations	\$ 3,767.7	\$ 3,843.1	\$ (75.4)	(0.2 %)
Gross Expenditure (Increase) / Decrease	\$ 60,814.8	\$ 64,095.0	\$ (3,280.2)	(7.6 %)
<u>Gross Revenues</u>				
Council	\$ -	\$ -	\$ -	-
CAO's Office	\$ -	\$ (0.3)	\$ 0.3	0.0 %
Corporate Services	\$ (372.3)	\$ (378.4)	\$ 6.1	0.0 %
Election 2018	\$ -	\$ (368.9)	\$ 368.9	0.9 %
Financial Services	\$ (181.4)	\$ (202.7)	\$ 21.3	0.0 %
Planning and Building Services	\$ (4,696.0)	\$ (4,465.9)	\$ (230.1)	(0.5 %)
Infrastructure & Environmental Services	\$ (1,799.3)	\$ (1,772.6)	\$ (26.7)	(0.1 %)
Parks, Recreation & Cultural Services	\$ (5,354.8)	\$ (5,310.2)	\$ (44.6)	(0.1 %)
Corporate Revenues	\$ (6,589.3)	\$ (7,142.6)	\$ 553.3	1.2 %
	\$ (18,993.1)	\$ (19,641.7)	\$ 648.6	1.4 %
Taxation - 2016	(41,821.7)	\$ (41,821.7)		-
Taxation - Growth from New Assessment	-	\$ (1,296.5)	1,296.5	3.1 %
Taxation - 2018 Levy Increase	-	\$ (1,335.1)	1,335.1	3.1 %
Gross Revenue Increase / (Decrease)	\$ (60,814.8)	\$ (64,095.0)	\$ 3,280.2	7.6 %
<u>Net Expenditures/(Revenues)</u>				
Council	\$ 561.9	\$ 621.5	\$ (59.6)	(0.1 %)
CAO's Office	\$ 1,221.7	1,213.7	\$ 8.0	0.0 %
Corporate Services	\$ 7,126.9	7,279.6	\$ (152.8)	(0.4 %)
Election 2018	\$ 82.5	107.5	\$ (25.0)	(0.1 %)
Financial Services	\$ 1,767.3	1,855.0	\$ (87.7)	(0.2 %)
Planning and Building Services	\$ (30.9)	356.0	\$ (386.9)	(0.9 %)
Infrastructure & Environmental Services	\$ 12,739.8	13,623.4	\$ (883.6)	(2.0 %)
Parks, Recreation & Cultural Services	\$ 3,899.1	4,460.3	\$ (561.2)	(1.3 %)
Corporate Revenues & Expenses	\$ 460.8	609.0	\$ (148.3)	(0.3 %)
Fire Services	\$ 10,225.0	10,484.2	\$ (259.2)	(0.6 %)
Funding Provided for Library Operations	\$ 3,767.7	3,843.1	\$ (75.4)	(0.2 %)
	\$ 41,821.7	\$ 44,453.3	\$ (2,631.6)	(6.1 %)
Taxation	\$ (41,821.7)	(44,453.3)	\$ 2,631.6	6.1 %
	\$ -	\$ -	\$ -	-

Town of Aurora

Attachment 2

2018 Operating Budget Impacts

CONVERTED AND NEW POSITIONS IN 2018 BUDGET

2018 Budget Requests

	D o l l a r s			Full-Time Complement
	Gross Cost	Offsets	Net Cost	
2017 Budget Approved Full-Time Complement				221
<u>Full-Time Staffing - Conversion Requests</u>				
Uplift P/T to F/T Facility Advertising & Sponsorship Coordinator - July 1st start date Position will be funded 100% from increased revenue	30,000	(30,000)		1
Bylaw Officer - Animal Control (Approved as per CS17-033 - Jan 1st start date) Position will be funded 100% from contract savings	85,000	(85,000)		1
Bylaw Officer - Park Security - Jan 1st start date Position will be funded 100% from a savings in Parks Security and reduction of p/t hours	85,000	(85,000)		1
	<u>\$ 200,000</u>	<u>\$ (200,000)</u>		
Net Full-Time			<u>\$ -</u>	<u>224</u>

