



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: September 12, 2022

Report No: CORS-060-22

Subject: 2023 Budget Call Report

Recommendation: THAT the 2023 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, Master Plans etc.) and that the newly elected Council be provided with:

a) identification of the cost pressures associated with the existing service levels; and

b) options to mitigate the tax levy impact for the year 2023.

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.
- Through the 2022 budget process, a budget pressure equivalent to an increase in the Town's portion of property taxes of 7.05% (or \$19.17 per \$100,000 of assessment) was estimated for 2023 in order to maintain existing service levels.
- This amount has been revised with the most current information (including higher than projected rates of inflation) and is now estimated at a pressure that is equivalent to 12.40% increase to the Town's portion of property taxes (or \$33.73 per \$100,000 of assessment) in relation to existing service levels.
 - When the Regional and Educational portion of property taxes are considered, the pressure to the total tax rate is estimated at 5.98% for 2023 (or \$42.08 per \$100,000 of assessment).

EXECUTIVE SUMMARY

- The Town's local tax levy is lower than surrounding local municipalities by an average of 25% (or \$95 per \$100,000 of residential assessment), and when Regional and Education rates are considered, Milton property taxes as a percentage of household income remains lowest in the GTA and second lowest relative to Provincial comparators.
- With a Municipal Election in October of 2022, it is recommended that the cost of existing services be presented to the incoming Council, along with options to mitigate the potential tax rate impact, for the budget deliberations scheduled in January 2023.

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 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 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 2023/24 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. The budget will then be presented to Council in December of 2022 and Council deliberation of the budget is scheduled for January 2023.

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 134,304 residents at the end of 2021 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

The budget development process considers the ongoing feedback that is received from the public throughout the year as part of the public engagement that is undertaken for Town initiatives such as master plan updates and planning processes. In addition to these ongoing opportunities for public engagement, residents and business owners were also invited to provide comments and input related to the prioritization of services and investments for the 2023 budget year. This opportunity was available from June 30, 2022 through the Let's Talk Milton platform and was advertised through a public service announcement, social media posts and an ad in the local newspaper. While the platform will continue to remain open and available for comments through December 11, 2022, all comments received to end of day August 19 are attached as Appendix A to this report. Additional comments received between August 20 and December 11, 2022 will be shared with Council in advance of the December 12, 2022 budget meeting.

Once per term of Council a more formal public input survey is utilized, with the next survey expected to inform the 2024 budget. The development of the 2023 budget will continue to consider the public survey results received over the past several years (see staff report CORS-049-19 for more information) that tend to be relatively consistent from year to year, as well as comments and feedback received through the additional avenues noted above.

Growth Forecast

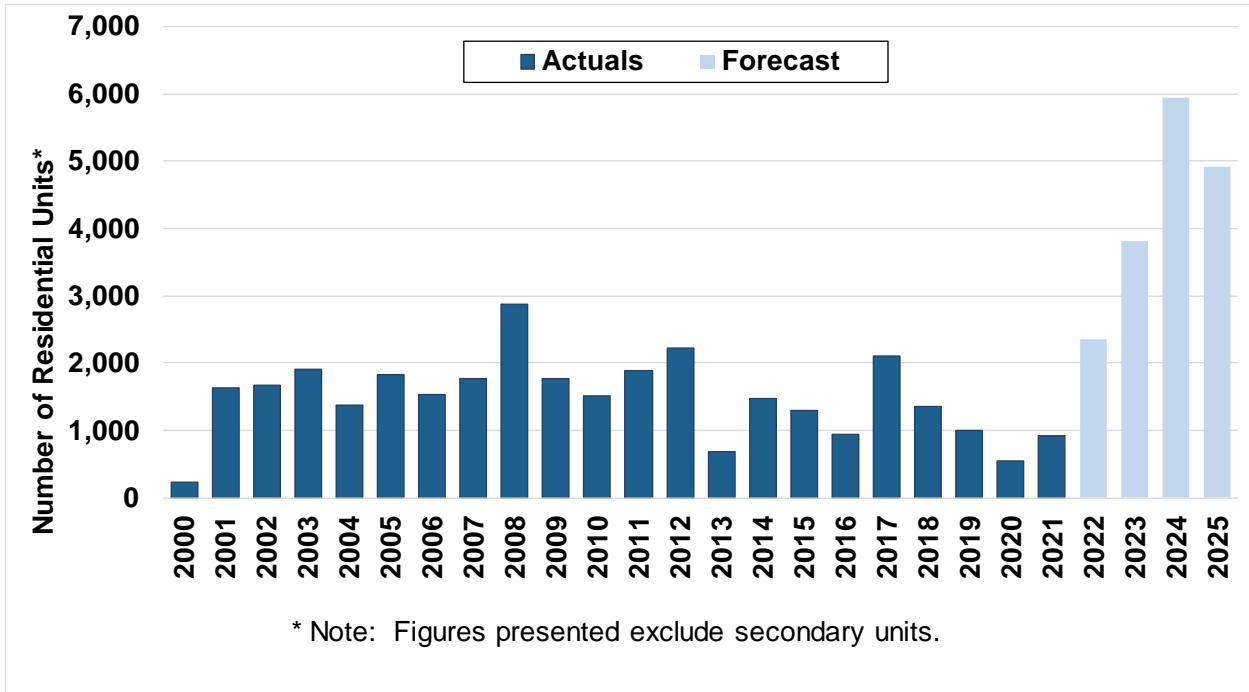
An important consideration in the preparation of the budget is estimating the rate of growth expected in the community which affects both revenues and expenses in the capital and operating budgets. Growth in the community will result in incremental tax revenues from assessment growth. It also drives 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 83.7% residential in 2022.

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.

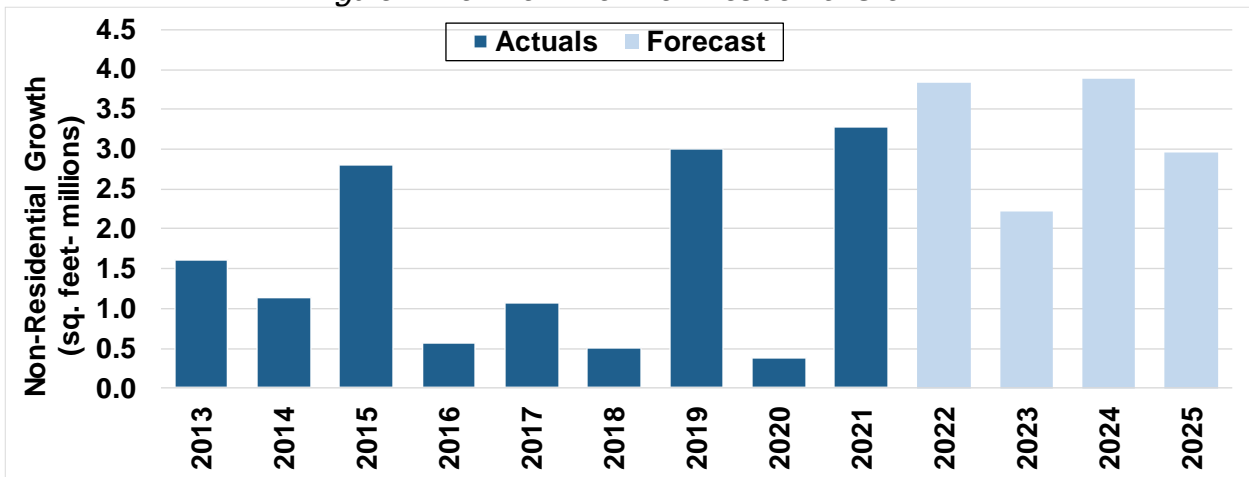
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Figure 1 - Town of Milton Residential Growth



Non-residential activity is also expected to remain strong with 3.8 million square feet of development anticipated in 2022.

Figure 2 - Town of Milton Non-Residential Growth



The projected increases in the levels of residential and non-residential growth from 2022 to 2025 are expected to result in higher levels of annual assessment growth revenues in the

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next term of Council, and will therefore influence the budget processes in future years. Assessment growth for the current budget year (2023) will be influenced by prior volumes, and due to the relatively lower growth totals in 2020 (non-residential) and 2021 (residential), lower assessment growth dollars are expected.

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 2023-2032 budget and forecast will be the 2023-2031 forecast presented and approved in principle through the 2022 budget process. The forecast estimated that the capital investment for 2023 would exceed \$103 million, with a 9-year investment totaling \$1.1 billion. The budget and forecast will be updated to reflect revised construction timelines, updated cost estimates (including inflation) and current corporate priorities.

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 2021 Fiscal Impact Study (FIS) which projected an annual average tax rate pressure of 5.5% for the first 10 years of the forecast due largely to additional investments towards the infrastructure deficit as well as the fire and transit service master plans.

