



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: November 4, 2024

Report No: ES-033-24

Subject: Operating Budget Review - September 2024

Recommendation: THAT the operating report for the nine months ending September 2024 along with a projected surplus of \$3.2 million be received for information.

THAT the Financial Management Policy No. 116 - Treasury be updated to re-classify the DBIA Reserve to the DBIA Reserve Fund, with an effective date of January 1, 2024 for the purpose of interest allocation, as described further in the report below.

EXECUTIVE SUMMARY

This report provides a detailed review and update of the operating budget through September 2024 with the following information of note:

- Current forecasting suggests that the operating fund will be in a surplus of \$3.2 million for year end, primarily related to increased transit ridership and revenues, staff gapping as well as savings in winter maintenance activities.
- Gross investment income is expected to be \$4.1 million greater than budget due largely to a higher than budgeted average portfolio balance.
- Reserve balances are expected to be \$39.5 million higher than anticipated due to shifts in timing of capital spending, savings on awards and re-financing of projects with grant funding received from other levels of government.

The financial position of the Town will continue to change throughout the balance of the year due to factors such as weather conditions, utility and fuel usage and rates, and position vacancies.



EXECUTIVE SUMMARY

A minor amendment is recommended to the Town’s Treasury Policy to restate the DBIA fund from a reserve to a reserve fund for the purpose of interest allocation.

REPORT

Background

Corporate Policy No. 113: Financial Management - Budget Management identifies that a comprehensive review of the Town’s operating budget will be undertaken in association with its September 30 balances. Corporate Policy No. 116: Financial Management - Treasury as well as Ontario Regulation 438/97 require that reporting to Council on the investment portfolio must be done at least annually. This report is to satisfy the requirements as set out in those policies.

Discussion

Operating Budget Monitoring for the period ending September 30, 2024

The following table reflects forecasted variances to the 2024 budget by department based on expectations for program delivery for the remainder of the year.

Department	2024 Approved Budget \$	Forecast Changes (Surplus)/Deficit \$	2024 Forecast \$
Mayor & Council	691,453	(464)	690,989
Executive Services	3,558,892	(148,349)	3,410,543
Corporate Services	35,782,216	(971,147)	34,811,069
General Government	(71,211,136)	479,620	(70,731,516)
Community Services	31,310,174	(1,709,407)	29,600,767
Development Services	(131,599)	(900,482)	(1,032,081)
Library		31,042	31,042
Hospital Expansion		-	-
BIA		(19,694)	(19,694)
Total Town of Milton		(3,238,881)	(3,238,881)

Note 1 Figures include rounding and may result in minor variances to the Attached Financial Schedules

Staff are currently forecasting that the year end position of the Town will be a \$3.2 million surplus for 2024.

The surplus is largely driven by \$0.87 million in expected savings from staff vacancies combined with Transit savings of \$0.87 million, primarily due to increased ridership and associated GO Transit fare integration subsidies. Further contributing to the surplus are increased development application revenues of \$0.60 million due to timing of applications, anticipated savings in winter maintenance of \$0.55 million due to a lighter winter, and a



Discussion

higher than anticipated volume of recreation program activity resulting in an anticipated net revenue increase of \$0.5 million.

Detailed commentary on variances by department can be found in Appendix 2.

Balance Sheet Monitoring as at September 30, 2024

Investments and Cash Management

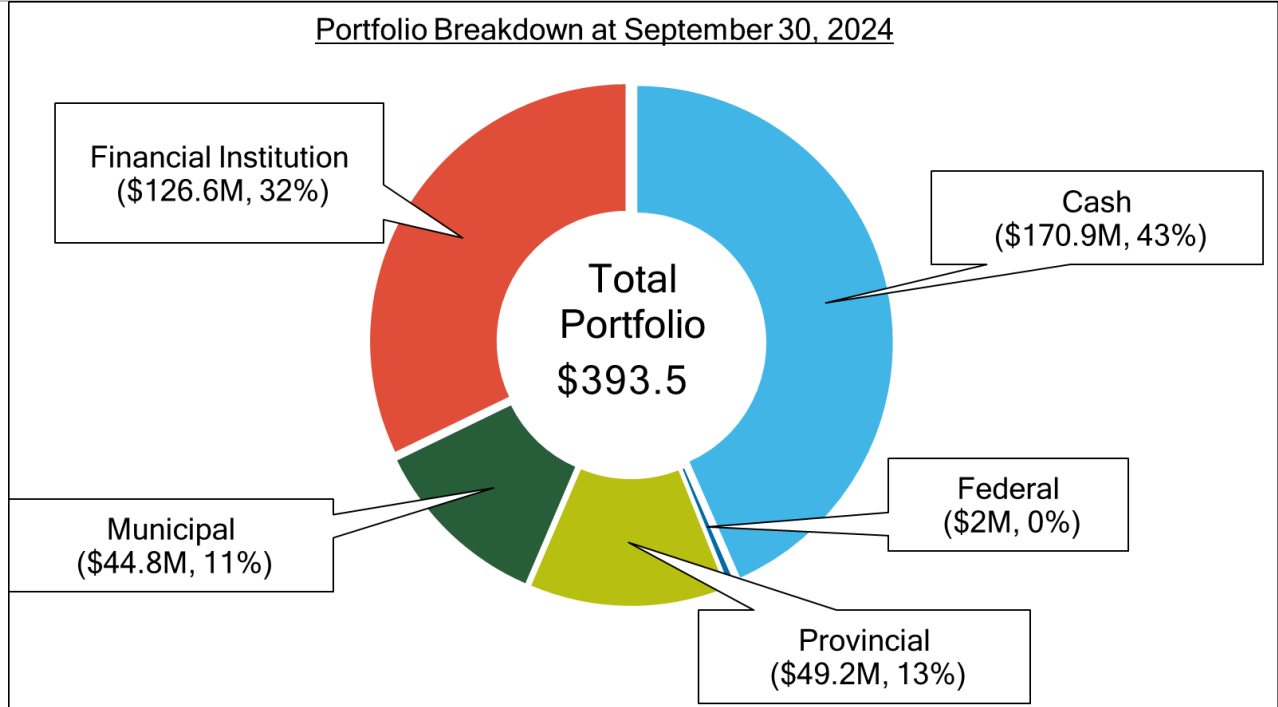
Economic Update

Throughout 2024, the Bank of Canada (BOC) started to move towards a less restrictive monetary policy by decreasing the overnight rate from 5.00% at the beginning of the year to 4.25% as of September 4, 2025. With inflation starting to cool economists are projecting further reductions in the overnight rate through 2025. As the BOC lowers the overnight rate the Town will receive lower interest returns on cash balances and fixed income products as future expectations get built in to the yield curve. Staff will continue to monitor market conditions for the purposes of making medium and longer term investments as opportunities become available while managing maturities to expected cash outflows and ensuring appropriate diversification is maintained.

Portfolio Summary / Cash and Investment Positions

A summary of the overall portfolio as of September 30, 2024 is shown in the chart below and a detailed comparison of the limitations on holdings, as set out in Financial Management - Treasury Policy No. 116, is included in Appendix 3. All securities held in the first nine months of 2024 satisfied the Town's credit rating requirements.

Discussion



The Town is currently carrying over 40% of its portfolio balance in cash due to upcoming capital project expenditures and timing of tax collections and payments. As market opportunities arise the Town continues to invest to take advantage of the elevated interest rates, compared to recent years, as illustrated in Appendix 4. Through report CORS-024-22, Council approved an expansion to the list of eligible investments for the Town that would allow for exposure to the equity market through the ONE equity fund. At this time, no investments have been made in that fund and it is expected that when the introduction of that investment product does occur, it will be undertaken on a phased basis.



2024 Investment Income Forecast

Due to market conditions and a higher than expected portfolio balance, current projections estimate gross investment income to be \$15.0 million for the year, which is \$4.1 million higher than what was incorporated into the 2024 budget. The additional investment income will have no impact on the operating budget in 2024 as it will be allocated to reserves at year end in accordance with the Town's Treasury Policy, where it will be available for future investment by Council. Changing market conditions may create forecast adjustments throughout the year.

Property Tax Collection

The Town of Milton collects property taxes for the Town, Region of Halton and the Halton Boards of Education as legislated under the Municipal Act, 2001. The following table provides an update on the Town's current year tax collection up to the end of September 2024. As shown, the 2024 collection rate to date is slightly positive to the Town's historical rate.