**Town of Aurora
2018 Operating Budget
BUDGET COMMITTEE CHANGES**

Attachment 3

ADJUSTMENTS				RESULTS					
Ref.	Date of Decision	Department	ITEM	Change to Operating Budget	Running Revised Budget Increase	Impact on Town Rate	Running Town Rate Pressure	Effective Combined Tax Impact	
								Residential	Commercial
STARTING POINT - Draft Budget, As of November 7, 2017 = 1,241,900							2.9 %	2.2 %	1.3 %
1	Nov. 18	Corp. Servcs	Animal control alternative service delivery model adoption savings	(15,000)	1,226,900	(0.03 %)	2.9 %	2.2%	1.3%
2	Nov. 18	Council	Increase of conference budget back to original \$27,000	14,900	1,241,800	0.03 %	2.9 %	2.2%	1.3%
3	Nov. 18	Corp. Expenses	Decrease of Council contingency budget	(15,000)	1,226,800	(0.03 %)	2.9 %	2.2%	1.3%
4	Nov. 20	Library	Decrease in Town Library Requisition	(18,700)	1,208,100	(0.05 %)	2.8 %	2.2%	1.3%
5	Nov. 27	PRCS	New sponsorship program position (Jul-Dec)* (\$30,000)	-	1,208,100	-	2.8 %	2.2%	1.3%
6	Nov. 27	PRCS	Aurora Outdoor Christmas Market	27,500	1,235,600	0.07 %	2.9 %	2.2%	1.3%
7	Nov. 27	PRCS	Sport Aurora / Sport Plan implementation	103,400	1,339,000	0.24 %	3.1 %	2.3%	1.3%
8	Nov. 27	PRCS	Town of Aurora Youth Innovation Fair	5,000	1,344,000	0.01 %	3.1 %	2.3%	1.3%
9	Nov. 27	PRCS	Sport Hall of Fame Sustainability	48,100	1,392,100	0.11 %	3.2 %	2.4%	1.3%
10	Dec. 5	PRCS	Pow Wow 2018	18,000	1,410,100	0.04 %	3.3 %	2.4%	1.4%
11	Dec. 5	PBS	Chamber of Commerce	11,000	1,421,100	0.03 %	3.3 %	2.4%	1.4%
12	Dec. 5	PRCS	Delete Aurora Youth Innovation Fair - to be funded by Aurora Mayor's Charity Golf Classic	(5,000)	1,416,100	(0.02 %)	3.3 %	2.4%	1.4%
13	Dec. 5	PRCS	Increase in aquatic programs revenue budget	(30,000)	1,386,100	(0.07 %)	3.2 %	2.4%	1.3%
14	Dec. 5	PRCS	Increase in youth programs revenue budget	(16,000)	1,370,100	(0.03 %)	3.2 %	2.3%	1.3%
15	Dec. 5	PRCS	Decrease to aboriginal contracts budget	(10,000)	1,360,100	(0.03 %)	3.2 %	2.3%	1.3%
16	Dec. 5	PRCS	Decrease to shrub bed maintenance contract	(10,000)	1,350,100	(0.02 %)	3.1 %	2.3%	1.3%
17	Dec. 5	CS	Decrease to software maintenance contract	(8,000)	1,342,100	(0.02 %)	3.1 %	2.3%	1.3%
18	Dec. 5	FS	Decrease consulting - cease online Citizen Budget survey	(7,000)	1,335,100	(0.01 %)	3.1 %	2.3%	1.3%
				93,200		0.22 %			