Infrastructure Funding Deficit & Asset Management Plan

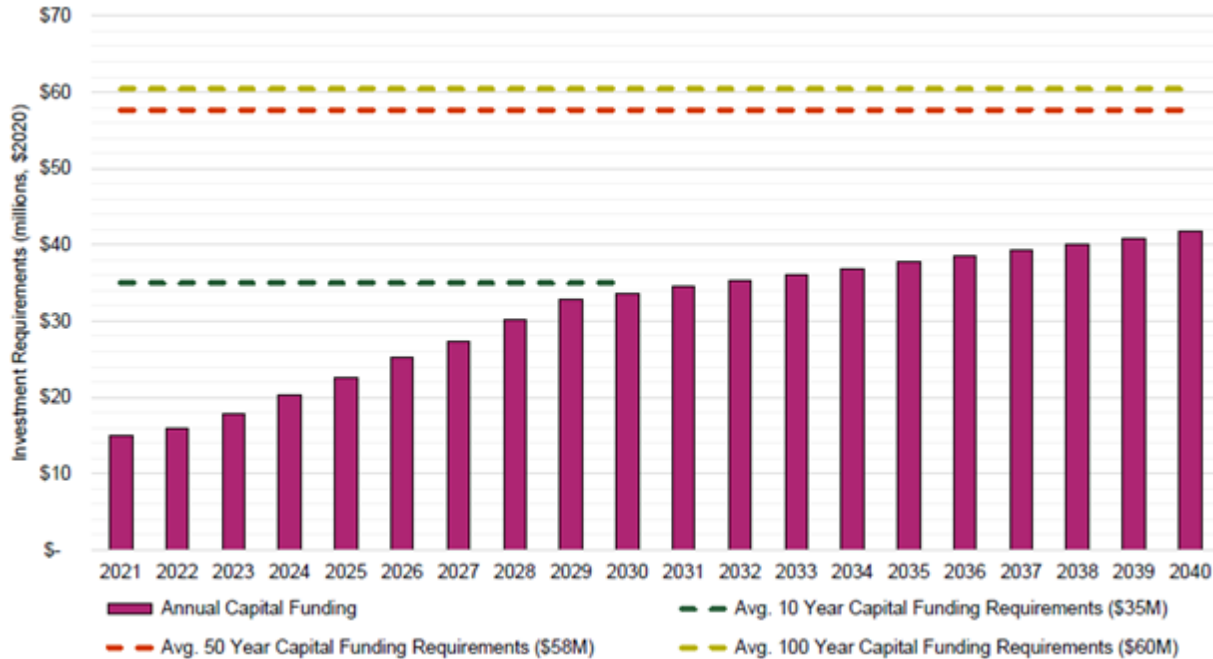
The Town's Corporate Asset Management Plan (AMP) was updated in 2021 to include all core infrastructure (roads, bridges and stormwater) and was reported to Council through staff report CORS-038-21.

The 2021 AMP included a lifecycle funding analysis that considered current lifecycle management strategies, levels of service, condition assessments, replacement costs, and risk management strategies. The analysis projects a comparison of the Town's financial

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capacity to the funding requirements needed to maintain existing core infrastructure assets in a state of good repair using established lifecycle strategies as shown in the figure below.

Figure 3 - Non-Growth Infrastructure Financing to Lifecycle Funding Requirements - Transportation and Stormwater (millions, 2020\$)

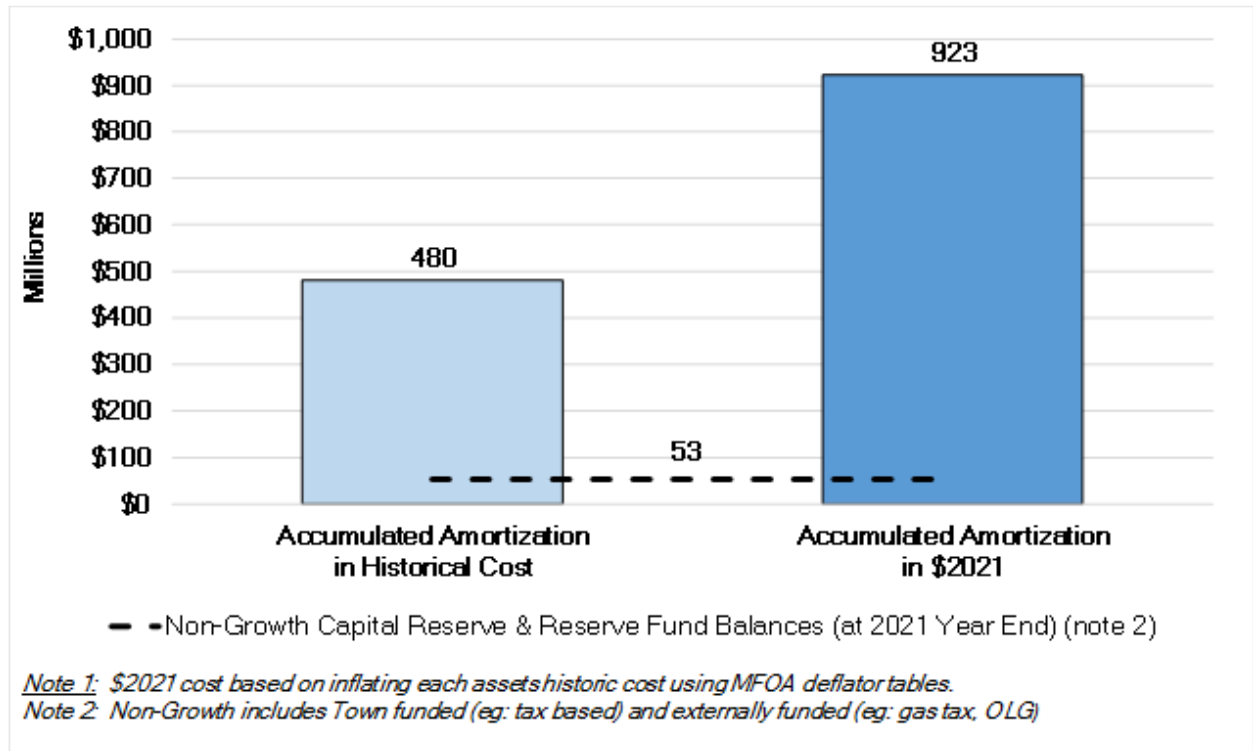


Although the 2021 AMP focused solely on core infrastructure assets it reaffirms an annual infrastructure funding deficit throughout the planning horizon. The financial strategies taken in recent years are expected to ensure that the deficit will not increase as the Town grows and highlights the long-term importance of the \$1.0 million incremental annual contribution where the majority goes to fund core infrastructure asset renewals. Even with these financial measures, an annual deficit is projected at the end of the horizon and additional forms of mitigation will be required.

Another 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.

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Figure 4 - 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:

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1. Transit Master Plan - results were presented through report ENG-021-19 and an update is scheduled for 2023.
2. Service Delivery Review Phase 1 (Community Services) - results were presented through report ES-015-19.
3. Administrative Monetary Penalty System (AMPS) - results presented through CORS-008-20.
4. Service Delivery Review Phase 2 (Corporate Services) - results were presented through CORS-063-20.
5. Fire Master Plan - results presented through ES-003-21.

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 Town of Milton's full time staff complement is notably lower than that of comparator municipalities. The Town also has a higher reliance on contractors and part time staffing in several service areas. These factors influence the way in which services can be delivered, and also affect the levels of service that can be provided to a growing community.

Annually staffing level requirements are reviewed with consideration for Town goals and priorities as well as existing service levels and pressures. Performance measures are also assessed in relation to new staffing needs. In recent budget years due to financial pressures, a limited number of positions have been added and previously forecasted needs have been deferred. The 2023 operating budget forecast presented herein includes a provision to address only some of the highest priority staffing requirements, such as some of the staffing requirements as outlined in the Fire Master Plan. However, this leaves a number of the priorities and risks that were identified in previous staffing reports to Council outstanding. Should the Town be unable to achieve adequate staffing levels it may result in impacts to the pace of growth in certain service areas.

Other Revenue Sources

Aside from property taxes, user fees and service charges provide a significant portion (21.5%) 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.

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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. The latest comprehensive study on the Town's user fees, excluding recreation and transit, was completed in 2022 and is also on tonight's agenda through staff report CORS-058-22. Recommended increases to fees are expected to generate approximately \$500,000 in additional revenue for the Town.

Furthermore, many of the rates and fees within the forecast will be indexed in 2023 using the MPI for expenditures of 5.9% (see Appendix B for details with respect to MPI). It should be noted that recreation fees are recommended to be indexed at a lower amount of 3.0%. Although this will translate into pressure on the tax levy, staff recommend this approach as it considers the expected increases for peer municipalities. A comprehensive review of the recreation and transit fees is scheduled for the next term of Council where these fees will be reviewed against the cost of service, targeted cost recoveries and market comparators with any fee adjustments recommended in this area being brought forward to Council for approval.

2023 Operating Budget and Forecast

Through the 2022 Operating and Capital Budget staff completed an operating budget forecast for the pressures anticipated in 2023 and 2024. Based on the assumptions at the time, staff were projecting a significant tax levy pressure to the Town portion of the tax bill in those years. The major drivers of the forecast included:

- Inflationary impacts to maintain existing levels of service
- Funding to gradually reduce the infrastructure deficit.
- Extending services to new growth areas including the Boyne Secondary Area.

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 2022 some of the more significant adjustments to the forecast include:

- Higher than anticipated inflationary pressures
- Delayed timing of assessment growth

Including the assumptions previously mentioned, the projected pressures equate to a 12.40% tax rate change in 2023 and 8.31% in 2024. Put another way, the revised forecast is currently projecting a tax pressure equivalent to \$33.73 per \$100,000 of residential assessment in 2023 and a further \$25.41 in 2024. These amounts are relative to the existing annual cost of \$272 per \$100,000.



Discussion

The following table provides a summary of the primary drivers impacting the 2023 and 2024 forecast (with further detail provided in Appendix C).

Component	2023 Net Levy Impact \$ (000's)	2023 Residential Tax per \$100K of Assessment	2023 Residential Tax % Change	2024 Net Levy Impact \$ (000's)	2024 Residential Tax per \$100K of Assessment	2024 Residential Tax % Change
Prior Year Tax Levy	\$ 79,686	\$ 271.97		\$ 91,153	\$ 305.71	
Inflation & Base Adjustments:						
Inflation (MPI)	\$ 5,665	\$ 19.00	6.99%	\$ 3,555	\$ 11.40	3.73%
Non-recurring & Reversal of One-Time Transfers	\$ 477	\$ 1.60	0.59%	\$ -	\$ -	0.00%
Service Enhancements	\$ 120	\$ 0.40	0.15%	\$ 285	\$ 0.91	0.30%
Infrastructure Deficit	\$ 1,000	\$ 3.35	1.23%	\$ 1,000	\$ 3.21	1.05%
Other Base Adjustments	\$ (613)	\$ (2.05)	-0.76%	\$ 333	\$ 1.07	0.35%
Total Inflation & Base Adjustments	\$ 6,649	\$ 22.30	8.20%	\$ 5,173	\$ 16.59	5.43%
Growth Related:						
State of Good Repair for Constructed & Assumed Assets	\$ 1,286	\$ 4.31	1.59%	\$ 2,299	\$ 7.37	2.41%
Expanding Service to Growth Areas	\$ 1,695	\$ 5.68	2.09%	\$ 3,334	\$ 10.69	3.50%
Other Growth-Related Impacts	\$ 1,837	\$ 6.16	2.27%	\$ 1,268	\$ 4.07	1.33%
Total Growth Related	\$ 4,818	\$ 16.16	5.94%	\$ 6,901	\$ 22.14	7.24%
Total Increase in Levy	\$ 11,467	\$ 38.46	14.14%	\$ 12,075	\$ 38.73	12.67%
Total Tax Levy	\$ 91,153	\$ 310.43		\$ 103,228	\$ 344.44	
Estimated Assessment Growth (net of reductions)**	\$ (1,408)	\$ (4.72)	-1.74%	\$ (4,154)	\$ (13.32)	-4.36%
Forecasted Net Tax Levy Increase Required	\$ 10,059	\$ 305.71	12.40%	\$ 7,921	\$ 331.11	8.31%

* Based on 2022 CVA values per 2022 Final Tax Levy By-law, CORS-028-22. Through the annual tax setting bylaw tax rates are re-calculated each year using current year assessment values.

