



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: May 26, 2025

Report No: ES-023-25

Subject: 2024 Annual Report and Financial Statements

Recommendation: THAT the draft audited Financial Statements for the Town of Milton and Boards be approved

EXECUTIVE SUMMARY

- The financial audit of the Town has been completed for the year ended December 31, 2024 and the results are presented in the attached financial report.
- Staff are pleased to report that the Town has received an unqualified audit opinion, meaning that in the auditor's opinion the statements are fairly and appropriately presented and in accordance with Public Sector Accounting Board (PSAB) standards.
- Following Council approval of the statements, the Town's auditor expects to issue their independent auditor's report on the statements for the Town and Boards

REPORT

Background

The 2024 draft financial report is being presented to Council for approval. Representatives from the Town's auditor, Deloitte LLP, will be making a brief presentation to Council to highlight the audit findings for the year ended December 31, 2024 and will be available to answer any questions. Under Canadian Auditing Standards, the Auditors' Report can only be signed by Deloitte upon the approval of the financial statements by Town Council.

Discussion

The financial statements have been prepared in accordance with Canadian public sector accounting standards. The Public Sector Accounting Board of the Chartered Professional

Discussion

Accountants (CPA) Canada issues recommendations and reporting requirements that the Town is obligated to adhere to in preparation of the audited financial statements.

Under Canadian public sector accounting standards, municipal reporting requirements include the following:

- Consolidated Statement of Financial Position
- Consolidated Statement of Operations
- Consolidated Statement of Change in Net Financial Assets
- Consolidated Statement of Cash Flows
- Notes to the Consolidated Financial Statements

These statements and notes provide information on the cost of all Town activities, how they were financed, investing activities, as well as the assets and liabilities of the Town.

Included in the Town's annual report is a Financial Statement Discussion and Analysis (FSDA) section that explains in detail key figures, changes and trends from the Town's financial statements. Highlights of the FSDA and statements include:

Consolidated Statement of Financial Position

The Town ended the year with a net financial asset position (financial assets less financial liabilities) of \$226.5 million, an 18.5% increase of \$35.4 million from the prior year. The increase in financial assets of \$121.2 million was accompanied by an increase in financial liabilities of \$85.8 million. The largest contributors to the change in Financial Assets was an increase in Cash and Cash equivalents of \$100.8 million due to development charge revenues collected as well as the roads cash flow assistance received from landowners to assist with providing for the capital costs associated with the delivery of municipal services, as well as increase in short term investments of \$15.0 million as the Town was able to take advantage of a favourable investment opportunity. The increase in Financial Liability is mostly attributable to an increase of deferred revenue balances of \$47.2 million and developer liability of \$34.5 million as the funds from cashflow assistance are repayable no later than 2028, and development revenues collected are deferred until earned.

Non-financial assets, primarily consisting of tangible capital assets have continued to increase this year. The increase of \$30.7 million reflects the Town's investment in new capital infrastructure and the value of new assets that were built by developers and assumed by the Town of \$24.8 million. This growth in the Town's asset inventory is outpacing the annual amortization costs.

Overall, the Town ended the year with an accumulated surplus of \$1,500.7 million, an increase of 4.61% from the prior year balance of \$1,434.7 million. This change represents the annual excess of revenues over expenses for the year of \$66.1 million and is largely related to the infrastructure assumed from or funded by development. It is critical for readers



Discussion

of the financial statements to understand that the term “accumulated surplus” cannot be construed as “cash or funds” available for spending, as the bulk of the value represents non-financial assets and reflects the Town’s investment in infrastructure which is used to deliver programs and services. They are not assets which are surplus to operations and available to be liquidated.

Consolidated Statement of Operations

Total revenue reported for the year 2024 was \$223.4 million, a decrease of \$4.1 million from last year’s amount of \$227.5 million. This differential can be largely attributed to the reduction in developer contributions due to capital activity in 2024, offset by increases in Taxation, User Charges and Investment revenue streams.

In 2024, total expenses increased by \$7.3 million from \$150.0 million last year to \$157.4 million. This change is reflective of changes in operating costs and amortization due largely to inflation and service expansion to the growing community.

Consolidated Statement of Change in Net Financial Assets

Net financial assets increased during 2024 by \$35.4 million. This change is primarily attributable to increases in the Town’s cash and cash equivalents.

Consolidated Statement of Cash Flows

The consolidated cash position of the municipality increased by \$100.8 million from \$56.4 million in 2023 to \$157.2 million in 2024. Net cash from operating activities increased the cash position by \$153.6 million, with another \$5.5 million of cash inflow generated from financing activities. Reducing the cash position were various activities that required cash outflows such as the acquisition of Tangible Capital Assets of \$46.6 million, as well as investment activities of \$11.6 million.



The Corporation of the Town of Milton

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Financial Impact

In addition to being a requirement under section 294.1 of the Municipal Act, 2001, the production of audited financial statements on an annual basis is an integral part of Town's financial management. The financial impacts of the transactions that occurred in 2024 as well as the Town's 2024 year end position are outlined in detail in the attached statements.

Through report ES-013-25, Council approved the year end accounting entries and reserve transfers based on the estimated year end position. The resulting estimated surplus of \$5.79 million was allocated to though transfers to various growth and stabilization reserves.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Zaneta Kowalik, Manager, Phone: Ext. 2122
Accounting and Payroll

Attachments

The Corporation of the Town of Milton Financial Report for the Fiscal Year Ended
December 31, 2024

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.



The Corporation of the Town of Milton

FINANCIAL REPORT 2024

Town of Milton, Ontario, Canada
For the Fiscal Year Ended December 31, 2024



Land Acknowledgement

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.



The Corporation of the Town of Milton, Ontario, Canada

This report was prepared by:
The Finance Division of the Corporation of the Town of Milton

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About Milton

The Town of Milton (“the Town”) has a strategic vision for the future that guides the work of Council and staff to meet the needs of our evolving community:

“In 2051, Milton will be a safe, diverse and welcoming community that respects its natural beauty and heritage, supports a range of neighbourhoods, sustains a strong and balanced economy, and offers outstanding opportunities to live, learn, work and play.”

The Town is a responsive municipal organization that understands the importance of listening and collaborating with local residents, businesses and partners. Working together, we can deliver on our vision through our strategic plan.

2023-2027 STRATEGIC PLAN

Council identified Milton’s priorities through the development of the **2023-2027 Strategic Plan**. The plan strives for abundant economic opportunity for residents, educational opportunities for youth, and a community that leads in sustainability, diversity and inclusion.

Together with staff, Council has set five themes:



Invest in People

We will invest in a more permanent, balanced and highly skilled workforce required for Vision 2051, making the Town of Milton an employer of choice where diverse and talented staff are able to offer superior service and productivity in a period of rapid change.



Innovate in Technology and Process

We will focus substantial investments in technology, process improvements and meaningful partnerships to improve customer service, embed sustainable practices and create a foundation for flattening long-term costs.



Quality Facilities and Amenities

We will deploy adequate and consistent resources to maintain, operate and intensify the use of parks, facilities and other Town-owned assets, improving resident safety and quality of place.



Connected Transit and Mobility

We will accelerate investments in Milton-owned transit assets so these connect to other services, increase transit ridership and help pedestrians and cyclists navigate our community defined by smart density, placemaking, mobility and economic development.



Planned Community Growth

We will plan and build infrastructure that supports the changing needs of our community as we prepare for a future with higher density, mixed-use neighbourhoods that offer an excellent quality of life.

About Milton

A Place of Possibility

The Town of Milton is a vibrant community.

We are planning a community with exceptional quality of life.

Milton is a town with a thriving business network that is on the cusp of being a leading economic engine within Ontario. We are working towards a future where there are abundant economic opportunities for our residents and educational opportunities for our youth.

We will be known as a community that is a leader when it comes to welcoming diversity, celebrating inclusion, and practicing financial and environmental sustainability. As we welcome more and more residents to Milton, the Town of Milton is committed to environmental stewardship for the generations to come through sustainability initiatives and mitigation of climate change impacts. We plan to minimize Milton's environmental footprint and work to ensure new and existing neighbourhoods are supported with infrastructure and community amenities.

We are a town that continues to focus on innovation and investing in customer service to support our current and future residents. Through our strategic partnerships, we will always work with other levels of government to advocate for Milton's fair share of investment to ensure we can always deliver the services that matter to our residents.

Above all, we are an organization that will always listen to our residents and businesses to ensure Milton is a vibrant, complete community that is a great place to live, to raise a family, to run a business, and to work.

Milton is A Place of Possibility.



Quick Facts



365 sq. km
Land Area



142,811
Population
(2024 estimate)



391
Population density
per sq. km



354%
Population growth (2001-2024)
From **31,471** to **142,811**

238k

Milton continues to be one of Canada's fastest growing mid-size municipalities.

The Town has had record breaking growth from 2001-2024 of 354% and a total population forecast for 2031 of 238,000 - a further increase of 95,189 or 67%



43,091
Residential Properties
in 2024



\$160,420
*Average household
income



\$559,356
*Average assessed value
per dwelling



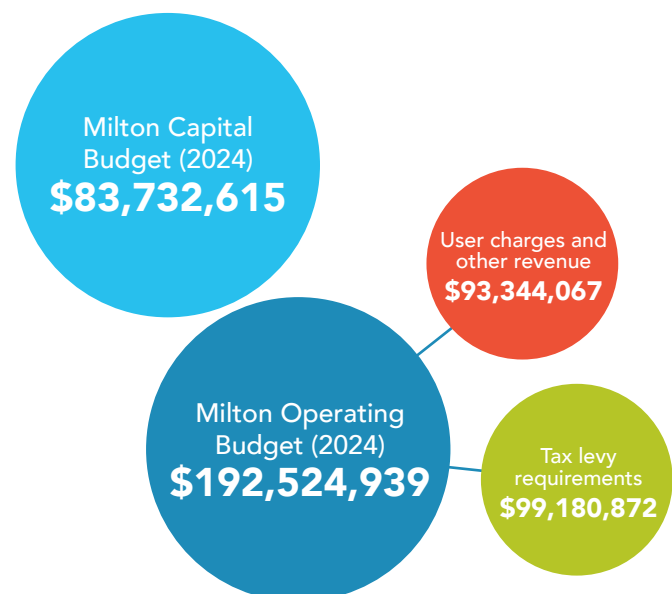
2.70%
*Property taxes as a % of
household income
Lowest in GTA (average of 3.30%)



Age of population (by age groups)



Capital and operating budgets by the numbers

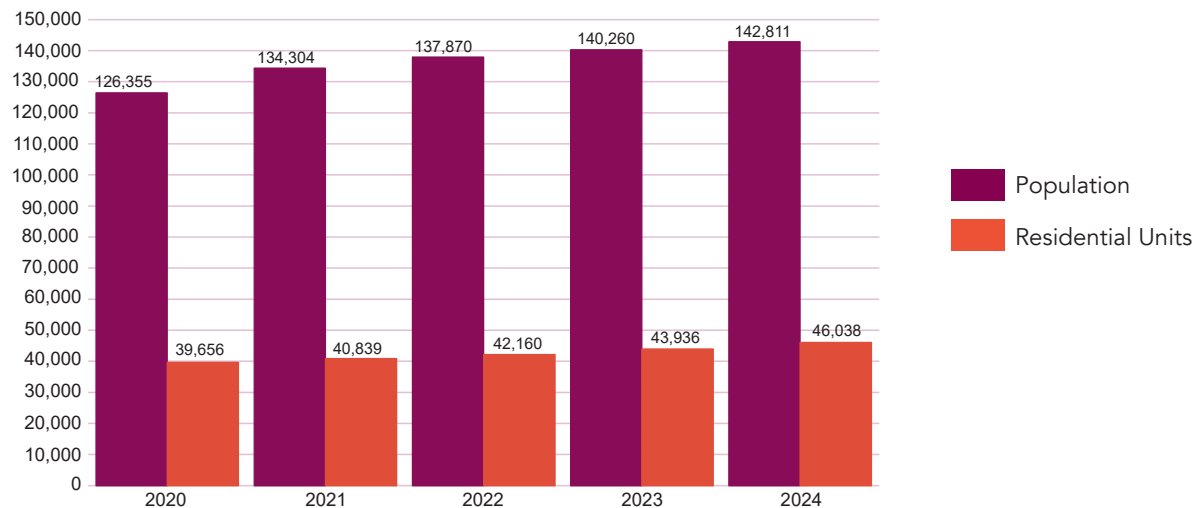


*Source: BMA Management Consulting Inc.
Municipal Study 2024

Note: Tax Levy requirements excludes budgeted supplementary taxes
and payments in lieu.