Tax Year	Total Billable Properties	Properties with Arrears as of Oct 3	Final Tax Levy ¹	Current Year Collections (as of Oct 3) ¹	Current Year Past Due ¹	Current Year % Paid
2024	43,389	8,935	\$266,160,764	\$225,669,742	\$18,406,816	84.8%
2023	42,788	8,264	\$246,649,259	\$194,952,451	\$14,945,333	79.0%
2022	41,825	8,043	\$231,220,799	\$187,534,824	\$12,768,825	81.1%

¹ Includes Town, Region and Educational shares

Debenture Obligations

As of September 30, 2024 the Town has an estimated \$46.8 million in total debt outstanding. In April the Town participated in the Regional debenture issuance. The Town of Milton accounted for \$10.5 million of the \$77.5 million overall debenture issuance, with an average borrowing yield of 4.445%. The proceeds will be used to fund previously approved capital projects such as road projects (asphalt overlay, expanded asphalt, bridgework) and park redevelopments (Chris Hadfield and Moorelands).

Debenture repayments in the amount of \$5.0 million will have occurred this year, resulting in \$46.8 million in outstanding debt at the end of 2024. In addition to the debenture obligations outlined below, \$7.0 million of debt that has been previously approved by Council remains yet to be issued. Based on the status of projects with unissued debt as a funding source, cash position and market conditions, it is expected that no additional debt will be issued by the Town during 2024.



The Corporation of the Town of Milton

Discussion

Existing Debenture Obligation (\$000)	Debt at Dec 31, 2023	Principal Payments to Sep 30	New Issue	Debt at Sep 30	2024 Principal Payments Outstanding	Forecast Dec 31, 2024
Tax Supported	\$22,231	\$(3,149)	\$10,475	\$29,557	\$0	\$29,557
Capital Provision (Hospital)	6,514	(1,568)		4,947	0	4,947
Hospital Expansion (see below)	12,578	(303)		12,275	0	12,275
Total	\$41,323	\$(5,019)	\$10,475	\$46,780	\$0	\$46,780

The Hospital sinking fund debenture is held and managed by the Region of Halton, for the purposes of retiring the debt at maturity. The annual \$302,726 sinking fund contribution and the interest income to be earned on the investments of the sinking fund over 30 years were projected at the outset to fully cover the principal payment due at maturity. The balance at December 31, 2024 as shown will be further reduced by the interest earned to date on the fund which will be reported by the Region to the Town for year end.

Reserves and Reserve Funds

Reserves and reserve funds are an important element of the Town's long-term financial plan. They allow the Town to set aside funds for a future purpose and fulfil a critical financial need for the municipality. They make provisions for the replacement and rehabilitation of existing Town assets, provide a contingency for one-time and unforeseeable events, and provide flexibility to manage debt levels and protect the Town's financial position.

The anticipated reserve and reserve fund balances for 2024 are outlined in the table below. Balances by individual reserve and reserve funds are shown in Appendix 5.

Reserves and Reserve Funds (\$000)	As at Dec 31, 2023	As at Sep 30, 2024	Forecasted Dec 31, 2024	Surplus/ (Deficit) to Budget
Stabilization	\$22,074	\$22,067	\$22,309	\$(275)
Corporate Use	14,679	15,254	15,991	848
Infrastructure Non Growth	87,556	87,679	98,351	13,679
Infrastructure Growth	55,468	83,066	110,754	18,988
Program Specific	17,774	16,098	16,647	670
Board, Committee & Other	2,426	13,026	7,383	5,572
Total	\$199,978	\$237,191	\$271,433	\$39,480

Discussion

The forecasted 2024 balance includes projected 2024 activity as identified in the 2024 budget along with any forecasted adjustments that have been identified in 2024. Following is commentary on forecasted 2024 year end reserve balances that are expected to be significantly different than budget:

Corporate Use Reserves

The Corporate Use reserves are expected to be favourable to budget at the end of 2024 due to the higher than expected Per Unit Development Processing Fee reserve at the end of 2023 (see staff report CORS-013-24).

Infrastructure Non Growth

The Infrastructure Non Growth reserves are projecting a surplus to budget due excess funds of \$7 million in the capital Project Variance Account being returned to reserve (see staff report ES-024-24), \$0.4 million in incremental dividend income from Milton Hydro Holdings, and the contribution of excess investment income earned in 2024.

Infrastructure Growth

The Infrastructure Growth reserves are forecasting a surplus primarily due shifts in timing of capital expenditures and DC revenue collections. The DC reserve balances include the approximate \$33.9 million in cash flow assistance that was received in 2024 (see staff report CORS-016-24).

Program Specific / Board, Committee & Other

The projected variances to budget are related to timing of spending of Housing Accelerator Fund revenue received in 2024.

Discussion

Policy Update - No. 116 Treasury

The Treasury policy provides guidance to staff in the management of debt, investments and the reserves. The reserves managed by the Town are differentiated between Reserves and Reserve Funds. Reserves represent funds set aside to assist in the maintenance of the financial position of the organization or future planned initiatives, and are often funded with general revenues such as the property tax levy. Reserve Funds are typically established through by-law of Council or by the requirement of federal or provincial legislation, and often are funded from a distinct funding source. An example of a Reserve Fund is the Canada Community-Building Fund, which represents funds received from the Federal Government that can only be spent in accordance with the guidelines of the program.

In accordance with the Town's Treasury Policy No. 116, reserves do not receive an annual interest allocation, and instead only receive an allocation through Council approval (either directly or delegated). In recognition of their distinct funding sources, and in some cases legislative or contractual requirements, Reserve Funds receive an annual interest allocation.

The DBIA fund currently is set up as a reserve and, as such, has not historically received an interest allocation. Given that the DBIA fund is managed separately by the DBIA Board and funded through a separate levy that is exclusive to DBIA properties, staff recommend a minor amendment to the Reserve and Reserve Fund definitions of the Treasury Policy. This amendment will re-classify the BIA fund as a reserve fund rather than a reserve, effective January 1, 2024. This change will result in interest income being allocated to this fund going forward. The allocations of interest income to reserves funds are completed at year end by applying the average annual return of the Town's portfolio to the average balance in each reserve fund. It is estimated that approximately \$10,000 of interest may be allocated to the DBIA fund for 2024.



Financial Impact

The September 2024 variance review process suggests that the operating fund may be in a surplus position of \$3.2 million for 2024. The financial position of the Town will continue to change throughout the balance of the year and may be impacted by factors including weather related activity, utility and fuel usage and rates, tax write-offs, the pace of growth and staff vacancies, among other items.

The results of variance review process will be used to inform the remainder of the Town's activities in 2024 as well as the 2025 Budget process. Council will have an opportunity to determine the allocation of the projected 2024 year end surplus as part of the year end operating report, which is typically presented around the end of the first quarter each year.

The adjustment to the Treasury Policy to reclassify the DBIA reserve to a reserve fund, if approved, will result in a reallocation of interest income from the Town to the BIA in an estimated amount of \$10,000 for 2024.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Jennifer Kloet 905-878-7252 x2216

Attachments

- Appendix 1 - September 2024 Operating Financial Statements
- Appendix 2 - September 2024 Operating Variance Commentary by Department
- Appendix 3 - Investment Portfolio Holdings and Limitations
- Appendix 4 - Interest Rates and Bond Yields
- Appendix 5 - Reserve and Reserve Fund Continuity Schedule

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



The Corporation of the Town of Milton

Report #:
ES-033-24
Page 10 of 10

Recognition of Traditional Lands

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.

**TOWN OF MILTON - SUMMARY
OPERATING FINANCIAL STATEMENT
September 2024**

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
MAYOR AND COUNCIL	533,107	571,211	691,453	(464)	690,989	83%
EXECUTIVE SERVICES	1,726,137	2,120,828	3,558,892	(148,349)	3,410,543	62%
CORPORATE SERVICES	22,708,022	24,431,554	35,782,216	(971,147)	34,811,069	70%
GENERAL GOVERNMENT	(70,948,305)	(76,716,116)	(71,211,136)	479,620	(70,731,516)	108%
COMMUNITY SERVICES	20,675,873	20,956,098	31,310,174	(1,709,407)	29,600,767	71%
DEVELOPMENT SERVICES	124,704	(607,742)	(131,599)	(900,482)	(1,032,081)	59%
LIBRARY	(1,603,717)	(1,509,600)		31,042	31,042	(4,863%)
HOSPITAL EXPANSION	(422,546)	(410,274)				
BIA	(164,877)	(203,045)		(19,694)	(19,694)	1,031%
Total TOWN OF MILTON	(27,371,602)	(31,367,086)		(3,238,881)	(3,238,881)	

Note: Figures include rounding and may result in minor variances to the departmental financial statements.

