



The Corporation of the Town of Milton

Report To:	Council
From:	Glen Cowan, Chief Financial Officer / Treasurer
Date:	September 21, 2020
Report No:	CORS-044-20
Subject:	2021 Budget Call Report
Recommendation:	<ol style="list-style-type: none">1. THAT the 2021 Capital and Operating Budgets and Forecasts be prepared in alignment with the Town's Council-approved strategic plans and long-term studies (example: 2020-23 Council/Staff Workplan, Official Plan, Asset Management Plan, Fiscal Impact Studies, etc.).2. THAT staff be directed to prepare and submit the 2021 Operating Budget with a residential property tax increase not exceeding 5.0% on the Town portion of the total tax levy (for an estimated total residential property tax increase of no greater than 2.66% when the Region and Education portions are considered).3. THAT in recognition of the continuing uncertainty resulting from COVID-19, staff be directed to estimate the potential COVID-19 financial impacts for 2021 and present strategies to mitigate the resulting pressure without further increasing property tax revenue in 2021.

EXECUTIVE SUMMARY

- The budget process provides a venue within which decisions as to the appropriate balance between affordability, service levels and financial sustainability can be made.
- Financial impacts that result from growth, the infrastructure funding deficit, and staffing shortfalls continue to challenge the Town and its financial resources.
- The financial impacts associated with COVID-19 are expected to continue into 2021 and possibly beyond. This may include restrictions on how municipal services can be delivered and reductions in various revenue sources.
- Staff have reviewed the assumptions used in preparing the 2021 operating forecast as previously presented through the 2020 budget and made revisions where applicable including incorporating the potential ongoing financial impacts of the pandemic.

- The 2021 budget pressure on the Town's portion of property taxes is projected to be an 8.60% increase (or \$21.33 per \$100,000 of assessment), which is slightly lower than previous projections made through the 2020 budget process.
- Once COVID-19 related impacts are removed (as they may not be permanent changes to revenues or expenditures) the remaining forecasted pressure amounts to 6.17% increase on the Town's portion of property taxes (or \$15.31 per \$100,000 of assessment).
- With a long-term planning horizon in mind, staff recommend setting a target of no greater than a 5% increase to the Town's portion of property taxes for the 2021 budget.
 - This target considers projections from the Town's long term fiscal impact studies as well as the Town's most recent budget process
 - This target supports the continuation of existing services and service levels
 - Challenges staff to find methods of reducing the budget request from the currently forecasted financial pressures, including finding opportunities to achieve a tax rate change below 5.0%.
 - Is expected to result in a total property tax increase to residential properties of no greater than 2.66% (or \$17.76 per \$100,000 of assessment).
- As uncertainty remains as to the degree that COVID-19 related financial pressures are permanent, it is also recommended that COVID-19 impacts be managed through non-property tax based strategies, such as temporary cost reductions, potential financial support from other levels of government, or one-time transfers from reserve.
- Other alternatives to these recommendations are also presented within this report for Council's review.
- The Town's local tax levy is lower than surrounding local municipalities by an average of \$97 per \$100,000 of residential assessment, and when Regional and Education rates are considered, Milton tax rates as a percentage of household income remains lowest in the GTA and second lowest relative to Provincial comparators.

REPORT

Background

Section 290 (1) of the Municipal Act requires municipalities to prepare and adopt an annual budget. Through the Budget Call report, staff provide Council with the appropriate context and financial considerations, as well as recommendations with respect to the guidelines to be followed when the 2020 capital and operating budgets and forecasts are prepared.

The underlying principles used in preparing the annual budget are outlined in Financial Management - Financial Principles Policy No. 110. Using Council's vision for the Town as outlined through strategic planning processes, resulting priorities which are then reflected across the broad array of master planning and strategy processes undertaken (including secondary plans, fiscal impact studies etc.). The budget process provides an avenue to

prioritize and balance the allocation of available resources to achieve the various master plan targets and priorities.

The 2021/22 forecasted budget pressures that are presented in this Budget Call report are based on data and information currently available. As the detailed budget is developed this forecast will continue to be refined to include additional information that is identified. Staff will prepare the 2021 budgets based on the guidelines provided by Council. The budget is then presented to Council for consideration and deliberation in the fourth quarter of the year.

Discussion

Milton has experienced steady population growth since 2001 and has consistently ranked as one of Canada's fastest growing communities. With a population of 123,200 residents at the end of 2019 and projections showing that figure approximately doubling over a 15 year period, the Town continues to be faced with a number of financial challenges and opportunities. Within this context, the budget serves as a financial plan that provides guidelines and direction to staff for the allocation of resources and the provision of services and infrastructure.

Public Input

Beginning with the 2021 Budget, the Town has transitioned to utilizing a public input survey for each term of Council rather than each budget year. As such, the development of the 2021 budget will consider the public survey results received over the past several years that tend to be relatively consistent from year to year. Delegation opportunities for residents and the business community will remain in each budget year.

The full detail of the most recent statistically relevant survey can be viewed through staff report [CORS-049-19](#), and an excerpt of key figures is presented herein report as Appendix A.

Growth Forecast

An important consideration in the preparation of the budget is estimating the rate of growth expected in the community which affects both revenues and expenses in the capital and operating budgets. Growth in the community will result in incremental tax revenues from assessment growth. It also drives the requirement to expand services and infrastructure such as roadways, parkland and facilities to the growing community.

The taxes raised from residential growth do not currently cover the costs of services provided and therefore balancing growth between the residential and non-residential sectors is critical to financial stability. Over recent years, residential growth has outpaced non-residential with the mix of assessment (unweighted) changing from 71.8% residential in 2001 to 82.7% residential in 2020.

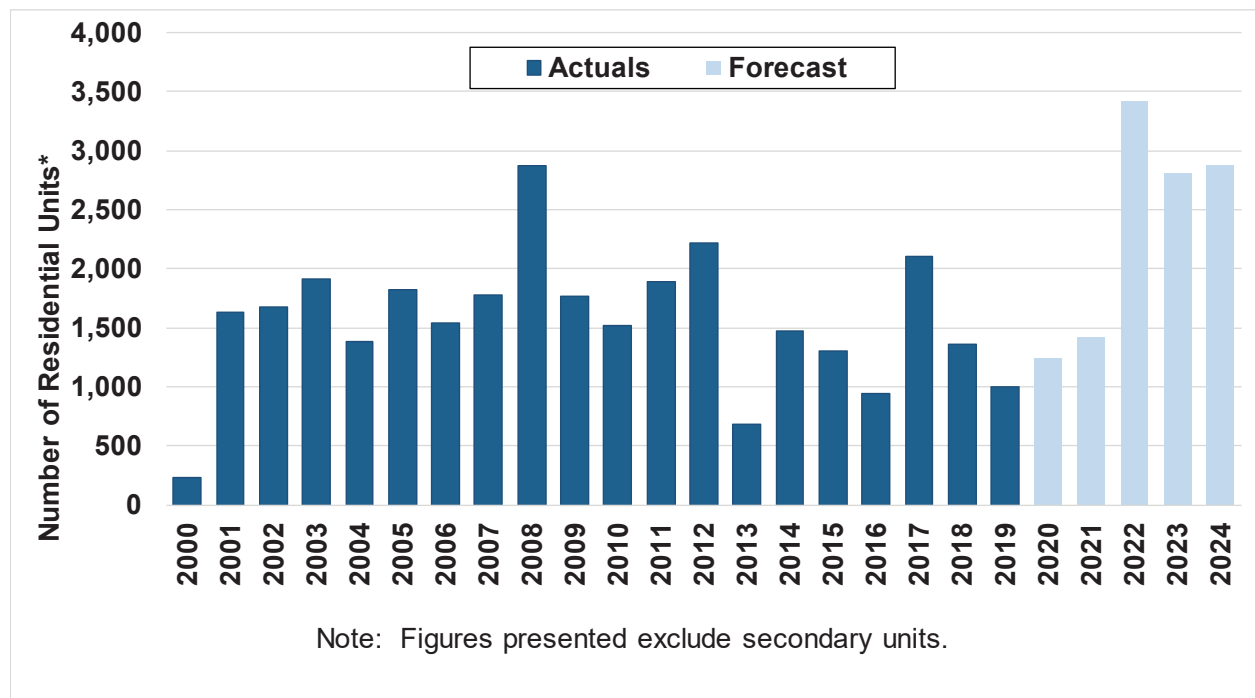


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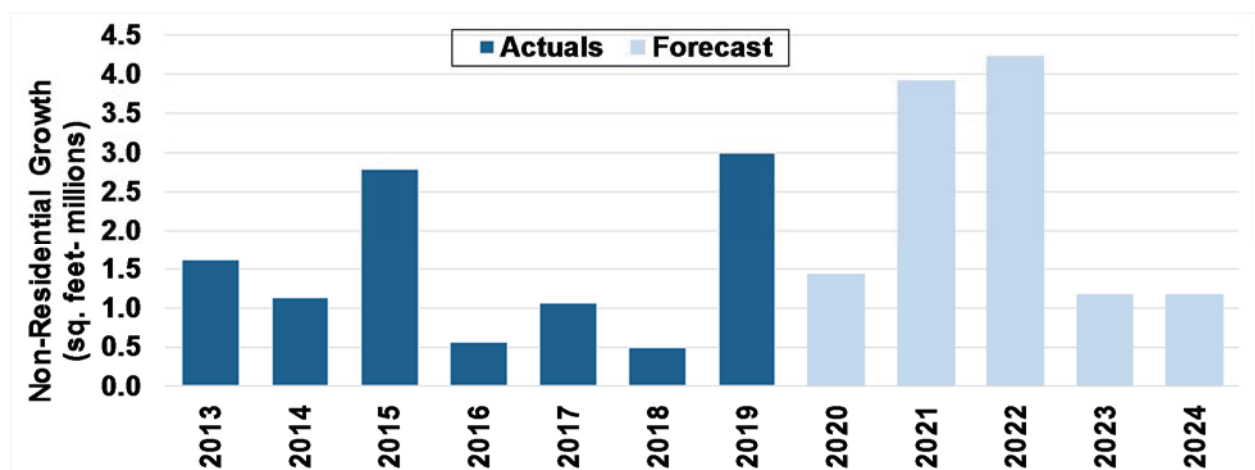
Over the next several years residential building activity is anticipated to be higher than previous activity experienced by the Town as illustrated in the following graph.