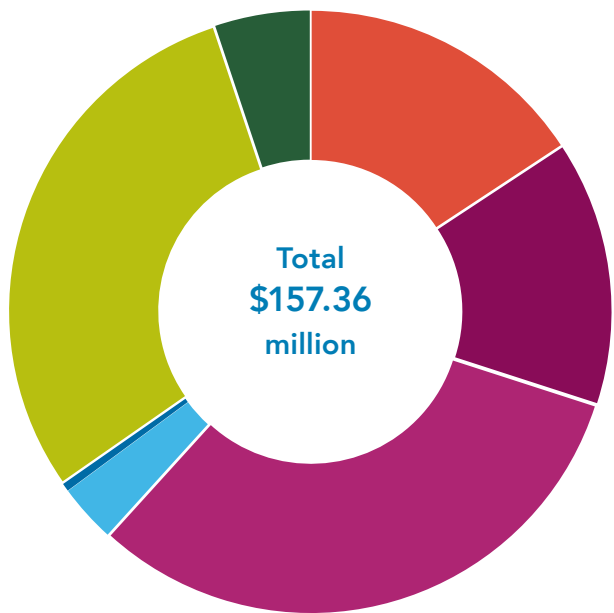
Highlights

Population and Residential Unit Growth*



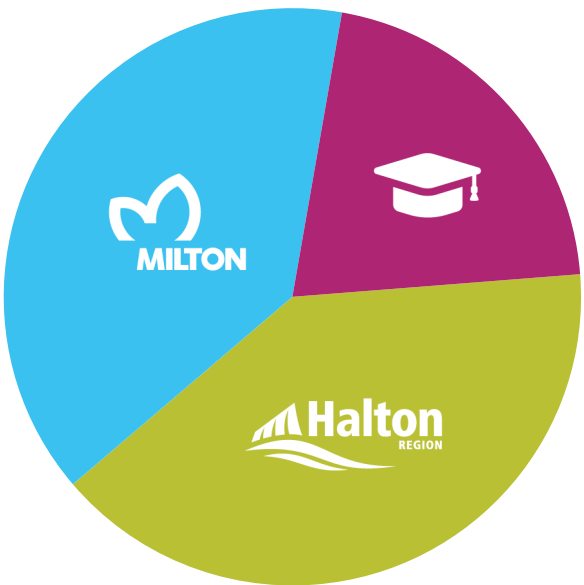
*Residential units presented include multi-residential and secondary units

2024 Expenses (actuals) (in million dollars)



- Transportation services 30.62%
- Recreational and cultural services 29.40%
- General Government 16.65%
- Protection to person and property 14.23%
- Planning and development 5.68%
- Environmental services 3.03%
- Health services 0.39%

2024 Residential Tax Breakdown

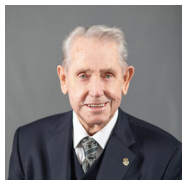


- Town of Milton 41%
- Halton Region 39%
- School Boards 20%

MAYOR AND COUNCIL

The Town's Council is comprised of the Mayor, four Regional Councillors and four Town Councillors, elected for four-year terms of office. Through the representation of wards, these members of Council are the governing body of the Town and have the following responsibilities:

- Represent the public and consider the well-being and interests of the municipality.
- Evaluate and approve policies and programs of the municipality.
- Determine which services the municipality provides.
- Ensure that administrative and controllership policies, practices and procedures are in place to implement the decisions of Council.
- Maintain the financial integrity of the municipality.



Gordon Krantz
Mayor



Colin Best
Regional Councillor
Ward 1



Rick Malboeuf
Regional Councillor
Ward 2



Sammy Ijaz
Regional Councillor
Ward 3



Sameera Ali
Regional Councillor
Ward 4



Kristina Tesser Derksen
Town Councillor
Ward 1



John Challinor II
Town Councillor
Ward 2



Adil Khalqi
Town Councillor
Ward 3

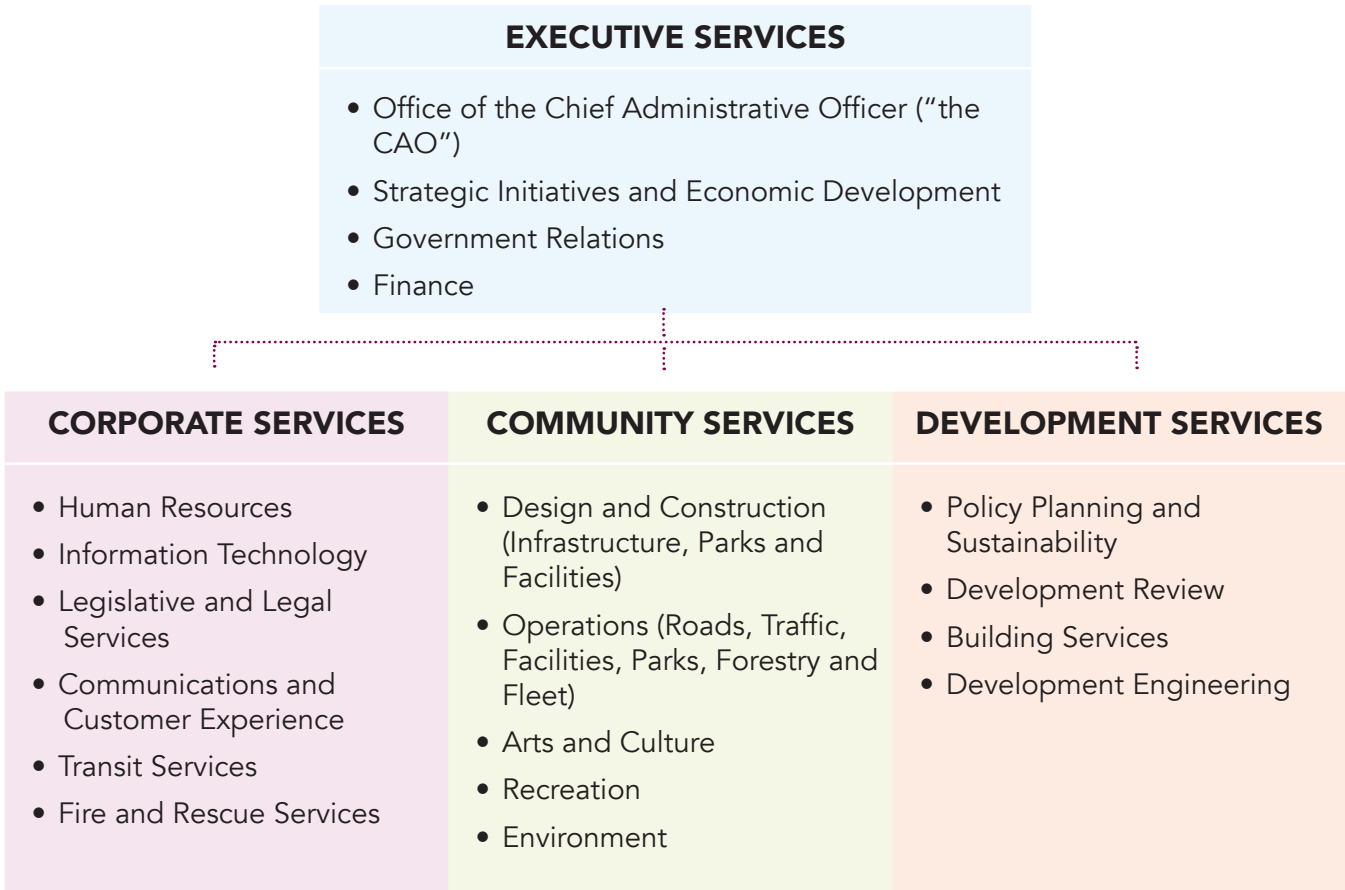


Sarah Marshall
Town Councillor
Ward 4

Council is the governing body responsible for representing public interest. Staff are responsible for administering Town programs and services. The Milton Public Library and Downtown Milton Business Improvement Area are each managed by individual Boards.

Organizational Structure

Through service aligned departments, staff are responsible for administering the Town’s programs and services.



The Chief Administrative Officer has overall responsibility for the Town’s operating departments led by the Strategic Management Team (SMT). As leaders, the CAO and SMT are responsible for ensuring quality services are provided to the community and that the services provided are aligned with Council approved priorities. The CAO and SMT members also advise the Mayor and Town Council on matters of policy related to the civic administration of the Town of Milton. Divisional directors are responsible for the day-to-day operations of the departments.

Message from the Treasurer

The Town of Milton is proud to present its annual Financial Report, which details the Town's financial performance and highlights key accomplishments from 2024. The financial statements have been prepared in accordance with the Municipal Act, 2001, and are based on the reporting standards set by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

In 2024, Town Council continued to progress towards achieving its vision for 2051 through investments in the key themes of people, technology, facilities, transit and mobility, as well as planning for the changing needs of a growing community. Council also established an updated multi-year budget strategy which, over time, will provide sustainable funding towards the Town's programs and services.

Milton also made further progress towards delivering on its housing pledge to the provincial government of achieving 21,000 new units by 2031. The Town participated in programs such as the Housing Accelerator Fund (HAF), the Building Faster Fund (BFF), and Housing Enabling Core Services Stream in order to strengthen the investments made in the infrastructure and programs that will facilitate this growth. As part of these efforts, the Town delivered a financial incentive program for affordable and rental housing, a residential and non-residential needs analysis study, an Official Plan Update, and updates to the transit and transportation master plans that will support the growing population. These efforts contributed to Milton exceeding the growth targets that were established for the first year of both the HAF and BFF programs.

Within the context of these efforts and outcomes, the Town also strengthened its financial position in 2024. The Town's net financial assets grew by 18.5% to \$226.5 million, with growth in cash and investments due to both revenues received as well as the timing of related expenditures. The Town's tangible capital asset base also continued to grow with a \$31.6 million increase, largely in the form of infrastructure that was constructed or funded by the development community. These results will be considered as the Town plans for the fiscal years ahead, where the impacts of inflation, service level demands and growth are expected to remain prevalent as Town Council prioritizes the allocation of resources for the community.

The accomplishments of 2024 are reflective of the collaborative and forward thinking approach that continues to shape Milton as a vibrant community. The Town looks forward to further building on this foundation in the years ahead.

