



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer/Treasurer

Date: March 25, 2019

Report No: CORS-012-19

Subject: 2018 Year End Operating Variances and Journal Entries

Recommendation: **THAT the 2018 Financial Statements be prepared on the basis of the year-end transactions set out in report CORS-012-19;**

AND THAT accounts receivable write-offs in the amount of \$6,905 be approved;

AND THAT staff be directed to prepare accounting entries to transfer from the operating fund to the following:

- **Winter Control Reserve - \$221,201**
- **WSIB Reserve - \$500,000**
- **Infrastructure Renewal Reserve - \$400,000, and**
- **Tax Rate Stabilization Reserve – balance of 2018 surplus, estimated at \$274,470**

EXECUTIVE SUMMARY

In accordance with Corporate Policies No. 113: Financial Management – Budget Management and No. 1: Accounting Principles, this report explains the significant variances in the actuals compared to the approved 2018 operating budget and recommends the allocation of the surplus.

The preliminary unaudited 2018 financial position of the Town is resulting in an estimated surplus of \$1,395,671. The financial position of the Town can change throughout the year due to many factors including weather, utility and fuel usage and rates, tax write-offs and position vacancies. The increase in the 2018 estimated surplus relative to what was being projected in the fall of 2018 is primarily due to the following factors:



The Corporation of the Town of Milton

- Winter control savings in materials and contracts due to minimal November/December activity - \$365,201
- Utility savings due to hydro revisions to the global adjustment and debt retirement charges - \$229,000
- Additional staff vacancy savings in Q4 - \$175,777
- Fewer tax write-offs and higher penalties and interest than projected - \$209,000

The recommended transfers from the operating fund noted within the recommendations are being made based on increasing specific reserves for which balances are low relative to the target balance.

The audit of the 2018 financial position is scheduled to begin on April 22, 2019. Final results will be confirmed in the 2018 Financial Report scheduled to be presented at the May 27, 2019 Council meeting.

REPORT

Background

Final 2018 variance reviews were carried out in January and February 2019 with operating budget managers to identify key variances as well as to finalize 2018 accounts payable and accounts receivable accruals. Final 2018 program results will be presented in the forth-coming audited year-end financial statements. The results of the variance reviews and analysis of the year-end position of the operating budget are being presented in this report.

Discussion

The final year-end position of the Operating Fund is an estimated surplus of \$1,395,671. This represents a variance of 2.4% on net budgeted expenditures of \$57,088,275 and 1.1% on the gross expenditures of \$126,745,129 and is within the range of variances experienced over the past five years as shown in the table below:

Variance (\$Millions)	-\$0.03	\$1.48	\$0.61	\$0.92	\$1.40	\$0.9
% Variance to Net Budget	-0.1%	3.3%	1.3%	1.8%	2.4%	1.7%
% Variance to Gross Budget	0.0%	1.4%	0.6%	0.8%	1.1%	0.8%



The Corporation of the Town of Milton

The estimated Town position at the end of 2018 by department is as follows:

DEPARTMENT	NET BUDGET	ACTUALS ¹	VARIANCE	PERCENT OF BUDGET
			F / (U)	
MAYOR & COUNCIL	\$ 582,175	\$ 521,000	\$ 61,175	89%
EXECUTIVE SERVICES	12,688,908	12,412,000	276,908	98%
CORPORATE SERVICES	8,533,530	7,905,804	627,726	93%
GENERAL GOVERNMENT	(49,067,139)	(49,241,358)	174,219	100%
ENGINEERING SERVICES	19,843,383	19,771,034	72,349	100%
COMMUNITY SERVICES	6,686,195	6,891,999	(205,804)	103%
PLANNING & DEVELOPMENT	732,948	343,850	389,098	47%
LIBRARY	-	(54,262)	54,262	
HOSPITAL EXPANSION	-	-	-	
BIA	-	(27,226)	27,226	
Gross Surplus	\$ -	\$ (1,477,159)	\$1,477,159	
Less: Library Board Surplus ²	-	54,262	(54,262)	
Less: BIA Surplus ³	-	27,226	(27,226)	
Net Town Surplus	\$ -	\$ (1,395,671)	\$1,395,671	

Notes:

- 1) Figures include rounding and may result in minor variances to the attached Financial Schedules.
- 2) The Library surplus will be transferred to the Library Tax Rate Stabilization Reserve in accordance with the Town's Reserve Policies.
- 3) The surplus of the BIA will be transferred to the DBIA Surplus Reserve in accordance with the Town's Reserve Policies.

The significant variances in each department are outlined in the report below:

Mayor & Council - \$61,175 Favourable

The surplus is primarily due to reduced participation rates in the available benefits program as well as fewer investigations required of the Integrity Commissioner through 2018.

Executive Services - \$276,908 Favourable

Fire Services generated a surplus of \$112,609. Approximately half of this due to lower than expected utility costs at the Fire Stations and additional provincial recoveries resulting from the high number of calls on the 401 highway, partially offset by higher than anticipated fuel costs. The balance of the surplus resulted from savings in salaries and benefits. The hiring of an additional fire crew for Fire Station No. 5, approved through the 2018 budget, was delayed until December 2018 to proactively manage the anticipated financial impacts associated with Bill 148, collective agreements and the internal job evaluation process.

Staff vacancies within both Corporate Communications and Economic Development led to savings of \$95,058. Bringing some anticipated external graphic design work in-



The Corporation of the Town of Milton

house generated savings of \$18,742. Higher than anticipated rental revenue combined with savings in utility costs led to a surplus for the Milton Education Village Innovation Centre of \$52,347. Reduced legal activity added a further \$91,709 to the surplus. These savings were partially offset by a shortfall in court award fines of \$130,762.

Corporate Services - \$627,726 Favourable

The Information Technology division realized a surplus of \$288,792 in 2018 of which \$249,284 resulted from the deferral of projects, a redesign of the Microsoft licensing model, savings in service agreements and savings in the Town's communication infrastructure.

The Finance division realized a surplus of \$171,595 primarily due to staff vacancies.

The Town Clerk's Division is reporting a surplus of \$174,080. Savings in expenses of \$395,598 was mostly due to staff vacancies as well as some savings in various contracts including corporate accessibility and animal services. Partially offsetting this was a \$221,518 shortfall in revenues due to reduced parking ticket and licensing revenues.

