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Town of Aurora
Committee of the Whole Report
No. FIN26-001

Subject: 2026 Final Budget Reconciliation to Full-Accrual Accounting

Prepared by: Jason Gaertner, Manager, Financial Management

Department: Finance

Date: January 13, 2026

Recommendation

1. That Report No. FIN26-001 be received; and
2. That the reconciliation of the 2026 operating budget to the full-accrual basis of accounting, as required under Ontario Regulation 284/09, as summarized in Attachment 1, be endorsed.

Executive Summary

This report seeks Council's endorsement of the Town's reconciliation of the 2026 budget to the full-accrual basis of accounting.

- Ontario Regulation 284/09 requires the budget to be reconciled on the full-accrual basis of accounting

Background

The Budget Committee completed its review of the Mayor's budget in November 2025. The amended budget was then adopted on December 7, 2025.

Analysis

Ontario Regulation 284/09 requires the budget to be reconciled on the full-accrual basis of accounting

Ontario Regulation 284/09 requires municipalities to report on whether they are budgeting for amortization expenses, post-employment benefit expenses, asset

retirement obligations and post-closure expenses. It also requires that this report normally be prepared prior to adopting the budget for that year.

Table 1 presents a reconciliation of the adopted 2026 Budget. This Budget was completed based upon a modified accrual method of accounting which differs from the Public Sector Accounting Board Standards that use the full-accrual method.

Table 1
Reconciliation of the Adopted 2026 Budget with PSAB Standards

(in \$000's)	Modified Accrual Operating	Capital	Reporting Change	Accrual Operating & Capital
Revenues				
Adopted budget	131,737	67,838		199,575
Transfer from reserves			(61,121)	(61,121)
Total Revenues	131,737	67,838	(61,121)	138,454
Expenses				
Adopted budget	131,737	67,838		199,575
Transfers to reserves			(19,507)	(19,507)
Acquisition of tangible capital asset			(51,324)	(51,324)
Debt principal repayments			(820)	(820)
Amortization			26,989	26,989
WSIB			206	206
Post employment benefits			73	73
Total Expenses	131,737	67,838	(44,383)	155,192
Deficit	-	-	(16,738)	(16,738)

The budgeted transfers to/from reserves are considered expenses or revenues under the Town's traditional balanced budget. However, under the Public Sector Accounting Standards (PSAS) in consideration that these transfers represent the movement of Town surplus, they are not considered to be true expenses or revenues and therefore should be removed from the budget.

Similarly, as the Town's repayment of debt principal and purchase of tangible capital assets result in a cash outlay, these items are included in the Town's budget. PSAS does not consider these cash outlays to be expenses as they result in a reduction to the

Town's liabilities or an increase to its tangible capital assets. Therefore, these items need to be removed from the Town's budget for reconciliation purposes.

In some instances, the Public Sector Accounting Standards require the recognition of expenses that do not result in a cash outlay to the Town. Examples of these transactions include amortization, WSIB and post employment benefits liability adjustments. Because transactions of this nature do not result in a cash outlay, the Town does not include them in its budget and therefore, they must be added to the budget for reconciliation purposes.

Advisory Committee Review

Not applicable

Legal Considerations

This report, including Table 1, satisfies the requirements under Ontario Regulation 284/09 filed under the Municipal Act, 2001.

Financial Implications

There are no direct financial implications as a result of this report.

Communications Considerations

The public has been informed of Council's adoption of the 2026 Budget and 10-Year Capital Plan through regular channels, including a press release, social media and external newsletters. 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 detailed capital sheets of all approved projects. Communications will inform and educate the public about the revised in-year budget process through its various channels.

Climate Change Considerations

This report does not directly impact greenhouse gas emissions or climate change adaptation. Climate change has been considered in the adopted 2026 Budget.

Link to Strategic Plan

The previous adoption of the Town's three-year operating, and 10-year Capital Budget supports all aspects of the Strategic Plan.

Alternative(s) to the Recommendation

None

Conclusions

In accordance with Ontario Regulation 284/09 section 2, the Town of Aurora has provided the reconciliation of the recently adopted 2026 Budget and 10-Year Capital Plan to the full-accrual basis of accounting.

Attachments

None

Previous Reports

[FIN25-054, 2026 Budget and 10-Year Capital Plan, October 28, 2025](#)

Pre-submission Review

Agenda Management Team review on December 11, 2025

Approvals

Approved by Rachel Wainwright-van Kessel, CPA, CMA, Director, Finance

Approved by Doug Nadorozny, Chief Administrative Officer