Glen Cowan
Chief Financial Officer / Treasurer

May 26, 2025

Financial Statements Discussion and Analysis

The accompanying financial statements are prepared in accordance with the Canadian public sector accounting standards published by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada. The Financial Report is published to provide the Town's Council, staff, citizens and other readers with detailed information concerning the financial position and activities of the Corporation of the Town of Milton (the "Town") for the fiscal year ended December 31, 2024. There are four required financial statements:

1. Statement of Financial Position
2. Statement of Operations
3. Statement of Change in Net Financial Assets
4. Statement of Cash Flows.

These financial statements must provide information on the cost of all Town activities, how they were financed, investing activities, as well as the assets and liabilities of the Town.

Town of Milton Mandate

The Town of Milton is a municipality within the Province of Ontario, Canada. As described in the notes to the consolidated financial statements, the Town conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and related legislation.

The consolidated financial statements include the Town as well as local boards that are accountable for the administration of their own financial affairs and resources but are owned or controlled by the Town with the exception of Milton Hydro Holdings Inc. ("Milton Hydro") and Halton Digital Access Services Corporation (HDASC), which are accounted for on the modified equity basis of accounting. These entities and organizations include:

1. The Milton Public Library Board
2. The Downtown Milton Business Improvement Area

The Town of Milton is a lower tier municipality within the Regional Municipality of Halton ("Halton Region"). The Town collects taxes and other revenues on behalf of the Halton Region (an upper tier municipal government) and the school boards. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Halton Region and the school boards are not reflected in these consolidated financial statements.

As a lower tier municipality, the citizens and businesses of Milton rely on the Halton Region to provide a number of services which include, but are not limited to, policing, waste and recycling collection, water and sewage treatment and social housing.

The Town of Milton provides the following municipal services under the mandate of The Municipal Act:

- General Government – Mayor and Council, legislative and legal, communications, financial planning and policy, accounting, information technology, property taxation, human resources, purchasing and risk management
- Protection to Persons and Property – fire services, by-law enforcement, parking enforcement, licensing, animal and weed control and building services.
- Transportation Services – roads construction and maintenance, transit and street lighting.
- Environmental Services – storm water management and emergency spills.
- Recreation and Cultural Services – community development, recreational programs, parks, recreational facilities, libraries and arts and cultural programs.
- Planning and Development – planning policy, zoning, development review, building inspections and economic development.

Management Responsibility

The Town's management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

The Town's management monitors and maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

Town Council meets with management and the external auditors to review the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Deloitte LLP, an independent external auditor appointed by the Town. The Independent Auditor's Report, which is included in the statements, provides an unqualified "clean" opinion on the Town's consolidated financial statements for the year ended December 31, 2024. The report also outlines the auditor's responsibilities and the scope of their examination.

An audit is conducted in accordance with Canadian generally accepted auditing standards. These standards require that the auditors comply with ethical requirements necessary to plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free from material misstatement.

An audit involves performing specific procedures chosen by the auditors to obtain audit evidence in order to verify the amounts and disclosures in the consolidated financial statements as well as to assess the risk of material misstatements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

The budget is an important strategic planning and resource allocation process that is required by legislation and serves as the foundation for the Town's financial planning and control. Section 290 of the Municipal Act, 2001 requires a municipality to adopt a budget including estimates of all sums required during the year for the purpose of the municipality. The process of budget compilation commences early in the year in an effort to ensure that the Town has a budget in place for the start of the new fiscal year. Citizens are involved in the budget process through surveys and public meetings.

Risk Management and Significant Financial Management Policies

The financial management and control of the Town is largely governed through by-laws and Council resolutions that prescribe purchasing, accounting, investment, budgeting, risk management, debt and reserve policies. Town Council has sole authority to allocate funds through the annual approval of the operating and capital budgets.

The annual operating budget is balanced with revenues equaling expenditures for the calendar year. The operating budget must include estimates of all sums required by the municipality including any debt payments and all forms and sources of revenue.

The Town strives to leverage non-tax sources of revenue to sustain its level of services to its citizens. The Town charges user fees to recover costs of services where it is appropriate to do so. A comprehensive review of the user fees is conducted approximately every five years. There is also an annual update to ensure that the user fees are increasing at the appropriate yearly rate of inflation. The annual fee schedule is reviewed and approved by Town Council.

The Town's financial management policies regarding tangible capital assets (TCAs) stipulate that said assets are recorded at cost and include all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the TCAs are amortized on a straight-line basis over their estimated useful lives. Works in progress are not amortized until the asset is available for productive use, at which time they are capitalized. The Town has a capitalization threshold for each individual asset class, such that individual TCAs of lesser value are expensed unless they are pooled, because collectively they have significant value or could not be operated separately.

The Town's key financial policies establish guidelines for debt, revenue sources and utilization of reserves and reserve funds, budget variance reporting and include the procurement by-law that establishes authorization limits. Each of these policies is intended to mitigate risk, safeguard the Town's assets and ensure that proper internal controls are in place.

2024 Economic Update

Employment Growth

The 2024 unemployment rate for Canada was 6.3% (5.4% in 2023) and 7.0% (5.6% in 2023) for Ontario¹.



Inflation

In accordance with the Government Finance Officers Association best practices, the Town uses a customized Municipal Price Index (MPI) to accurately reflect the inflationary pressures impacting the municipality.

Using the MPI increases accuracy when budgeting for the services and goods the Town needs to acquire and takes into account the Town's significant level of investment in capital infrastructure spending.

For the 2024 budget, the MPI for the Town of Milton included a 5.11% change in expenditures and a total pressure of 6.28%, taking into account revenues as well.

Interest Rates/Borrowing

In 2024, the Canadian economy experienced moderate growth, with Gross Domestic Product (GDP) growth averaging around 1.3%, inflation averaging 2.4% and future inflation expectations normalized. Based on economic conditions the Bank of Canada (BOC) decreased the overnight rate by 175 basis points from 5.00% to 3.25% in 2024. Household spending remained strong, supported by the interest rate cuts, while the labour market showed signs of softness with slowing wage growth.

Throughout the first half of 2024, yields on longer-dated bonds remained relatively flat, however, starting in June, as the BOC started to decrease the overnight rate and signal further cuts, long-term investment yields started to decline. Overall, the average bond returns were slightly lower in 2024 than in 2023. For reference, the return on a five-year Government of Canada bond averaged 3.30% in 2024 (2023 average: 3.56%) and 10-year Government of Canada yields averaged 3.34% in 2024 (2023 average: 3.36%)². This affects the Town in two key ways:

1. Lower rates decrease borrowing costs for debt financed projects, impacting available funding to allocate towards capital projects.
2. Lower rates decrease the amount of investment income, since the rate of return on surplus cash and investments is directly linked to interest rates.

¹ Statistics Canada

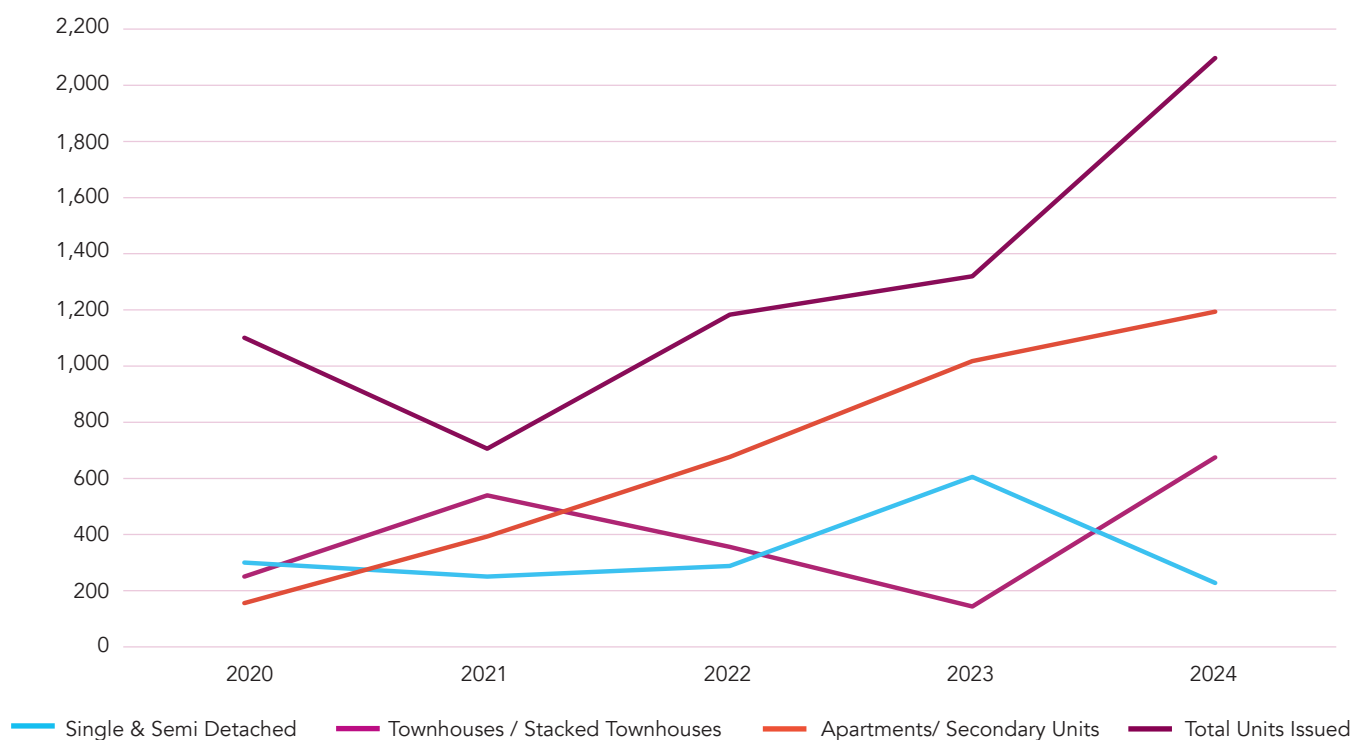
² Bank of Canada

2024 Significant Events Affecting Financial Statements

Growth and Building Activity

The number of residential units for which permits were issued increased nearly 60% when compared to 2023. At the same time, they fell short of budget projections by roughly 1,600 units. This was related to several large high density apartment developments that were initially expected in 2024 but are now anticipated to reach building permit issuance in 2025, along with broader economic conditions. The issuance of apartment and secondary units continued to increase when compared to historical years as development shifts towards more affordable unit types with consideration for changes to additional residential unit regulations as well as various financial incentive programs.

