



Staff Report to Council - for Information

Title: 2024 Budget Annual Disclosure

From: Edward Henley, Director of Corporate Services

Date: January 11, 2024

Report Purpose:

This report is for information.

Report Summary:

Annual disclosure of budgeting methodology for certain expenses as required by Ontario Regulation 284/09.

Background:

[Ontario Regulation 284/09 Budget Matters - Expenses](#) permits a municipality to exclude certain expenses from its budget with the condition that a report be prepared about the excluded expenses and that the report is adopted by resolution.

The expenses that may be excluded from the budget are:

- 1) Amortization expenses
- 2) Post-employment benefits expense
- 3) Solid waste landfill closure and post-closure expenses

Financial/Staffing/Legal/IT Considerations:

Amortization Expenses:

The County does not currently budget for amortization expenses. The County intends to move towards budgeting for full amortization expenses over time by increasing the transfers to reserves.

The recent updated Asset Management Plan quantified the gap between the current annual transfers to reserve and the annual amortization expense. This will allow better future planning for eventually shifting the budgeting to include full amortization expenses.

Post-employment Benefits Expense

The budget does not contain the current year's post-employment benefit expense for early retirement. The County has reported post employment liabilities within the financial statements for many years.

Actuarial reviews are conducted to estimate the future liability, based on benefits plans and employee demographics. Any increase to the liability must be expensed at the end of the year within the financial statements and only current annual costs of post-employment benefits are expensed as paid throughout the year. The County does budget on an annual basis the current year costs of post employment benefits but not the entire estimated future liability.

Solid waste landfill closure and post-closure expenses

The County of Bruce does not own any open or closed former solid waste landfills. The budgeting of this expense is not applicable.

Financial/Staffing/Legal/IT Considerations:

There is no staffing, legal or IT considerations associated with this report.

Interdepartmental Consultation:

Senior Management Team collaborated in the preparation of the budget.

Link to Strategic Goals and Objectives:

Growth and Innovation - Promote responsible growth

Link to Departmental Plan Goals and Objectives, if any:

Not applicable.

Approved for Submission:

Christine MacDonald, Chief Administrative Officer