Figure 1 - Town of Milton Residential Growth



Non-residential activity is also expected to grow with 3.9 million square feet of development anticipated in 2021.

Figure 2 - Town of Milton Non-Residential Growth



Capital Budget and Forecast

A 10 year capital budget and forecast will be prepared that will identify the investment required to support the anticipated growth in the community as well as the Town's infrastructure maintenance and rehabilitation needs. The starting point for preparing the 2021-2030 budget and forecast will be the 2021-2029 forecast presented and approved in principle through the 2020 budget process. The forecast estimated that the capital investment for 2021 would exceed \$70 million, with a 9-year investment totaling \$803 million. The budget and forecast will be updated to reflect revised construction timelines, updated cost estimates and current corporate priorities.

Similar to the 2020 Budget, the updated forecast will continue to exclude projects associated with servicing the Sustainable Halton Lands. The Town has recently initiated an update to the Development Charge By-laws, which will reflect numerous legislative changes as well as the secondary planning processes that are underway for the Town (i.e. Trafalgar Corridor, Britannia, Agerton and the Milton Education Village). It is expected that the capital revenue and expenditures associated with these areas will be introduced through the 2022 Budget process at such time as further detail is available.

Operating Impacts from Capital

Investing in new and expanded infrastructure has a significant financial impact on future operating budgets and tax levies. Capital investment in local infrastructure that is constructed by developers and assumed by the Town through new developments (including local roads and stormwater assets) also results in ongoing incremental costs. Capital budgets will continue to identify the operational impacts resulting from investment in new or expanded services including the maintenance of newly constructed roads and parks, expanded transit services, new facilities and information technology infrastructure. Future capital investment to maintain or replace assets is also required and as such, contributions to reserves for the long-term rehabilitation and/or replacement of new assets will be identified. These impacts were considered as part of the Town's comprehensive 2017 Fiscal Impact Study (FIS) that projected the Town's financial position to 2036. The 2017 FIS projected an average annual property tax pressure of 5.26%.

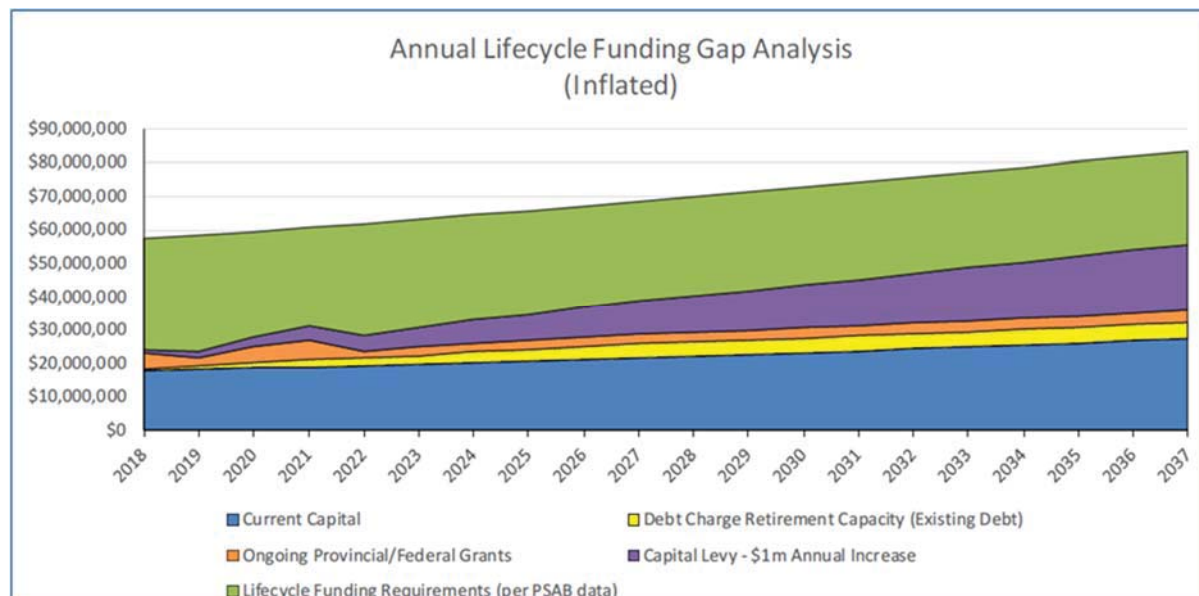
Infrastructure Funding Deficit & Asset Management Plan

The Town's Asset Management Plan (AMP) is being updated for core infrastructure (roads, bridges and stormwater) during 2020 and is expected to be presented to Council in the fall of 2020.

As part of the previous Asset Management update in 2017 a lifecycle funding analysis that leveraged the Town's Public Sector Accounting Board (PSAB) data was undertaken. This analysis suggested that the Town has an annual infrastructure funding deficit of \$33.2 million.

Inadequate funding of capital replacement reserves will limit the Town's ability to maintain current service levels into the future as sufficient funding will not be available to invest in keeping the assets in a state of good repair.

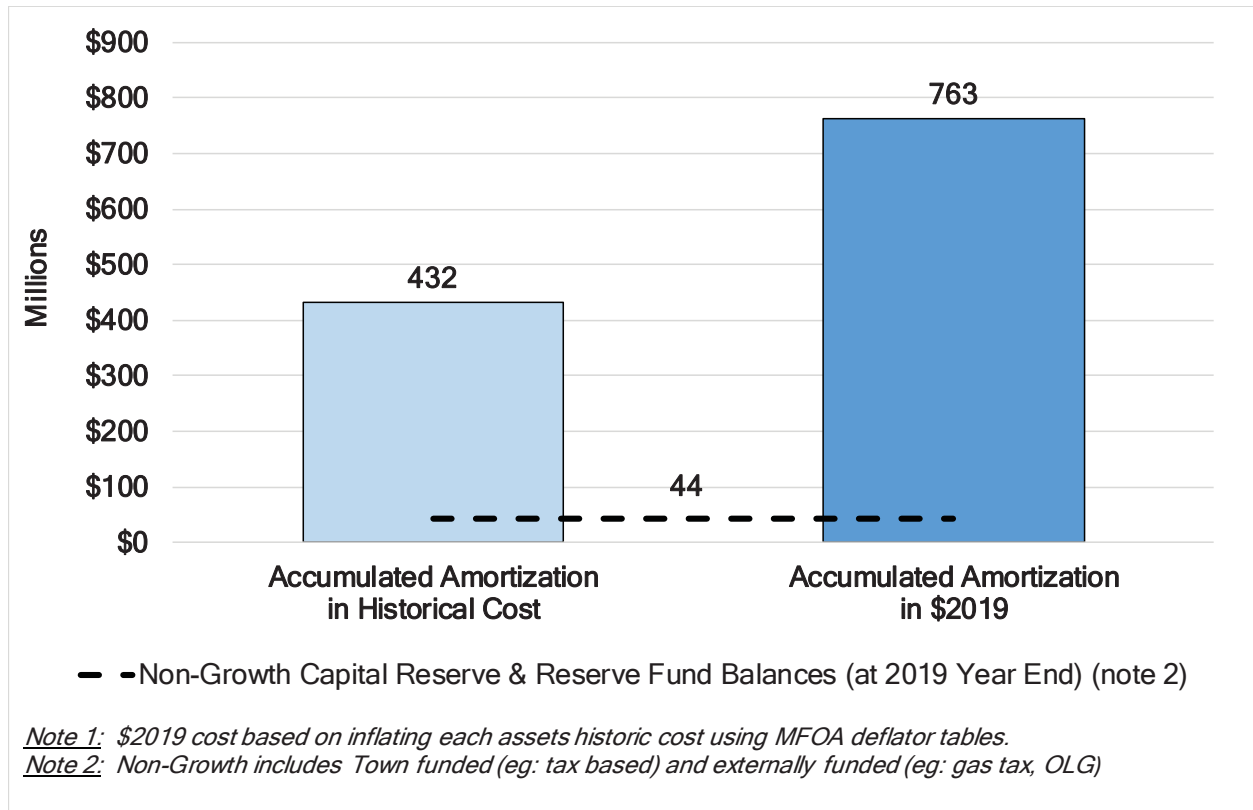
A capital funding strategy was introduced through the 2018 budget that including an additional annual \$1.0 million investment in infrastructure renewal to begin to address the infrastructure funding deficit. Even with further additional incremental \$1.0 million investments over a 20 year period, an annual deficit is projected to remain as shown in the figure below. The current Asset Management Plan study underway will provide for an update on the lifecycle funding gap including strategies that can be used to further mitigate the gap such as service level changes, funding from several potential sources, and exploring methods to extend the useful life or reduce the cost of assets.



Additional pressures have been placed on available funding in recent years. The Town has had to manage the loss of annual funding from the Ontario Community Infrastructure Fund (OCIF) as the Town's population now exceeds 100,000 and no equivalent fund exists for larger municipalities. Furthermore, as a result of COVID-19, proceeds from the Ontario Lottery and Gaming Corporation are estimated to be lower by several million dollars in 2020.