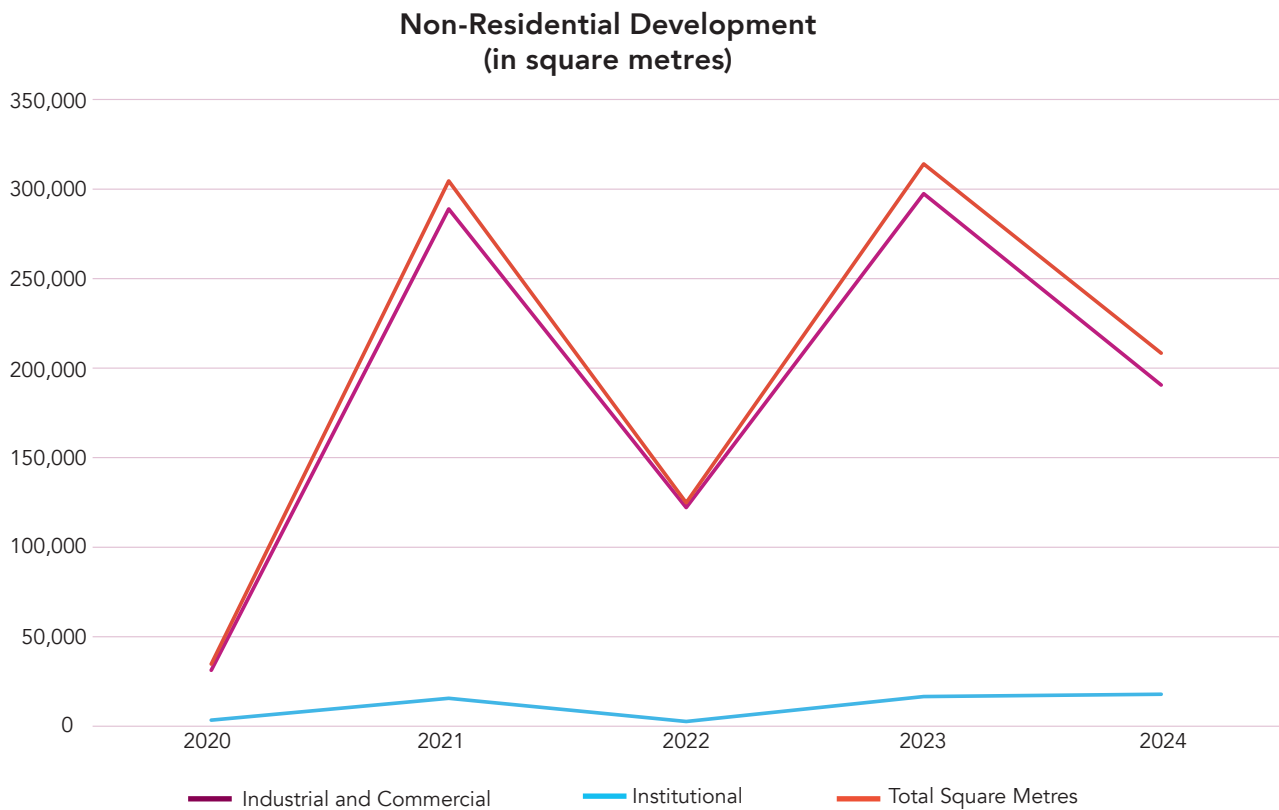
Residential Development (in units)



	2020	2021	2022	2023	2024
Single and Semi Detached	250	540	356	144	675
Townhouses / Stacked Townhouses	300	250	288	605	228
Apartments / Secondary Units	156	393	676	1,018	1,194
Total Units Issued	706	1,183	1,320	1,767	2,097

Financial Statements Discussion and Analysis

The development of over 208,000 square metres of industrial, commercial, and institutional (ICI) space was approved in 2024. Investment in ICI development throughout the community can vary significantly from year to year and although growth in 2024 was lower than 2023, the Town continues to add significantly to non-residential floor areas. Development in the Derry Green Business Park will continue to strengthen Milton’s ICI sectors, reflecting continued confidence in the long-term economic prospects of the community.

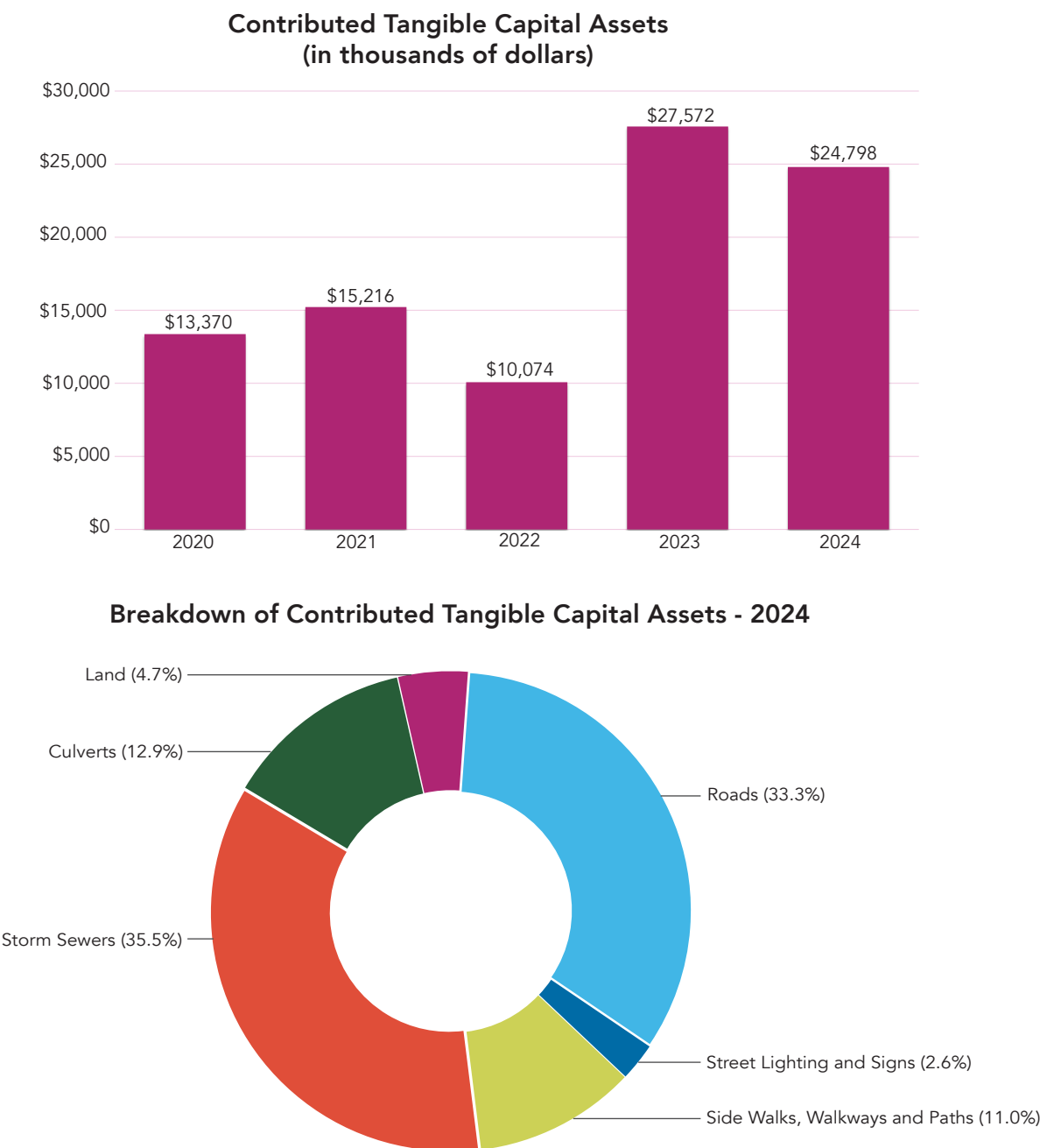


	2020	2021	2022	2023	2024
Industrial and Commercial	31,237	288,935	122,132	297,409	190,545
Institutional	3,455	15,612	2,726	16,580	17,880
Total Square Metres	34,692	304,547	124,858	313,989	208,425

As the Town moves forward, it remain committed to fostering a supportive environment for all building and development activities, while also adapting to the ever-changing economic and regulatory landscape.

Contributed Tangible Capital Assets

Donated assets, excluding land, are recorded at the time the Town assumes responsibility for the maintenance of the municipal services such as roads, sidewalks and storm sewers. Land is recorded earlier in the process at the time of plan registration. Fluctuations in value of donated assets differ from year to year based on the number of plans registered, timing of subdivision assumptions and the infrastructure constructed in each subdivision in any given year. The following graph reflects the five-year trend of developer contributed assets.



Major Construction Projects in 2024

Fifth Line (Hwy 401 to Derry Road)

This project is for the reconstruction and widening of Fifth Line from Hwy. 401 to Derry Road. The project was phased over multiple years. The first phase was completed in 2023 and consisted of widening, urbanization and realignment of Fifth Line from Highway 401 to south of Main Street East, intersection improvements at Main Street East and Fifth Line and the replacement of the 16 Mile Creek structure. The second phase of construction was completed in 2024, which included the widening and urbanization of Fifth Line, replacement of the at-grade crossing of the Canadian Pacific Railway tracks, construction of multiple cross culverts and intersection improvements at the Yukon Court, Labrador Avenue and Derry Road intersections with Fifth Line. The total amount spent in 2024 was \$9.2 million.

Asphalt Overlay Program

This is an annual program to rehabilitate the asphalt surface on roads before they deteriorate to the point where major reconstruction is required, and is an important component in maintaining the Town's road network. Included in the program is the replacement of portions of curb, sidewalk, and rebuilding catch basins and manholes. The total amount spent in 2024 was \$5.5 million.

Milton Sports Centre (MSC) Facility Improvements

This project provides for improvements at the MSC based on the 2022 Facility Audit, with additional input from assigned consultants and staff to address life cycle replacements and corrective maintenance activities. \$2.2 million was spent in 2024 for work related to the facility's roof, absorption chillers and scoreboard replacement in rinks A and B.

Expanded Asphalt Program

This annual program addresses road rehabilitation needs within the rural and industrial areas. Rehabilitation of the asphalt surface on these roads prevents deterioration to the point where full reconstruction is required. This program is an important component in maintaining the Town's road system. The total spend on the 2024 program amounted to \$1.9 million spend in the year 2024.

2024 Financial Highlights

During 2024, the Town of Milton realized a net surplus position of \$66.1 million for the year. Total revenue for 2024 was \$223.4 million compared to 2023 total revenue of \$227.5 million, a decrease of \$4.1 million. This differential can be largely attributed to the reduction in developer contributions due to capital activity in 2024, offset by increases in taxation, user charges and investment revenue streams.

In 2024, total expenses increased by \$7.3 million from \$150.0 million last year to \$157.4 million. This change is reflective of changes in operating costs and amortization due largely to inflation and service expansion to the growing community.

The audited consolidated financial statements indicate that the Town's net financial position as at December 31, 2024, as represented by the accumulated surplus, equals \$1,500.7 million. This amount has grown by 4.6% relative to 2023 year end. The large majority of the accumulated surplus, as well as the growth in it, is related to non-financial assets such as the Town's infrastructure, which is used to support service delivery. Growth in this asset base, much of which is initially constructed and/or funded by developers, will require sufficient annual funding in order to provide for the eventual rehabilitation and replacement of many of these assets if existing service levels are to be sustained.

The Town finished 2024 with debt principal outstanding of \$46.8 million, a portion of which relates to the Town's local contribution towards the hospital expansion. The Town's debt capacity ratio of 3.85% is well within the guidelines set by both the Province and Town Council. Reserve balances increased to \$159.8 million from \$145.3 million.