** This is the amount net of anticipated losses from Assessment Review Board appeals, Request for Reconsiderations, and Section 357 Applications (tax class changes, properties razed by fire, etc.).

When potential changes to the Region and Educational portion of the property tax bill are considered, the total potential impact to ratepayers is estimated as follows:

		2023	2024
Town Tax Rate Pressure	\$ Change	\$33.73	\$25.41
	% Change	12.40%	8.31%
Overall Tax Rate Pressure*	\$ Change	\$42.08	\$32.58
	% Change	5.98%	4.37%

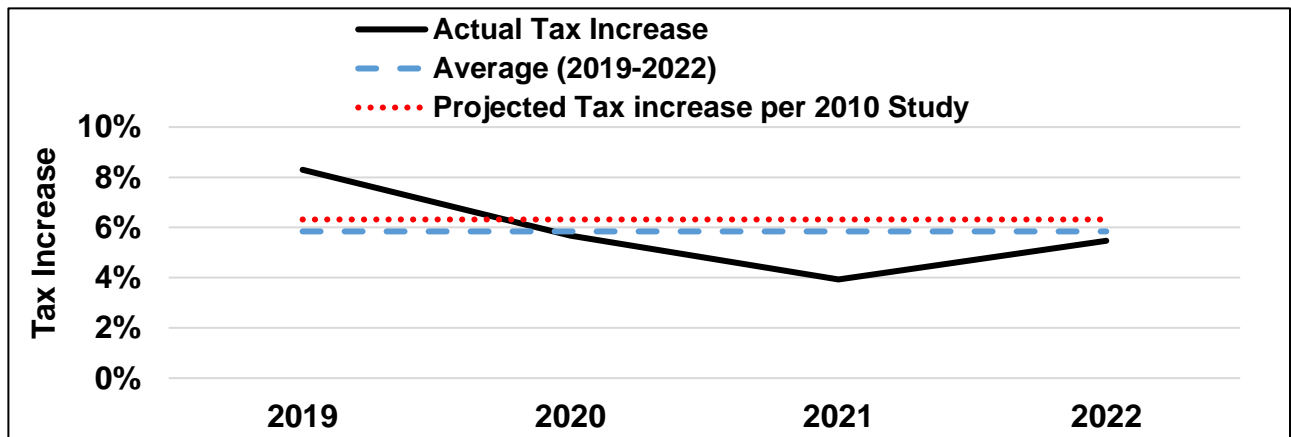
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* Includes estimated Town, Regional and Educational portion of the property tax bill. Estimated Regional changes are based on Region report FN-26-22, estimated Educational portions are held constant consistent with reports FN-13-22 and CORS-028-22.

Long Term Fiscal Impact Study

Tax rate increases during the most recent term of Council have averaged 5.85%, which is slightly below the average pressure of 6.32% that had been previously forecasted in the 2010 Fiscal Impact Study (FIS).

Figure 5 - Annual Local Tax Rate Change

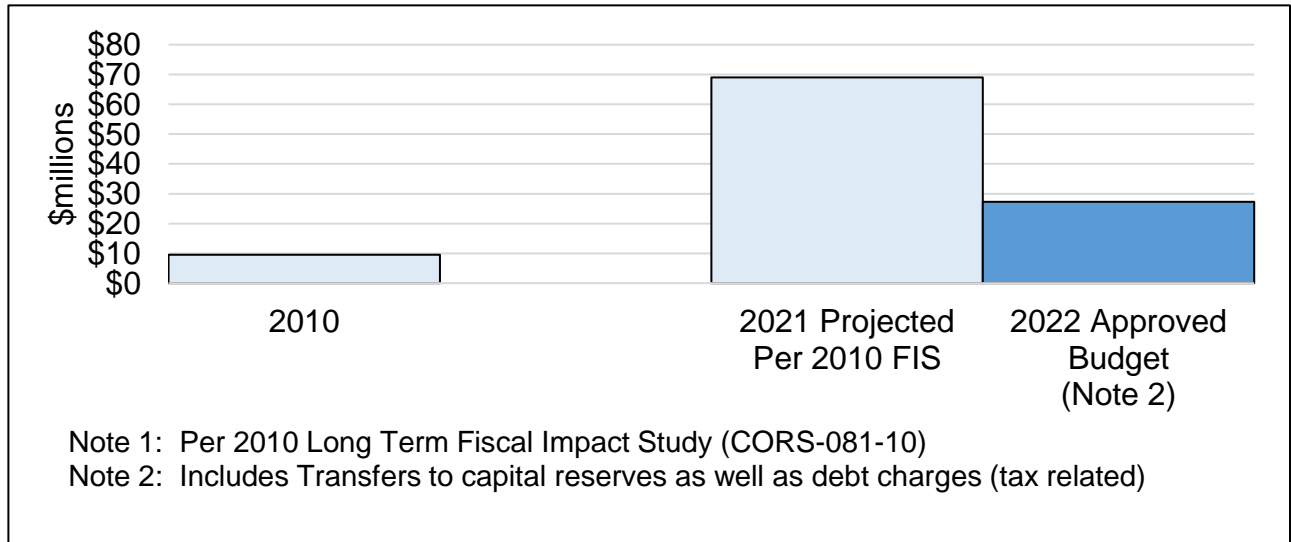


Over the entire period since the 2010 study, the average tax rate increase equalled 4.69%. As a result, and when combined with the Town's assessment growth results for the period, the Town's tax levy generated \$73.8 million in revenue by 2021, as compared to the \$117.3 million originally forecasted in the 2010 FIS.

The majority of the differential between projections from the fiscal impact studies 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 \$69.0 million by 2021. The actual tax supported capital funding has increased to \$27.3 million in 2022, with 75% of that growth occurring since 2017.

Discussion

Figure 6 - 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.

An updated Fiscal Impact Study was prepared in 2021 (CORS-056-21) that considered growth to 2041. The analysis showed that financial pressure on the Town and its taxpayers will continue as existing shortfalls continue to be addressed and expansion of services continues to new urban areas. An annual average tax rate pressure of 4.3% between 2021 and 2041 was projected, including an initial pressure averaging 5.5% for the first 10 years of the forecast due to additional investments towards the infrastructure deficit, as well as the fire and transit service master plans. The projected capital investment over the period 2021 to 2041 amounted to \$3.3 billion, along with gross operating costs that were expected to grow to \$310 million per year. Any increases in service levels during this period would translate to additional financial pressures above the figures noted above.

Budget vs Actual Variance Trend

As shown in the table below, over the previous five years the year-end operating expenditures have been within 3.0% of the approved net budget and 1.4% of the approved gross budget. The surplus in 2020 and 2021 has been higher than average variances experienced over the past five years largely due to organization-wide cost containment efforts, coupled with provincial and federal funding received related to specific COVID-19 impacts. These recent mitigation opportunities do not represent a trend that is expected to continue in the long term as the demands on programs, facilities and transit recover and expand with the Town’s growth.

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Figure 7 - 5-Year Historical Net Budget Variance Trend

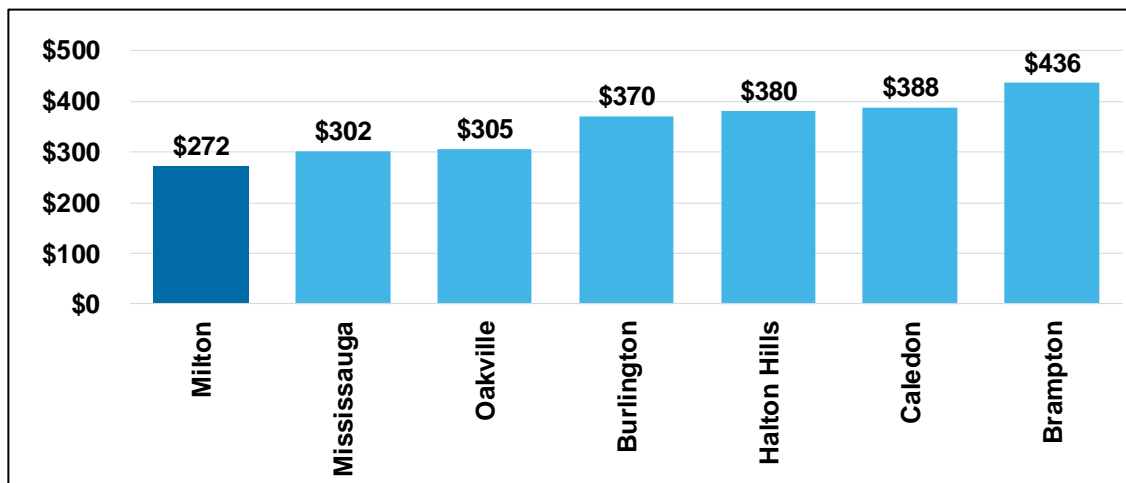
	2017	2018	2019	2020	2021	Average
Variance (\$Millions)	\$0.92	\$1.40	\$1.22	\$1.85	\$4.45	\$2.0
% Variance to Net Budget	1.8%	2.4%	1.9%	2.7%	6.0%	3.0%
% Variance to Gross Budget	0.8%	1.1%	0.9%	1.3%	3.0%	1.4%

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

Comparing Milton’s Taxes to Other Local Municipalities

When comparing Milton’s local taxes and overall tax bill (including Town, Region and Education portions) to surrounding municipalities, Milton continues to have the lowest tax rates. As shown below Milton’s 2022 approved local portion of the tax bill is \$272 per \$100,000 which is \$92 lower (25%) than the average of the surrounding municipalities.