General Government - \$174,219 Favourable

The savings are related to lower than expected tax write-offs of \$287,490 as well as some additional taxation revenue from penalties and interest. Offsetting a portion of the variance is an increase in allowance for bad debts for general receivables of \$115,271 primarily related to uncollectable sign fines.

Engineering Services - \$72,349 Favourable

The Operations Division is reporting a surplus of \$362,566 primarily due to savings in winter control materials and contracts of \$221,201. Contractual savings in Parks of \$260,000 was the result of favourable pricing on various tenders. The deferral of catchbasin cleaning work into 2019 added a further \$60,000 to the savings. Utility costs, primarily within Parks, was \$45,563 lower than anticipated. Partially offsetting the above variances was a deficit of \$243,560 in salaries and benefits largely due to the impacts of Bill 148 and the job evaluation.

Transit Services is reporting a deficit of \$150,791. While overall 2018 ridership has grown, monthly pass usage rates have increased relative to a decrease in the number of cash fare paying trips, resulting in an overall shortfall in fare revenue. Also



The Corporation of the Town of Milton

contributing to the variance was increased trip demand on specialized services and higher than anticipated fuel prices.

Infrastructure Management is reporting a savings to budget of \$462,497 due primarily to savings in traffic control of \$309,172 from lower than anticipated hydro costs, reductions in contracted work including pavement markings, maintenance of traffic signals and railway crossings, fewer railway crossing upgrades and reduced purchases of cobra head streetlight replacement parts in anticipation of the conversion of street lights to LED. Savings in crossing guards of \$73,269 resulted from a delay in anticipated new school openings. More than the anticipated number of roadway permits were issued in 2018, which led to an increase in revenue from permit and inspection fees of over \$35,000.

Development Engineering is reporting a deficit of \$539,051. Of this amount, \$399,513 relates to performing more work on undeveloped subdivisions than was recovered through the Engineering and Inspection fees. Through the 2016 User Fee Study, CORS-047-16, the fees were updated to start addressing the deficit however further shortfalls are likely to be incurred until existing multi-year agreements entered into using the previous fee structure are complete. A further \$197,195 is due to lower fees related to slower than anticipated new development.

Engineering Services Administration is higher than budget by \$62,868 due primarily due to the requirement for additional administration support on a contract basis which was funded through savings from within the Engineering Department.

Community Services - \$205,804 Unfavourable

Recreational and Cultural Facilities were unfavourable by \$246,304. This was primarily due to unplanned equipment and maintenance repair work of \$453,883 which was required to maintain levels of operation and safety. Offsetting these costs were higher than anticipated facility rental revenues, particularly in the area of cycling as well as savings due to staff vacancies and hydro costs.

Programs were favourable by \$45,824 largely due to higher than anticipated program revenues of \$100,414 primarily associated with both aquatics and fitness membership fees. Partially offsetting the surplus was \$77,000 related to additional applicants to the Financial Assistance program and the impact of Bill 148 particularly in the area of camps and aquatics.



The Corporation of the Town of Milton

Planning & Development - \$389,098 Favourable

The surplus is primarily a result of \$240,679 additional user fee and service charge revenues including Official Plan zoning amendments and site plan fees. Staff vacancies throughout the year contributed a further \$133,587 to the surplus.

Although building permit revenue was \$817,624 under budget it was largely mitigated by a conservative approach to staffing. This resulted in a lower than anticipated contribution from the Building Stabilization Reserve Fund to fund the overall shortfall in the Building Division. Building permit fees were increased effective September 1, 2018 (CORS-046-18) which will continue to mitigate future shortfalls and ensure the Town is moving towards achieving the Building Rate Stabilization Reserve Fund target balance of two year's annual direct costs of building permit review.

Library - \$54,262 Favourable

Staff vacancies and a re-alignment of staffing through 2018 resulting in savings of \$121,193. These savings were offset by additional purchases of office equipment/furniture for the Main and Beaty Branches.

Reserve and Reserve Funds Transfer to/from the Operating Fund

Staff are reporting the transfers to and from reserves and discretionary reserve funds that deviate from the budget based on actual activity. Many of the transfers to reserves and reserve funds are driven by external revenues and do not impact the operating fund surplus. Explanations for those with significant variances follow the table below.



The Corporation of the Town of Milton

Reserve/Reserve Fund	Operating Budget Transfer To/(From) Reserve*		
	Budget	Actual	(Surplus) / Deficit
Aggregate Permit Fees	\$ 301,919	\$ 56,439	\$ 245,480
Building Rate Stabilization	(454,968)	(226,791)	(228,177)
Cash in lieu of Parkland	(246,036)	(245,611)	(425)
Capital Provision	3,052,389	897,056	2,155,333
Capital Works	5,071,638	6,150,197	(1,078,559)
Computer Replacement	362,915	457,191	(94,276)
DBIA Surplus	(10,500)	(10,500)	-
Equipment Replacement	3,550,475	3,822,911	(272,436)
Elections	(159,685)	(133,632)	(26,053)
Growth Related Resources	-	151,754	(151,754)
Milton District Hospital Expansion	(85,647)	(84,764)	(883)
Infrastructure Renewal	1,936,439	1,936,439	-
Insurance	127,410	305,967	(178,557)
Investment in the Arts	(104,973)	(2,129,852)	2,024,879
Legal	265,051	247,707	17,343
Library Capital Works	401,808	440,738	(38,930)
Library Tax Rate Stabilization	447,977	447,977	-
Municipal Building Component	1,497,624	1,497,623	1
Municipal Building Replacement	257,005	257,004	1
Provincial Gas Tax	(1,069,413)	(1,069,413)	-
Ontario Lottery Corporation Proceeds	4,482,500	5,372,666	(890,166)
Perpetual Maintenance	(4,000)	95,655	(99,655)
Per Unit Processing Fee	501,229	(20,382)	521,612
Property Transactions	122,959	7,136,454	(7,013,495)
Seniors Advisory Board	(1,000)	(1,296)	296
Sportsfield Development	9,386	9,386	-
Tax Rate Stabilization	(619,070)	(7,191)	(611,879)
Training	-	59,124	(59,124)
Transit and Transportation	497,238	497,238	-
Winter Control	136,514	136,514	-
WSIB	-	26,138	(26,138)
Total	\$ 20,267,184	\$ 26,072,746	\$ (5,805,562)

Note: *Excludes transfers to/from Development Charge Reserve Funds.