Financial Statements Discussion and Analysis

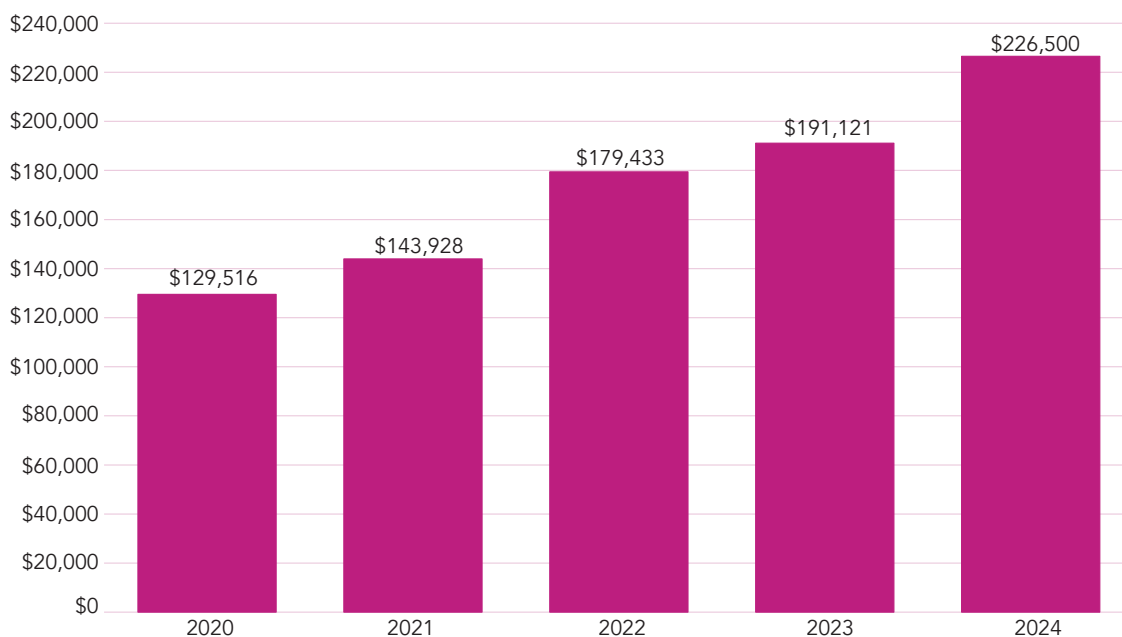
Consolidated Statement of Financial Position

Net Financial Assets (in thousands of dollars)

	2024	2023	Variance	% Change
Financial assets	\$ 481,693	\$ 360,536	\$ 121,157	33.6%
Financial liabilities	\$ 255,188	\$ 169,415	\$ 85,773	50.6%
Net financial assets	\$ 226,505	\$ 191,121	\$ 35,384	18.5%

The Town ended the year with a net financial asset position (financial assets less financial liabilities) of \$226.5 million, an 18.5% increase of \$35.4 million from the prior year. The increase in financial assets of \$121.2 million was accompanied by an increase in financial liabilities of \$85.8 million. The largest contributors to the change in financial assets was an increase in cash and cash equivalents of \$100.8 million due to development charge revenues collected as well as the roads cash flow assistance received from landowners to assist with providing for the capital costs associated with the delivery of municipal services, as well as an increase in short-term investments of \$15.0 million as the Town was able to take advantage of a favourable investment opportunity. The increase in financial liability is mostly attributable to an increase of deferred revenue balances of \$47.2 million and developer liability of \$34.5 million as the funds from cashflow assistance are repayable no later than 2028, and development revenues collected are deferred until earned.

The following chart illustrates the five-year trend in net financial assets.



Financial Assets

The 2024 increase in the Town's financial assets by \$121.2 million is mostly due \$100.8 million increase in cash and cash equivalents and short-term investments held by the Town at the end of the fiscal year. Amplifying the increase in financial assets are increases in the following: accounts receivable by \$3.8 million, investment in Milton Hydro by \$1.4 million and other assets by \$1.2 million.

Financial Statements Discussion and Analysis

Cash and Cash Equivalents

At the end of 2024 the year end cash and cash equivalents balance was \$157.2 million. The \$100.8 million increase from the 2023 year end balance of \$56.4 million was due largely to additional funds received during 2025 that are shorter term in nature such as roads cash flow assistance received from landowners to assist with providing for the capital costs associated with the delivery of municipal services, grant funding received from various levels of government and timing of both capital projects and development charges received relative to spending. The average yield on cash balances for 2024 was 4.93%, generating \$7.2 million in interest income.

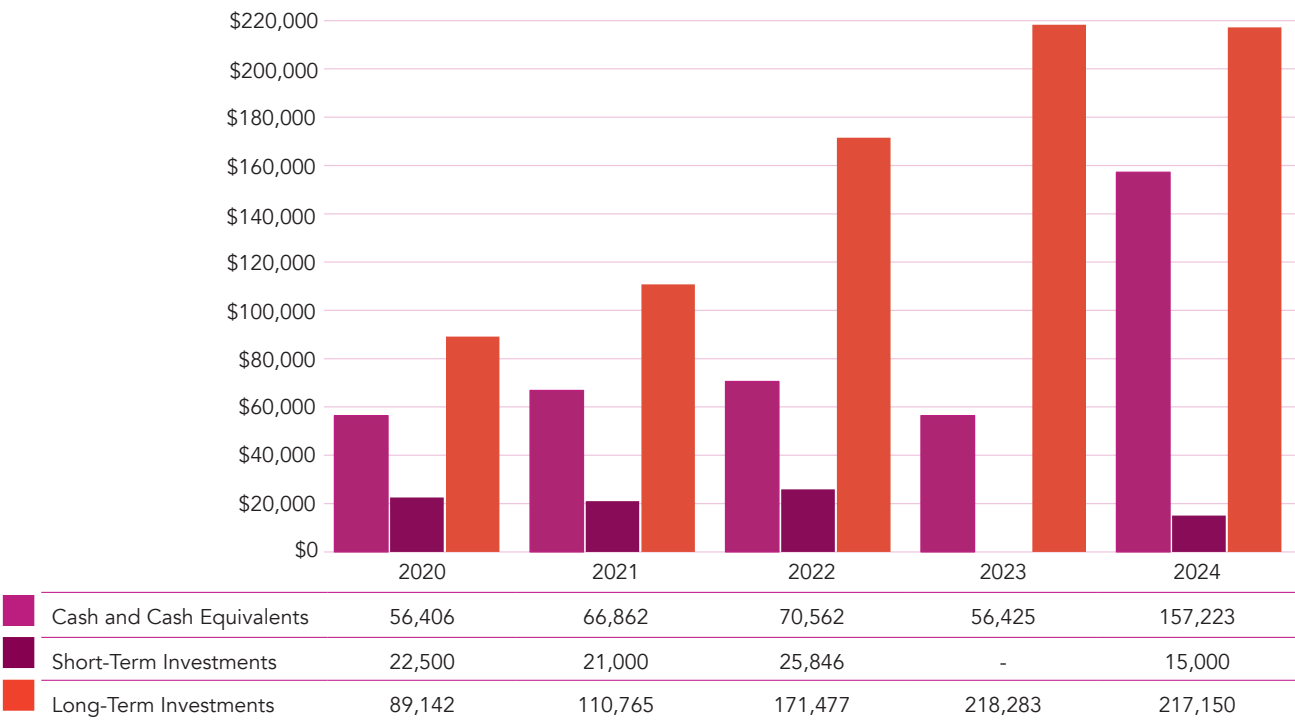
Short-Term Investments

The balance in short-term investments, securities with a holding period of one year or less, was \$15.0 million at year end as the Town was able to take advantage of a favourable investment opportunity. During 2024 the average balance was \$8.8 million which generated \$0.5 million in investment income and returned an average yield of 6.00%

Long-Term Investments

Long-term investments, securities with a term greater than one year, held by the Town at year end totalled \$217.2 million, a decrease of \$1.1 million from the previous year. In 2024, the long-term investment average rate of return was 3.7%, generating \$7.8 million in investment earnings.

Cash and Investments
(in thousands of dollars)

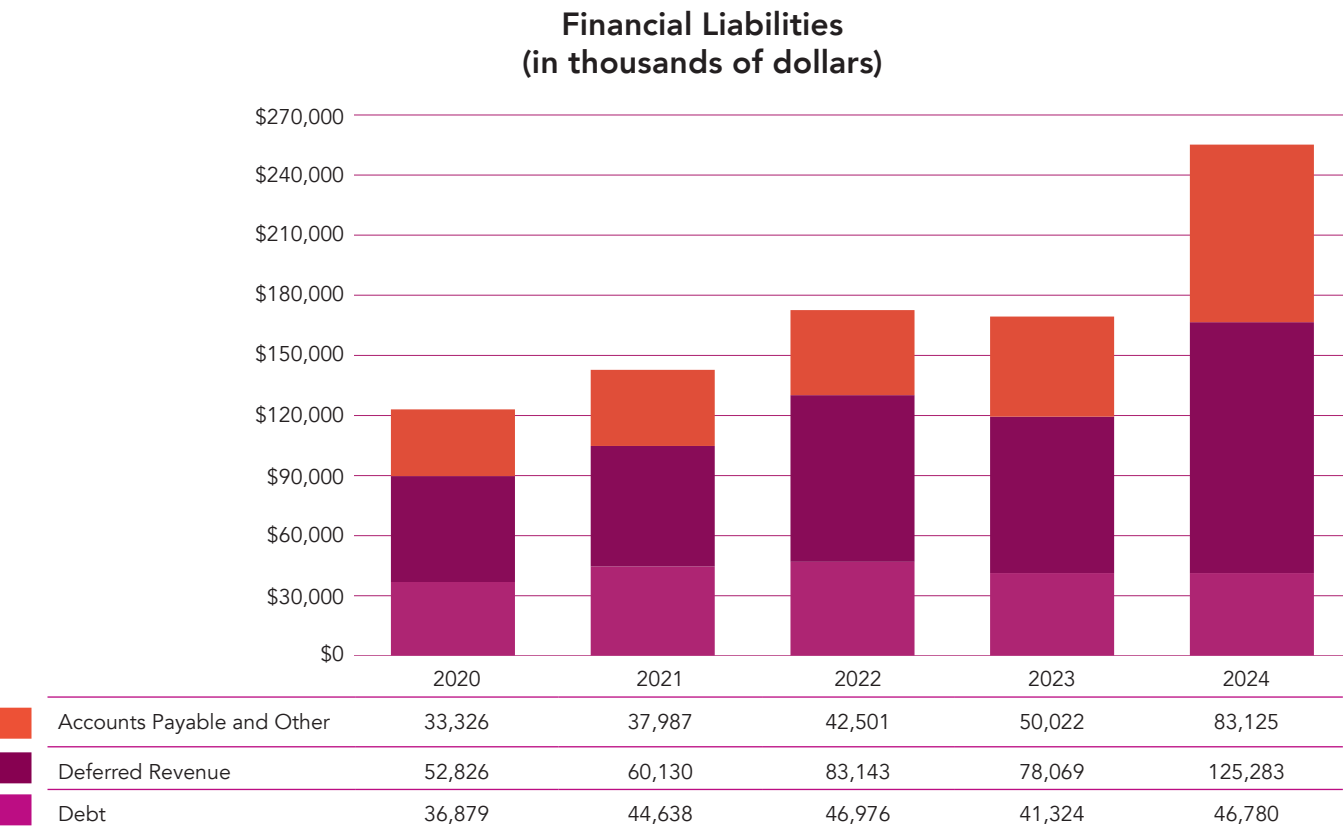


Financial Statements Discussion and Analysis

Financial Liabilities

The major contributors to the increase of \$85.8 million in 2024 financial liabilities were the increase in the deferred revenue balance of \$47.2 million, primarily attributable to the collection of development charges in advance of their utilization towards the construction of capital infrastructure, as well as the \$34.9 million increase in developer obligations, which was primarily related to the aforementioned roads cash flow assistance.