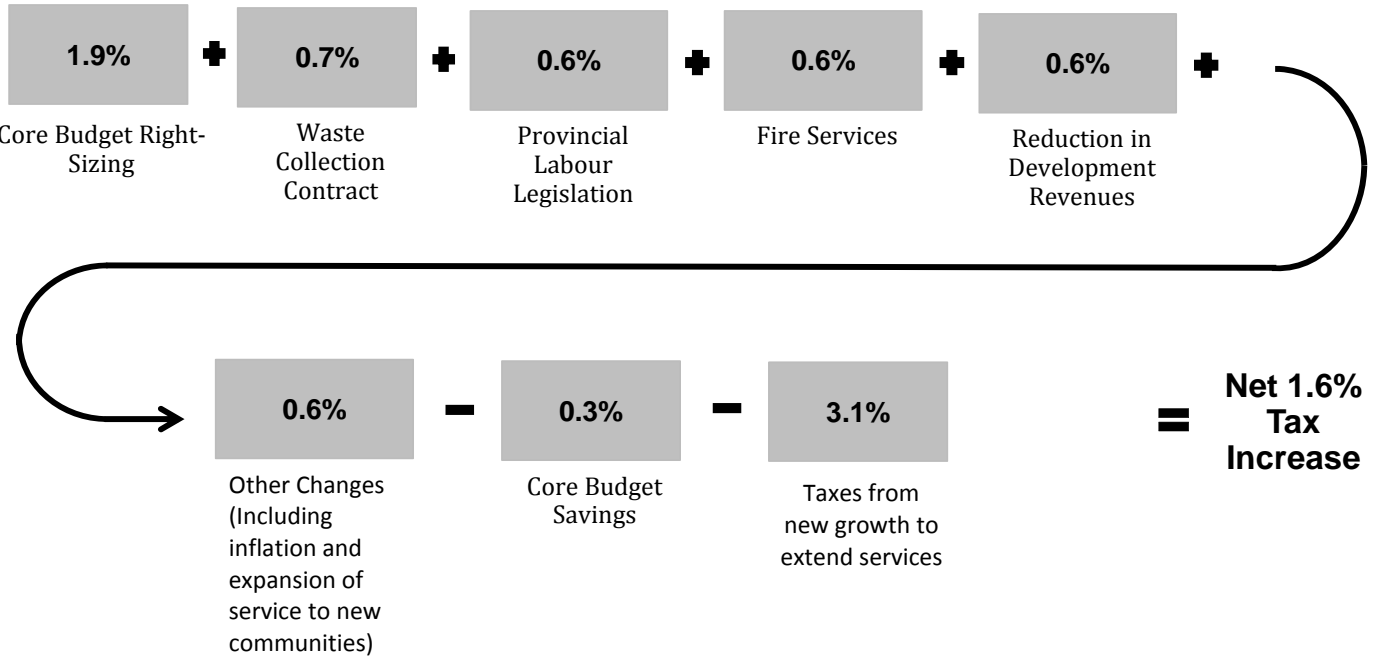
CALCULATION OF IMPACT ON OVERALL TAX BILL	Estimated Tax Rate Pressure (from above)	RESIDENTIAL		COMMERCIAL	
		Share of Tax Bill	Weighted Tax Rate Pressure	Share of Tax Bill	Weighted Tax Rate Pressure
Town of Aurora	3.10%	36.5 %	1.13%	20.8 %	0.6%
Region of York	2.77%	42.9 %	1.19%	24.4 %	0.7%
Education	0.00%	20.6 %	0.00%	54.8 %	0.0%
			2.32%		1.3%

Attachment 4

**Town of Aurora
2018 Operating Budget**

KEY BUDGET DRIVERS

Core Operations:



Service Enhancements:



Fiscal Strategy:



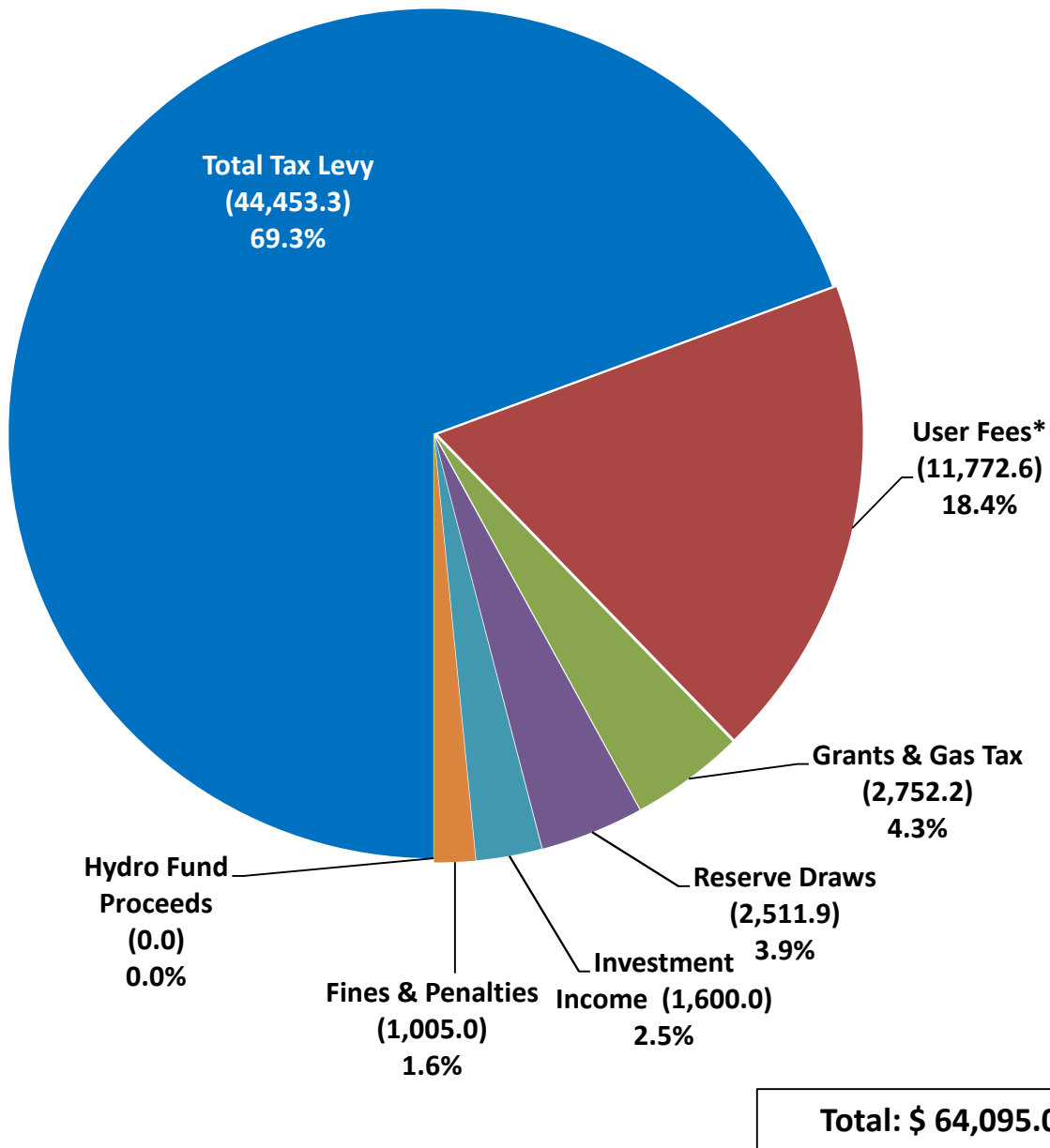
The 3.1% increase to the tax levy translates to an additional \$75.61 on a home with an average assessed value of \$770,000.