The following are explanations of the significant variances in reserve and reserve fund transfers within the operating fund:

- Aggregate Permit Fees (\$245,480 deficit) – Revenues collected from the Ministry of Natural Resources for extracted aggregates were lower than anticipated. Due to the trend of declining revenues the annual transfer was reduced in the 2019 budget.
- Building Rate Stabilization (\$228,177 surplus) – Building permit revenues were lower than budget in 2018 however savings in expenditures including salaries, benefits and internal chargebacks resulted in a lower than anticipated transfer from the Building Rate Stabilization Reserve Fund.



The Corporation of the Town of Milton

- Capital Provision (\$2,155,333 deficit) – Fewer residential building permits were issued than anticipated resulting in lower Capital Provision revenues being collected through financial agreements.
- Capital Works Reserve (\$1,078,559 surplus) – Supplementary taxes above \$985,000 were transferred as per the approved 2018 budget. Higher than anticipated interest earned on unspent capital funds and debenture charge savings on previously approved however not yet issued debt were also transferred.
- Computer Replacement (\$94,276 surplus) – Additional photocopier recoveries were transferred to the Computer Replacement Reserve.
- Equipment Replacement (\$272,436 surplus) – Proceeds from the sale of equipment, savings in fuel costs and a higher utilization of equipment resulted in a surplus within the fleet division and transferred to the Equipment Replacement Reserve.
- Elections (\$26,053 surplus) – Transfer to operating was reduced due to lower than anticipated election expenditures.
- Growth Related Resources (\$151,754 surplus) - Excess engineering and inspection fees collected as part of the subdivision process were transferred to the Growth Related Resources reserve.
- Insurance (\$178,557 surplus) – As previously reported through the 2nd Quarter Capital Variance, CORS-058-18, \$74,922 in recoveries for a bus replacement that was damaged due to a fire was transferred to the Insurance Reserve along with additional recoveries that will be utilized to help offset future legal costs associated with insurance claims and settlements.
- Investment in the Arts (\$2,024,879 deficit) – As previously reported through the 2018 Operating Variance report, CORS-067-18, and the Milton Centre for the Arts – Free Children’s Program report, COMS-020-16, funds were transferred to the Community Foundation of Halton North (CFHN) to help support the Every Milton Child, Every Year Arts Program.
- Ontario Lottery Corporation Proceeds (\$890,166 surplus) – Additional funds received were transferred to the Ontario Lottery Corporation Proceeds Reserve Fund.
- Perpetual Maintenance (\$99,655 surplus) – Funds received from Developers to support long-term maintenance on above standard infrastructure built by Developers.



The Corporation of the Town of Milton

- Per Unit Processing Fee (\$521,612 deficit) – The per unit processing fee revenue was lower than anticipated due fewer residential units of development than anticipated.
- Property Transactions (\$7,013,495 surplus) - Proceeds from the sale of land parcels, including 101 Nipissing Road, were transferred to the Property Transactions Reserve Fund for future land requirements.
- Tax Rate Stabilization (\$611,879 surplus) – The main driver of the surplus is excess investment income revenue transferred to the Tax Rate Stabilization reserve in alignment with Corporate Policy No. 110 - Financial Principles and the budgeted 2019 transfer to mitigate the current shortfall in the reserve as compared to the target balance.
- Training (\$59,124 surplus) – Anticipated training activities were not completed and the surplus was transferred to the Training reserve in accordance with the Town's Reserve and Reserve Fund policies.

Reserves and Reserve Funds Continuity

The final reserve and reserve fund balances for 2018 are outlined in the table below. Transfers from Operating total \$35.7 million and include grants or other funds received. Other transfers total \$28.8 million and represent revenue from external sources such as federal and provincial levels of government and developers.

As part of capital project financing, \$59.1 million was transferred from reserves and reserve funds in order to fund projects. Transfers to operating for 2018 total \$10.1 million which includes contributions to support the operating budget for activities including: insurance and WSIB transactions, legal matters, arts programming, transit costs, and debt principal and interest payments.