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

MAYOR AND COUNCIL

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
MAYOR AND COUNCIL						
MAYOR AND COUNCIL						
EXPENDITURES						
Salaries and Benefits	479,260	517,274	608,427		608,427	85%
Administrative	47,179	50,205	61,624		61,624	81%
Financial		614	5,000		5,000	12%
Purchased Goods	595	526	976		976	54%
Purchased Services	6,074	2,590	20,426	(464)	19,962	13%
Total EXPENDITURES	533,108	571,209	696,453	(464)	695,989	82%
REVENUE						
Financing Revenue			(5,000)		(5,000)	
Total REVENUE			(5,000)		(5,000)	
Total MAYOR AND COUNCIL	533,108	571,209	691,453	(464)	690,989	83%
Total MAYOR AND COUNCIL	533,108	571,209	691,453	(464)	690,989	83%
Total MAYOR AND COUNCIL	533,108	571,209	691,453	(464)	690,989	83%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

EXECUTIVE SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
EXECUTIVE SERVICES						
OFFICE OF THE CAO						
EXPENDITURES						
Salaries and Benefits	445,202	472,031	635,514		635,514	74%
Administrative	11,002	16,479	21,046		21,046	78%
Purchased Goods	7,216	7,129	5,442	700	6,142	116%
Purchased Services	8,612	5,849	29,699	(5,327)	24,372	24%
Total EXPENDITURES	472,032	501,488	691,701	(4,627)	687,074	73%
REVENUE						
Financing Revenue	(16,429)	(16,670)	(16,670)		(16,670)	100%
User Fees and Service Charges	(1,013)	(641)	(3,000)		(3,000)	21%
Total REVENUE	(17,442)	(17,311)	(19,670)		(19,670)	88%
Total OFFICE OF THE CAO	454,590	484,177	672,031	(4,627)	667,404	73%
STRATEGIC INITIATIVES AND ECONOMIC DEVELOPMENT						
EXPENDITURES						
Salaries and Benefits	644,282	484,667	800,665	(99,124)	701,541	69%
Administrative	9,960	7,828	23,272		23,272	34%
Financial	266	175	2,608		2,608	7%
Transfers to Own Funds	9,288					
Purchased Goods	3,853	702	8,336		8,336	8%
Purchased Services	37,741	96,042	155,152	(3,993)	151,159	64%
Reallocated Expenses	261					
Total EXPENDITURES	705,651	589,414	990,033	(103,117)	886,916	66%
REVENUE						
Financing Revenue	(29,083)	(11,197)	(11,197)		(11,197)	100%
Grants	(34,008)					
User Fees and Service Charges	(49,252)	(460)		(460)	(460)	100%
Total REVENUE	(112,343)	(11,657)	(11,197)	(460)	(11,657)	100%
Total STRATEGIC INITIATIVES AND ECONOMIC DEVELOPMENT	593,308	577,757	978,836	(103,577)	875,259	66%
FINANCE						
EXPENDITURES						
Salaries and Benefits	3,744,021	4,173,660	5,620,788	(6,413)	5,614,375	74%
Administrative	36,821	42,834	88,229	(17,726)	70,503	61%
Financial	4,021	3,509	6,610		6,610	53%
Purchased Goods	21,713	17,147	40,357	(11,600)	28,757	60%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

EXECUTIVE SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
Purchased Services	200,715	213,387	303,626	(128)	303,498	70%
Total EXPENDITURES	4,007,291	4,450,537	6,059,610	(35,867)	6,023,743	74%
REVENUE						
Financing Revenue	(2,437,936)	(2,555,655)	(2,680,599)	(143,536)	(2,824,135)	90%
Recoveries and Donations	306	(5,453)		(5,453)	(5,453)	100%
User Fees and Service Charges	(672,482)	(633,755)	(1,127,330)	40,600	(1,086,730)	58%
Reallocated Revenue	(218,942)	(196,781)	(343,655)	104,112	(239,543)	82%
Total REVENUE	(3,329,054)	(3,391,644)	(4,151,584)	(4,277)	(4,155,861)	82%
Total FINANCE	678,237	1,058,893	1,908,026	(40,144)	1,867,882	57%
Total EXECUTIVE SERVICES	1,726,135	2,120,827	3,558,893	(148,348)	3,410,545	62%
Total EXECUTIVE SERVICES	1,726,135	2,120,827	3,558,893	(148,348)	3,410,545	62%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

CORPORATE SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
CORPORATE SERVICES						
INFORMATION TECHNOLOGY						
EXPENDITURES						
Salaries and Benefits	2,500,408	2,753,767	3,767,497	(70,758)	3,696,739	74%
Administrative	16,495	15,825	40,561	(10,000)	30,561	52%
Purchased Goods	1,782,253	1,925,949	2,985,011	(410,000)	2,575,011	75%
Purchased Services	963,889	1,427,831	1,664,997	(11,439)	1,653,558	86%
Total EXPENDITURES	5,263,045	6,123,372	8,458,066	(502,197)	7,955,869	77%
REVENUE						
Financing Revenue	(566,682)	(832,572)	(630,098)	(324,784)	(954,882)	87%
User Fees and Service Charges	(66)	(1,663)	(100)	(1,563)	(1,663)	100%
Reallocated Revenue	(94,178)	(97,428)	(131,323)		(131,323)	74%
Total REVENUE	(660,926)	(931,663)	(761,521)	(326,347)	(1,087,868)	86%
Total INFORMATION TECHNOLOGY	4,602,119	5,191,709	7,696,545	(828,544)	6,868,001	76%
HUMAN RESOURCES						
EXPENDITURES						
Salaries and Benefits	1,060,031	2,073,495	1,618,186	1,192,295	2,810,481	74%
Administrative	104,952	128,789	257,019	(35,000)	222,019	58%
Purchased Goods	2,171	4,064	5,107		5,107	80%
Purchased Services	99,757	124,700	177,170	(1,161)	176,009	71%
Total EXPENDITURES	1,266,911	2,331,048	2,057,482	1,156,134	3,213,616	73%
REVENUE						
Financing Revenue	(367,430)	(472,658)	(452,330)	(20,327)	(472,657)	100%
Reallocated Revenue	(124,440)	(137,299)	(189,187)		(189,187)	73%
Total REVENUE	(491,870)	(609,957)	(641,517)	(20,327)	(661,844)	92%
Total HUMAN RESOURCES	775,041	1,721,091	1,415,965	1,135,807	2,551,772	67%
LEGISLATIVE & LEGAL SERVICES						
EXPENDITURES						
Salaries and Benefits	2,289,909	2,397,541	3,378,457	(92,441)	3,286,016	73%
Administrative	37,954	33,380	76,118	(13,139)	62,979	53%
Financial	25,098	17,396	40,000		40,000	43%
Transfers to Own Funds	225,000	235,323	235,323		235,323	100%
Purchased Goods	12,346	8,289	30,190	(5,000)	25,190	33%
Purchased Services	729,783	629,181	1,045,282	(147,053)	898,229	70%
Reallocated Expenses	146,625	154,128	117,208		117,208	131%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

CORPORATE SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
Total EXPENDITURES	3,466,715	3,475,238	4,922,578	(257,633)	4,664,945	74%
REVENUE						
Financing Revenue	(298,777)	(193,176)	(91,528)	(101,648)	(193,176)	100%
Recoveries and Donations	(3,816)	(13,312)	(21,500)		(21,500)	62%
User Fees and Service Charges	(1,636,577)	(1,532,132)	(2,620,046)	380,000	(2,240,046)	68%
Total REVENUE	(1,939,170)	(1,738,620)	(2,733,074)	278,352	(2,454,722)	71%
Total LEGISLATIVE & LEGAL SERVICE	1,527,545	1,736,618	2,189,504	20,719	2,210,223	79%
STRATEGIC COMMUNICATIONS						
EXPENDITURES						
Salaries and Benefits	718,837	950,370	1,191,685	81,452	1,273,137	75%
Administrative	20,754	26,875	27,012	5,000	32,012	84%
Purchased Goods	2,262	2,941	8,300		8,300	35%
Purchased Services	29,499	51,448	101,335	(5,909)	95,426	54%
Total EXPENDITURES	771,352	1,031,634	1,328,332	80,543	1,408,875	73%
REVENUE						
Financing Revenue	(202,003)	(253,401)	(253,402)	(133,604)	(387,006)	65%
Total REVENUE	(202,003)	(253,401)	(253,402)	(133,604)	(387,006)	65%
Total STRATEGIC COMMUNICATIONS	569,349	778,233	1,074,930	(53,061)	1,021,869	76%
TRANSIT						
EXPENDITURES						
Salaries and Benefits	328,059	362,466	572,794	(56,034)	516,760	70%
Administrative	9,867	13,811	19,627	(3,940)	15,687	88%
Financial			300		300	
Transfers to Own Funds	1,767,390	1,821,448	1,821,448		1,821,448	100%
Purchased Goods	4,087	10,950	14,095		14,095	78%
Purchased Services	3,885,960	3,839,291	6,429,114	248,672	6,677,786	57%
Fleet Expenses	1,094,990	1,219,597	2,424,840	(150,000)	2,274,840	54%
Reallocated Expenses	127,979	59,661	86,826		86,826	69%
Total EXPENDITURES	7,218,332	7,327,224	11,369,044	38,698	11,407,742	64%
REVENUE						
Financing Revenue	(978,132)	(978,745)	(1,082,887)	56,035	(1,026,852)	95%
Recoveries and Donations	(614,900)	(1,320,061)	(805,993)	(968,333)	(1,774,326)	74%
User Fees and Service Charges	(843,397)	(1,404,669)	(1,738,606)	4,000	(1,734,606)	81%
Total REVENUE	(2,436,429)	(3,703,475)	(3,627,486)	(908,298)	(4,535,784)	82%
Total TRANSIT	4,781,903	3,623,749	7,741,558	(869,600)	6,871,958	53%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