One available method of reviewing the degree to which the Town is setting aside funds for future rehabilitation is to compare the capital replacement reserve and reserve fund balances to the accumulated amortization on the Town's assets (i.e. the degree to which existing assets have aged). These figures are depicted on the following graph, and suggest that additional contributions to capital reserve are required for the Town's existing assets based on the service levels currently provided. Although other financing tools (example debt or future contributions) will be available as a part of the funding strategy, the differences noted below exceed the current Provincially mandated and Council established debt capacity limits.

Figure 3 - Measure of Infrastructure Renewal Funding Status



Council Staff Work Plan

A Council-Staff Work Plan for the years 2020-2023 was approved through staff report [ES-009-20](#). The plan is the road map for how the Town of Milton continues to accommodate growth while ensuring the financial sustainability of the organization and the community. Due to the multi-year nature of many of the growth related initiatives included in the plan, budget approval has already occurred and the financial impacts and funding have been incorporated into the operating and capital budget and forecasts for several items. Additional or new funding requests will be presented where required as the various initiatives proceed to finalization or when the scope and expected outcomes have been further defined.

Service Delivery Reviews

The Town of Milton has undertaken a number of initiatives with a focus on service review and efficiency. The status of these reviews include:

1. Through CORS-056-18 the Town awarded a Transit Master Plan update to WSP Consulting. Results were presented in June through report ENG-021-19.
2. Through ES-003-19 a scope of work was established and Blackline Consulting was subsequently selected for a service delivery review of the Community Services

Department and Engineering - Operations Division. Results were presented through report ES-015-19.

3. Through report CORS-008-20, MNP LLP presented the results of a review of the Administrative Monetary Penalty System (AMPS) for the Town.
4. Through ES-002-20 a scope of work was established for a service delivery review of the Corporate Services departments. This review is underway with Deloitte and results are expected to be presented in the fourth quarter.

The scope of these reviews will continue to strike an appropriate balance between leveraging non tax-based revenue sources, revising service levels, raising property tax revenues, and proactively identifying and implementing process efficiencies.

Human Resources

The most recent Council reports that identified potential staffing risks and opportunities were presented through the Human Capital Report, CORS-043-17, along with the Strategic Workforce Plan report, CORS-078-15. The reports identified that the number of full time staff employed by the Town is over 100 positions fewer than comparable municipalities, excluding fire and transit positions. The ongoing staffing deficiencies may impact the ability to continue servicing the growing community.

Annually staffing level requirements are reviewed with consideration for Town goals and priorities as well as existing service levels and pressures. In recent budget years due to financial pressures, only a limited number of positions have been added and previously forecasted needs, including the next incremental fire crew, have been deferred. The 2020 operating budget forecast presented herein includes a provision to address only some of the highest priority staffing requirements leaving a number of the risks that were identified in the previously referenced staffing reports outstanding. Whether the new positions identified proceed in the final 2021 budget request will remain dependent on the balancing of revenues available to the cost of services.

Other Revenue Sources

Aside from property taxes, user fees and service charges provide a significant portion (21%) of the Town's overall revenues each year. Other sources of revenue that the Town of Milton proactively pursues to help manage the overall tax pressures include items such as, but not limited to: external grants, investment income and cost recovery agreements with external organizations. As many of these sources are either frozen or stagnant and do not increase with inflation and growth the Town faces ongoing pressures in trying to meet the requirements of a growing community.

Through effective management of Town user fees, which includes indexing annually by the Municipal Price Index (MPI), fees are charged to the direct users of many Town services to cover part or all of the costs of providing these services. Aside from annual inflation,

comprehensive studies are also undertaken periodically to compare the effective rates to the related cost (via activity based costing), as well as to benchmark the Town's rates to its peers. In 2021 the rates and fees within the forecast will be indexed using the MPI for expenditures of 2.12% (see Appendix A of report CORS-046-20 for details with respect to MPI).

2021 Operating Budget and Forecast

Through the 2020 Operating and Capital Budget staff completed an operating budget forecast for the pressures anticipated in 2021 and 2022. Based on the assumptions at the time staff were projecting a significant tax levy pressure to the Town portion of the tax bill in 2021 and 2022. The major drivers of the forecast included:

- Extending services to new growth areas including the Boyne Secondary Area.
- Funding to gradually reduce the infrastructure deficit.
- Inflationary impacts to maintain existing levels of service.
- Reversal of one-time funding from reserve that was incorporated into the 2020 Budget.

Staff will continue to revise the forecast throughout the budget process. However, based on new information and analysis undertaken through the first two quarters of 2020 the adjustments to the forecast include:

- Additional cost pressures associated with COVID-19
- Delayed timing of growth related impacts
- Deferral of service delivery options and other service enhancements

Including the assumptions previously mentioned, the projected pressures equates to an 8.60% tax rate change in 2021 and 6.58% in 2022. Put another way, the revised forecast is currently projecting a tax pressure equivalent to \$21.33 per \$100,000 of residential assessment in 2021 and a further \$17.33 in 2022. These amounts are relative to the existing annual cost of \$248.12 per \$100,000.

The following table provides a summary of the primary drivers impacting the 2021 and 2022 forecast (with further detail provided in Appendix B).

COVID-19

Planning for service modifications, as well as the related financial implications, continues to be challenging given the pace at which the situation is evolving and the continued release of revised legislation, guidelines and best practices.

As recovery proceeds it is expected that the Town will continue to experience a reduction in revenue from normal levels primarily within the following service areas:

- Transit - reduced ridership volumes
- Recreation - reduced participation levels in programs as well as reduced rentals

For purposes of forecasting the impact to 2021 staff have assumed a phased recovery period for the first three quarters of 2021 with all services and programs back to normal for the last quarter of 2021.

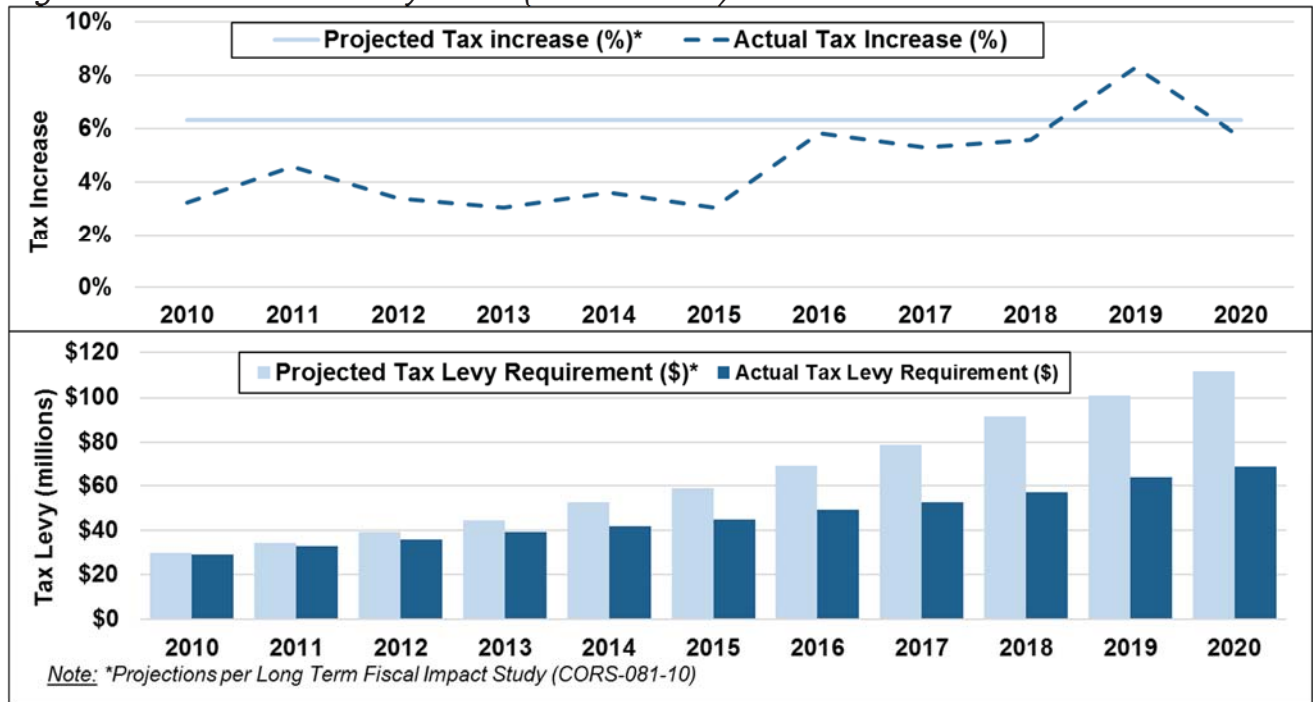
In addition, there is risk that the annual provincial gas tax the Town receives will be reduced in 2021 due to the reduction in fuel usage across the province. In 2020 the Town will receive \$1,182,435 million of provincial gas tax of which \$1,068,868 is used in the transit operating budget. If the Town receives a reduced contribution in 2021 this will add further pressure.

Since the impacts of the pandemic noted above are not expected to be permanent, options will be considered through budget development to mitigate the impact in 2021. These options are expected to include a combination of cost containment measures as well as the use of reserve funding along with any support provided from other levels of government (such as any potential funding the Town may receive through Phase 2 of the federal-provincial Safe Restart Agreement program). The mitigation impacts are expected to reduce the budget pressure to 6.17% on the Town's portion of property taxes or \$15.31 per \$100,000 of assessment.