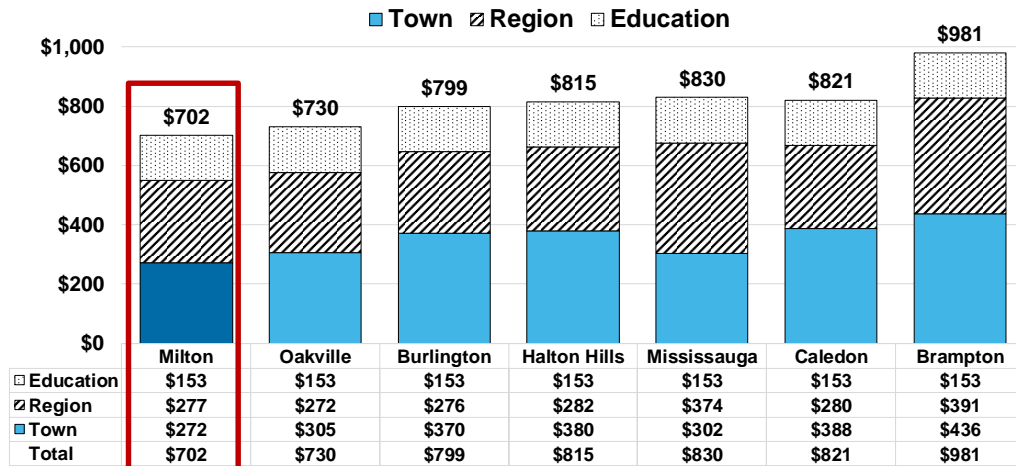
Figure 8 - 2022 Local Residential Tax Comparison (per \$100,000 of assessment)



When reviewing the 2022 total approved tax bill, an average resident in Milton will pay \$702 per \$100,000 of assessment which is the lowest of the surrounding municipalities.

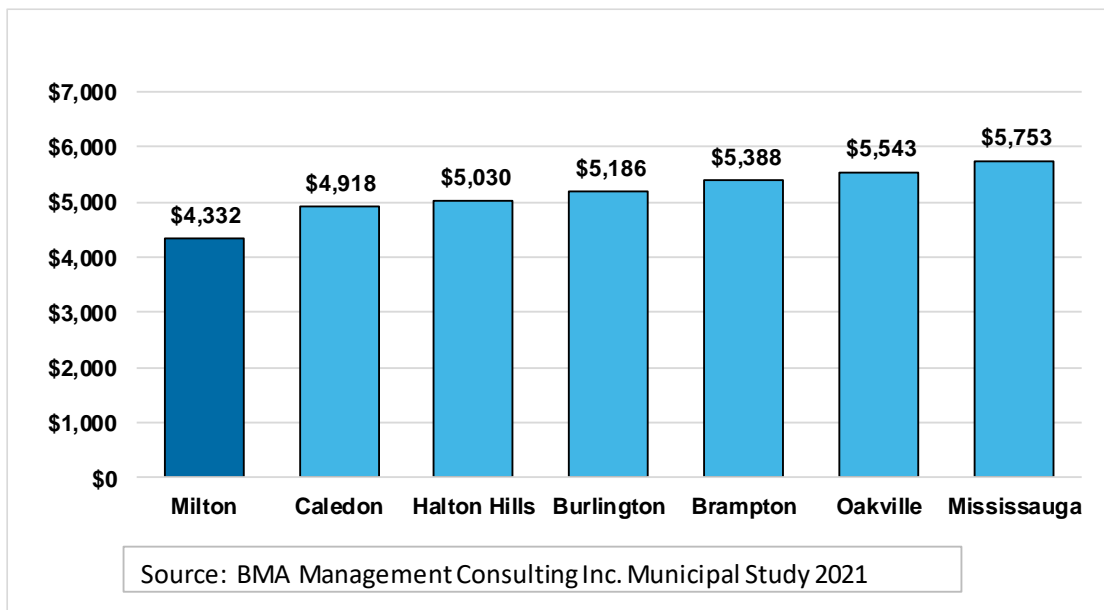
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Figure 9 - 2022 Total Property Taxes (per \$100,000 of assessment)



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 18% lower than the comparator group.

Figure 10 - 2021 Residential Property Taxes for a 2 Storey Home

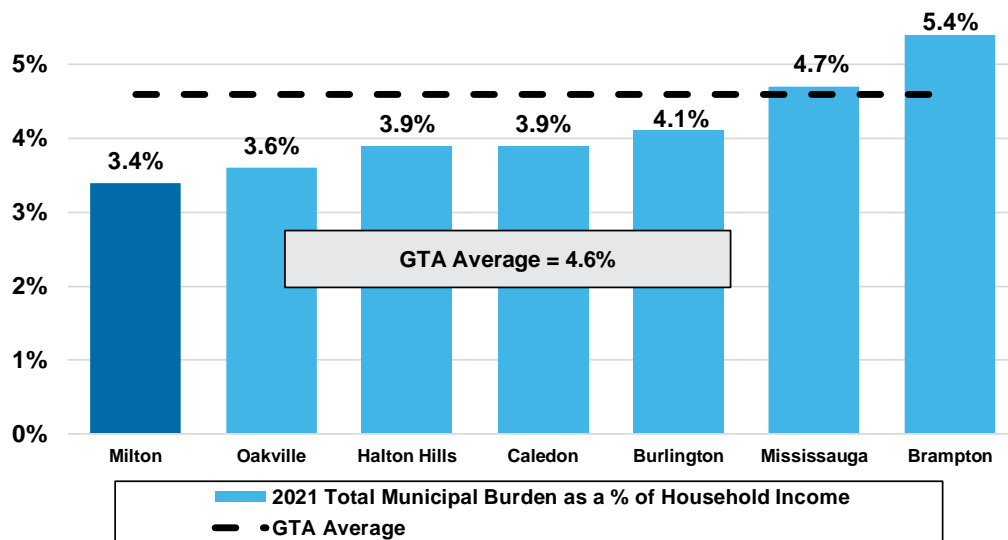


Affordability

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 education portion of the tax bill along with water and wastewater rates Milton is second lowest when compared to the other participating Ontario Municipalities and is the lowest in the GTA.

Figure 11 - 2021 Total Municipal Burden as a % of Household Income



Source: 2021 BMA Municipal Study, Page 468.

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 2022 Milton’s commercial tax rate is lower than the comparator group, while the industrial rate represents approximately the average of the comparator group.

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Figure 12 - 2022 Commercial Tax Rate Comparison (per \$100,000 of assessment)

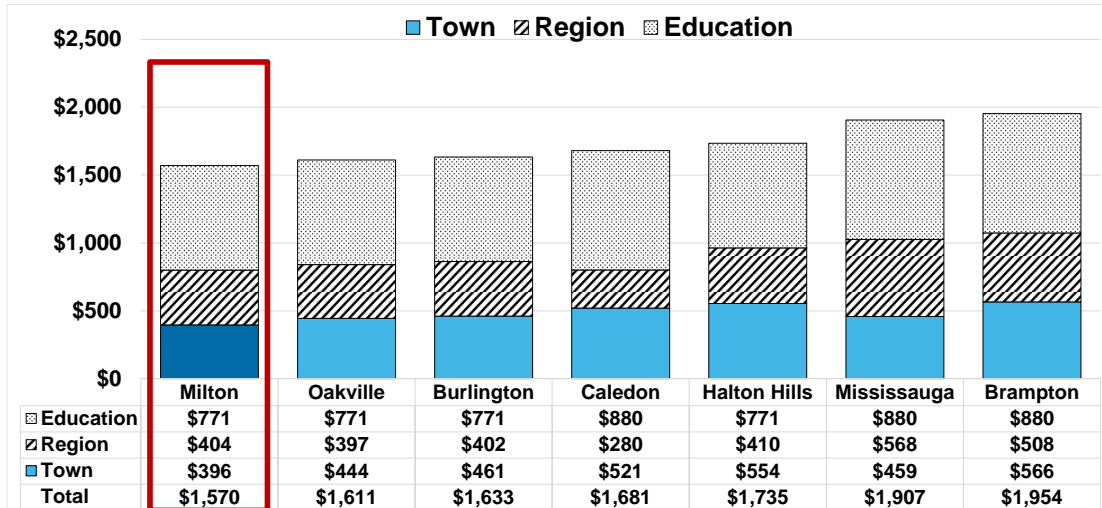
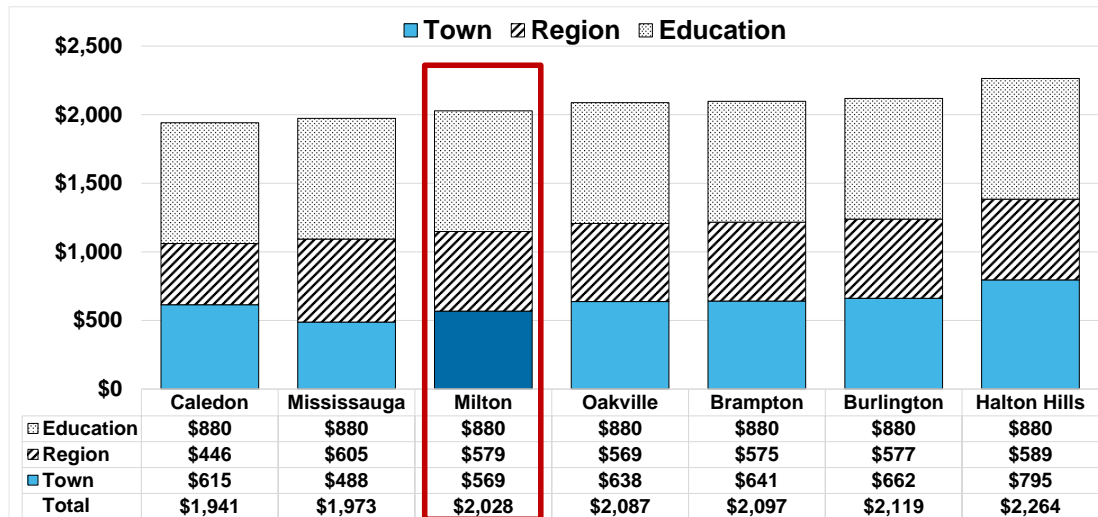