The Corporation of the Town of Milton

Reserves and Reserve Funds	Dec 31, 2017 Balance	Interest Earned	Transfer from Operating	Other Transfers	Transfer to Capital	Transfer to Operating	Dec 31, 2018 Balance*
Reserves							
Tax Rate Stabilization	\$ 2,048,418	\$ -	\$ 700,752	\$ -	\$ -	\$ (707,943)	\$ 2,041,227
Infrastructure Renewal	912,651	-	1,936,439	-	(250,000)	-	2,599,090
Library Tax Rate Stabilization	1,697,807	-	447,977	-	-	-	2,145,784
Library Capital Works	768,553	-	440,738	-	(670,153)	-	539,138
Legal Matters	800,164	-	299,364	-	-	(51,657)	1,047,871
Per Unit Development Processing Fee	1,723,084	-	564,654	-	-	(585,036)	1,702,702
Election	254,361	-	94,676	-	-	(228,308)	120,729
Winter Control	1,109,307	-	136,514	-	-	-	1,245,821
Insurance	1,054,696	-	395,967	-	(74,922)	(90,000)	1,285,741
WSIB	813,477	-	26,138	-	-	-	839,615
Municipal Building Components	6,089,020	-	1,497,623	-	(600,667)	-	6,985,976
Capital Provision	14,726,678	-	2,624,935	-	(1,803,699)	(1,727,879)	13,820,035
Capital Works	3,474,882	-	6,150,197	-	(5,754,548)	-	3,870,531
Transit and Transportation	1,247,536	-	497,238	-	(345,726)	-	1,399,048
Computer Requirements	782,477	-	457,191	-	(246,298)	-	993,369
Equipment Replacement	6,979,784	-	3,822,911	-	(3,268,637)	-	7,534,058
Working Funds	1,064,000	-	-	-	-	-	1,064,000
Aggregate Permit Fees	1,042,916	-	56,439	-	(647,793)	-	451,562
DBIA Surplus	70,236	-	-	-	-	(10,500)	59,736
Seniors' Fundraising	77,726	-	-	-	-	(1,296)	76,429
Training	298,679	-	59,124	-	-	-	357,803
Growth Related Resources	2,083,588	-	151,754	-	(105,084)	-	2,130,258
Municipal Buildings Replacement	208,316	-	257,004	-	(174,477)	-	290,843
Total Reserves	\$ 49,328,355	\$ -	\$ 20,617,634	\$ -	\$ (13,942,003)	\$ (3,402,619)	\$ 52,601,368
Reserve Funds	Dec 31, 2017 Balance	Interest Earned	Transfer from Operating	Other Transfers	Transfer to Capital	Transfer to Operating	Dec 31, 2018 Balance*
Reserve Funds							
Ontario Community Infrastructure Fund	\$ 2,346	\$ 13,222	\$ -	\$ 1,962,239	\$ (1,383,761)	\$ -	\$ 594,046
Provincial Gas Tax	482,482	10,440	-	932,073	-	(1,069,413)	355,582
Perpetual Maintenance	484,591	10,392	95,655	-	-	-	590,637
Provincial Government Transfer	-	1,278	-	127,014	-	-	128,291
Cash-in-lieu of Parkland	7,000,128	140,709	-	185,085	(33,227)	(245,611)	7,047,084
Building Rate Stabilization	4,200,555	75,001	-	-	(22,032)	(226,791)	4,026,733
Property Transactions	6,929,543	130,669	7,522,974	-	(2,601,846)	(386,520)	11,594,820
Arts Programming	-	15,188	-	596	-	-	15,784
Milton District Hospital Expansion	502,449	13,489	350,883	-	-	(435,647)	431,173
Cash-in-lieu of Parking	308,799	6,213	-	-	-	-	315,012
Cash-in-lieu of Storm Water Management	44,824	902	-	-	-	-	45,726
Sportsfield Development	123,032	1,412	9,386	-	(100,000)	-	33,830
Investment in the Arts	2,865,242	24,206	-	(137,924)	203,000	(2,129,852)	824,672
Federal Gas Tax	4,565,005	98,923	-	2,687,010	(3,482,570)	-	3,868,368
Mayor's Legacy Fund	86,701	1,744	-	-	-	-	88,445
Ontario Lottery Corporation Proceeds	7,813,997	111,062	6,145,166	-	(6,189,648)	(772,500)	7,108,077
Development Charges**	57,106,049	672,917	978,443	23,057,122	(31,547,933)	(1,455,440)	48,811,158
Total Reserve Funds	\$ 92,515,742	\$ 1,327,766	\$ 15,102,507	\$ 28,813,216	\$ (45,158,016)	\$ (6,721,774)	\$ 85,879,441
Total Reserve and Reserve Funds	\$ 141,844,097	\$ 1,327,766	\$ 35,720,141	\$ 28,813,216	\$ (59,100,019)	\$ (10,124,393)	\$ 138,480,809

Notes: *Excludes the year end transfers recommended in this report as well as the transfer of year end surpluses in Library and DBIA in accordance with the Town's Reserve and Reserve Fund policies.

**Includes Development Charge Exemptions (\$1.6M)

Debenture Obligations

During 2018 the debenture obligations decreased from \$49.2 million to \$42.7 million due to \$6.5 million in principal repayments. Based on the timing of capital project spending no new debt was issued in 2018.

In addition to the \$42.7 million outlined below, \$7.8 million of debt that has been previously approved by Council remains yet to be issued at 2018 year end.



The Corporation of the Town of Milton

Existing Debenture Obligations	Dec 31, 2017 Balance	2018 New Issuance	2018 Principal Payments	Dec 31, 2018 Balance
Tax Supported Debt	\$ 13,346,672	\$ -	\$ (2,909,296)	\$ 10,437,376
Reserve Fund Debt	1,143,813	-	(528,908)	614,905
Development Charge Debt	5,001,513	-	(1,287,863)	3,713,650
Capital Provision Debt (Hospital)	15,330,000	-	(1,417,389)	13,912,611
Hospital Expansion Debt (see below)	14,365,766	-	(333,954)	14,031,812
Total Debenture Obligations	\$ 49,187,763	\$ -	\$ (6,477,410)	\$ 42,710,353

The Hospital sinking fund debenture is held and managed by the Region of Halton, for the purposes of retiring the debt at maturity. The annual \$302,726 sinking fund contribution and the interest income to be earned on the investments of the sinking fund over 30 years are projected to fully cover the principal payment due at maturity.

Hospital Expansion Sinking Fund Debenture	
Sinking Fund Debt (payable on Apr 6, 2045)	\$ 15,000,000
Annual Contributions to date to the Region of Halton (\$302,726 per year)	(908,177)
Interest Earned to Date by the Region of Halton	(60,010)
Dec 31, 2018 Balance per the Region of Halton	\$ 14,031,812

Performance Indicator Report

2018 Accounts Receivable Write-off

Accounts Receivable Corporate Policy 155 states that any write-offs of amounts owing to the Town in excess of \$500 must be approved by Council. Staff is seeking Council approval to write-off balances relating to four receivable accounts. The following is a summary of accounts recommended to be written off:

Invoice #	Amount	Invoice Detail	Reason for Write Off
ENG001273	\$ 889.30	Accident Claims	Insurance settlements - uncollectible residual amount related to timing of payments & fees.
ENG001178	\$ 1,588.29		
ENG001223	\$ 1,667.28		
LE000043	\$ 2,759.64	Non-compliance of Municipal Law Enforcement Officer order	Resolution of by-law file 18-005820
Total	\$ 6,904.51		



The Corporation of the Town of Milton

Recommended 2018 year-end accounting entries

As part of the year-end process, staff considers the distribution of year-end surplus or funding of deficit based on Council approved policies. For 2018 year-end, staff are recommending the following distributions of the surplus:

1. Transfer \$500,000 to the WSIB Reserve.

As a municipal government, the Town is classified as a 'Schedule 2' employer through the Workplace Safety and Insurance Board (WSIB), which means the Town is responsible for the full cost of the accident claims filed by its employees. The reserve is used to fund any claims associated with accidents in the workplace to minimize volatility on the operating fund. As per the most recent actuarial valuation, the estimated 2018 WSIB liability is \$1,605,079. After the recommended transfer of \$500,000, the balance in the WSIB Reserve will be \$1,339,615, which will reduce the shortfall in the target balance to \$265,464.