= Net 3.1% Tax Increase

Attachment 5

Town of Aurora 2018 Operating Budget Total Revenues by Source

Shown in \$000's

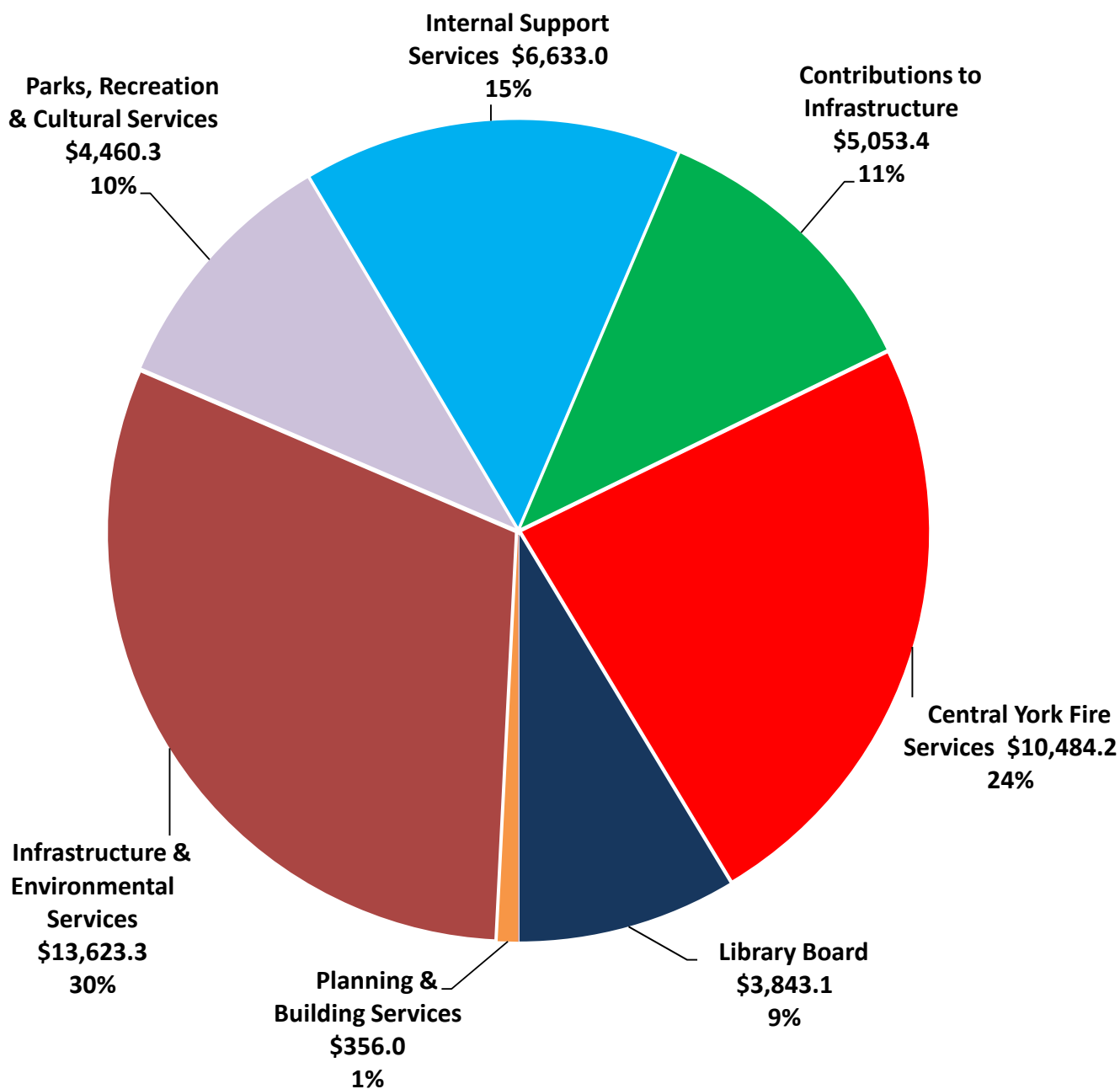


* User Fees include revenue received in relation to the utilization of the town's various service offerings such as its parks and facilities, building permit issuances and development application fees.