Figure 13 - 2022 Industrial Tax Rate Comparison (per \$100,000 of assessment)



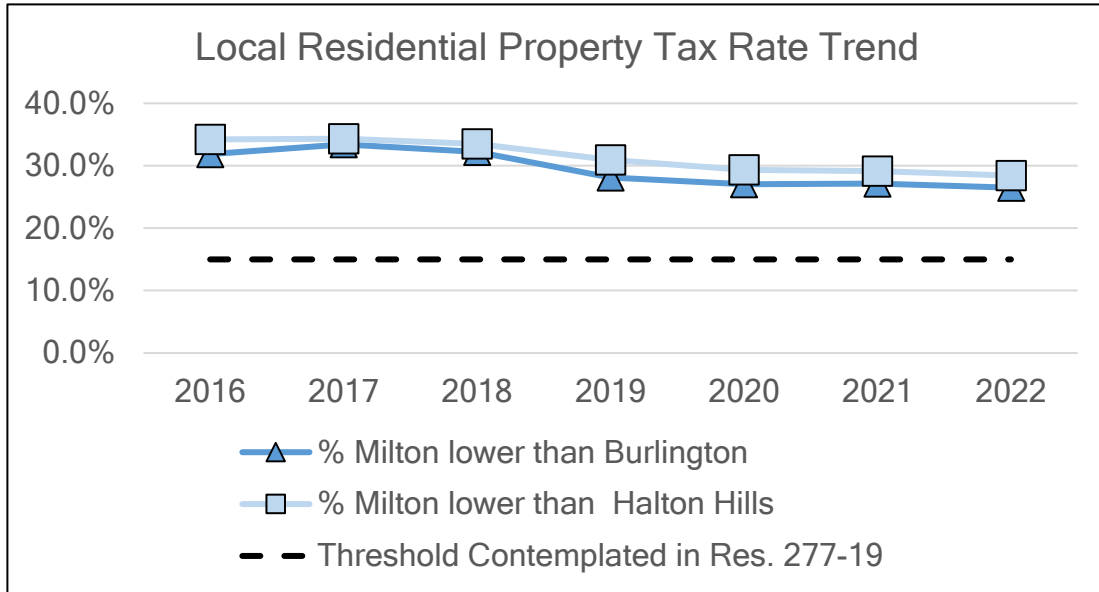
Multi-Year Trend

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' 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. It shows that in 2022, after a declining

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trend from 2016 to 2021, Milton’s local tax rate is 26.5% lower than that of Burlington and 28.4% lower than that of Halton Hills.

Figure 14 - Annual Reporting for Resolution 277-19



Recommendations & Alternatives

With a Municipal Election in October of 2022, it is recommended that the cost of existing services be presented to the incoming Council, along with options to mitigate the potential tax rate impact, for the budget deliberations scheduled in January 2023. As a part of the budget process annually, staff look to identify opportunities to manage the tax rate pressure, including the following potential strategies:

- defer service enhancements and new capital projects;
- review other revenue sources;
- reduce or modify existing service levels or delivery methods;
- consider alternative financing strategies (example - utilization of reserves).

Given the degree of inflationary pressure that will impact this budget year specifically (in addition to the pressures that were previously forecasted through the fiscal impact studies and other processes), the review of these alternatives will be an especially important aspect of the budget process.

Discussion

Council can always choose to provide an alternate or amended direction to staff as a part of the consideration of the 2023 Budget Call report. Any direction received will be reflected into the Proposed Budget document that will be presented by staff in Q4 2022.

Timetable

Staff across the organization are preparing detailed estimates for the capital and operating budgets and forecasts. Budget packages are scheduled to be available publicly in November in order to support Council in its preparation for budget deliberations. Of particular note is that the Town will be transitioning to a fully digital budget package in 2023 as hard copies will no longer be distributed.

In accordance with the approved Council meeting calendar for 2022, budget presentation and public delegations will occur on December 12 with Council deliberations scheduled for January 2023, due to the election. A summary timetable with important budget deadlines is included as Appendix D 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. Opportunities to manage the timing of the pressure on the tax levy will also be identified.

The budget pressures for the years 2023 and 2024 result from inflationary impacts, the expansion of services to new areas, the fire master plan implementation and the infrastructure deficit, amongst other items. Current estimates suggest that the cost to maintain existing services to current and growth areas would result in a tax pressure of 12.40% on the Town portion of property taxes. This figure is higher than previously forecast through the Fiscal Impact Study and 2022 Budget process, in part due to the significant degree that inflation rates are escalating in a number of sectors.

As shown in the following table, combining a 12.40% increase in the Town portion with the potential 2023 increase to the Region and School Boards would result in an impact on the total tax bill of 5.98% or \$42.08 per \$100,000 of assessment.



Financial Impact

*Potential Pressure on the Total Tax Bill per \$100,000 of Residential Assessment**

	Share of Tax Bill	2022 Taxes	2023 Increase	2023 Taxes	\$ Impact on Total Tax Bill	% Impact on Total Tax Bill
Milton Services	34.53%	\$227.76	13.02%	\$ 257.42	\$29.66	4.22%
Fire Services	6.48%	\$44.21	9.22%	\$ 48.29	\$4.08	0.58%
Total Milton	41.00%	\$271.97	12.40%	\$ 305.70	\$33.73	4.79%
Regional Services	24.14%	\$174.72	3.00%	\$179.96	\$5.24	0.74%
Police Services	14.34%	\$103.77	3.00%	\$106.88	\$3.11	0.44%
Total Region of Halton**	38.47%	\$ 278.49	3.00%	\$ 286.84	\$8.35	1.19%
Education***	20.52%	\$ 153.00	0.00%	\$ 153.00	\$0.00	0.00%
Total	100.00%	\$ 703.46	5.98%	\$745.54	\$42.80	5.98%

* Cost per \$100,000 of residential assessment are derived using the assessment values & tax rates from the 2022 tax by-law (CORS-028-22). These values will be re-stated following budget approval using the finalized 2022 assessment figures from the returned assessment roll.

** Estimated 2023 increase per Region of Halton 2023 Budget Directions, FN-26-22 (includes enhanced waste service for urban area). Final impact may be different subject to Regional Council approval.

*** Consistent with recent experience, the 2023 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 2023 rates by the Province.

Milton’s tax rates and affordability are currently 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 Phone: 905 878 7252
Ext. 2216

Attachments

- Appendix A - Public Input Results
- Appendix B - 2023 Municipal Price Index
- Appendix C - 2023 and 2024 Operating Budget Pressure Details
- Appendix D - 2023 Budget Timetable

Approved by CAO



Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

CORS-060-22 Appendix A - Public Input Results

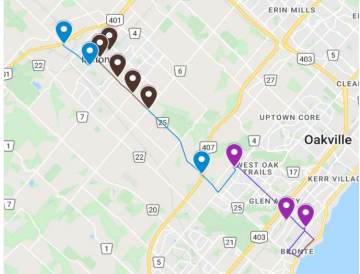
Share your thoughts! 21-Aug-22

Date of contribution	Ideas		Votes	Visitors	Media
	Title	Description			
Jul 04 22 08:48:15 pm	5.47% increase in property tax is too much!!	The number of Town of Milton employees who earned at least \$100,000 over the past year rose from 127 to 144. Small town like Milton has over 140 employees making over \$100k????? We need austerity.	8	40	
Jul 06 22 11:57:11 am	Property Tax for low income should be much lower and no further increase, and in the current situation of high inflation should be zero.		6	8	
Jul 06 22 12:11:28 pm	Most of main streets between Milton and Burlington/Oakville even part of Derry without lights, this should be part of your plan/budget!		0	17	
Jul 06 22 02:02:03 pm	Our historic downtown - buildings and parks need protection from a "possible" flood disaster. Historic builds could be lost, businesses shut	Address Flood plain issues in Milton - residential and commercial. There is a solution - anyone listen ?	0	13	
Jul 07 22 10:47:21 pm	No difference in rich and poor!! Shame on rich councilors!!	Income tax rates are 15%, 20.5%, 26%, 29% and 33%, rates increase as income goes up. But not in Milton, here everyone pays a flat rate of 0.007%, whether you are a mansion owner or living in a smallest house, whether you are a speculator that owns multiple properties, you pay the same 0.007% rate. What a shame. Please tell me how many properties are owned by the councillors?	3	39	
Jul 09 22 05:05:36 pm	Reduce spending	Public transit bus lines should be reduced as many buses operate empty. All religious community's should be privately funded and not allowed to use tax dollar property for their services - like the Milton Sports Center building or park. There should be a hiring freeze for every department except police, fire and EMS. Whatever seervice can be cut, do it. Less is sometimes more (lower taxes)	3	30	
Jul 12 22 06:48:30 pm	Public transit is in bad shape, why don't we have e-bikes/e-scooters for on-demand services? Mattamy Cycling is still not connected.	Transit	5	17	

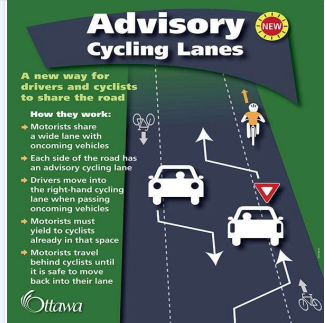
CORS-060-22 Appendix A - Public Input Results