2. Transfer \$221,201 to the Winter Control Reserve

Through the 2019 budget the annual transfer to the winter control reserve in the amount of \$139,517 was eliminated on the premise that the budget is reflective of the average historical spending in winter control over the past five years. The estimated balance for the winter control reserve at 2018 year end is \$1,245,821 which equals approximately 30% of the winter control budget. The target balance is 25%.

Weather related impacts, particularly due to winter events, can cause unexpected financial impacts to the Town. The 2018 savings in winter control of \$195,166 are being recommended to be transferred to the winter control reserve to continue to set aside funds to mitigate the financial impact of future winter events.

3. Transfer \$400,000 to the Infrastructure Renewal Reserve

In 2017, the Town expanded upon its prior Asset Management Plans (AMPs) to include park, sports field and streetlight infrastructure. Through that update, a lifecycle funding analysis that leveraged the Town's Public Sector Accounting Board (PSAB) data suggested that the Town has an annual infrastructure funding deficit of \$33.2 million. While the introduction of financing strategies that include a \$1.0 million annual capital contribution were expected to mitigate a portion of the deficit, a significant shortfall was expected to remain after a 20 year period. This recommended transfer of \$400,000 would continue to build the Town's reserves for infrastructure renewal.

4. Transfer the remaining surplus, estimated at \$274,470 to the Tax Rate Stabilization Reserve.



The Corporation of the Town of Milton

The Tax Rate Stabilization Reserve is used to mitigate tax rate changes during the preparation of the annual budget and to protect the Town against any unanticipated expenditures of an operating nature. This reserve would also be used to fund any unanticipated deficits that may occur in the fiscal year.

The target balance for the reserve is 10% of the previous year's tax levy (excluding library), or \$5.2 million for 2018. The Tax Rate Stabilization Reserve is estimated to have an ending balance of \$2.0 million for 2018. In accordance with Financial Principles Policy No. 110 additional transfers from excess investment income are now being allocated to the reserve to increase the balance. However, the impact in 2019 is being reduced by a one-time transfer of approximately \$0.2 million to achieve the full annual financial benefit of the reductions made through the 2019 budget as well as to manage the final assessment growth amount.

Financial Impact

The estimated final year-end position of the operating fund is an estimated surplus of \$1,395,671. This report is providing recommendations for the allocation of the surplus for consideration by Council and will facilitate the completion of the 2018 year-end accounting activities.

The variances discussed herein as well as the final reserve and reserve fund balances will also inform the management of the 2019 approved budget and the development of the proposed 2020 budget.

Respectfully submitted,

Troy McHarg
Interim Commissioner, Corporate Services

For questions, please contact: Jennifer Kloet, CPA, CA 905 878 7252 x2216
Brad Schultz, CPA, CMA 905 878 7252 x2248

Attachments

Appendix 1 – 2018 Operating Financial Statements

CAO Approval
William Mann, MCIP, RPP, OALA, CSLA, MCIF, RPF
Chief Administrative Officer

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

MAYOR AND COUNCIL

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
MAYOR AND COUNCIL				
MAYOR AND COUNCIL				
EXPENDITURES				
Salaries and Benefits	535,563	496,114	39,449	93%
Administrative	53,004	46,240	6,764	87%
Financial	5,000	10,000	(5,000)	200%
Purchased Goods	701	864	(163)	123%
Purchased Services	26,162	7,906	18,256	30%
Total EXPENDITURES	620,430	561,124	59,306	90%
REVENUE				
Financing Revenue	(5,000)	(10,000)	5,000	200%
Recoveries and Donations	(33,256)	(30,124)	(3,132)	91%
Total REVENUE	(38,256)	(40,124)	1,868	105%
Total MAYOR AND COUNCIL	582,174	521,000	61,174	89%
Total MAYOR AND COUNCIL	582,174	521,000	61,174	89%
Total MAYOR AND COUNCIL	582,174	521,000	61,174	89%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

EXECUTIVE SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
EXECUTIVE SERVICES				
OFFICE OF THE CAO				
EXPENDITURES				
Salaries and Benefits	529,864	541,452	(11,588)	102%
Administrative	20,005	16,838	3,167	84%
Purchased Goods	6,387	4,219	2,168	66%
Purchased Services	409,713	469,980	(60,267)	115%
Total EXPENDITURES	965,969	1,032,489	(66,520)	107%
REVENUE				
Financing Revenue	(65,995)	(65,995)		100%
Recoveries and Donations		(10,236)	10,236	
User Fees and Service Charges	(173,000)	(209,398)	36,398	121%
Total REVENUE	(238,995)	(285,629)	46,634	120%
Total OFFICE OF THE CAO	726,974	746,860	(19,886)	103%
MARKETING AND GOVERNMENT RELAT				
EXPENDITURES				
Salaries and Benefits	730,032	706,966	23,066	97%
Administrative	5,140	4,797	343	93%
Purchased Goods	8,800	8,350	450	95%
Purchased Services	81,302	58,114	23,188	71%
Total EXPENDITURES	825,274	778,227	47,047	94%
REVENUE				
Financing Revenue	(60,080)	(60,080)		100%
Total REVENUE	(60,080)	(60,080)		100%
Total MARKETING AND GOVERNMENT RELAT	765,194	718,147	47,047	94%
STRATEGIC INITIATIVES AND ECONOMIC				
EXPENDITURES				
Salaries and Benefits	563,098	505,961	57,137	90%
Administrative	22,290	14,651	7,639	66%
Financial	1,447	1,818	(371)	126%
Transfers to Own Funds	37,667	37,537	130	100%
Purchased Goods	18,588	4,118	14,470	22%
Purchased Services	323,841	248,584	75,257	77%
Reallocated Expenses	2,312	1,955	357	85%
Total EXPENDITURES	969,243	814,624	154,619	84%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