Long Term Fiscal Impact Study

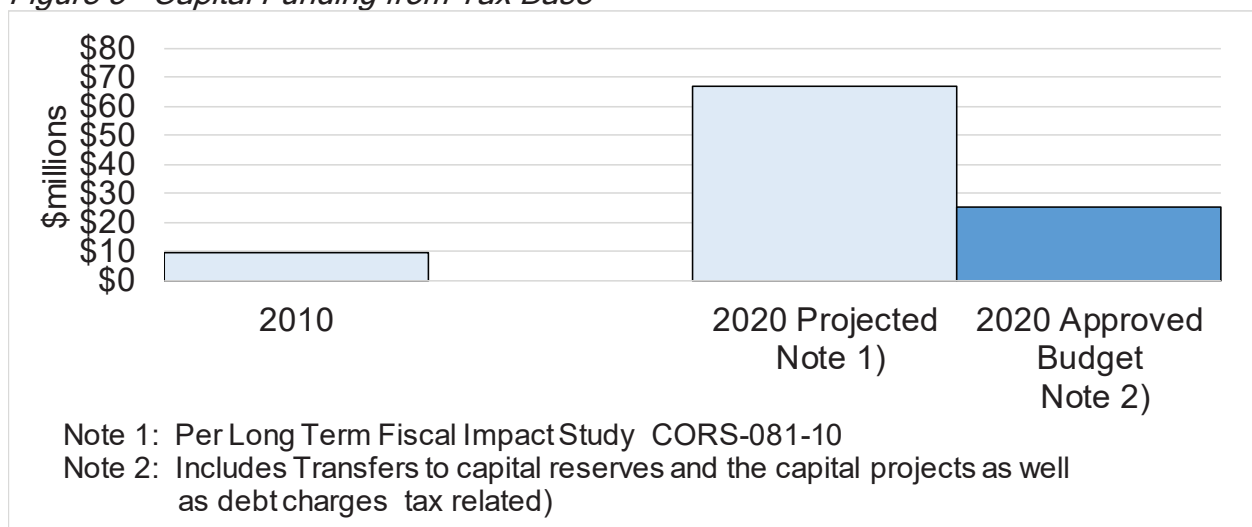
Through the Long Term Fiscal Impact Study completed in 2010 (CORS-081-10), a number of significant financial and service delivery implications were identified as growth occurs. Tax rate increases of approximately 6.32% annually to 2021 were identified as being necessary to finance the cost impacts associated with the Town's growth. These increases translated into an estimated required tax levy of \$112 million by 2020. Since the report, tax rate increases have averaged 4.70% and the current tax levy is \$69 million.

Figure 4 - Historical Tax Levy Trend (2010 to 2020)



The majority of the differential between the projections from CORS-081-10 and the actual tax levy changes can be attributed to the amount of funding transferred to capital reserve annually to fund future rehabilitation and replacement. As illustrated in the following graph, the Town's capital funding from the tax base was projected to increase from \$9.5 million in 2010 to \$66.8 million in 2020. The actual tax supported capital funding has increased to \$25.1 million in 2020, with 72% of that growth occurring since 2017.

Figure 5 - Capital Funding from Tax Base



As the Town's asset base is still relatively young, a shortfall in funding will impact the Town's ability to rehabilitate and replace aging assets in the future. For context, during this same period the Town's asset base (excluding land), as measured by the historical cost tracked through tangible capital asset reporting, grew from \$721 million in 2010 to \$1.2 billion in 2019.

In 2017 an updated Fiscal Impact Study was presented to Council via CORS-062-17. It considered the financial impacts associated with Growth to the 2036 time horizon. The growth estimates captured the development of the Sustainable Halton lands, as well as the intensification that is projected for the Town's existing urban areas.

Based on the Town's existing service levels, a capital investment over the period 2017 to 2036 of \$2.0 billion was projected, along with gross operating costs that were expected to grow to \$418 million per year. These capital and operating estimates are expected to translate to average tax increases of 5.26% annually to 2036, including an initial budget pressure exceeding 18%. Further increases may also be required should non-residential growth not materialize as quickly as projected, or to incorporate any strategies to address the Town's existing infrastructure deficit. This review will require updating with consideration for both the secondary/tertiary planning of the new growth areas, as well as the legislative changes enacted through Bill 108, Bill 138 and Bill 197.

Budget vs Actual Variance Trend

As shown in the table below, over the previous five years the year-end operating expenditures have been within 2.1% of the approved net budget and 1.0% of the approved gross budget.

Figure 6 - 5-Year Historical Net Budget Variance Trend

	2015	2016	2017	2018	2019	Average
Variance (\$Millions)	\$1.48	\$0.61	\$0.92	\$1.40	\$1.22	\$1.1
% Variance to Net Budget	3.3%	1.3%	1.8%	2.4%	1.9%	2.1%
% Variance to Gross Budget	1.4%	0.6%	0.8%	1.1%	0.9%	1.0%

*Positive variance represents a favourable variance and a negative variance represents an unfavourable variance.

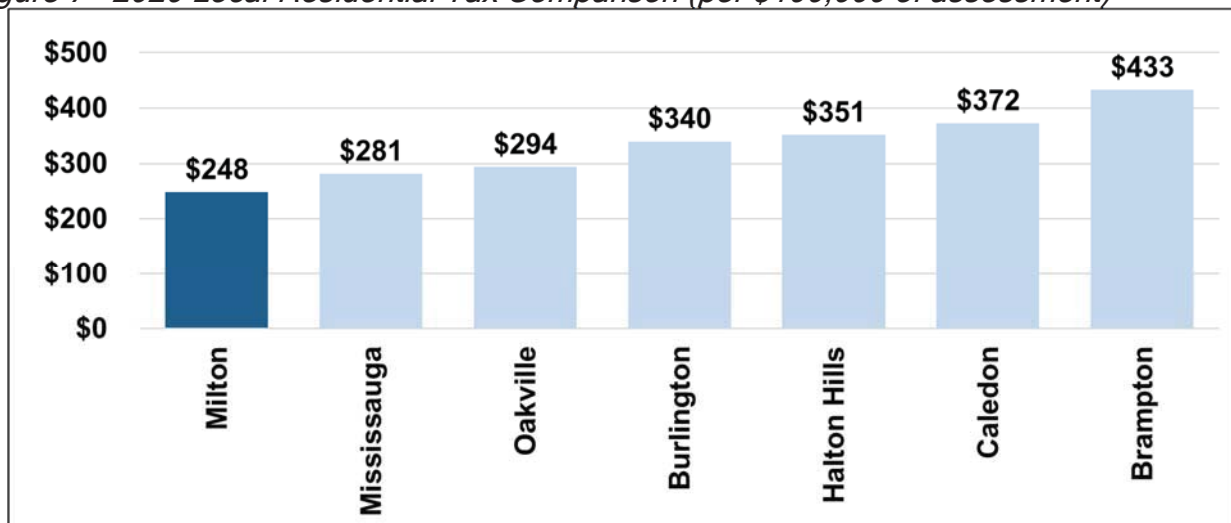
The estimated variance within the year 2020 continues to be revised with consideration for the service and revenue adjustments that have been required due to COVID-19. As per report CORS-040-20, the Town is anticipating revenues losses for the year in the order of \$13 million, with a net unfavourable variance in the order \$2 million to \$3 million after mitigation measures are considered. The Federal-Provincial funding support announced of \$2.8 million

is expected to play an important role in balancing the remaining pressure and supporting service continuity.

Comparing Milton's Taxes to Other Local Municipalities

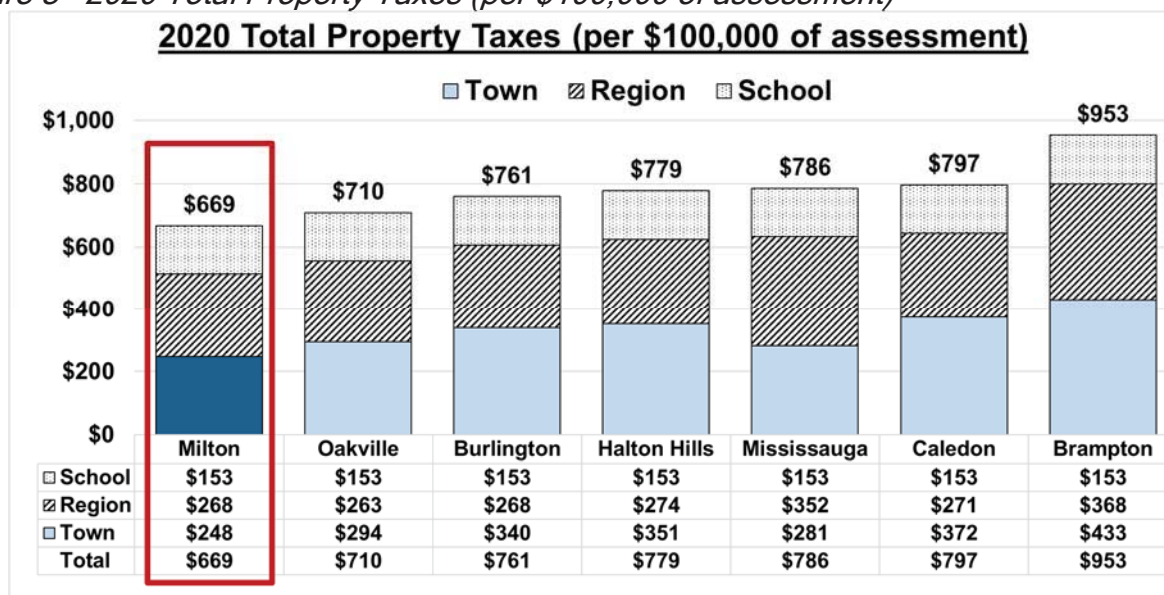
When comparing Milton's local taxes and overall tax bill (including Town, Region and School portions) to surrounding municipalities, Milton continues to have the lowest tax rates. As shown below Milton's 2020 approved local portion of the tax bill is \$248 per \$100,000 which is \$97 lower (28%) than the average of the surrounding municipalities.