The chart below outlines the trend in financial liabilities over the previous five years:



Debt

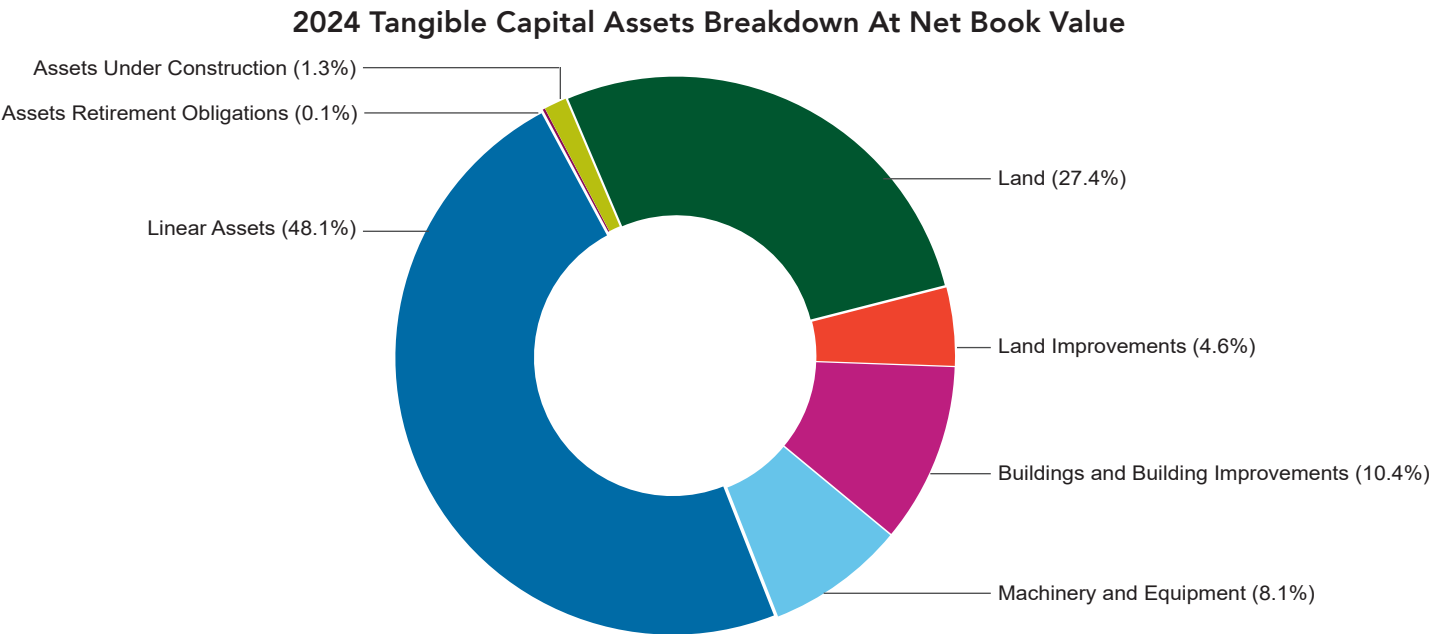
During 2024 the debenture obligations increased from \$41.3 million to \$46.8 million reflecting a new issuance of \$10.5 million offset by \$5.0 million in debenture repayments that occurred during the year.

Guidelines established through Ontario Regulation 403/02 allow for a maximum debt payment ratio of 25% of own source revenues, which in 2024 equaled \$41.8 million. Through Council direction, Milton has further restrictive guidelines of 15% and up to 20% with the inclusion of non-tax supported debt. The Town's current debt capacity ratio of 3.85% is well within the guidelines set by both the Province and Town Council.

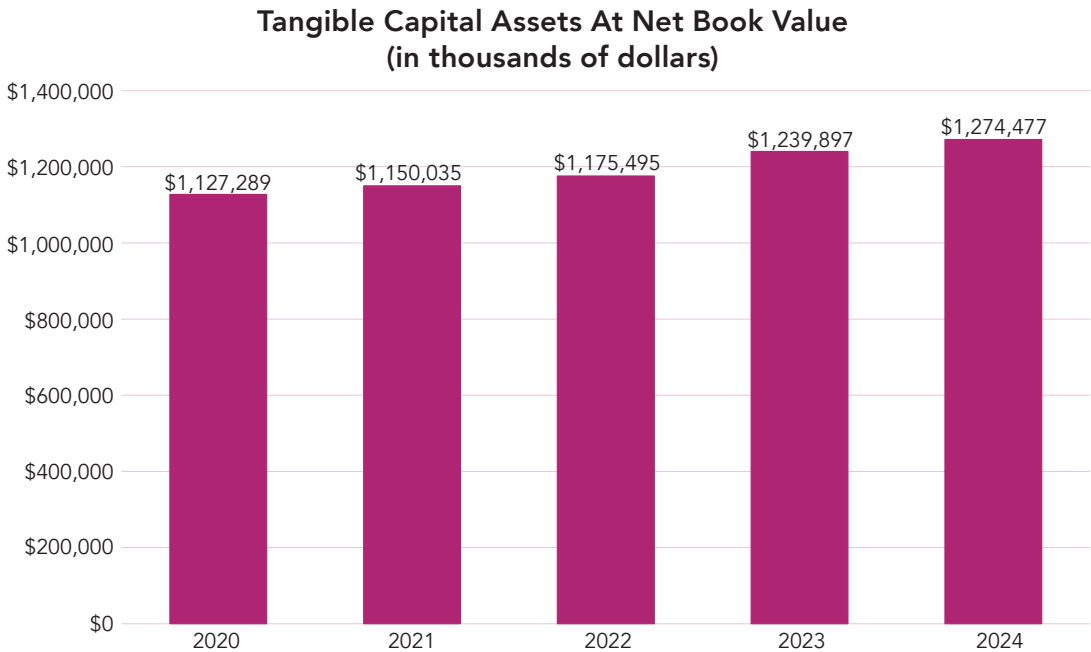
Non-Financial Assets

Non-financial assets, primarily consisting of tangible capital assets have continued to increase this year. The increase of \$30.7 million reflects the Town’s investment in new capital infrastructure and the new assets that were built by developers and assumed by the Town with the value of \$24.8 million. This growth in the Town’s asset inventory is outpacing the annual amortization costs.

The pie chart below provides the breakdown of tangible capital assets by their type:



The chart below shows the tangible capital asset growth trend over the previous five years:



Financial Statements Discussion and Analysis

Tangible Capital Assets Comparative Summary (in thousands of dollars)

Asset Type	2024	%	2023	%	Change	% Change
Land	\$ 348,466	27.41%	\$ 340,376	27.45%	8,090	0.65%
Land improvements	57,851	4.55%	56,079	4.52%	1,772	0.14%
Buildings and building improvements	132,619	10.43%	134,849	10.88%	(2,230)	(0.18%)
Machinery and equipment	102,264	8.04%	105,917	8.54%	(3,653)	(0.29%)
Linear assets	611,836	48.12%	562,911	45.40%	48,925	3.95%
Asset retirement obligations	1,765	0.14%	2,326	0.19%	(561)	(0.05%)
Assets under construction	16,676	1.31%	37,439	3.02%	(20,763)	(1.67%)
Total	\$ 1,271,477	100.0%	\$ 1,239,897	100.0%	31,580	2.55%

Accumulated Surplus

Overall, the Town ended the year with an accumulated surplus of \$1,500.7 million, an increase of 4.61% from the prior year balance of \$1,434.7 million. This change represents the annual excess of revenues over expenses for the year of \$66.1 million, largely related to the infrastructure assumed from or funded by development.

It is critical for readers of the financial statements to understand that the term “accumulated surplus” cannot be construed as “cash or funds” available for spending, as the bulk of the value represents non-financial assets and reflects the Town’s investment in infrastructure which is used to deliver programs and services. They are not assets which are surplus to operations and available to be liquidated.

A detailed breakdown of accumulated surplus (in thousands) is presented in Note 11 “Accumulated surplus” of the Consolidated Financial Statements. Summary information is included in the table below:

Accumulated Surplus Comparative Summary (in thousands of dollars)

	2024	2023	Change
Reserves	\$ 137,760	\$ 121,230	\$ 16,530
Reserve funds	22,045	24,076	(2,031)
Investment in tangible capital assets	1,271,477	1,239,897	31,580
Unexpended capital	75,411	50,739	24,672
Investment in Milton Hydro Holdings Inc.	61,933	60,481	1,452
Unfunded liabilities	(67,886)	(61,755)	(6,131)
Total accumulated surplus	\$ 1,500,740	\$ 1,434,668	\$ 66,072

Financial Statements Discussion and Analysis

The reserve balances increased by \$16.5 million, largely within the non-growth infrastructure reserves, as contributions for future needs exceeded the current year's withdrawals and additional revenue was achieved through grant funding that was received and investment income that was allocated.

Reserve funds balances decreased by \$2.0 million in 2024, mostly due to additional transfers to capital projects in alignment with 2024 activity.

The unfunded liabilities balance is comprised of the principal outstanding on long-term debt that has been issued by the Town, estimates of future employee benefit costs, asset retirement obligation, and amounts owing to developers for infrastructure constructed on behalf of the Town. Changes in these amounts include a \$5.5 million increase in long-term debt balances, a \$1.2 million increase in developer obligations, and slight decreases in AROs, naming rights and future employee benefits obligation.

Consolidated Statement of Operations

The Consolidated Statement of Operations is the municipal equivalent of the private sector's income statement, providing a summary of revenues and expenses throughout the year. The annual surplus reported on this statement represents the difference between the cost of providing the Town's services and the revenues recognized for the year on an accrual basis. Budget figures represent capital and operating budgets combined as outlined in Note 18 of the consolidated financial statements.

Financial Statements Discussion and Analysis

Revenues

2024 Budget to Actual Comparative Analysis (in thousands of dollars)

Revenues	Budget	Actual	Variance	% Variance
Taxation	\$ 103,022	\$ 103,262	\$ 240	0.2%
User charges	25,825	24,904	(921)	(3.6%)
Government transfers:				
Federal	4,513	3,981	(532)	(11.8%)
Provincial	1,621	5,273	3,652	225.3%
Other municipalities	6,567	5,061	(1,506)	(22.9%)
Investment income	6,614	11,054	4,440	67.1%
Penalties and interest	3,323	3,524	201	6.0%
Developer contributions	23,281	20,761	(2,520)	(10.8%)
Developer contributed tangible capital assets	-	24,798	24,798	100.0%
Proceeds from Ontario Lottery Corporation	6,200	6,745	545	8.8%
Licences, permits, rents etc.	10,077	8,662	(1,415)	(14.0%)
Equity in income of Milton Hydro Holdings Inc.	1,865	3,671	1,806	96.8%
Donations	77	1,039	962	1249.4%
Other recoveries	134	21	(113)	100.0%
Miscellaneous	102	672	570	558.8%
Total revenues	\$ 193,221	\$ 223,428	\$ 30,207	15.6%

The variations in the budget and actual columns are primarily related to differences in assumptions used. Budgets are prepared in a manner that determines the annual cash levy requirements. The actuals reported on the audited consolidated financial statements are following PSAB requirements, and are predominantly fully accrued transactions. These differences in reporting methodologies will always generate significant variances when compared to each other. One example of a significant difference is the unbudgeted tangible capital asset activity such as developer contributed assets, which gave a positive variance of \$24.8 million. Another example is government transfers dedicated to support capital program. For example, provincial government transfers resulted in a positive variance of \$ 3.7 million related to the Building Faster Fund that was applied to the capital program.

Another contributing factor is the timing of capital expenses and revenues being incurred in a different year from the budget year. Developer contributions include development charges earned for the capital expenses incurred within the calendar year and does not include approved funding from

Financial Statements Discussion and Analysis

the obligatory reserve funds for outstanding work. This timing difference caused an unfavourable fluctuation in developer contributions revenue of \$2.5 million.

An unfavourable variance of \$1.4 million in license, permits and rents, as well as \$ 0.9 million in user charges revenues relative to the budget is attributable to the implementation of the new PSAB 3400 Revenue standard, where revenue will no longer be recognized in these areas until the performance obligation to the customer is met.