EXECUTIVE SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
REVENUE				
Financing Revenue	(122,405)	(130,093)	7,688	106%
Recoveries and Donations	(82,680)	(26,000)	(56,680)	31%
User Fees and Service Charges	(95,205)	(126,718)	31,513	133%
Total REVENUE	(300,290)	(282,811)	(17,479)	94%
Total STRATEGIC INITIATIVES AND E	668,953	531,813	137,140	79%
FIRE				
EXPENDITURES				
Salaries and Benefits	9,055,545	8,985,768	69,777	99%
Administrative	59,425	48,826	10,599	82%
Financial	1,360	1,402	(42)	103%
Transfers to Own Funds	872,560	881,411	(8,851)	101%
Purchased Goods	104,190	102,360	1,830	98%
Purchased Services	546,801	502,514	44,287	92%
Fleet Expenses	148,490	193,536	(45,046)	130%
Reallocated Expenses	3,594	4,274	(680)	119%
Total EXPENDITURES	10,791,965	10,720,091	71,874	99%
REVENUE				
Financing Revenue	(9,349)	(18,571)	9,222	199%
Grants	(2,500)	(5,000)	2,500	200%
Recoveries and Donations	(133,604)	(167,516)	33,912	125%
User Fees and Service Charges	(118,723)	(113,824)	(4,899)	96%
Total REVENUE	(264,176)	(304,911)	40,735	115%
Total FIRE	10,527,789	10,415,180	112,609	99%
Total EXECUTIVE SERVICES	12,688,910	12,412,000	276,910	98%
Total EXECUTIVE SERVICES	12,688,910	12,412,000	276,910	98%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

CORPORATE SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
CORPORATE SERVICES				
FINANCE				
EXPENDITURES				
Salaries and Benefits	4,522,844	4,313,337	209,507	95%
Administrative	67,710	53,430	14,280	79%
Financial	2,508	2,579	(71)	103%
Purchased Goods	53,820	48,364	5,456	90%
Purchased Services	172,128	156,159	15,969	91%
Total EXPENDITURES	4,819,010	4,573,869	245,141	95%
REVENUE				
Financing Revenue	(2,112,097)	(2,088,855)	(23,242)	99%
Recoveries and Donations		(8,110)	8,110	
User Fees and Service Charges	(632,114)	(708,593)	76,479	112%
Reallocated Revenue	(269,787)	(134,894)	(134,893)	50%
Total REVENUE	(3,013,998)	(2,940,452)	(73,546)	98%
Total FINANCE	1,805,012	1,633,417	171,595	90%
INFORMATION TECHNOLOGY				
EXPENDITURES				
Salaries and Benefits	2,316,737	2,210,358	106,379	95%
Administrative	33,825	24,484	9,341	72%
Purchased Goods	1,354,932	1,131,575	223,357	84%
Purchased Services	999,095	966,663	32,432	97%
Total EXPENDITURES	4,704,589	4,333,080	371,509	92%
REVENUE				
Financing Revenue	(282,739)	(197,589)	(85,150)	70%
User Fees and Service Charges	(100)	(2,533)	2,433	2,533%
Total REVENUE	(282,839)	(200,122)	(82,717)	71%
Total INFORMATION TECHNOLOGY	4,421,750	4,132,958	288,792	93%
HUMAN RESOURCES				
EXPENDITURES				
Salaries and Benefits	743,963	694,262	49,701	93%
Administrative	300,102	252,232	47,870	84%
Transfers to Own Funds		59,124	(59,124)	
Purchased Goods	16,057	7,624	8,433	47%
Purchased Services	165,507	232,826	(67,319)	141%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

CORPORATE SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
Total EXPENDITURES	1,225,629	1,246,068	(20,439)	102%
REVENUE				
Financing Revenue	(8,376)	(8,376)		100%
Reallocated Revenue	(118,560)	(132,257)	13,697	112%
Total REVENUE	(126,936)	(140,633)	13,697	111%
Total HUMAN RESOURCES	1,098,693	1,105,435	(6,742)	101%
TOWN CLERK'S DIVISION				
EXPENDITURES				
Salaries and Benefits	2,345,879	2,082,128	263,751	89%
Administrative	53,451	32,993	20,458	62%
Financial	36,197	36,236	(39)	100%
Purchased Goods	30,920	18,724	12,196	61%
Purchased Services	750,614	648,070	102,544	86%
Reallocated Expenses	95,680	98,992	(3,312)	103%
Total EXPENDITURES	3,312,741	2,917,143	395,598	88%
REVENUE				
Financing Revenue	(440,537)	(414,484)	(26,053)	94%
Recoveries and Donations	(28,405)	(31,619)	3,214	111%
User Fees and Service Charges	(1,635,725)	(1,437,046)	(198,679)	88%
Total REVENUE	(2,104,667)	(1,883,149)	(221,518)	89%
Total TOWN CLERK'S DIVISION	1,208,074	1,033,994	174,080	86%
Total CORPORATE SERVICES	8,533,529	7,905,804	627,725	93%
Total CORPORATE SERVICES	8,533,529	7,905,804	627,725	93%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

GENERAL GOVERNMENT

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
GENERAL GOVERNMENT				
GENERAL GOVERNMENT				
EXPENDITURES				
Administrative	275,000	262,559	12,441	95%
Financial	4,675,970	3,809,354	866,616	81%
Transfers to Own Funds	22,599,019	29,786,840	(7,187,821)	132%
Purchased Services	76,915	245,900	(168,985)	320%
Total EXPENDITURES	27,626,904	34,104,653	(6,477,749)	123%
REVENUE				
External Revenue Transferred to Rese	(12,444,033)	(10,761,074)	(1,682,959)	86%
Financing Revenue	(4,472,709)	(12,249,393)	7,776,684	274%
Taxation	(54,836,535)	(55,508,452)	671,917	101%
Payments In Lieu	(806,908)	(832,526)	25,618	103%
User Fees and Service Charges	(2,431,736)	(2,375,637)	(56,099)	98%
Reallocated Revenue	(1,702,123)	(1,618,929)	(83,194)	95%
Total REVENUE	(76,694,044)	(83,346,011)	6,651,967	109%
Total GENERAL GOVERNMENT	(49,067,140)	(49,241,358)	174,218	100%
Total GENERAL GOVERNMENT	(49,067,140)	(49,241,358)	174,218	100%
Total GENERAL GOVERNMENT	(49,067,140)	(49,241,358)	174,218	100%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