Figure 7 - 2020 Local Residential Tax Comparison (per \$100,000 of assessment)



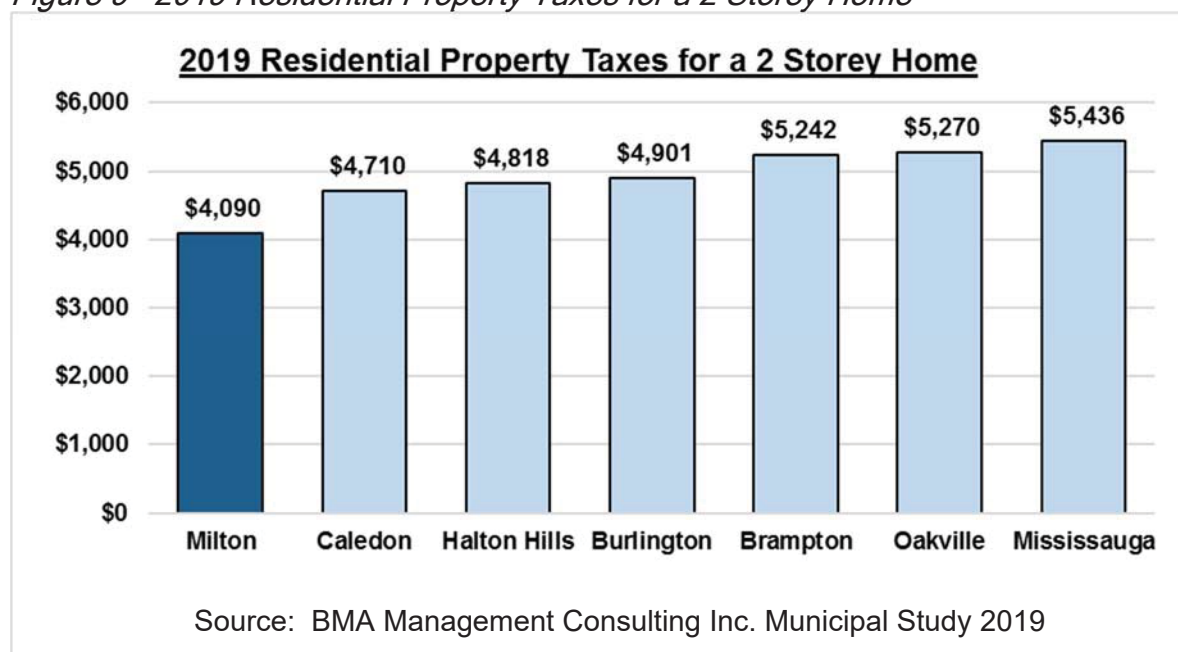
When reviewing the 2020 total approved tax bill, an average resident in Milton will pay \$669 per \$100,000 of assessment which is the lowest of the surrounding municipalities.

Figure 8 - 2020 Total Property Taxes (per \$100,000 of assessment)



Each of the above graphs considers property taxes relative to \$100,000 of residential assessment, and therefore does not capture differences in assessment values between municipalities. The following graph considers these differences, and shows that Milton's residential property taxes (local, regional and education) for a 2 storey home are 19% lower than the comparator group.

Figure 9 - 2019 Residential Property Taxes for a 2 Storey Home

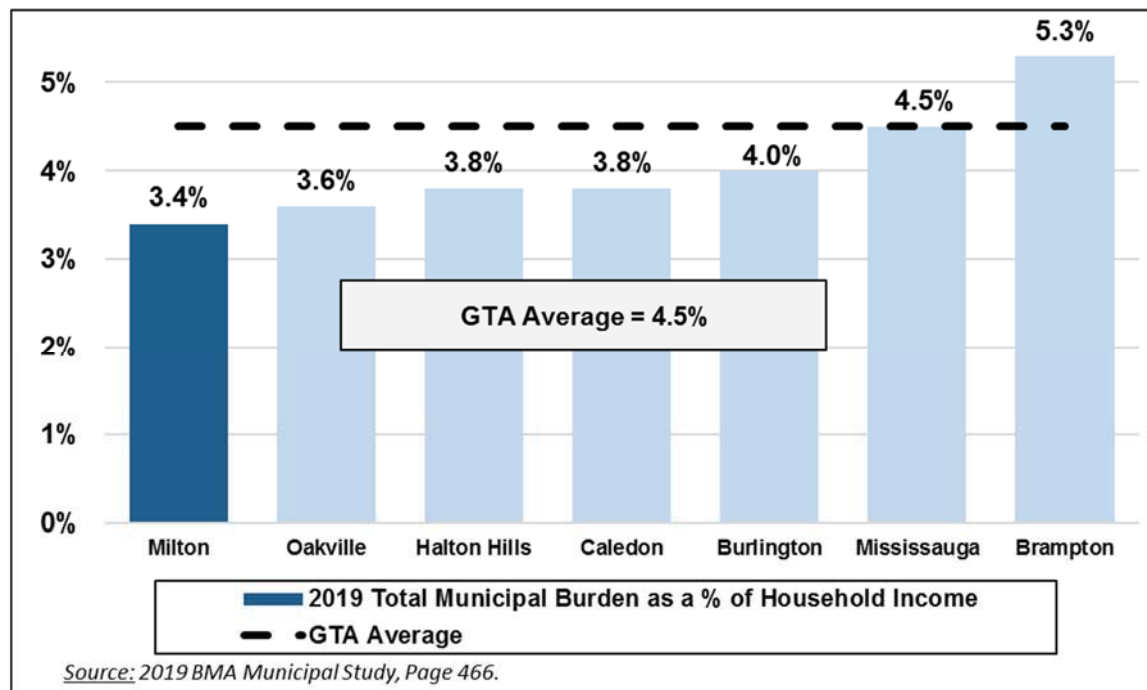


Affordability

Each year BMA Management Consulting completes a municipal comparative study on behalf of over 100 participating Ontario municipalities. Included in the study are various indicators and metrics to help evaluate a municipality's financial condition including an analysis of affordability where property taxes are calculated as a percentage of household income.

In terms of the total tax burden which includes property taxes for the local, region and school portion of the tax bill along with water and wastewater rates Milton is tied for second lowest when compared to the other participating Ontario Municipalities and is the lowest in the GTA.

Figure 10 - 2019 Total Municipal Burden as a % of Household Income



Non-residential Comparisons

In addition to the residential comparisons above, the Town needs to remain mindful of its relative standing with respect to non-residential competitiveness. The following tables present the industrial and commercial tax rates for the same comparator group as noted above, and show that for 2019 Milton's commercial tax rate is lower than the comparator group, while the industrial rate represents approximately the average of the comparator group.

Figure 11 - 2020 Commercial Tax Rate Comparison (per \$100,000 of assessment)

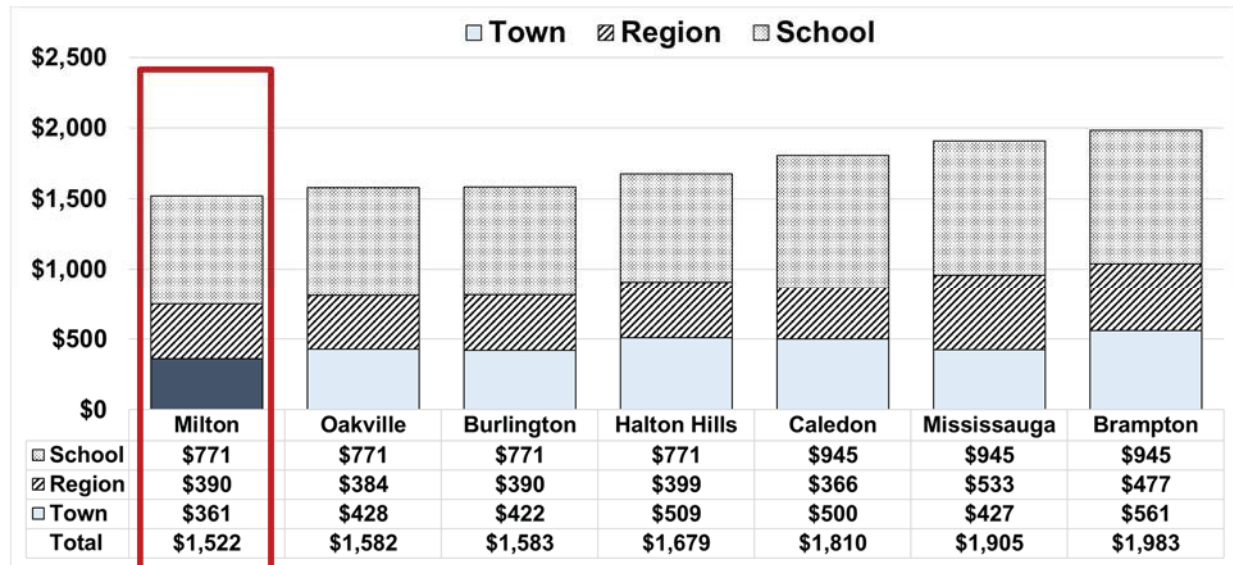
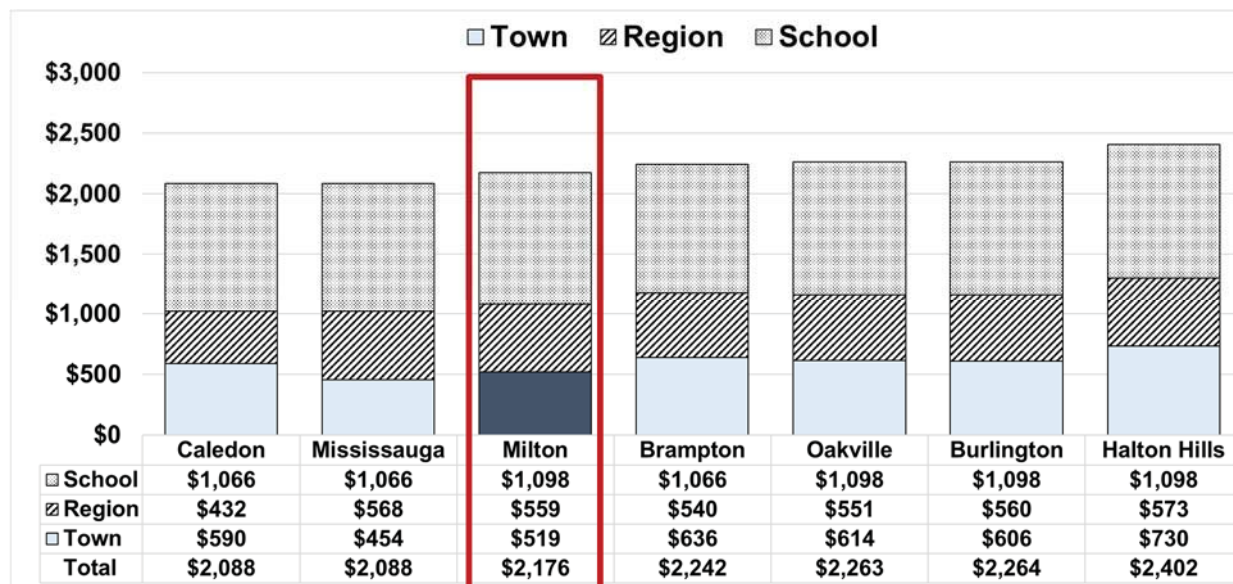