Equity in Milton Hydro Holdings Inc. had a favourable variance of \$1.8 million, due to the increase in retained earnings of the company in 2024.

Due to solid rates of return that were achieved during 2024, as well as the size of the average portfolio balance, the Town received \$4.4 million more in investment income than was anticipated.

Note 18, "Budget data" provides a reconciliation between the statements and the operating and capital budgets.

Year Over Year Comparative Analysis (in thousands of dollars)

Revenues	2024	2023	Change	% Change
Taxation	\$ 103,262	\$ 92,055	\$ 11,207	12.2%
User charges	24,904	22,741	2,163	9.5%
Government transfers:				
Federal	3,981	5,514	(1,533)	(27.8%)
Provincial	5,273	1,993	3,280	164.6%
Other municipalities	5,061	3,628	1,433	39.5%
Investment income	11,054	8,979	2,075	23.1%
Penalties and interest	3,524	3,202	322	10.1%
Developer contributions	20,761	39,435	(18,674)	(47.4%)
Developer contributed assets	24,798	27,572	(2,774)	(10.1%)
Proceeds from Ontario Lottery Corporation	6,745	7,377	(632)	(8.6%)
Licences, permits, rents etc.	8,662	7,806	856	11.0%
Equity in income of Milton Hydro Holdings Inc.	3,671	5,710	(2,039)	(35.7%)
Donations	1,039	1,051	(12)	(1.1%)
Other recoveries	21	13	8	61.5%
Miscellaneous	672	416	256	61.5%
Total revenues	\$ 223,428	\$ 227,492	\$ (4,064)	(1.8%)

Financial Statements Discussion and Analysis

Total revenue reported for the year 2024 was \$223.4 million, a decrease of \$4.1 million from last year's amount of \$227.5 million.

The increase in taxation revenue of \$11.2 million is consistent with the increased 2024 levy requirement finalized by Town Council.

The increase of \$2.2 million in user charges revenue is largely due to increased ridership in Milton Transit services and associated GO Transit fare integration subsidies. Additionally, the Town received an increase of \$3.3 million in provincial government transfers, including the Building Faster Fund.

The decrease in developer contributed assets of \$2.8 million is related to a fewer number and value of assets received through subdivision assumptions in 2024. The Town receives assets from developers as part of their obligation under subdivision agreements, which are deemed to be donated assets because no cash changes hands. These assets are transferred into the ownership of the Town and must be recorded on the Town's Consolidated Statement of Financial Position as part of the tangible capital asset pool. At the same time, the value of the assets contributed must be recognized as revenue received by the Town on the Statement of Operations.

Developer contributions include development charges earned for the capital expenses incurred within the calendar year. Reduced capital activity in 2024 compared to 2023 resulted in decreased developer contributions revenue of \$18.7 million.

Due to an increased portfolio size and favourable rates of return in 2024, the Town received \$2.1 million in additional investment income compared to the prior year.

Revenues from Milton Hydro Holdings Inc. decreased by \$2.0 million due to the amount of dividends declared for 2024 compared to 2023.

Expenses

2024 Budget to Actual Comparative Analysis (in thousands of dollars)

Expenses	Budget	Actual	Variance	Less Capital Expenses	Amortization Variance	Operating Expenses Variance
General government	\$ 25,023	\$ 26,202	\$ (1,179)	\$ (728)	\$ 20	\$ (1,887)
Protection services	23,597	22,397	1,200	(260)	16	957
Transportation services	48,650	48,182	468	2,307	491	3,266
Environmental services	3,750	4,770	(1,020)	667	96	(257)
Health Services	627	614	13	-	-	13
Recreational and cultural services	47,527	46,259	1,268	914	163	2,345
Planning and development	8,344	8,932	(588)	949	-	362
Total expenses	\$ 157,518	\$ 157,356	\$ 162	\$ 3,849	\$ 786	\$ 4,798

Financial Statements Discussion and Analysis

The 2024 financial position of the Town results in actual expenditures of \$157.3 million. The variance between the budget and actual columns is largely related to tangible capital asset activity of \$3.8 million. This is primarily comprised of expenses included in capital budgets that cannot be capitalized and therefore need to be expensed on the Statement of Operations. These expenses would include, for example, studies or work undertaken on behalf of others which may lend themselves better to the capital budget for transparency, funding or project administration purposes. Budgeted amortization estimates exceeded the actual amortization expense by \$0.8 million. Once the methodology differences related to tangible capital amounts are accounted for, the remaining variance equals to \$4.8 million in favourable variance.

Savings from staff vacancies in 2024 were budgeted at \$1.03 million within general government. While the Town met and exceeded the budgeted staff vacancy savings, those savings are not reflected in general government but rather in each specific department to which they relate. Staff gapping during 2024 continued to be the source of costs savings in several areas.

Additional savings in recreation and cultural services largely relate to savings in consumption and price of utilities resulting from capital investments in LED lighting upgrades at the Milton Sports Centre and the Milton Leisure Centre.

The favourable variance in transportation services is largely attributable to savings in operations contracts and materials, which was primarily weather related.

Year Over Year Comparative Analysis (in thousands of dollars)

Expenses	2024	2023	Change	% Change
General government	\$ 26,202	\$ 23,605	\$ 2,597	11.0%
Protection services	22,397	21,370	1,027	4.8%
Transportation services	48,182	47,676	506	1.1%
Environmental services	4,770	4,735	35	0.7%
Health services	614	651	(37)	(5.7%)
Recreational and cultural services	46,259	44,281	1,978	4.5%
Planning and development	8,932	7,703	1,229	16.0%
Total expenses	\$ 157,356	\$ 150,021	\$ 7,335	4.9%

Financial Statements Discussion and Analysis

The 2024 financial position of the Town resulted in a \$7.3 million or 4.9% increase in expenses over 2023.

Cost increases in general government of \$2.6 million compared to prior year are mostly attributable to resources that were allocated for program support through the budget process, including technology related services.

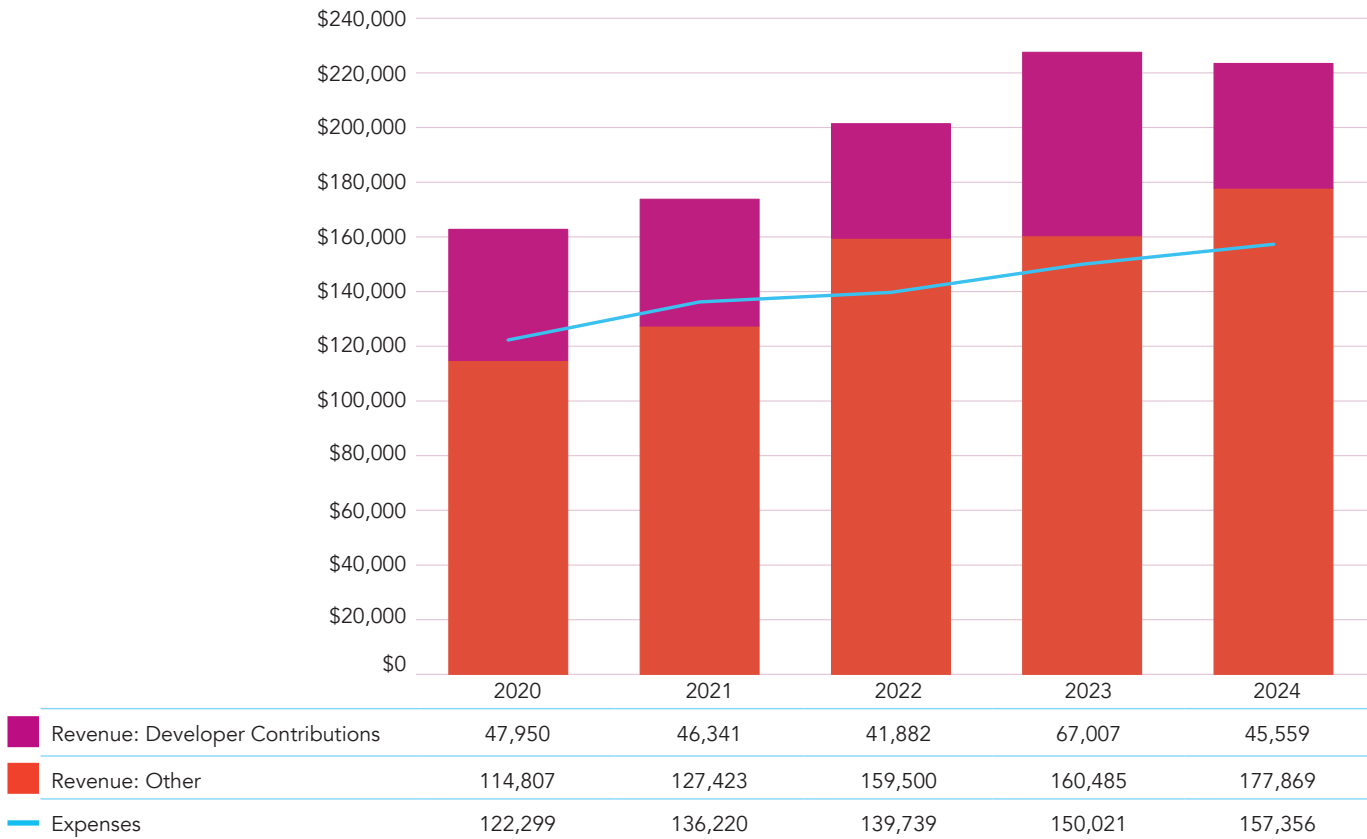
Protective services experienced a cost increase of \$1.0 million compared to 2023, primarily attributable to new staff positions added through the budget.

Recreation and cultural services incurred \$1.9 million more in expenses compared to 2023. The increased labour cost of \$1.4 million is due to an expansion of programs offered at the Town's recreational facilities, and \$0.5 million relates to project spending which was expensed as it did not meet capitalization thresholds.

Planning and development services experienced an increase of \$1.2 million in expenses compared to last year. Of this amount, \$0.7 million relates to an increase in labour costs, while the remaining \$0.5 million is primarily attributable to transactions in capital projects for the purpose of conducting residential development studies which are expensed as they do not meet capital definitions.

Financial Statements Discussion and Analysis

Five-Year Revenue to Expense Comparative Analysis
(in thousands of dollars)



Consolidated Statement of Change in Net Financial Assets

The purpose of the Statement of Change in Net Financial Assets is to assist financial statement users in fully understanding the nature of the Town's financial activities in the period. The statement backs out all the non-financial activity from the Statement of Operations (e.g. amortization, gains/losses, purchases and sale of assets). The financial impact on the surplus attributable to the change in financial assets is an increase of \$35.4 million, compared to last year's increase of \$11.7 million. This is primarily attributable to the increase in Town's cash and cash equivalents of \$100.8 million and investments of \$13.9, as described in earlier sections. The increase in financial liabilities, such as the deferred revenue increase of \$47.2 million, developer obligations increase of \$34.9 million and the long-term debt increase of \$5.4 million offset a portion of the increase in financial assets.

Consolidated Statement of Cash Flows

The Consolidated Statement of Cash Flows explains how the Town financed its activities and met its cash requirements. It also details items not involving cash such as annual amortization and developer contributed assets. This schedule reconciles the change in cash and cash equivalents from one year to another.