Attachment 6

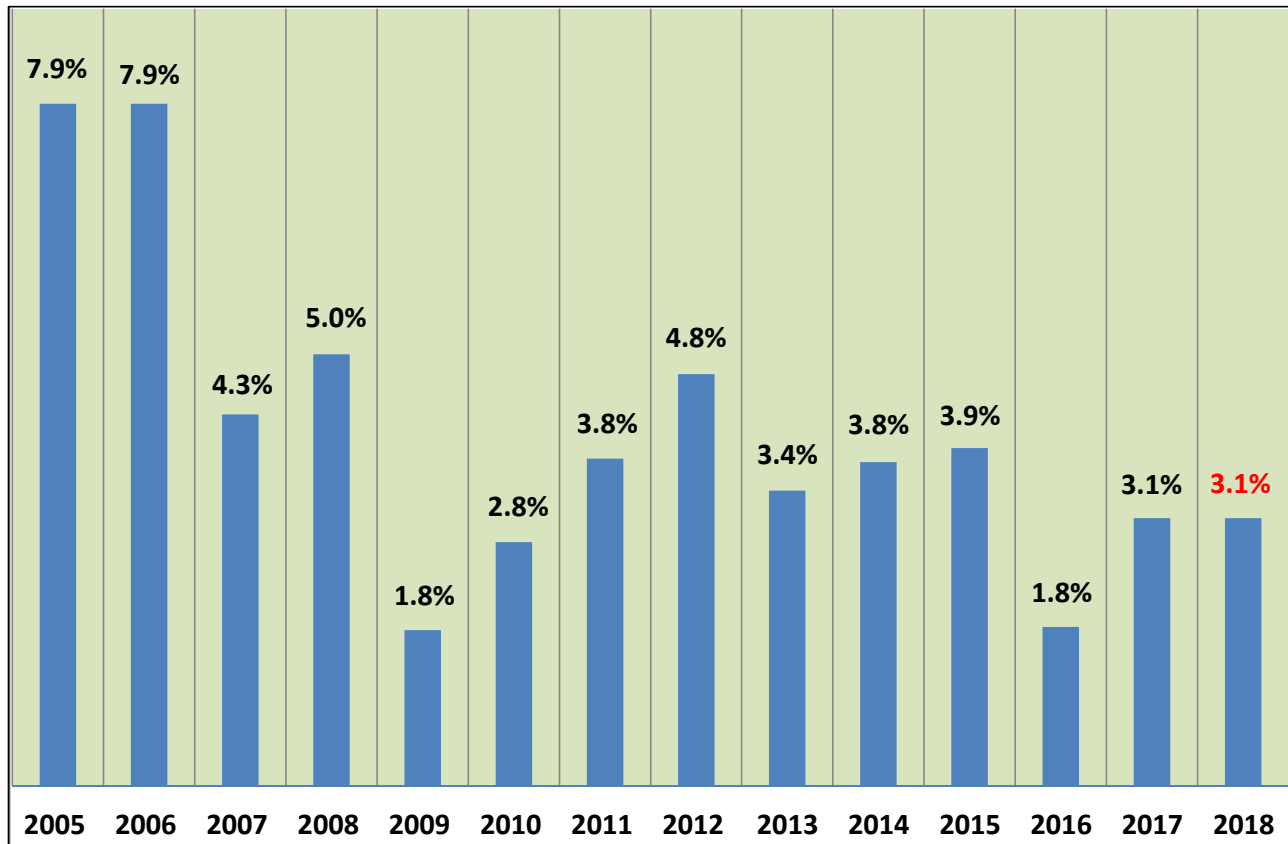
Town of Aurora 2018 Operating Budget Net Tax Funding by Service

Shown in \$000's



Total: \$ 44,453.3

**Town of Aurora
2018 Draft Operating Budget
HISTORY OF AURORA TAX RATE INCREASES**



Attachment #8

**Estimate of Tangible Capital Asset Amortization Expense for 2017:
(Excluding Rate Funded Assets)**

<u>Category</u>	<u>Amortization Amount</u>	
		in \$'000's
<u>Tax Supported Assets</u>		
Buildings	\$ 3,089.2	
Roads/Sidewalks/Street Lighting	3,337.8	
Bridges & Culverts	261.7	
Parks (Land Improvement)	743.2	
Other Vehicles & Equipment	229.8	
Computer Related Equipment	<u>108.2</u>	
Sub Total - Directly Supported Assets		7,769.8
 <u>Indirectly Supported Assets (from Taxes)</u>		
Fire Vehicles & Equipment	\$202.6	
Library Content & Equipment	<u>127.7</u>	
		330.3
		<hr/>
Estimated Amortization Expense for 2017		<u><u>\$ 8,100.0</u></u>

Town of Aurora - 2018 Budget

2018 Budget Presentation Differences

"Standard" Cash-Basis Budget vs. Presentation Requirement under P.S.A.B.