Share your thoughts!						21-Aug-22
Date of contribution	Ideas		Votes	Visitors	Media	
	Title	Description				
Jul 14 22 02:44:46 pm	Build actual cycling infrastructure. We are home to the National Cycling centre, but are unable to safely bike there! Separated lanes etc.	Cycling Infrastructure	5	7		
Jul 14 22 02:53:01 pm	Pipeline trail. So much promise but unusable in winter & hot summer days. Add shade and trees, skating rink, benches, picnic, public art...	Reimagine the Pipeline Trail	8	11		
Jul 14 22 03:54:55 pm	More needs to be done about parking. I live on main Thompson and there is no literally no parking avenues for guests.		2	8		
Jul 16 22 12:22:21 pm	Fix roads in bad shape	Many of Milton's main roads and highways are in disrepair. Example: Ontario St South has potholes all over.	1	10		
Jul 16 22 12:24:31 pm	Let's get proactive - Expand roads & highways	Milton's population has doubled in the last while, it's only growing. We need to keep the road infrastructure aligned with current and future growth. Let's be honest, rapid transit across GTA is not foreseeable in the near future.	0	9		
Jul 22 22 04:54:50 pm	Slower speed limits in community zones	Woodward Ave is just one example of racing! Martin St is another! Better enforcement and/or speed humps to deter the reckless driving.	5	5		
Jul 25 22 04:01:45 pm	Quit using our tax dollars to fund private development	The appeal to OLT for the Durante Group/Vue's proposed mega towers at Bronte & Main... some councillors wouldn't vote No on the proposal claiming it would go to the OLT and cost tax payers money, but town council has no problem approving the \$100,000 to defend their decision at the OLT, basically fighting Miltonians using their own tax dollars on behalf of the developer.	1	9		
Jul 28 22 08:13:29 am	Parking lines on main streets	We need parking lines, at least on main streets (eg. Hepburn Road) where daytime parking is allowed. People will park randomly and take up space for 2 cars due to the lack of clear parking lines/space. There is hardly any parking space available already and a lot of homes only have one car parking in the driveway. This needs to be fixed or I see people starting to move out of Milton !	2	4		

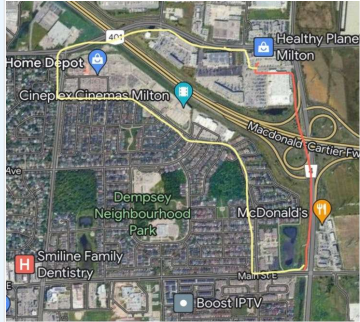

Share your thoughts! 21-Aug-22

Date of contribution	Ideas		Votes	Visitors	Media
	Title	Description			
Jul 28 22 09:10:40 am	More EV Chargers + Parking	Hi, I would love to see more Electric Vehicle chargers and parking spaces added to the Town of Milton, as well as Tesla Supercharging stalls close to the highway (this would bring more traffic into the town and also help car owners in town). It'll be a great way to incentivize and encourage the push for a sustainable future. Thanks!	1	3	
Jul 28 22 07:42:07 pm	Repave Multi-Use Paths	Many multi-use paths in Milton are in poor shape. Examples are along Thompson Rd. (North of Louis St Laurent), Martin St. (North of Steeles), Main St., Derry Rd.. Along with repaving, cross-rides should be added at all intersections with multi-use paths. This should be prioritized over street and road repaving given the spike in people using them this summer (2022) compared to the past.	1	3	
Jul 28 22 07:44:36 pm	Add bicycle parking at all town properties, and in downtown and along Bronte St.	Lions Club, and Main St (Downtown) have no bicycle racks. Bicycle racks should be added at all town properties, along Main St., Bronte St., and the town should force plaza owners to add more bicycle racks given a spike in cycling this summer (2022).	1	6	
Jul 28 22 07:50:48 pm	A bus line connecting Milton and Oakville	I propose the Town of Oakville and Town of Milton run a joint bus line from the GO Bus 25 Stop to at least Bronte GO. My proposal is for Milton to discontinue service on the Line 9 Bus and for Oakville to discontinue service on the Line 3 bus, and for the new bus line to replace these two bus lines. In the image I attached, you can see Milton's current Line 9 in brown, Oakville's current Line 3 in purple, and my proposed extensions in blue for the joint line. Link to Google My Map Proposal: https://www.google.com/maps/d/edit?mid=10pMkUf-XjE_7--BzK_Qa01wjVRZ7X9X5&usp=sharing	2	5	
Jul 28 22 09:10:24 pm	Get Serious About Density	In the recent census, Mississauga dropped in population. It's time to get serious about density so that in a few decades, we are not in a similar situation where the town can no longer keep up with maintenance because the tax base is too small due to most of Milton being single-family dwellings. Why aren't there more 4-5 storey apartments mixed in? Most of Derry Road is bordered by single-family homes—it's an embarrassment. END single-use zoning. If there is a grocery store or shopping plaza along a main road, there needs to be a mandate for an apartment/condo on top of it.	1	9	

Share your thoughts! 21-Aug-22


Date of contribution	Ideas		Votes	Visitors	Media
	Title	Description			
Jul 28 22 09:33:07 pm	End the parking obsession	We waste so much space for parking lots despite being in the midst of a housing crisis. End parking minimums. The Milton GO Station expansion plan is disgusting. We have a transit system in which **all routes** extend from a central location, yet we are spending all this money to expand roads which lead to a larger parking lot? Is this the 1950s? Metrolinx spent tens of millions to build a parking structure in the middle of nowhere (Bloomington). The Town is being ripped off here. Milton Transit bus connection to GO Transit is FREE!! The Town would probably SAVE money by instead investing in Milton Transit and actually implementing the Milton Transit Master Plan which was approved years ago. Instead, Milton Transit is intentionally sabotaged by schedules which get you to the GO Station 30 minutes slower than car (literally: I have to leave the house at 6:00 to catch the 6:08 bus which gets to Milton GO at 6:25 for the 6:48 train. Or, I could leave the house at 6:30 by car and still get there on time.) Instead of parking lots, how about housing? Even better, how about affordable housing? I believe housing brings in more tax revenue and economic benefits than parking lots. Why doesn't the Town?	1	7	
Jul 28 22 11:44:16 pm	Adding advisory bike lanes or better on all repaved streets and roads.	When streets or roads are repaved, the town should examine different approaches to adding cycling facilities onto the roadways. As a minimum for every street/ minor collector, advisory bike lanes should be added along a curb (if no parking is allowed along the side of the road) and sharrows should be added 1m+ from car parking. This approach would take away no space from car traffic. Further, removing on-street parking along one side of some roadways where parking is not needed can allow for the creation of better cycling facilities such as bike lanes, cycle tracks, or even new multi-use paths. This would take away some convenience from parking cars, but would still leave space available for car parking. Town staff should follow OTM Book 18: Cycling Facilities for the facility selection process, facility designs, and signs to use.	0	3	 <p>Advisory Cycling Lanes</p> <p>A new way for drivers and cyclists to share the road</p> <p>How they work:</p> <ul style="list-style-type: none"> Motorists share a wide lane with oncoming vehicles Each side of the road has an advisory cycling lane Drivers move into the right-hand cycling lane when passing oncoming vehicles Motorists must yield to cyclists already in that space Motorists travel behind cyclists until it is safe to move back into their lane <p>Ottawa</p>
Jul 28 22 11:59:49 pm	Electric or at least Hybrid Buses	The Town should refer to the TTC plans and latest rollout of electric buses to see how we can order electric buses as our fleet grows. At a minimum hybrid buses should be purchased for all new buses (GRT is a good example for this).	0	1	

Share your thoughts! 21-Aug-22

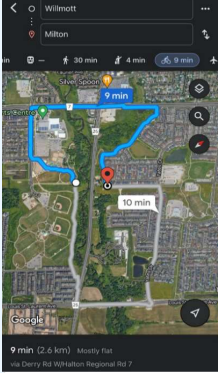
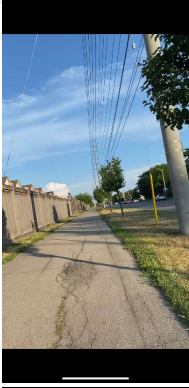
Date of contribution	Ideas		Votes	Visitors	Media
	Title	Description			
Aug 06 22 10:58:49 pm	Extend multi use path along James Snow Parkway	I was cycling on the multi use path on the West side of James Snow Parkway going North. I knew the pathway ended after Main St. but I had forgotten this happens. I had to take a detour and cycle North West on Maple Ave. (whose bike lanes disappear half away through the road), then North on Thompson (whose multi use path has many cracks and meets many dangerous intersections), then East on Steeles (whose pathway becomes a narrow sidewalk on the 401 bridge, and becomes a paved shoulder after the bridge), to reach the plaza. This adds about 5 minutes to the trip but this depends on how fast you bike. In the picture I added, the yellow shows the path I took, and the red is the path I would've taken if the multi use path extended. No wonder Milton is so car-centric, you can't even bike safely to the town's Walmart plaza for god's sake!	0	1	
Aug 06 22 11:13:52 pm	We need high quality cycle paths between Milton/ Oakville and Milton/ Mississauga	Since many people in Milton frequently travel to Mississauga (Peel region) and Oakville (Halton Region), we need high quality cycling connections between these towns and cities. We need wide, separated, off-road pathways with lighting (like bicycle highways in Netherlands), to be used by people of all ages to travel between these places without a car. This doesn't mean we won't need transit too, we need different alternatives to driving. Especially with e-bikes, these kind of cycling trips are actually feasible if we only had the infrastructure!	1	5	
Aug 11 22 09:57:44 pm	Additional general maintenance of existing facilities	As nice as new shiny things are, i'd appreciate additional spending on maintenance of existing infrastructure and general beautification. Some of the parks could use new basketball nets, lubrication of squeaky swings, and new wood chips. There are also many dead trees and unkept flowerbeds through-out town. Then there's also the graffiti everywhere. Add more budget and people to keep things clean. A bit off topic, i did appreciate the crackdown on the problematic commercial advertising signs last year.	1	3	
Aug 18 22 07:37:22 am	1) Speed bumps in residential areas of speeding 2) full time fire department across milton 3) infrastructure building prior to development		0	0	
Aug 18 22 10:27:33 am	Rural Roadside Safety	The Town is working on a great initiative to support road safety in the urban area. We would love to have this work extended to the rural area.	1	3	
Aug 18 22 12:10:45 pm	Bike Lanes	Cycling is pervasive on all rural roads. All future road resurfacing should include, at minimum, paved shoulders. (NCCC)	0	1	