CORPORATE SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
FIRE						
EXPENDITURES						
Salaries and Benefits	9,028,146	10,134,025	14,257,650	(367,957)	13,889,693	73%
Administrative	79,060	122,473	155,054		155,054	79%
Financial	4,349	4,116	4,000	1,500	5,500	75%
Transfers to Own Funds	1,106,306	1,144,857	1,144,857		1,144,857	100%
Purchased Goods	87,968	79,822	92,791	8,000	100,791	79%
Purchased Services	204,464	221,624	359,857	(5,028)	354,829	62%
Fleet Expenses	180,324	129,897	186,479	(15,000)	171,479	76%
Total EXPENDITURES	10,690,617	11,836,814	16,200,688	(378,485)	15,822,203	75%
REVENUE						
Financing Revenue	(15,682)	(153,557)	(183,074)	29,517	(153,557)	100%
Grants	(18,068)		(2,500)	2,500		
Recoveries and Donations	(91,226)	(138,809)	(187,482)		(187,482)	74%
User Fees and Service Charges	(113,578)	(164,285)	(163,918)	(30,000)	(193,918)	85%
Total REVENUE	(238,554)	(456,651)	(536,974)	2,017	(534,957)	85%
Total FIRE	10,452,063	11,380,163	15,663,714	(376,468)	15,287,246	74%
Total CORPORATE SERVICES	22,708,020	24,431,563	35,782,216	(971,147)	34,811,069	70%
Total CORPORATE SERVICES	22,708,020	24,431,563	35,782,216	(971,147)	34,811,069	70%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

GENERAL GOVERNMENT

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
GENERAL GOVERNMENT						
GENERAL GOVERNMENT						
EXPENDITURES						
Salaries and Benefits	171					
Administrative	77,859	191,320	120,000	71,320	191,320	100%
Financial	4,744,866	3,721,511	4,852,388		4,852,388	77%
Transfers to Own Funds	34,147,175	39,979,687	49,477,354	4,520,604	53,997,958	74%
Purchased Services	175,550	115,064	95,011	1	95,012	121%
Total EXPENDITURES	39,145,621	44,007,582	54,544,753	4,591,925	59,136,678	74%
REVENUE						
External Revenue Transferred to Rese	(13,228,419)	(9,317,038)	(13,946,696)	(540,604)	(14,487,300)	64%
Financing Revenue	(7,021,054)	(9,902,579)	(8,559,600)	(2,955,000)	(11,514,600)	86%
Taxation	(85,057,584)	(95,979,537)	(96,315,737)	(203,736)	(96,519,473)	99%
Payments In Lieu	(1,041,432)	(1,060,249)	(1,057,284)	(2,965)	(1,060,249)	100%
Recoveries and Donations	106	(5,000)				
User Fees and Service Charges	(2,131,135)	(2,686,518)	(3,318,283)	(410,000)	(3,728,283)	72%
Reallocated Revenue	(1,614,408)	(1,772,780)	(2,558,289)		(2,558,289)	69%
Total REVENUE	(110,093,926)	(120,723,701)	(125,755,889)	(4,112,305)	(129,868,194)	93%
Total GENERAL GOVERNMENT	(70,948,305)	(76,716,119)	(71,211,136)	479,620	(70,731,516)	108%
Total GENERAL GOVERNMENT	(70,948,305)	(76,716,119)	(71,211,136)	479,620	(70,731,516)	108%
Total GENERAL GOVERNMENT	(70,948,305)	(76,716,119)	(71,211,136)	479,620	(70,731,516)	108%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

COMMUNITY SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
COMMUNITY SERVICES						
RECREATION AND CULTURE FACILITIES						
EXPENDITURES						
Salaries and Benefits	4,397,282	4,757,983	6,846,248	(248,548)	6,597,700	72%
Administrative	15,604	18,639	41,291	(4,500)	36,791	51%
Financial	96,764	125,779	130,018	9,746	139,764	90%
Transfers to Own Funds	1,985,236	2,180,969	2,265,423		2,265,423	96%
Purchased Goods	460,081	431,421	780,842	(3,564)	777,278	56%
Purchased Services	3,091,150	3,779,915	5,823,849	222,885	6,046,734	63%
Reallocated Expenses	146,079	28,741	46,730	(1,895)	44,835	64%
Total EXPENDITURES	10,192,196	11,323,447	15,934,401	(25,876)	15,908,525	71%
REVENUE						
Financing Revenue	(284,904)	(329,157)	(389,573)	(14,063)	(403,636)	82%
Grants	(549,925)	(491,101)	(935,256)	(4,049)	(939,305)	52%
Recoveries and Donations	(60,450)	(124,333)	(95,592)	(68,471)	(164,063)	76%
User Fees and Service Charges	(4,481,609)	(4,998,947)	(7,098,209)	20,948	(7,077,261)	71%
Reallocated Revenue	(194,075)	(220,458)	(448,810)	1,895	(446,915)	49%
Total REVENUE	(5,570,963)	(6,163,996)	(8,967,440)	(63,740)	(9,031,180)	68%
Total RECREATION AND CULTURE FACILITIES	4,621,233	5,159,451	6,966,961	(89,616)	6,877,345	75%
ADMINISTRATION AND CIVIC FACILITIES						
EXPENDITURES						
Salaries and Benefits	2,612,900	2,519,188	4,079,783	(733,484)	3,346,299	75%
Administrative	22,438	15,869	51,902		51,902	31%
Financial	50,834	49,067	37,944	11,124	49,068	100%
Transfers to Own Funds	345,660	326,063	410,532	(14,100)	396,432	82%
Purchased Goods	44,173	60,885	111,371		111,371	55%
Purchased Services	1,010,514	1,018,980	1,660,782	(94,830)	1,565,952	65%
Reallocated Expenses	75,913	30,305	21,680		21,680	140%
Total EXPENDITURES	4,162,432	4,020,357	6,373,994	(831,290)	5,542,704	73%
REVENUE						
Financing Revenue	(998,462)	(1,147,256)	(1,892,549)	298,488	(1,594,061)	72%
Recoveries and Donations	(13,506)	(16,693)	(32,138)		(32,138)	52%
User Fees and Service Charges	(229,797)	(144,904)	(381,180)	183,361	(197,819)	73%
Total REVENUE	(1,241,765)	(1,308,853)	(2,305,867)	481,849	(1,824,018)	72%
Total ADMINISTRATION AND CIVIC FACILITIES	2,920,667	2,711,504	4,068,127	(349,441)	3,718,686	73%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

COMMUNITY SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
PROGRAMS						
EXPENDITURES						
Salaries and Benefits	3,572,879	4,351,979	5,922,216	(298,585)	5,623,631	77%
Administrative	19,164	37,970	64,713	(12,603)	52,110	73%
Financial	210,260	205,610	691,891	60,000	751,891	27%
Transfers to Own Funds			78,350		78,350	
Purchased Goods	155,477	149,179	274,572	(27,208)	247,364	60%
Purchased Services	289,985	376,852	916,362	(352,379)	563,983	67%
Reallocated Expenses	116,427	107,661	107,661		107,661	100%
Total EXPENDITURES	4,364,192	5,229,251	8,055,765	(630,775)	7,424,990	70%
REVENUE						
Financing Revenue	(87,054)	(101,548)	(725,738)	(24,500)	(750,238)	14%
Grants	(52,531)	(76,681)	(112,137)	(8,311)	(120,448)	64%
Recoveries and Donations	(134,984)	(106,932)	(405,308)	218,579	(186,729)	57%
User Fees and Service Charges	(4,424,668)	(5,089,134)	(6,294,585)	(182,580)	(6,477,165)	79%
Reallocated Revenue	(1,850)		(6,500)	4,000	(2,500)	
Total REVENUE	(4,701,087)	(5,374,295)	(7,544,268)	7,188	(7,537,080)	71%
Total PROGRAMS	(336,895)	(145,044)	511,497	(623,587)	(112,090)	129%
OPERATIONS						
EXPENDITURES						
Salaries and Benefits	5,514,285	6,115,690	8,793,190	(288,097)	8,505,093	72%
Administrative	9,007	54,119	57,584	6,934	64,518	84%
Transfers to Own Funds	1,986,091	2,106,289	2,106,289		2,106,289	100%
Purchased Goods	1,435,054	1,071,686	1,880,377	(150,701)	1,729,676	62%
Purchased Services	4,954,647	3,923,630	7,209,655	(417,080)	6,792,575	58%
Fleet Expenses	1,102,617	1,057,735	1,383,197	200,000	1,583,197	67%
Reallocated Expenses	2,836,342	3,463,118	4,424,052	13,716	4,437,768	78%
Total EXPENDITURES	17,838,043	17,792,267	25,854,344	(635,228)	25,219,116	71%
REVENUE						
Financing Revenue	(225,826)	(261,021)	(257,987)	(6,074)	(264,061)	99%
Recoveries and Donations	(1,805,961)	(1,799,320)	(3,404,349)	472,732	(2,931,617)	61%
User Fees and Service Charges	(888,169)	(984,423)	(1,157,322)	(210,300)	(1,367,622)	72%
Reallocated Revenue	(3,345,154)	(3,724,799)	(4,663,288)	(13,716)	(4,677,004)	80%
Total REVENUE	(6,265,110)	(6,769,563)	(9,482,946)	242,642	(9,240,304)	73%
Total OPERATIONS	11,572,933	11,022,704	16,371,398	(392,586)	15,978,812	69%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