Figure 12 - 2020 Industrial Tax Rate Comparison (per \$100,000 of assessment)

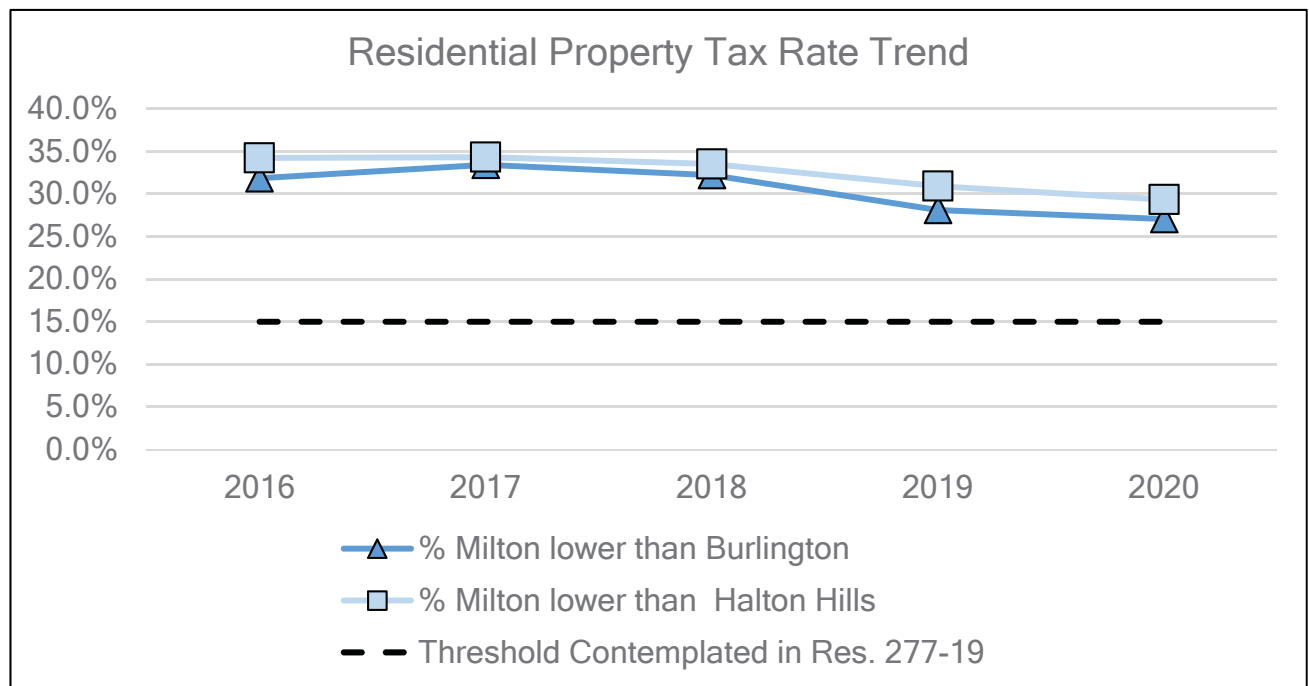


Multi-Year Trend

In 2019 through resolution 277-19 and in consideration a multi-year strategy presented through report CORS-072-19, direction was provided for annual reporting through the budget process with respect to the Town's positioning relative to two of its neighbouring municipalities.

The following graph provides that reporting in the context of the 15% threshold considered in that resolution and report.

Figure 13 - Annual Reporting for Resolution 277-19



Recommendations & Alternatives

Staff are recommending that a budget target be established at an increase to the Town's portion of property taxes of no greater than 5.0% for the 2021 budget. This recommendation has been arrived at with a long-term planning horizon in mind and consideration of the following points:

- This considers the projections from the Town's long term fiscal impact studies, as well as Council discussion that occurred through the 2020 budget process.
- This supports the continuation of existing services and service levels, as well as the Town's incremental progress with respect to sustainable infrastructure funding.
- Challenges staff to find methods of reducing the budget request from the currently forecasted financial pressures, including finding opportunities to achieve a tax rate change below 5.0%.
- Is expected to result in a total property tax increase to residential properties of no greater than 2.66% (or \$17.76 per \$100,000 of assessment).

Council may want to consider alternatives which may include (but are not limited to) a property tax increase equal to the rate of inflation (or other such lower rate). Should such a motion be approved by Council, and subject to any other direction provided, staff will look to utilize

several of the same strategies that have been employed in recent budgets by looking for opportunities to:

- defer service enhancements, staffing level changes and new capital projects;
- review other revenue sources;
- reduce or modify existing service levels or delivery methods;
- reduce the infrastructure funding program; or
- draw from reserves.

Alternatively Council may want to evaluate additional investments in services or infrastructure above 5%, or consider budget alternatives presented as a range of potential property tax increase options.

Also included in this report is a recommendation in relation to the financial impacts of COVID-19 that are expected to carry into 2021. Given the uncertainty with respect to these impacts, as well as the fact that many are not expected to be permanent, staff recommend ensuring that the 2021 property tax levy not be further increased in relation to these impacts. The current estimate for the annual net cost of \$1.7 million has been arrived at after consideration of both the revenue losses and related expenditure constraint. As such, although some further mitigation would be anticipated there would be a likelihood that further transfers from stabilization reserve would be required in 2021 in order to balance the budget and maintain most services. Any further funding that the Town may receive from the Federal or Provincial governments would also serve an important role in managing the continuing pressures of COVID-19. Other alternatives are available to Council, such as service level reductions in order to avoid reductions on the Town's reserves, and can be further assessed should Council provide such direction.

Timetable

Over the coming months, staff across the organization will prepare detailed estimates for the capital and operating budgets and forecasts. Budget packages are scheduled to be distributed in November and will be accompanied by a Council budget education session on November 30th in order to support Council in its preparation for budget deliberations.

In accordance with the approved Council meeting calendar for 2020, budget deliberations will occur on December 7 and December 8 (if necessary). A summary timetable with important budget deadlines is included as Appendix C to this report.

Financial Impact

As staff develop the annual budget, detailed program and service estimates will be refined as information becomes available and further analysis is undertaken.



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The budget pressures for the years 2021 and 2022 result from inflationary impacts, the expansion of services to new areas and the infrastructure deficit and are consistent with projections outlined in previous fiscal studies, reports and budget forecasts.

Although current pressures are projecting a tax impact of 8.60% on the Town portion of property taxes, or 6.17% after mitigation of COVID-19 impacts, staff are recommending a 2021 target of no greater than a 5.0% impact on the Town portion of the tax levy. This approach is expected to allow for service levels to be maintained as the Town continues to grow and is generally in alignment with projections from long term fiscal impact studies.

As shown in the table below, combining a 5.0% (maximum) increase in the Town portion with the estimated 2021 increase from the Region of Halton and Education would result in an impact on the total tax bill of 2.66% or \$17.76 per \$100,000 of assessment.

Impact on Total Tax Bill per \$100,000 of Residential Assessment						
	Share of Tax Bill	2020 Taxes	2021 Increase	2021 Taxes	\$ Impact on Total Tax Bill	% Impact on Total Tax Bill
Town of Milton	37.95%	\$ 248.12	5.00%	\$ 260.53	\$12.41	1.86%
Region of Halton	39.76%	\$ 267.58	2.00%	\$ 272.93	\$5.35	0.80%
Education*	22.29%	\$ 153.00	0.00%	\$ 153.00	\$0.00	0.00%
Total	100.00%	\$ 668.70	2.66%	\$ 686.45	\$17.76	2.66%

Cost per \$100,000 of residential assessment are derived using the assessment values & tax rates from the 2020 tax by-law CORS-032-20. These values will be re-stated following budget approval using the finalized 2020 assessment figures from the returned assessment roll.