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Share your thoughts! **21-Aug-22**

Date of contribution	Ideas		Votes	Visitors	Media
	Title	Description			
Aug 18 22 12:12:14 pm	rural Internet	Improvement are needed to high speed rural internet. There are still pockets in the rural area not serviced. (NCCC)	3	4	
Aug 18 22 12:18:01 pm	401 Noise Wall	Residents in Campbellville deal with increased noise from the 401 and have requested a joint resident/Town/Region/OMT noise wall along the 401. (NCCC)	1	0	
Aug 18 22 12:24:14 pm	Skating!	Add an ice skating rink at the Brookville Park	1	0	
Aug 18 22 09:58:02 pm	With more work from home and cost of housing increasing internet is now more essential than ever. Need to move out of the community.		0	0	
Aug 19 22 09:35:59 am	Open Nassagaweya Tennis Community Hall into a mini library & internet hub.	Rural internet is a real struggle. Having somewhere to access high speed internet, especially for teens trying to do homework, would add real value to the community.	1	0	
Aug 19 22 10:23:13 am	Fast Food Places on the Guelph Line at Campbellville. . People are in a Hurry, some don't cook Great for Seniors , and jobs. And flow in t		0	1	

Share your thoughts! 21-Aug-22

Date of contribution	Ideas		Votes	Visitors	Media
	Title	Description			
Aug 19 22 11:18:50 pm	More Bridges like Boyne Pedestrian Cyclist Bridge	How about some more bridges serving a similar purpose to the Boyne Pedestrian and Cyclist Bridge, but cheaper like the bridge over the CP Rail near Bishop Reding CSS, but would include ramps on stairs for bicycles. Locations to consider should include the intersection of Union Gas Trail and CN Rail (South of Derry Rd, West of Bronte St), another to the North to connect the trail along Duncan Ln to Bronte St, and one over Regional Rd 25 to connect Milton Community Park to a trail connecting to Yates Dr. I know these projects are expensive, but they have a big impact. For example, a bridge over Regional Road 25 (see picture) would turn a 30 minute walk or 9 minute bike into 1-2 minutes.	0	0	
Aug 19 22 11:35:57 pm	Multi-use paths to repave + add bicycle crossings at intersections	This is Thompson Rd.	0	0	

Share your thoughts!					21-Aug-22	
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	Title	Description				
Aug 19 22 11:37:13 pm	Multi-use paths to repave + add bicycle crossings at intersections	This is Steeles bridge over 401. The road shoulder can just be elevated to make the pathway wider. Is this possible?	0	0		
Aug 19 22 11:43:09 pm	Multi-use paths to repave + add bicycle crossings at intersections	This is Thompson Rd. - beside RioCan plaza. Just shows that anyone on wheels using the pathway will get punctured tires trying to cross through here. Also this plaza doesn't have enough bicycle parking. I'm pretty sure they can be sued because bicycles and e-scooters literally clog the sidewalk beside LA Fitness (since there is one bicycle rack here), and from time to time bicycle tumble over so this is definitely an accessibility issue.	0	0		
Aug 19 22 11:46:17 pm	Multi-use paths to repave + add bicycle crossings at intersections	This is Derry Rd. I like how there is a multi use path + sidewalk here, but clearly this pathway needs to be maintained. Also, some tree canopy here would be nice to provide some nice shade and give a sense of narrowed road space to drivers to slow down speeds.	0	0		

Share your thoughts!						21-Aug-22
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	Title	Description				
Aug 19 22 11:51:42 pm	Multi-use paths to repave + add bicycle crossings at intersections	Last, but definitely not least, there is a beautiful new pathway along a section of Martin St near the 401 park and ride that just doesn't connect to the existing sidewalk. I don't know who's project this was but some level of government needs to step up to fix this.	0	0		
Aug 19 22 11:58:14 pm	An image of bicycles blocking the sidewalk in a plaza	The image shows 1 bike rack in front of LA Fitness in Milton. Somehow, allocating half the plaza's land to car parking, and nothing to bicycle parking was a decision RioCAN made more than 10 years ago. Now, car parking is past capacity, and bicycles are a safety hazard (especially for people with accessibility constraints), and RioCAN still hasn't added more and better bicycle parking (despite many phone calls requesting they do).	0	1		
Jul 14 22 09:32:39 am	Comment response to "Most of main streets between Milton and Burlington/Oakville even part of Derry without lights, this should be part of your plan/budget!"	Street lights contribute to further light pollution, affect wildlife, human circadian rhythms and have no effectual value when people do not walk at night or have limited night travel. We can go without and should go without - more often, everywhere.	0	0		
Jul 14 22 11:36:24 am	Comment response to "No difference in rich and poor!! Shame on rich councilors!!"	I think you mean property taxes	0	0		
Jul 19 22 11:32:20 am	Comment response to "No difference in rich and poor!! Shame on rich councilors!!"	You pay the tax rate on the assessed value of each property. Larger properties pay more as they are assessed higher.	0	0		
Jul 22 22 02:07:54 pm	Comment response to "No difference in rich and poor!! Shame on rich councilors!!"	Reduce tax in rural areas for residents that don't get, and don't want, municipal services (like water, streetlights, fire hydrants, libraries, sport centres, museums, arts centres, transit, etc)	0	0		

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Date of contribution	Ideas		Votes	Visitors	Media	
	Title	Description				
Jul 14 22 11:33:41 am	Comment response to "Reduce spending "	I couldn't agree more. My wife took my 3 year old on the bus to show her what it was like. The bus was 20 minutes early, they were the only ones on it, and it never stopped once until they got to the end of the route. We can't eliminate buses but drastically reducing the frequency will help to lower costs to the city and taxpayer	0	0		
Jul 22 22 01:59:55 pm	Comment response to "Reduce spending "	Eliminate buses. At least publish how little the bus is used. Spend the money on enhanced Go Train instead. Consider subsidizing Uber instead of spending money on transit like is done in Innisfil	0	0		
Jul 22 22 02:16:06 pm	Comment response to "Reduce spending "	Spend less on new police cars. Hilton Regional Police do not need so many new, huge, inefficient SUVs. They can do the same job in a RAV4 or Honda Civic (built in Ontario). Ford Explorers, Chev Suburbans are not necessary to run radar.	0	0		
Jul 28 22 09:37:34 pm	Comment response to "Reduce spending "	Go take the 6 bus after a GO Train and see how empty it is. 7-15 people is not empty.	0	0		
Jul 14 22 11:30:33 am	Comment response to "Public transit is in bad shape, why don't we have e-bikes/e-scooters for on-demand services? Mattamy Cycling is still not connected."	Take a look at Ottawa and see how well that went over	0	0		
Jul 22 22 02:03:28 pm	Comment response to "Fix roads in bad shape"	Bury power lines in rural areas so the power doesn't go out during storms. People have died clearing trees from the power lines during wind storms and ice storms	0	0		
Jul 22 22 02:09:26 pm	Comment response to "Let's get proactive - Expand roads & highways"	Eliminate traffic lights by installing roundabouts, everywhere.	0	0		

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	Title	Description			
Jul 28 22 11:56:28 pm	Comment response to "Let's get proactive - Expand roads & highways"	Expanding Roads and Highways will just increase congestion. It is very expensive for the town, region, and province to support infrastructure for private automobiles. As we densify and population increases in the GTA, our only option to decrease congestion in a financially possible way is to support transit, and active transportation as alternatives to driving. This will alleviate congestion. The Netherlands is ranked as the most cycling friendly country in the world. Waze also ranked them the best country for driving. This is because cycling infrastructure and transit provide lots of capacity without taking up much space. People using these alternatives leave more capacity on the roadway for cars. And actually, rapid transit is foreseeable in the GTA. There used to be an interurban railway between Kitchener and Brantford, and Brantford and Hamilton, and radial lines out of Toronto, in the first half of the 20th century, when the population in the GTA and Golden Horseshoe was many times smaller. Given population has skyrocketed and is still increasing, there is no way to say rapid transit is not foreseeable when it clearly is, and it is being built right now with GO Expansion or RER (Regional Express Rail).	0	0	
Aug 12 22 01:40:15 pm	Comment response to "Slower speed limits in community zones "	I agree with enforcement, just sharing that I don't think lowering the limit will help anyone since the racers will ignore it (they clearly do already). It will just cause congestion/delays and slow down people who already follow the speed limit.	0	0	
Aug 05 22 07:53:10 pm	Comment response to "Add bicycle parking at all town properties, and in downtown and along Bronte St."	Downtown have many blue bicycle places to leave yours. There could be more. Some spots behind main building at Main & Martin.	0	0	
Aug 05 22 09:15:58 pm	Comment response to "Add bicycle parking at all town properties, and in downtown and along Bronte St."	@donald100 Thanks, I didn't know that. The point is that bicycle parking should be plentiful, everywhere, and located in convenient locations (near store entrances). The fact that there is so much car parking and little and inconveniently located bicycle parking, even though a bicycle takes up a tenth of the space a car does, we undoubtedly need to add more bicycle racks (especially in front of every store/ entrance).	0	0	
Aug 12 22 01:37:05 pm	Comment response to "We need high quality cycle paths between Milton/ Oakville and Milton/ Mississauga"	I don't think we should invest in infrastructure that can't be used 25%/33% of the year. If people need to travel out of Milton, it has to be highways for cars. Take Oakville, a trip via bicycle would take over an hour, one way, and this is a city within Halton region. People can't commute this way. Like it or not, roads and motor vehicles are the solution.	0	0	