COMMUNITY SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
INFRASTRUCTURE MANAGEMENT						
EXPENDITURES						
Salaries and Benefits	1,538,745	1,898,125	2,878,364	(279,178)	2,599,186	73%
Administrative	16,310	26,871	43,358	(954)	42,404	63%
Financial	228,454	228,911	246,945		246,945	93%
Transfers to Own Funds	33,920	39,997	39,997		39,997	100%
Purchased Goods	27,522	19,385	69,777		69,777	28%
Purchased Services	1,237,096	1,298,960	2,193,925	53,067	2,246,992	58%
Total EXPENDITURES	3,082,047	3,512,249	5,472,366	(227,065)	5,245,301	67%
REVENUE						
Financing Revenue	(936,957)	(1,083,793)	(1,640,883)	13,150	(1,627,733)	67%
Recoveries and Donations	(21,361)	(13,483)	(96,803)	75,000	(21,803)	62%
User Fees and Service Charges	(225,798)	(207,494)	(342,485)	(115,262)	(457,747)	45%
Total REVENUE	(1,184,116)	(1,304,770)	(2,080,171)	(27,112)	(2,107,283)	62%
Total INFRASTRUCTURE MANAGEMEN	1,897,931	2,207,479	3,392,195	(254,177)	3,138,018	70%
Total COMMUNITY SERVICES	20,675,869	20,956,094	31,310,178	(1,709,407)	29,600,771	71%
Total COMMUNITY SERVICES	20,675,869	20,956,094	31,310,178	(1,709,407)	29,600,771	71%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

DEVELOPMENT SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
DEVELOPMENT SERVICES						
PLANNING SERVICES						
EXPENDITURES						
Salaries and Benefits	1,625,766	1,708,640	2,571,584	(174,888)	2,396,696	71%
Administrative	21,485	27,094	45,665	(2,000)	43,665	62%
Purchased Services	48,899	24,596	100,069	(41,389)	58,680	42%
Total EXPENDITURES	1,696,150	1,760,330	2,717,318	(218,277)	2,499,041	70%
REVENUE						
Financing Revenue	(347,731)	(326,596)	(601,993)	(75,472)	(677,465)	48%
Recoveries and Donations	(22,485)	(6,127)	(3,345)	(4,000)	(7,345)	83%
User Fees and Service Charges	(1,537,006)	(2,209,493)	(2,591,774)	(547,892)	(3,139,666)	70%
Total REVENUE	(1,907,222)	(2,542,216)	(3,197,112)	(627,364)	(3,824,476)	66%
Total PLANNING SERVICES	(211,072)	(781,886)	(479,794)	(845,641)	(1,325,435)	59%
BUILDING SERVICES						
EXPENDITURES						
Salaries and Benefits	2,748,643	3,072,749	4,731,348	(531,649)	4,199,699	73%
Administrative	69,706	69,596	152,087	(9,304)	142,783	49%
Financial	(7)	18,837		18,837	18,837	100%
Transfers to Own Funds	590,890	1,547,747	749,432	1,386,594	2,136,026	72%
Purchased Goods	1,939	5,561	16,301	(3,000)	13,301	42%
Purchased Services	40,022	31,848	59,471	(19,186)	40,285	79%
Reallocated Expenses	1,729,665	1,980,054	2,751,382	86,041	2,837,423	70%
Total EXPENDITURES	5,180,858	6,726,392	8,460,021	928,333	9,388,354	72%
REVENUE						
Financing Revenue	(9,264)	(9,876)	(9,876)		(9,876)	100%
Recoveries and Donations	(3,562)					
User Fees and Service Charges	(5,168,029)	(6,716,514)	(8,450,145)	(928,333)	(9,378,478)	72%
Total REVENUE	(5,180,855)	(6,726,390)	(8,460,021)	(928,333)	(9,388,354)	72%
Total BUILDING SERVICES	3	2				
DEVELOPMENT ENGINEERING						
EXPENDITURES						
Salaries and Benefits	1,470,781	1,695,087	2,209,368	287,239	2,496,607	68%
Administrative	15,577	25,050	39,938		39,938	63%
Financial		100	500		500	20%
Transfers to Own Funds	85,430					

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

DEVELOPMENT SERVICES

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
Purchased Goods			200		200	
Purchased Services	62,137	259,119	321,042	5,979	327,021	79%
Total EXPENDITURES	1,633,925	1,979,356	2,571,048	293,218	2,864,266	69%
REVENUE						
Financing Revenue	(337,347)	(327,537)	(419,515)	(13,150)	(432,665)	76%
Recoveries and Donations	(40,139)	(33,947)	(93,210)	(15,000)	(108,210)	31%
User Fees and Service Charges	(1,290,694)	(1,694,542)	(2,296,498)	(124,059)	(2,420,557)	70%
Reallocated Revenue	(52,562)	(188,476)	(65,355)	(161,930)	(227,285)	83%
Total REVENUE	(1,720,742)	(2,244,502)	(2,874,578)	(314,139)	(3,188,717)	70%
Total DEVELOPMENT ENGINEERING	(86,817)	(265,146)	(303,530)	(20,921)	(324,451)	82%
ADMINISTRATION						
EXPENDITURES						
Salaries and Benefits	336,632	345,897	492,073		492,073	70%
Administrative	9,284	8,435	12,227	174	12,401	68%
Purchased Goods	13,395	6,784	22,950	(10,000)	12,950	52%
Purchased Services	190,787	175,603	233,289	(12,611)	220,678	80%
Total EXPENDITURES	550,098	536,719	760,539	(22,437)	738,102	73%
REVENUE						
Financing Revenue	(89,304)	(92,048)	(108,816)		(108,816)	85%
Recoveries and Donations	(37,942)	(5,379)		(11,483)	(11,483)	47%
User Fees and Service Charges	(257)					
Total REVENUE	(127,503)	(97,427)	(108,816)	(11,483)	(120,299)	81%
Total ADMINISTRATION	422,595	439,292	651,723	(33,920)	617,803	71%
Total DEVELOPMENT SERVICES	124,709	(607,738)	(131,601)	(900,482)	(1,032,083)	59%
Total DEVELOPMENT SERVICES	124,709	(607,738)	(131,601)	(900,482)	(1,032,083)	59%

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

LIBRARY

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
LIBRARY						
LIBRARY						
EXPENDITURES						
Salaries and Benefits	2,866,693	2,845,953	4,341,824	(278,012)	4,063,812	70%
Administrative	40,593	35,168	66,052	(10,000)	56,052	63%
Financial	5,080	4,622	6,500		6,500	71%
Transfers to Own Funds	678,988	710,139	710,139		710,139	100%
Purchased Goods	365,390	366,774	428,779	35,601	464,380	79%
Purchased Services	295,050	444,971	543,057	19,779	562,836	79%
Reallocated Expenses	195,015	206,303	412,605		412,605	50%
Total EXPENDITURES	4,446,809	4,613,930	6,508,956	(232,632)	6,276,324	74%
REVENUE						
Financing Revenue	(21,696)	(23,622)	(21,696)	(1,926)	(23,622)	100%
Taxation	(5,901,548)	(5,933,370)	(6,190,338)	256,968	(5,933,370)	100%
Grants	(39,951)	(51,910)	(81,288)	(25,772)	(107,060)	48%
Recoveries and Donations	(14,685)	(7,770)	(14,596)	(7,495)	(22,091)	35%
User Fees and Service Charges	(72,646)	(106,858)	(201,037)	41,899	(159,138)	67%
Total REVENUE	(6,050,526)	(6,123,530)	(6,508,955)	263,674	(6,245,281)	98%
Total LIBRARY	(1,603,717)	(1,509,600)	1	31,042	31,043	(4,863%)
Total LIBRARY	(1,603,717)	(1,509,600)	1	31,042	31,043	(4,863%)
Total LIBRARY	(1,603,717)	(1,509,600)	1	31,042	31,043	(4,863%)