ENGINEERING SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
ENGINEERING SERVICES				
OPERATIONS				
EXPENDITURES				
Salaries and Benefits	5,393,001	5,636,561	(243,560)	105%
Administrative	41,076	12,045	29,031	29%
Transfers to Own Funds	1,460,385	1,515,516	(55,131)	104%
Purchased Goods	1,847,013	1,613,502	233,511	87%
Purchased Services	6,917,887	6,784,059	133,828	98%
Fleet Expenses	1,059,743	1,175,162	(115,419)	111%
Reallocated Expenses	3,153,844	3,285,619	(131,775)	104%
Total EXPENDITURES	19,872,949	20,022,464	(149,515)	101%
REVENUE				
Financing Revenue	(244,834)	(237,433)	(7,401)	97%
Grants		(10,959)	10,959	
Recoveries and Donations	(2,835,995)	(2,925,130)	89,135	103%
User Fees and Service Charges	(752,376)	(1,011,774)	259,398	134%
Reallocated Revenue	(3,530,648)	(3,690,638)	159,990	105%
Total REVENUE	(7,363,853)	(7,875,934)	512,081	107%
Total OPERATIONS	12,509,096	12,146,530	362,566	97%
TRANSIT				
EXPENDITURES				
Salaries and Benefits	219,927	236,419	(16,492)	107%
Administrative	13,002	10,943	2,059	84%
Financial		792	(792)	
Transfers to Own Funds	1,198,211	1,198,211		100%
Purchased Goods	12,578	23,096	(10,518)	184%
Purchased Services	3,822,271	3,837,510	(15,239)	100%
Fleet Expenses	1,327,180	1,335,792	(8,612)	101%
Reallocated Expenses	64,941	77,759	(12,818)	120%
Total EXPENDITURES	6,658,110	6,720,522	(62,412)	101%
REVENUE				
Financing Revenue	(1,075,454)	(1,075,454)		100%
Recoveries and Donations	(378,159)	(324,762)	(53,397)	86%
User Fees and Service Charges	(1,366,189)	(1,331,207)	(34,982)	97%
Total REVENUE	(2,819,802)	(2,731,423)	(88,379)	97%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

ENGINEERING SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
Total TRANSIT	3,838,308	3,989,099	(150,791)	104%
INFRASTRUCTURE MANAGEMENT				
EXPENDITURES				
Salaries and Benefits	1,699,212	1,652,445	46,767	97%
Administrative	29,883	24,914	4,969	83%
Financial	89,839		89,839	
Purchased Goods	45,821	28,750	17,071	63%
Purchased Services	2,134,573	1,964,515	170,058	92%
Reallocated Expenses	14,222	2,187	12,035	15%
Total EXPENDITURES	4,013,550	3,672,811	340,739	92%
REVENUE				
Financing Revenue	(801,292)	(761,260)	(40,032)	95%
Grants		(750)	750	
Recoveries and Donations	(63,257)	(147,045)	83,788	232%
User Fees and Service Charges	(164,839)	(242,091)	77,252	147%
Total REVENUE	(1,029,388)	(1,151,146)	121,758	112%
Total INFRASTRUCTURE MANAGEMEN	2,984,162	2,521,665	462,497	85%
DEVELOPMENT ENGINEERING				
EXPENDITURES				
Salaries and Benefits	1,647,223	1,615,660	31,563	98%
Administrative	27,209	19,171	8,038	70%
Purchased Goods	1,036		1,036	
Purchased Services	216,866	513,593	(296,727)	237%
Total EXPENDITURES	1,892,334	2,148,424	(256,090)	114%
REVENUE				
Financing Revenue	(75,279)	(123,871)	48,592	165%
User Fees and Service Charges	(1,639,525)	(1,335,488)	(304,037)	81%
Reallocated Revenue	(222,332)	(194,816)	(27,516)	88%
Total REVENUE	(1,937,136)	(1,654,175)	(282,961)	85%
Total DEVELOPMENT ENGINEERING	(44,802)	494,249	(539,051)	(1,103%)
ENGINEERING SERVICES ADMINISTRAT				
EXPENDITURES				
Salaries and Benefits	396,846	463,210	(66,364)	117%
Administrative	9,890	5,199	4,691	53%
Purchased Goods	16,000	17,107	(1,107)	107%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

ENGINEERING SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
Purchased Services	228,744	225,793	2,951	99%
Total EXPENDITURES	651,480	711,309	(59,829)	109%
REVENUE				
Financing Revenue	(94,857)	(91,818)	(3,039)	97%
Total REVENUE	(94,857)	(91,818)	(3,039)	97%
Total ENGINEERING SERVICES ADMINISTRATION	556,623	619,491	(62,868)	111%
Total ENGINEERING SERVICES	19,843,387	19,771,034	72,353	100%
Total ENGINEERING SERVICES	19,843,387	19,771,034	72,353	100%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

COMMUNITY SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
COMMUNITY SERVICES				
PROGRAMS				
EXPENDITURES				
Salaries and Benefits	4,099,143	4,144,625	(45,482)	101%
Administrative	40,424	27,141	13,283	67%
Financial	324,398	74,625	249,773	23%
Transfers to Own Funds	4,350	11,121	(6,771)	256%
Purchased Goods	240,500	235,411	5,089	98%
Purchased Services	649,078	804,379	(155,301)	124%
Reallocated Expenses	22,578	30,716	(8,138)	136%
Total EXPENDITURES	5,380,471	5,328,018	52,453	99%
REVENUE				
Financing Revenue	(300,038)	(96,651)	(203,387)	32%
Grants	(59,200)	(64,017)	4,817	108%
Recoveries and Donations	(262,169)	(353,696)	91,527	135%
User Fees and Service Charges	(4,844,385)	(4,944,799)	100,414	102%
Total REVENUE	(5,465,792)	(5,459,163)	(6,629)	100%
Total PROGRAMS	(85,321)	(131,145)	45,824	154%
RECREATION AND CULTURE FACILITIES				
EXPENDITURES				
Salaries and Benefits	5,158,869	5,007,553	151,316	97%
Administrative	29,524	17,773	11,751	60%
Financial	419,349	2,469,939	(2,050,590)	589%
Transfers to Own Funds	1,073,524	1,103,839	(30,315)	103%
Purchased Goods	646,394	645,419	975	100%
Purchased Services	4,553,848	5,026,014	(472,166)	110%
Reallocated Expenses	140,811	161,534	(20,723)	115%
Total EXPENDITURES	12,022,319	14,432,071	(2,409,752)	120%
REVENUE				
Financing Revenue	(494,240)	(2,497,441)	2,003,201	505%
Grants	(896,800)	(899,638)	2,838	100%
Recoveries and Donations	(288,965)	(204,829)	(84,136)	71%
User Fees and Service Charges	(5,884,565)	(6,110,213)	225,648	104%
Reallocated Revenue	(277,097)	(292,994)	15,897	106%
Total REVENUE	(7,841,667)	(10,005,115)	2,163,448	128%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