Estimated 2021 increase per Region of Halton 2021 Budget Directions, FN-26-20 includes enhanced waste service for urban area). Final impact may be different subject to Regional Council approval.

Consistent with recent experience, the 2021 education rate is presented in alignment with the prescribed rate currently outlined in O.Reg 400/98 and is subject to change through the approval of final 2021 rates by the Province.

Milton's tax rates and affordability currently are amongst the lowest in the GTA and province and well below the Town's neighbouring municipalities.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Jennifer Kloet, Manager, Financial Planning & Policy 905 878 7252 x2216



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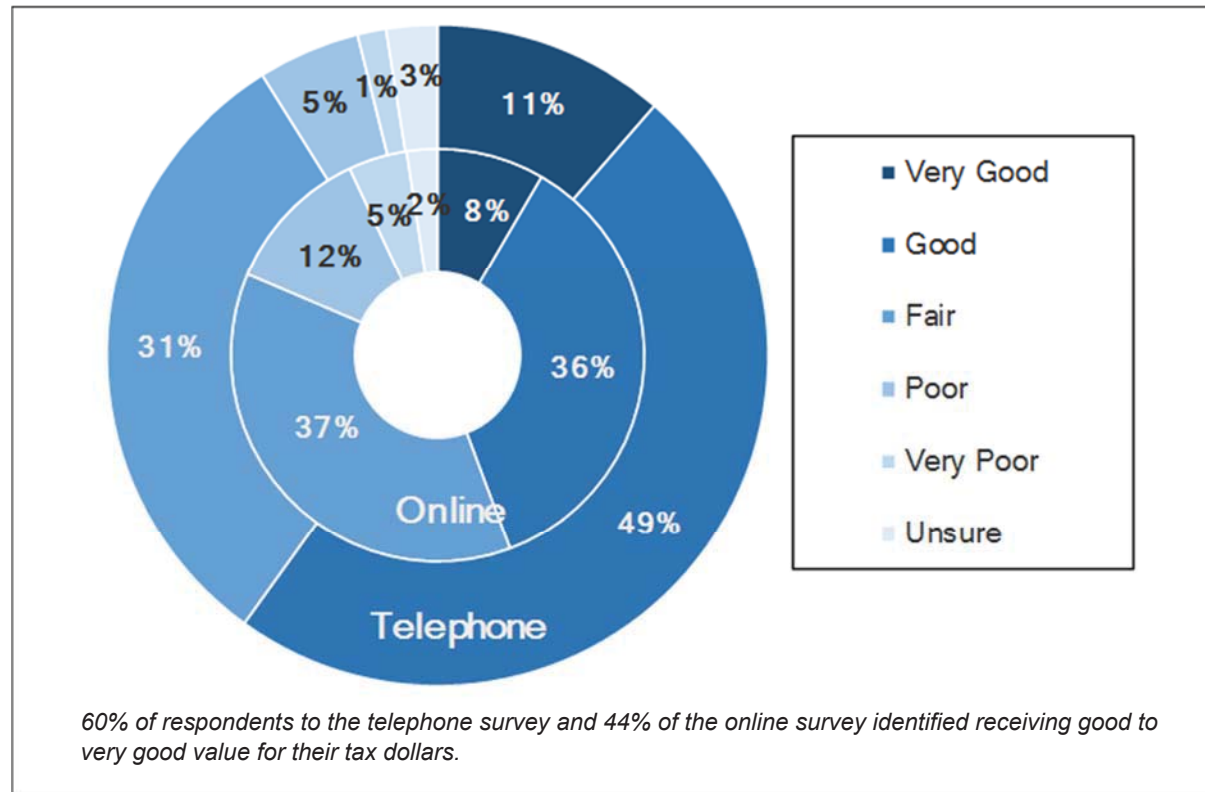
Attachments
Appendix A – Public Input Results from Prior Year Appendix B – 2021 and 2022 Operating Budget Pressure Details Appendix C – 2021 Budget Timetable

CAO Approval
Andrew M. Siltala
Chief Administrative Officer

Appendix A - CORS-044-20 Budget Public Input from Prior Year Survey

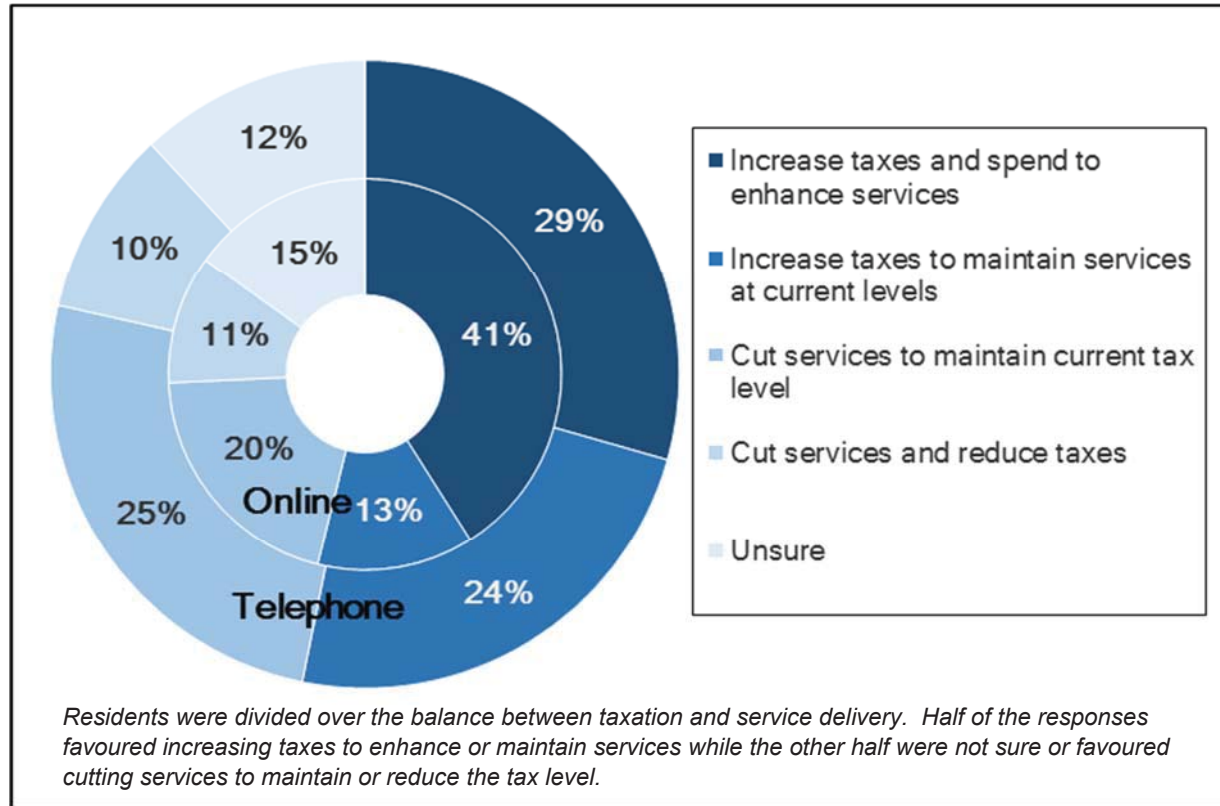
Following is an excerpt of the key figures from the most recent statistically relevant budget public input survey. The full details can be viewed through staff report [CORS-049-19](#).

Figure 1 - Value Received for Tax Dollars



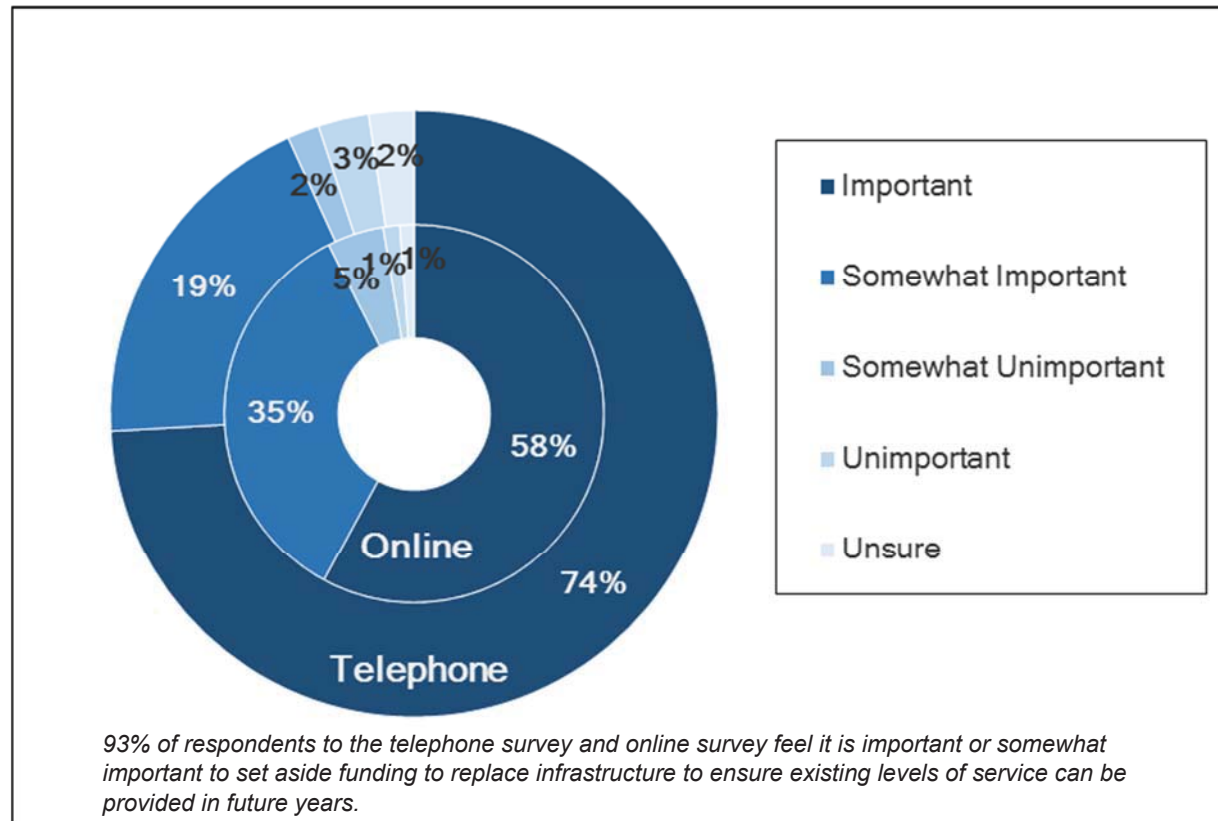
Appendix A - CORS-044-20 Budget Public Input from Prior Year Survey