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

HOSPITAL EXPANSION

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
HOSPITAL EXPANSION						
HOSPITAL EXPANSION						
EXPENDITURES						
Financial	2,076,710	2,087,182	2,497,455		2,497,455	84%
Total EXPENDITURES	2,076,710	2,087,182	2,497,455		2,497,455	84%
REVENUE						
Financing Revenue	(2,499,256)	(2,497,455)	(2,497,455)		(2,497,455)	100%
Total REVENUE	(2,499,256)	(2,497,455)	(2,497,455)		(2,497,455)	100%
Total HOSPITAL EXPANSION	(422,546)	(410,273)				
Total HOSPITAL EXPANSION	(422,546)	(410,273)				
Total HOSPITAL EXPANSION	(422,546)	(410,273)				

TOWN OF MILTON
OPERATING FINANCIAL STATEMENT
September 2024

BIA

	2023 YTD ACTUAL	2024 YTD ACTUAL	2024 ANNUAL BUDGET	FORECAST CHANGES	2024 ANNUAL FORECAST	YTD PERCENT of FORECAST
BIA						
BIA						
EXPENDITURES						
Salaries and Benefits	152,337	158,635	203,440	8,739	212,179	75%
Administrative	22					
Financial	3,250	6,093	4,700	5,134	9,834	62%
Purchased Goods	12,221	4,498	31,600		31,600	14%
Purchased Services	127,416	111,848	243,435	(7,130)	236,305	47%
Reallocated Expenses	4,373	4,186	4,500		4,500	93%
Total EXPENDITURES	299,619	285,260	487,675	6,743	494,418	58%
REVENUE						
Financing Revenue	(29,740)	(25,000)	(25,000)		(25,000)	100%
Taxation	(258,162)	(269,472)	(270,990)	(1,518)	(272,508)	99%
Grants	(14,043)		(10,024)	(200)	(10,224)	
Recoveries and Donations	(39,741)	(52,934)	(30,500)	(22,434)	(52,934)	100%
User Fees and Service Charges	(14,398)	(33,238)	(43,500)	(2,285)	(45,785)	73%
Reallocated Revenue	(108,411)	(107,661)	(107,661)		(107,661)	100%
Total REVENUE	(464,495)	(488,305)	(487,675)	(26,437)	(514,112)	95%
Total BIA	(164,876)	(203,045)		(19,694)	(19,694)	1,031%
Total BIA	(164,876)	(203,045)		(19,694)	(19,694)	1,031%
Total BIA	(164,876)	(203,045)		(19,694)	(19,694)	1,031%

Appendix 2 - ES-033-24

2024 Operating Variance Commentary By Department

Variances impacting multiple departments of the Town are highlighted below.

Staff Gapping

In 2024, the Town budgeted for savings from staff vacancies in the amount of \$1,025,000. As staff gapping savings are identified, the salary and benefit budget is reduced within the respective department while an offsetting variance is shown against the budgets in General Government up to the full year budgeted gapping amounts. This redistributes the annual budget from the departments as the savings are being incurred. The Town wide staff gapping savings projected through the September variance review process are \$1,899,331. As such, the budgeted savings of \$1,025,000 have been reached and additional savings in the amount of \$874,331 are expected to be realized.

Insurance

As previously reported through ES-022-24, the Town's insurance policies were renewed for a 12-month period from July 2024 to June 2025 at a cost of \$1,407,472 for 2024. A favourable variance to budget of \$64,078 is being reported. Insurance costs have been allocated across departments and corresponding forecast changes reflecting variances to budget for each department have been completed.

Fuel and Utilities

Reducing hydro consumption has been the focus of several recent capital programs. LED lighting upgrades at the Milton Sports Centre, and the Milton Leisure Centre have reduced consumption and maintenance costs. These projects, along with reduced demand have led to energy consumption reductions with hydro and gas savings of \$244,997 being reported within the Town facilities. Partially offsetting this are water cost increases of \$69,000 across the facilities, which is due to a combination of increased rates and consumption.

Grant Funding

The Town was successful in receiving provincial grant funding in 2024 for Next Generation 9-1-1 (NG911) to support the Town's transition to the new NG911 requirements by the federally mandated timeline of March 4, 2025. Total funding of \$230,370 was received for phase 2, of which \$193,479 will be applied towards IT and Fire related expenditures within the operating budget. The balance will offset costs incurred in the capital program.

Variances identified within specific departments are as follows:

Mayor & Council - \$464 Projected Favourable

The variance represents a savings in insurance.

2024 Operating Variance Commentary By Department

Executive Services - \$148,348 Projected Favourable

Office of the CAO is projecting a year-end surplus of \$4,627, which primarily relates to expected savings in purchased services.

The Strategic Initiatives and Economic Development is projecting a net surplus to budget of \$103,577 due largely to savings from staff vacancies.

The Finance division is expecting savings of \$40,144. This is largely due to staff vacancy savings of \$41,164 as well as savings of \$23,307 in professional development, insurance and memberships. These savings are partially offset by a reduction in revenues of \$24,327 largely driven by lower than anticipated tax name ownership changes.

Corporate Services - \$971,147 Projected Favourable

Information Technology is projecting savings of \$828,544. The delay in acquiring certain software, lower than anticipated rates and change of renewal periods is expected to result in a reduction of \$415,000 in annual maintenance costs. Savings due to staff vacancies of \$248,420 are also expected. New NG911 grant funding of \$147,122 is also being reported. Other miscellaneous savings are expected in areas such as professional development, contracts and insurance.

Human Resources is expecting a deficit of \$1,135,807. Of this amount \$256,968 relates to the transfer of two positions from the Library to the Town with a net zero impact Town wide as an offsetting reallocation of a portion of the tax levy from Library to Town is being reported within General Government. Savings in corporate training and insurance of \$36,161 are expected. The balance of the projected deficit relates to HR related legal matters.

Legislative and Legal Services is projecting a \$20,719 unfavourable variance. This variance is primarily due to an expected shortfall in parking enforcement revenue of \$350,000 as well as increased legal costs of \$30,000. Partially mitigating these deficits are savings of \$120,000 in the overnight parking enforcement contract due to favourable pricing on the tender award, a reduction in postage costs of \$45,000 and savings due to staff vacancies of \$194,089 as well as other miscellaneous net savings.

Strategic Communications is projecting savings of \$53,061 primarily due to savings from staff vacancies and insurance.

Transit is anticipating a surplus in the amount of \$869,600. This is largely driven by increased GO Transit fare integration subsidies of \$700,000 due to current and projected growth of post-secondary and cross-boundary transit markets, combined with projected savings in fuel of \$150,000.

Fire is projecting a surplus to budget of \$376,468. Net staff savings of \$292,890 are expected as a result of staff vacancies and anticipated year-end accounting adjustments

Appendix 2 - ES-033-24

2024 Operating Variance Commentary By Department

to vacation carry-over accruals. New NG911 grant funding of \$45,549 is also being reported along with a projected increase of \$30,000 in fee revenues and other miscellaneous net savings.

General Government - \$479,620 Projected Unfavourable

In 2024, the Town budgeted for savings from staff vacancies in the amount of \$1,025,000. As staff gapping savings are identified, the salary and benefit budget is reduced within the respective department while an offsetting variance is shown against the budgets in General Government up to the full year budgeted gapping amounts. This redistributes the annual budget from the departments as the savings are being incurred. By end of September 2024, the Town wide staff gapping savings identified were \$1,899,331. The budget of \$1,025,000 has been reached and additional savings in the amount of \$874,331 have been realized.

Due to a higher than anticipated portfolio balance, investment income for the Town is forecasted to be \$4.1 million favourable to budget. In accordance with Town policy, investment earnings in excess of the established limit in the operating budget will be allocated to specific reserves as identified through the budget process with no impact to the bottom line. Based on fluctuating market conditions and varying reserve and reserve fund balances, overall investment income and allocations to specific funds may change throughout the balance of the year.

Within the area of taxation, penalties and interest on taxes receivable are expected to exceed budget by \$410,000. This is partially offset by a shortfall to budget of \$50,267 in the final 2024 payments in lieu and tax billings to the hydro companies. Reflected in General Government is a reallocation of a portion of the tax levy from the Library to the Town in the amount of \$256,968 to offset the position movements as noted above.