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	Title	Description			
Aug 12 22 05:14:18 pm	Comment response to "We need high quality cycle paths between Milton/ Oakville and Milton/ Mississauga"	<p>@martinvincent Thanks for the comment! You bring up common points but they are both misconceptions that need to be addressed. For your first point, weather is a big issue. Cold temperatures can be a problem for some people but you actually warm up really quickly when cycling and you can wear a mask or scarf to keep warm. The main problems in the winter are ice and snow. These are also problems for driving. That's why cycling pathways need to be well maintained and clear of snow and ice. You can watch this video about cycling in Finland (another cold country) and why it's easier to cycle there in the winter: https://m.youtube.com/watch?v=Uhx-26GfCBU.</p> <p>For your second point about distance, yes, driving is faster. But it isn't as much faster as you may think. Typically for me, cycling only takes double the time for a trip in the city, and in rural areas maybe it may be up to three times the time for a cycling trip. However, this doesn't mean there isn't demand for long distance cycle paths. That's because there are other factors to consider like cost, space, the experience, and health benefits. Most people may choose to drive, but others will seek alternatives like transit or cycling. Not only for commuting, but for recreation or other trips like visiting friends.</p> <p>Ultimately, providing long distance cycling paths as an alternative to driving will reduce the number of cars on the road, freeing up capacity and reducing congestion between our ever growing cities, and would increase the quality of life for Miltonians by providing a cleaner and more pleasurable experience. I strongly believe there is a case for cycling paths between Milton/ Mississauga and Milton/ Oakville because the distance between our urban boundaries is continuing to get closer and closer, and the demand is there. I think it's a smart investment to make and we would benefit from having better quality cycling infrastructure.</p>	0	0	
Aug 12 22 01:31:48 pm	Comment response to "Additional general maintenance of existing facilities"	Agreed, the graffiti needs to be dealt with before it leads to other things.	0	0	

Municipal Price Index for 2023

	2022 Budget	% of 2022 tax supported Budget	Price Index	Weighted	Source	2023 Estimate
Salaries	48,770,237	36.31%	1.99%	0.72%	Market Adjustment, Contract Increases	49,743,137
Benefits	12,229,701	9.11%	6.49%	0.59%	Various (OMERS, Manulife, Green Shield, AIG, etc.)	13,023,742
Hydro	3,270,410	2.44%	4.94%	0.12%	Milton Hydro	3,431,829
Hydro - Streetlighting	916,371	0.68%	4.94%	0.03%	Milton Hydro	961,600
Water	765,750	0.57%	3.30%	0.02%	Region of Halton	791,020
Natural Gas	895,968	0.67%	13.90%	0.09%	Bank Commodity Forecasts, CPI and Regulatory impacts	1,020,516
Insurance	916,842	0.68%	20.00%	0.14%	Estimated Increase	1,100,210
Roads	617,628	0.46%	4.78%	0.02%	Asphalt Cement Price Index, MTO	647,171
Fleet Costs						
Fuel	1,165,210	0.87%	51.40%	0.45%	Bank Commodity Forecasts, CPI and Regulatory impacts	1,764,078
Repairs	1,452,243	1.08%	4.60%	0.05%	CPI	1,519,046
Licencing	80,251	0.06%	4.60%	0.00%	CPI	83,943
Transfer to Reserves	33,269,085	24.77%	10.98%	2.72%	Various (Stats Can Quarterly Construction Price Index, CPI)	36,921,781
Purchased Goods and Services	27,316,682	20.34%	4.60%	0.94%	CPI	28,573,249
Financial Expenditures	2,631,796	1.96%	0.49%	0.01%	Forecasted Tax Rate Change, Other	2,644,796
TOTAL EXPENSES	134,298,174	100.00%		5.90%		\$142,226,118
User Fees and Service Charges	(25,770,831)		5.90%		MPI (excluding Revenue Impacts)	(27,292,145)
Regional Recovery and Chargebacks	(6,899,980)		4.60%		CPI	(7,217,379)
Contribution from Capital	(7,153,263)		2.82%		Index of Non Union Salaries and Benefits	(7,354,727)
Investment and Interest Income	(5,253,231)		0.00%			(5,253,231)
Taxation and Payments in Lieu	(4,047,775)		5.50%			(4,270,403)
Grants, Other Recoveries and Donations	(1,740,189)		0.00%			(1,740,189)
Contributions from Reserves and Misc. Revenues	(3,747,078)		0.00%			(3,747,078)
TOTAL REVENUES	(54,612,347)					(56,875,152)
Tax Levy	79,685,827					\$85,350,966
2023 MPI						7.11%

Current projections from the Bank of Canada's Monetary Policy Report forecast the Statistics Canada Consumer Price Index (CPI) increasing by 4.6% in 2023. While CPI can be a good proxy for general cost inflation it does not align with cost pressures faced by a municipality. CPI includes measures such as housing, food and transportation which does not reflect the typical basket of goods and services acquired annually by the Town, nor does it consider the significant level of investment in capital infrastructure spending or the impact of flat-lined revenue sources such as grants, investment income and most transfers from reserve.

To account for the differences and more accurately reflect the inflationary pressures facing the Town a customized Municipal Price Index (MPI) has been developed and has been in use since 2008. The MPI is an inflationary index based specifically on the mix of goods and services purchased by the Town calculated as a weighted average of price increases for each component in the Town's budget and has been developed in accordance with Government Finance Officers Association (GFOA) best practices.

Total Expenses and Revenues are \$29.9 million lower than the approved 2022 Operating Budget due to the exclusion of flow through transactions that do not impact the tax levy and therefore are not relevant to MPI. The exclusions include General Government and Interfund transfers, Building Services, Hospital Expansion and reallocated expenses and revenues that have no bottom line impact.

Appendix C - CORS-060-22 - 2023 and 2024 Budget Pressure Details

Component	2023 Net Levy Impact \$ (000's)	2023 Residential Tax per \$100K of Assessment*	2023 Residential Tax % Change	2024 Net Levy Impact \$ (000's)	2024 Residential Tax per \$100K of Assessment*	2024 Residential Tax % Change	Comments
Prior Year Tax Levy	\$79,686	\$271.97		\$91,153	\$305.71		
Inflation and Base Adjustments:							
Inflation (MPI)	\$5,665	\$19.00	6.99%	\$3,555	\$11.40	3.73%	Inflation based on Municipal Price Index (MPI) and other miscellaneous status quo items.
Non-recurring & Reversal of One-Time Transfers	\$477	\$1.60	0.59%	\$0	\$0.00	0.00%	Reversal of one-time funding from stabilization reserves included in 2022 budget (\$0.2M transit, \$0.15M library, \$0.1M minimum wage) and other miscellaneous one-time costs, largely in area of IT (\$0.06M).
Service Enhancements	\$120	\$0.40	0.15%	\$285	\$0.91	0.30%	Introduce funding to participate in a Halton Region Smart Commute program (\$0.04M in 2023), Introduction of Automated Speed Enforcement (\$0.23M in 2024).
Infrastructure Deficit	\$1,000	\$3.35	1.23%	\$1,000	\$3.21	1.05%	Funding to gradually reduce the infrastructure deficit outlined in existing asset management plan.
Other Base Adjustments	(\$613)	(\$2.05)	-0.76%	\$333	\$1.07	0.35%	2023 includes reversal of one time COVID impacts in 2022 budget along with mitigation, anticipated reductions in hydro usage due to LED conversions at facilities (-\$0.28M), increasing investment income maintained within operating budget (-\$0.50M), net impact from user fee study and other user fee adjustments (\$0.04M), increased stormwater monitoring from CLI/ECA process (\$0.10M) and progression of fire staff through ranks (\$0.16M). 2024 includes progression of fire staff through ranks (\$0.20M) and elimination of library fines (\$0.13M).
Total Inflation & Base Adjustments	\$6,649	\$22.30	8.20%	\$5,173	\$16.59	5.43%	
Growth Related:							
State of Good Repair for Constructed & Assumed Assets	\$1,286	\$4.31	1.59%	\$2,299	\$7.37	2.41%	Lifecycle contributions to reserves based on budgeted and assumed assets in order to prevent a further increase in the infrastructure funding deficit.
Expanding Service to Growth Areas	\$1,695	\$5.68	2.09%	\$3,334	\$10.69	3.50%	Costs (materials, contracts etc.) of expanding service to growth areas e.g. road and park maintenance (\$0.4M in 2023 and \$0.5M in 2024), expansion of transit to growth areas (\$0.4M in 2023 and \$1.0M in 2024). Additional fire staffing in relation to Fire Master Plan (\$0.5M in 2023 and \$0.8M in 2024). Provision for growth staffing across organization (\$0.35M in 2023 and \$1.0M in 2024).
Other Growth-Related Impacts	\$1,837	\$6.16	2.27%	\$1,268	\$4.07	1.33%	Funding for legislated development charge exemptions (\$0.2M in each of 2023/2024), growth related increase to reserves (\$0.5M in 2023, \$0.5M in 2024), HRIS (\$0.3M in 2023 and \$0.1M in 2024), software licensing (\$0.2M in 2023), facility networking and other IT projects (\$0.2M in 2023), Digital Records Management Solution (\$0.2M in 2023), annualization of growth capital projects from 2022 (\$0.2M in 2023), Property Tax System (\$0.1M in 2024), Customer Relationship Management (\$0.1M in 2024), Library Bookmobile (\$0.2M in 2024), reduction in subdivision revenue (\$0.1M in '24).
Total Growth Related	\$4,818	\$16.16	5.94%	\$6,901	\$22.14	7.24%	
Total Increase in Levy	\$11,467	\$38.46	14.14%	\$12,074	\$38.73	12.67%	
Total Tax Levy	\$91,153	\$310.43		\$103,227	\$344.44		
Estimated Assessment Growth (net of reductions)**	(\$1,408)	(\$4.72)	-1.74%	(\$4,154)	(\$13.32)	-4.36%	Forecast assessment growth based on updated residential growth forecast and expected industrial/commercial development.
Forecasted Net Tax Levy Increase Required)	\$10,059	\$305.71	12.40%	\$7,920	\$331.11	8.31%	

* Based on 2022 CVA values per 2021 Final Tax Levy By-law, CORS-028-22. Through the annual tax setting bylaw tax rates are re-calculated each year using current year assessment values.

** This is the amount net of anticipated losses from Assessment Review Board appeals, Request for Reconsiderations, and Section 357 Applications (tax class changes, properties razed by fire, etc.).

CORS-060-22 - 2023 Budget Call Report - Appendix D
2023 Capital and Operating Budget Timetable