<u>In \$ 000 's</u>	<u>Town Budget</u> <small>(excl Library)</small>	<u>+</u>	<u>Library Budget</u>	<u>=</u>	<u>Consolidated Municipal "Standard"</u> <small>(cash basis)</small>	<u>Reporting Change</u>	<u>Under PSAB Guidelines</u> <small>(accrual basis)</small>
Revenues:							
Operating - Tax Levy	\$ 40,610.2		\$ 3,843.1		\$ 44,453.3	\$ -	\$ 44,453.3
Operating - Receipts From Outside Sources	17,129.8		127.9		\$ 17,257.6	-	17,257.6
Operating - Transfers From Other Funds	2,511.9		-		\$ 2,511.9	(2,511.9) ⁽¹⁾	-
Capital - Receipts From Outside Sources	20,839.8		-		\$ 20,839.8	-	20,839.8
Capital - Transfers From Other Funds	9,436.1		745.0		\$ 10,181.1	(10,181.1) ⁽¹⁾	-
Total Revenues	\$ 90,527.8		\$ 4,716.0		\$ 95,243.7	\$ (12,693.0)	\$ 82,550.7
Expenses:							
Operating Expenses	\$ 50,397.3		\$ 3,841.0		\$ 54,238.3	\$ -	\$ 54,238.3
Operating - Transfers To Capital Funds	5,500.4		130.0		5,630.4	5,630.4 ⁽²⁾	-
Operating - Transfers To Other Funds	3,666.1		-		3,666.1	3,666.1 ⁽²⁾	-
Operating - Debt Principal Payment	533.8		-		533.8	533.8 ⁽³⁾	-
Operating - Debt Interest Payment	154.2		-		154.2	-	154.2
Tangible Capital Additions	29,670.9		745.0		30,415.9	30,415.9 ⁽⁴⁾	-
Non-Tangible Capital Additions	605.0		-		605.0	- ⁽⁵⁾	605.0
Total Expenses	\$ 90,527.8		\$ 4,716.0		\$ 95,243.7	\$ 40,246.2	\$ 54,997.5
Annual Surplus / (Deficit) with Exclusions	\$ -		\$ -		\$ -	\$ 27,553.3	\$ 27,553.3
per O.Reg 284/09							

Exclusions Add Back / (Deduct):

- Amortization of Tangible Capital Assets ⁽⁴⁾
- Post Employee Benefits and Sick Leave liabilities
- Workplace Safety & Insurance Board Benefits

Total Exclusions

	\$ (8,100.0)
	(209.7)
	135.9
Total Exclusions	\$ (8,173.9)
Annual Surplus / (Deficit) - full PSAB Compliance - Audited Financial Statement Result	\$ 19,379.4

Foot Notes:

1. "Transfers From Other Funds" represents transfers from reserves (Retained Earnings) for expenditures and is not considered a revenue source under accrual accounting.
2. "Transfers To Other Funds" represents the contribution to reserves (Retained Earnings) and is not considered an expense under accrual accounting.
3. "Debt Principal Payments" are considered a repayment of a long term liability and are not considered an expense under accrual accounting - only the related interest portion remains a valid expense
4. Under accrual accounting, costs related to the acquisition of "Tangible Capital Assets" are recorded on the balance sheet - only the amortization of existing Tangible Assets is included as an expense. This amortization is generally excluded from traditionally prepared, cash basis, municipal budgets.
5. Studies and Reports are examples of non-Tangible Capital Assets and their acquisition is included as an expense.

Under O.Reg 284/09, this schedule is to be presented prior to or as part of the budget approval process