WSIB costs are expected to be \$71,320 over budget. In accordance with the Town's Treasury Policy No. 116 funds may be transferred from the WSIB reserve at year end in order to manage the budget relative to actual levels of activity.

An increased dividend for 2023 was declared by Milton Hydro Holdings and remitted to the Town in 2024 in the incremental amount of \$185,618. Furthermore, based on the most current projections from Milton Hydro, 2024 dividends are expected to be \$354,986 greater than what had previously been included in the Town's budget. In accordance with the Town's Treasury Policy, transfers to reserve will be utilized to stabilize the net impacts relative to the budgeted Milton Hydro funding distributions such that there will be no net impact to the Town from annual fluctuations.

Community Services - \$1,709,407 Projected Favourable

Recreation and Culture Facilities is projecting a net surplus of \$89,616. A \$238,000 increase in facility contracts costs is due to inflationary pressures as well emergency works. In addition, rental revenues are expected to be under budget by \$54,067. However,

2024 Operating Variance Commentary By Department

these pressures are more than offset by savings from reduced utility consumption of \$110,000 and staffing savings \$101,146. A reallocation of staff positions, with no net impact to the Town's bottom line, is resulting in a further reduction of \$174,244 in salary and benefits within the Recreation and Culture Facilities division.

Administration and Civic Facilities is projecting a favourable variance of \$349,441 largely related to savings due to staff vacancies of \$270,592, utilities savings of \$65,997 and a decrease in insurance premiums of \$92,833. Partially offsetting these items is an increase in contracts of \$50,000 as well as the reallocation of a legal budget of \$14,000 from the Development Services Administration Division with no net impact Town wide.

Programs is forecasting a favourable variance to budget of \$623,587. This is largely due to a net revenue increase of \$557,118 associated with increased program demand, particularly in the area of Aquatics. Partially offsetting this is an increase of \$60,000 in credit card charges due to higher online registration. Savings due to staff vacancies of \$220,241 are also expected. A reallocation of staff positions is resulting in an increase of \$82,890 in salary and benefits within the Programs division, with no net impact to the Town.

Operations is expecting an overall favourable variance of \$392,586. Of this amount, \$552,950 relates to savings in winter maintenance due to a lighter winter season. Savings from staff vacancies of \$173,472 and in overtime of \$70,000 are also expected. A reallocation of staff positions, with no net impact to the Town's bottom line, is resulting in a further reduction of \$44,625 in salary and benefits. Savings related to fuel usage of \$150,000 is expected. Revenue increases are expected in the amounts of \$81,400 from park rentals and \$128,900 in increased recoveries from developers for winter maintenance of new subdivision registrations and a shift in the timing of expected assumptions of existing subdivisions. Partially offsetting these savings is an expected increase in material and contract costs of \$306,000 related to guard rail maintenance, vandalism removal and landfill disposal activities trending higher than previous years, combined with increased costs of outsourcing fleet maintenance and repairs in the amount of \$360,000. A net reduction in recoveries from Halton Region of \$56,839 are the result of reduced winter maintenance activities. An additional \$82,828 negative variance is due to the insurance allocation.

Infrastructure Management is projecting a \$254,177 favourable variance. Of this amount, net savings of \$169,384 is related to a reallocation of positions from Infrastructure Management to Development Services with no net impact to the Town. A further \$73,168 is related to savings due to staff vacancies. Increased fee revenue of \$134,324 is largely the result of increased developer recoveries of streetlight hydro and maintenance costs due to a shift in timing of subdivision assumptions along with new subdivisions not anticipated in the original budget estimates. Partially offsetting these savings is an increase of \$134,000 in contracts for traffic signal maintenance and signal reflectivity.

Development Services - \$900,482 Projected Favourable

Appendix 2 - ES-033-24

2024 Operating Variance Commentary By Department

Planning Services is expecting a surplus in the amount of \$845,641. Savings due to staff vacancies in the amount of \$325,382 is being reported along with an increase in planning application revenues of \$602,792, reflecting a shift in the timing of development activity. Partially offsetting these savings are increased staffing costs of \$101,808 related to a reallocation of positions from the Infrastructure Management division with no net impact to the Town.

Within Building Services, an increase in projected building permit revenues of \$928,333 is forecast for 2024, driven largely by an increase in overall residential unit applications due to a shift in timing. Delays in hiring have led to staff savings of \$418,166. As a result, there is an expected increase in contribution to the Building Stabilization Reserve this year in the amount of \$1,386,594. Overall, there is no net financial impact to the Town.

Development Engineering is projecting a \$20,921 favourable variance. A deferral in the timing of the CLI ECA monitoring program will result in contract savings of \$100,000 in 2024. Increased revenue of \$161,930 relates to a higher volume of work associated with building permit activities. Partially offsetting these savings are an additional \$120,029 in net costs as a result of the reallocation of positions from the Infrastructure Management division and the Admin and Civic Facilities division referenced above with no net impact to the Town. A further projected increased cost of \$95,702 is due to performing more work on undeveloped subdivisions than will be recovered through the Engineering and Inspection Fees. The remaining variance is the result of expected shortfalls in other fee revenue of \$25,046.

The Administration division has a surplus of \$33,920 related to miscellaneous savings in purchased goods, insurance and postage and the legal budget reallocation to the Community Services Administration and Civic Facilities division.

Library - \$31,042 Projected Unfavourable

The library is expecting a deficit of \$31,042, which largely relates to a shortfall of \$41,899 in fee revenue, combined with increased costs of \$27,405 in contract and insurance to address cyber security as well as increased costs of \$10,000 in program expense. Partially offsetting this are staff gapping savings of \$57,400 and other miscellaneous net savings.

As mentioned above, the transfer of two positions from the Library to the Town is resulting in savings of \$256,968 to the Library. There is a net zero impact to the Library as a result of an offsetting reallocation of a portion of the tax levy from Library to Town.

Hospital - No Projected Net Variances

BIA - \$19,694 Projected Favourable

The BIA is expecting to be in a surplus position due to additional fundraising and donation revenues received of \$22,434 and savings of \$6,130 in insurance. Partially offsetting

Appendix 2 - ES-033-24

2024 Operating Variance Commentary By Department

these savings are costs of \$8,739 associated with the introduction of new employee benefit plan in 2024.

Appendix 3 - ES-033-24 Investment Portfolio Holdings and Limitations

Authorized Investments and Limitations (30-Sep-2024)										
Category / Sector ⁽¹⁾	Remaining Term			Total	% of Portfolio	Portfolio Maximum	Individual Maximum ⁽²⁾	Term Limitation (Years)	Minimum DBRS Rating ⁽³⁾	
	Less than 1 Year	1 to 5 Years	5 to 10 Years						Short-term	Long-Term
Cash	\$170.88	-	-	\$170.88	43%					
Federal and Federal Guaranteed⁽⁴⁾	-	-	\$1.97	\$1.97	0%	100%	100%	20	N/A	A (low)
Provincial and Provincial Guaranteed⁽⁴⁾										
Alberta	-	\$4.18	\$4.03	\$8.21	2%		20%	15	R-1 (low)	A (low)
British Columbia	-	-	\$4.80	\$4.80	1%		20%			
Manitoba	-	\$3.44	\$2.87	\$6.32	2%		20%			
New Brunswick	-	-	\$2.07	\$2.07	1%		20%			
Ontario	-	\$2.42	\$9.96	\$12.38	3%		20%			
Prince Edward Island	-	-	\$0.99	\$0.99	0%		20%			
Quebec	-	-	\$13.41	\$13.41	3%		20%			
Saskatchewan	-	-	\$1.04	\$1.04	0%		20%			
Provincial and Provincial Guaranteed Sub-total	\$0.00	\$10.04	\$39.19	\$49.22	12.5%	100%				
Municipal and Municipal Guaranteed										
BC Municipal Finance Authority	-	\$1.06	\$7.45	\$8.51	2%		10%	15	R-1 (low)	A (low)
City of Toronto	-	\$0.98	\$1.00	\$1.98	1%		10%			
Regional Municipality of York	-	\$7.53	\$5.25	\$12.78	3%		10%			
Regional Municipality of Peel	-	\$1.03	-	\$1.03	0%		10%			
City of Montreal	-	\$3.06	\$5.37	\$8.43	2%		10%			
Quebec City	-	-	\$2.50	\$2.50	1%		10%			
Region of Waterloo	-	\$1.50	\$2.92	\$4.42	1%		10%			
Region of Halton	-	-	\$4.12	\$4.12	1%		10%			
City of Vancouver	-	\$1.04	-	\$1.04	0%		10%			
Municipal and Municipal Guaranteed Sub-total	\$0.00	\$16.20	\$28.61	\$44.81	11%	50%				
Boards / Schools⁽⁵⁾ Sub-total	\$0.00	\$0.00	\$0.00	\$0.00	0%	15%		15	R-1 (low)	AA(low)
Financial Institution⁽⁶⁾										
Schedule I Bank (Six Majors)										
Bank of Montreal	\$5.00	\$7.00	\$10.00	\$22.00	6%		20%	10	R-1 (low)	A(low) ⁽⁸⁾
Bank of Nova Scotia (The)	\$4.00	\$18.40	\$17.49	\$39.89	10%		20%			
Canadian Imperial Bank of Commerce	-	\$10.00	-	\$10.00	3%		20%			
Royal Bank of Canada	\$7.91	\$10.07	\$7.51	\$25.49	6%		20%			
Toronto-Dominion Bank (The)	-	\$14.20	-	\$14.20	4%		20%			
Schedule I Bank (Six Majors) Sub-total	\$16.91	\$59.68	\$35.00	\$111.59	28%	60%				
Other Sch I/Sch II/Trust/Credit Union Sub-total	\$15.00	\$0.00	\$0.00	\$15.00	4%	20%		2	R-1 (low)	A(low) ⁽⁸⁾
Financial Institution Sub-total⁽⁷⁾	\$31.91	\$59.68	\$35.00	\$126.59	32%	60%				
ONE Investment Program⁽⁹⁾	\$0.00	\$0.00	\$0.00	\$0.00	0%	25%		N/A	N/A	N/A
Asset Backed Securities				\$0.00	0%	10%	5%	5	R-1 (high)	AAA
Commercial paper or promissory notes				\$0.00	0%	10%	5%	1	R-1 (mid)	N/A
Total	\$202.80	\$85.91	\$104.76	\$393.47	100%					