Figure 2 - Balancing Services Levels with Taxation



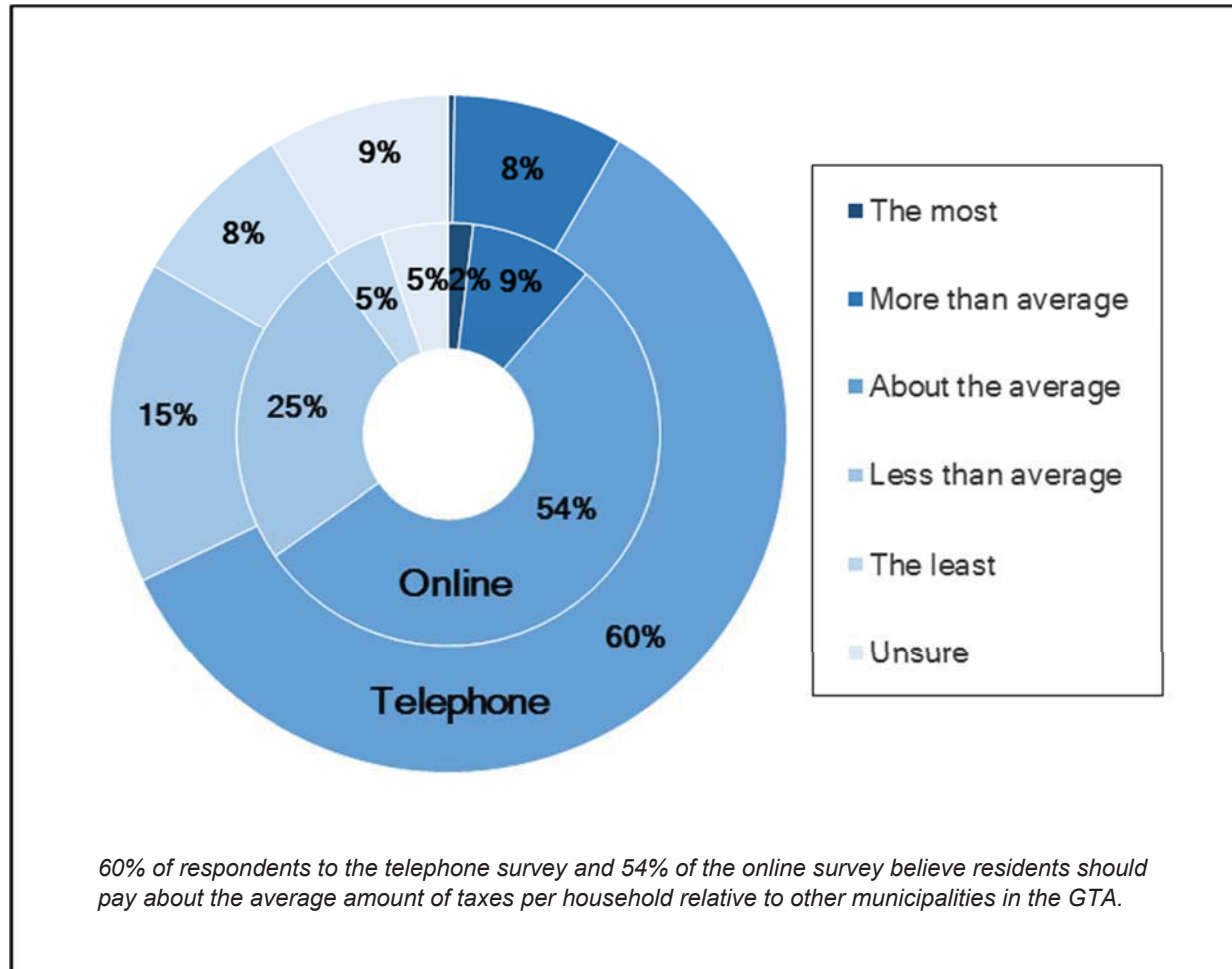
Appendix A - CORS-044-20
Budget Public Input from Prior Year Survey

Figure 3 - Saving for Future Infrastructure Replacement



Appendix A - CORS-044-20
Budget Public Input from Prior Year Survey

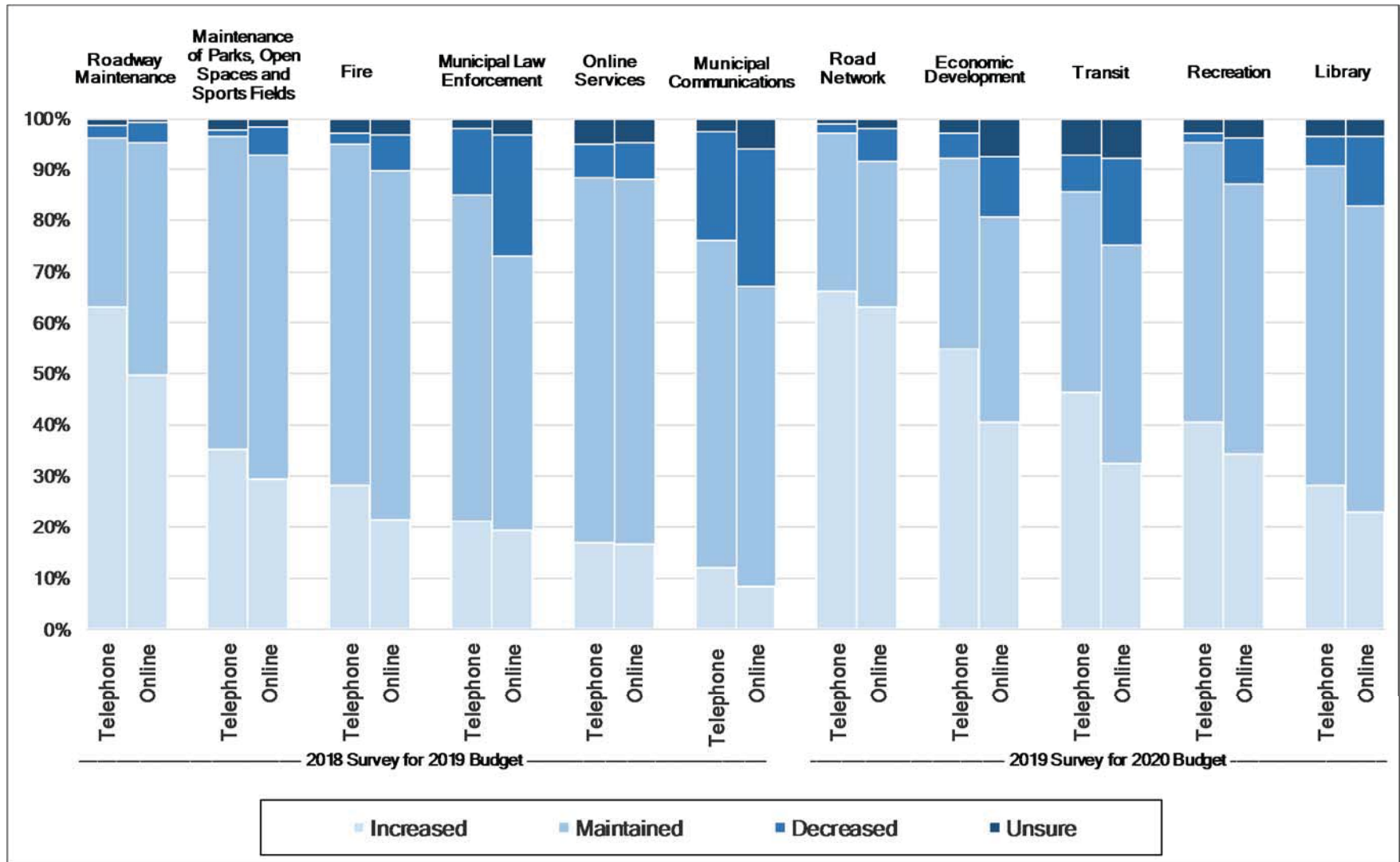
Figure 4 - Positioning of Milton Property Taxes Relative to Other GTA Municipalities



Appendix A - CORS-044-20

Budget Public Input from Prior Year Survey

Figure 5 - Individual Services Results



With respect to individual services, when asked if the amount invested should be increased, maintained or decreased, the majority of survey respondents indicated maintained or increased in every area.

Appendix B - CORS-044-20 - 2021 and 2022 Budget Pressure Details

[illegible]

CORS-044-20 Budget Call Report 2020 (Appendix C)

2021 Capital and Operating Budget Timetable