COMMUNITY SERVICES

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
Total RECREATION AND CULTURE F	4,180,652	4,426,956	(246,304)	106%
ADMINISTRATION AND CIVIC FACILITIES				
EXPENDITURES				
Salaries and Benefits	2,881,681	2,940,397	(58,716)	102%
Administrative	48,378	33,995	14,383	70%
Financial	101,347	92,040	9,307	91%
Transfers to Own Funds	469,249	582,563	(113,314)	124%
Purchased Goods	52,771	44,306	8,465	84%
Purchased Services	712,206	664,189	48,017	93%
Reallocated Expenses	52,458	60,537	(8,079)	115%
Total EXPENDITURES	4,318,090	4,418,027	(99,937)	102%
REVENUE				
Financing Revenue	(1,452,489)	(1,575,791)	123,302	108%
Recoveries and Donations		(661)	661	
User Fees and Service Charges	(274,728)	(245,387)	(29,341)	89%
Total REVENUE	(1,727,217)	(1,821,839)	94,622	105%
Total ADMINISTRATION AND CIVIC FA	2,590,873	2,596,188	(5,315)	100%
Total COMMUNITY SERVICES	6,686,204	6,891,999	(205,795)	103%
Total COMMUNITY SERVICES	6,686,204	6,891,999	(205,795)	103%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

PLANNING AND DEVELOPMENT

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
PLANNING AND DEVELOPMENT				
PLANNING SERVICES				
EXPENDITURES				
Salaries and Benefits	2,340,298	2,038,519	301,779	87%
Administrative	55,950	41,397	14,553	74%
Purchased Goods	28,010	34,538	(6,528)	123%
Purchased Services	69,151	65,833	3,318	95%
Total EXPENDITURES	2,493,409	2,180,287	313,122	87%
REVENUE				
Financing Revenue	(616,125)	(444,933)	(171,192)	72%
Recoveries and Donations		(6,493)	6,493	
User Fees and Service Charges	(1,144,335)	(1,385,014)	240,679	121%
Total REVENUE	(1,760,460)	(1,836,440)	75,980	104%
Total PLANNING SERVICES	732,949	343,847	389,102	47%
BUILDING SERVICES				
EXPENDITURES				
Salaries and Benefits	3,691,100	2,932,342	758,758	79%
Administrative	141,662	102,178	39,484	72%
Financial		(31)	31	
Purchased Goods	10,000	4,083	5,917	41%
Purchased Services	44,718	98,218	(53,500)	220%
Reallocated Expenses	2,075,685	1,818,805	256,880	88%
Total EXPENDITURES	5,963,165	4,955,595	1,007,570	83%
REVENUE				
Financing Revenue	(462,473)	(234,296)	(228,177)	51%
Recoveries and Donations		(34,616)	34,616	
User Fees and Service Charges	(5,500,691)	(4,686,680)	(814,011)	85%
Total REVENUE	(5,963,164)	(4,955,592)	(1,007,572)	83%
Total BUILDING SERVICES	1	3	(2)	300%
Total PLANNING AND DEVELOPMENT	732,950	343,850	389,100	47%
Total PLANNING AND DEVELOPMENT	732,950	343,850	389,100	47%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

LIBRARY

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
LIBRARY				
LIBRARY				
EXPENDITURES				
Salaries and Benefits	3,227,462	3,106,269	121,193	96%
Administrative	29,809	51,118	(21,309)	171%
Financial	3,201	3,859	(658)	121%
Transfers to Own Funds	849,785	888,715	(38,930)	105%
Purchased Goods	251,216	354,551	(103,335)	141%
Purchased Services	490,583	406,910	83,673	83%
Reallocated Expenses	256,497	254,968	1,529	99%
Total EXPENDITURES	5,108,553	5,066,390	42,163	99%
REVENUE				
Financing Revenue	(51,260)	(51,260)		100%
Taxation	(4,785,492)	(4,785,492)		100%
Grants	(87,759)	(90,158)	2,399	103%
Recoveries and Donations	(40,417)	(27,987)	(12,430)	69%
User Fees and Service Charges	(143,625)	(165,755)	22,130	115%
Total REVENUE	(5,108,553)	(5,120,652)	12,099	100%
Total LIBRARY		(54,262)	54,262	
Total LIBRARY		(54,262)	54,262	
Total LIBRARY		(54,262)	54,262	

**TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018**

HOSPITAL EXPANSION

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
HOSPITAL EXPANSION				
HOSPITAL EXPANSION				
EXPENDITURES				
Financial	2,508,951	2,535,520	(26,569)	101%
Transfers to Own Funds		883	(883)	
Total EXPENDITURES	2,508,951	2,536,403	(27,452)	101%
REVENUE				
Financing Revenue	(2,508,951)	(2,534,332)	25,381	101%
Taxation		(2,069)	2,069	
Payments In Lieu		(2)	2	
Total REVENUE	(2,508,951)	(2,536,403)	27,452	101%
Total HOSPITAL EXPANSION				
Total HOSPITAL EXPANSION				
Total HOSPITAL EXPANSION				

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
As of December 31, 2018

BIA

	ANNUAL BUDGET	ACTUAL	VARIANCE F / (U)	PERCENT of BUDGET
BIA				
BIA				
EXPENDITURES				
Salaries and Benefits	101,150	114,557	(13,407)	113%
Administrative		172	(172)	
Financial	1,500	5,294	(3,794)	353%
Purchased Goods	10,450	9,029	1,421	86%
Purchased Services	149,777	120,138	29,639	80%
Reallocated Expenses	3,000	3,000		100%
Total EXPENDITURES	265,877	252,190	13,687	95%
REVENUE				
Financing Revenue	(10,500)	(10,500)		100%
Taxation	(213,177)	(213,464)	287	100%
Grants	(4,000)	(3,796)	(204)	95%
Recoveries and Donations	(17,000)	(29,014)	12,014	171%
User Fees and Service Charges	(21,200)	(22,642)	1,442	107%
Total REVENUE	(265,877)	(279,416)	13,539	105%
Total BIA		(27,226)	27,226	
Total BIA		(27,226)	27,226	
Total BIA		(27,226)	27,226	