Notes:

(1) Per definitions and regulations under Ontario Regulation 438/97.

(2) Individual maximum applies to either an individual institution or in the case of the ONE Investment Program it applies to individual portfolios.

(3) Equivalent ratings from Moody's Investor Services, Standard and Poor's or Fitch Ratings are also acceptable.

(4) Includes bonds, debentures or other evidence of indebtedness issued or guaranteed by the Government of Canada, or a Province of Canada. A minimum of 10% of the portfolio must be in the Federal or Provincial category.

(5) Includes a University in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000 and a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002.

(6) Includes bonds, debentures, deposit receipts, deposit notes, certificates of deposit or similar instruments issued, accepted, guaranteed or endorsed by a bank in Schedule I or II or a Credit Union, including bail-in. Six major Schedule I Banks include: Bank of Montreal, Bank of Nova Scotia (The), Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada and Toronto-Dominion Bank (The). Credit Unions require financial statements or certification in writing that various financial criteria has been met as outlined in O. Reg. 438/97.

(7) The overall Financial Institution category shall not exceed 60% of the total portfolio, within this category:

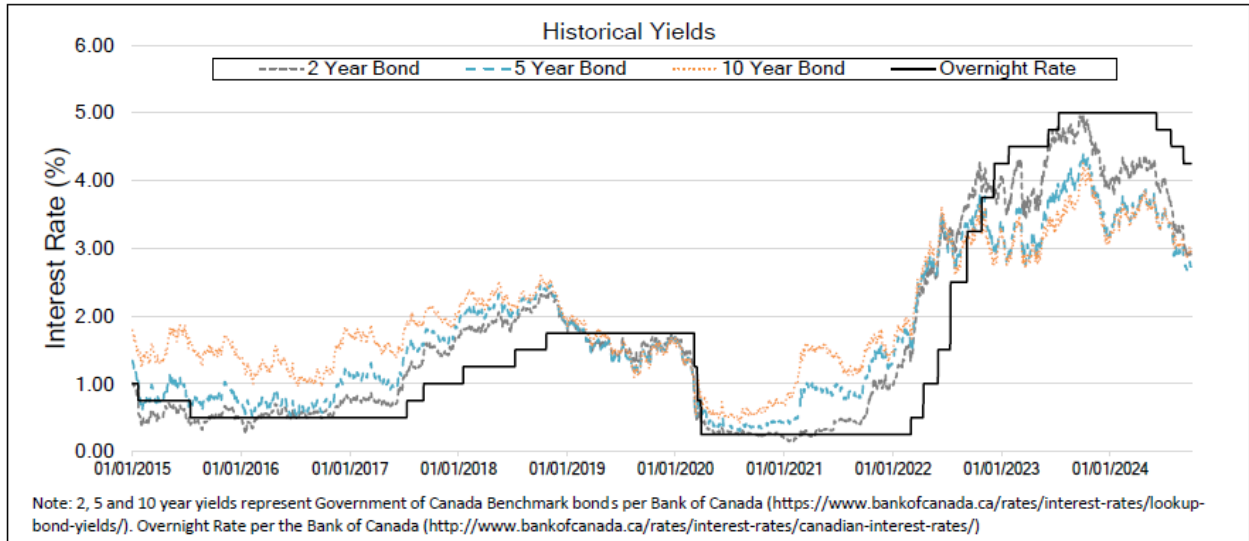
- i) Aggregate holdings of the Six major Schedule I Banks shall not exceed 60% of the total portfolio; and
- ii) Aggregate holdings of Schedule II & Other Schedule I Banks not listed above and Trust Loan / Credit Union's shall not exceed 20% of the total portfolio.

(8) For securities of bonds, debentures, promissory notes or other evidence of indebtedness, issued or guaranteed by a bank listed in Schedule I, II or III to the Bank Act (Canada) with a term-to-maturity less than or equal to 2 years on the day the investment is made, the prescribed minimum credit rating is AA(low).

(9) The ONE Investment Program provides recommended investment timelines for each fund however funds can be withdrawn with one day's notice and investments in each pool meet eligibility criteria as defined by regulations under the Municipal Act.

Appendix 4 - ES-033-24

Interest Rates and Bond Yields



**Appendix 5 - ES-033-24
Reserve and Reserve Continuity Schedule**

Reserves and Reserve Funds (\$000s)	As at Dec 31, 2023	As at Sep 30, 2024	Forecasted Dec 31, 2024	Surplus/ (Deficit) to Budget
Stabilization				
Tax Rate Stabilization	\$7,341	\$5,849	\$5,804	\$(268)
Severe Weather	2,063	2,063	2,063	0
Building Rate Stabilization	12,670	14,155	14,442	(7)
Subtotal	\$22,074	\$22,067	\$22,309	\$(275)
Corporate Use Reserves				
Insurance and Legal Matters	\$7,696	\$7,672	\$7,671	\$3
Per Unit Development Processing Fee	1,906	2,208	2,945	845
WSIB	5,077	5,375	5,375	0
Subtotal	\$14,679	\$15,254	\$15,991	\$848
Infrastructure Non Growth				
Infrastructure Renewal - Roads & Structures	\$39,920	\$50,299	\$55,296	\$4,526
Infrastructure Renewal - Stormwater	3,704	5,004	5,004	3,500
Infrastructure Renewal - Recreation, Facilities, Other	15,493	10,919	14,529	2,754
Information Technology	3,459	403	458	52
Studies and Other Non Growth Capital	1,648	1,202	1,257	55
Vehicles and Equipment Replacement	9,674	8,471	8,471	22
Canada Community-Building Fund	4,834	6,172	6,435	3,489
Ontario Lottery Corporation Proceeds	8,824	5,208	6,900	(720)
Subtotal	\$87,556	\$87,679	\$98,351	\$13,679
Infrastructure Growth				
Growth Capital - Other	\$3,844	\$2,055	\$2,305	\$309
Capital Provision	8,267	4,858	5,918	(1,874)
Payment-in-Lieu of Land Conveyance	23,108	26,102	26,970	2,259
Cash-in-lieu of Parking	356	356	196	6
Development Charges (Note 1)	20,300	50,124	75,910	14,528
Post Period Capacity	(407)	(430)	(545)	3,763
Subtotal	\$55,468	\$83,066	\$110,754	\$18,988
Program Specific				
Property Transactions	\$15,559	\$13,385	\$13,900	\$112
Provincial Gas Tax	1,471	1,829	1,887	378
Election	253	488	488	0
Aggregate Permit Fees	303	179	179	178
Seniors' Fundraising	76	76	76	0
Arts Programming	12	41	13	1
Mayor's Legacy Fund	100	100	103	0
Subtotal	\$17,774	\$16,098	\$16,647	\$670
Board, Committee & Other				
Library Tax Rate Stabilization	\$541	\$541	\$541	\$(5)
Library Capital Infrastructure	1,393	1,061	1,061	(11)
DBIA Surplus	304	279	279	86
Provincial Government Transfer	189	5,739	0	0
Federal Government Transfer	0	5,407	5,502	5,502
Subtotal	\$2,426	\$13,026	\$7,383	\$5,572
Total Reserve and Reserve Funds	\$199,978	\$237,191	\$271,433	\$39,480

Note 1: Includes Development Charge Exemptions.