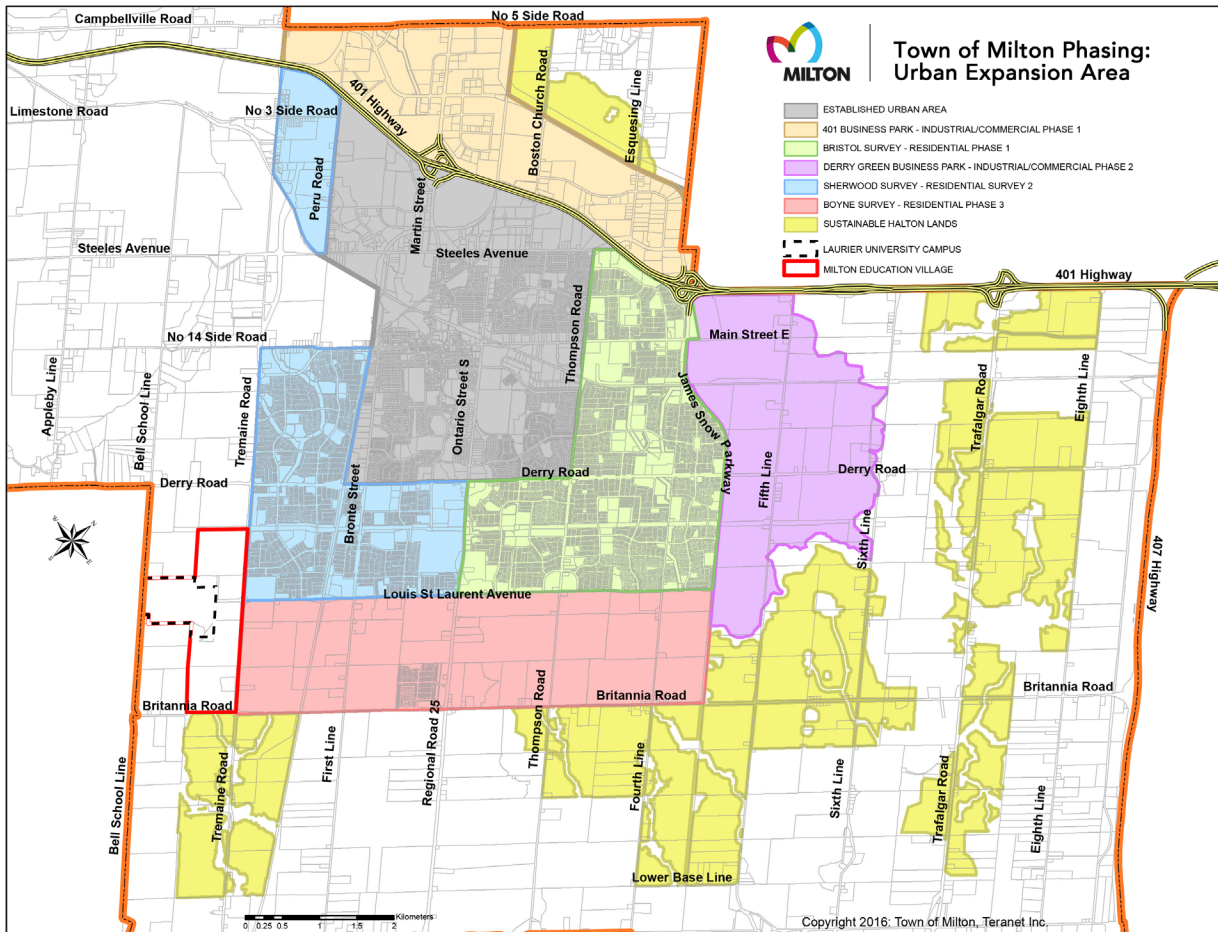
The consolidated cash position of the municipality increased by \$100.8 million from \$56.4 million in 2023 to \$157.2 million in 2024. The explanation for the significant increase in cash was provided earlier in the Net Financial Assets commentary. Net cash from operating activities increased the cash position by \$153.6 million, with another \$5.5 million of cash inflow generated from financing activities. Reducing the cash position were various activities that required cash outflows such as the acquisition of tangible capital assets of \$46.6 million, as well as investment activities of \$11.6 million.

All financial information contained within the 2024 Financial Report has been reviewed and approved by the Treasurer, with final approval of Council.

May 26, 2025

Looking Forward

Milton continues to experience rapid population and employment growth and is one of Canada's fastest growing municipalities, with a projected population of 400,400 by 2051. The Town strategically manages its growth in a fiscally responsible manner, including the preparation of official plans, strategic plans, secondary plans and fiscal impact assessments that guide and inform decisions that are made annually.



Planning for Growth

Halton Urban Structure Plan

The Halton Urban Structure Plan ("HUSP") adopted by Regional Council in June of 1994, outlined and planned for development activities to accommodate growth of the Town of Milton in the following phases:

- Phase 1 (Bristol Survey)
- Phase 2 (Sherwood Survey)
- Phase 3 (Boyne Survey)
- Derry Green Corporate Business Park

Looking Forward

As the Bristol and Sherwood Survey areas are approaching build-out, the Boyne Survey area will represent the Town's largest residential growth area in the next few years. Similarly, development of the approximately 800 hectares (2,000 acres) of developable non-residential lands in the Derry Green Corporate Business Park is well-underway and will account for the majority of the Town's employment growth in the short-term.

Sustainable Halton

In December 2009, Regional Council approved Regional Official Plan Amendment 38 ("ROPA 38"). Otherwise known as Sustainable Halton, the planning for this next phase of growth has been prepared in response to provincial requirements including the Places to Grow Plan, the Greenbelt Plan and the Provincial Policy Statement.

Sustainable Halton lands in Milton generally extend the urban boundary to the south and east of the existing urban boundary and includes lands to the west for the proposed Milton Education Village. The Sustainable Halton Land Base Analysis projected that Milton's population will grow to an estimated total of 238,000 people and 114,000 jobs once these lands are developed.

Trafalgar Corridor Secondary Plan Area, Agerton Employment Secondary Plan Area, and Britannia East/West Secondary Plan Area

Milton Town Council approved the Trafalgar Secondary Plan in March 2019 and it came into effect in July 2024. The Town is currently engaged with the landowner group to develop a comprehensive tertiary plan that will require Council endorsement before development of the lands can commence. The Agerton Secondary Plan Concept Plan was also endorsed by Town Council in March 2019 and forwarded to Halton Region. Updates to the Agerton Secondary Plan are ongoing to address changes in land-use planning and are anticipated to be presented to Council for approval in 2025. In January 2025, the Town approved the Britannia Secondary Plan Official Plan Amendment to support the development of approximately 1,040 hectares immediately south of the Boyne Survey Secondary Plan area. Development of these lands requires council endorsement of tertiary plans and is dependent upon regional servicing to the area which is not anticipated until 2028. These Secondary Plans establish a planning framework and related policies that will result in complete, healthy and sustainable communities.

Milton Education Village

Milton's vision for the Milton Education Village (MEV), is a comprehensively-planned neighbourhood that integrates post-secondary education, residential, commercial and recreational uses in a 400 acre area alongside the Niagara Escarpment. In 2020, Council approved a secondary plan for the area and forwarded the plan and associated studies to Halton Region. In June 2021, the Town announced that a Wilfrid Laurier University and Conestoga College post-secondary education campus along with a Schlegel Villages long-term care facility would be developed within the MEV. Planning for the area continues and development of these specialized facilities is anticipated to continue in the coming years.

Established Urban Area

Milton's GO Station is identified as a Mobility Hub within the Halton Region Official Plan with guidance from Metrolinx's The Big Move Regional Transportation Plan. A Mobility Hub is a Major Transit Station Area designated by Metrolinx as regionally significant given the level of transit services planned for the area and the development potential around the station. It is identified as a strategic location for urban intensification and growth to promote a complete transit-supportive community that encourages active transportation. In 2020, the Town completed the Milton Mobility

Looking Forward

Hub Study that presented a planning framework providing flexibility for alternative approaches as development of the area is likely to continue beyond a 30 year period. Medium and long-term policy comprehensive processes and implementation measures for the Mobility Hub include a secondary plan and further policy provisions as part of the Town's new Official Plan.

Planning to 2051 and Beyond

In November 2022, the Minister of Municipal Affairs and Housing approved Regional Office Plan Amendment No. 49 (ROPA 49) with 45 modifications. ROPA 49 as approved resulted in the expansion of Milton's urban boundary to accommodate the Town's share of the regional population and employment growth to 2051 as set out in the former Growth Plan for the GGH. As a result of changes to the Planning Act, (Bill 185) Halton Region is now established as an upper tier without planning responsibility. The Halton Region Official Plan has become an Official Plan of the Town of Milton.

In October 2024, the Growth Plan was replaced by a new Provincial Planning Statement (PPS, 2024). Under the new PPS planning authorities are required to base population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance and may modify, as appropriate. Notwithstanding, municipalities may continue to forecast growth using population and employment forecasts previously issued by the Province for the purposes of land use planning.

To inform the amount and type of residential and non-residential growth the Town should anticipate and plan for, growth forecasting and analyses of population and employment were undertaken through a Residential and Non-Residential Needs Analysis Study by Watson & Associates Economists Ltd. The Study forecasts growth in population to 400,400 and in employment to 156,300 by 2051, both of which exceed the approved forecasts of 350,900 and 136,300 respectively in the Regional Official Plan.

In March 2025, Council approved the first phase of a new Official Plan that incorporates the population and employment growth forecasts and phasing of growth, as projected by the Phase 1 Residential and Non-Residential Needs Analysis Study to inform land use planning, infrastructure planning and service delivery. The bundle of Official Plan documents adopted by Council have been submitted to the Minister of Municipal Affairs and Housing for approval.

Providing for Growth

Asset Management Planning

In 2024 the Town's Asset Management Plan was updated to include all Town assets, in accordance with Ontario Regulation 588/17. As a large portion of the Town's assets are relatively new due to recent growth, the study indicated that many of the assets are in good or very good condition.

Long-term funding to maintain infrastructure assets in a state of good repair comes from a combination of reserves and reserve funds, grants and the issuance of debentures. A lifecycle funding analysis completed as part of the study reaffirmed an annual infrastructure funding deficit through the planning horizon.

The Town continues to adopt a gradual approach to reducing the infrastructure deficit. Current financial strategies of the Town are expected to ensure that the deficit will not increase as the Town grows. This includes growing the existing annual contributions with consideration for inflation and assessment growth, funding the lifecycle cost of constructed and assumed infrastructure, as well as

Looking Forward

contributing additional incremental amounts when possible. The funding gap may be further mitigated through a variety of financial and non-financial strategies including service level changes, increasing funding from other potential sources and exploring methods to extend the useful life of assets.

Annual Budget Process

Financial planning starts with the establishment of Council's vision for the Town through strategic planning processes. Detailed studies and planning exercises undertaken by the Town, including various fiscal impact analyses, master plans, and asset management plans are developed in line with the overall strategic vision. These plans then form the framework for capital investment and provision of services that support a growing community. The budget process provides an avenue to prioritize and balance the allocation of available resources to achieve the various master plan targets and priorities and ultimately deliver services to the community. In 2025 specifically, the capital budget includes 138 projects worth \$139.5 million. A significant focus of the 2025 capital budget is investment in roads including land purchases for the extension of Main Street from Fifth Line to Sixth Line, the reconstruction of Nipissing Road and the maintenance of various roads throughout the Town, using asphalt overlay, expanded asphalt and surface treatment methods. Also included is the construction of a new neighborhood park in the Boyne area and investments in transit fleet. Of the total program, 37.4% is required for projects related to growth in the community, 58.6% is required for the investment in the state of good repair to ensure the ongoing serviceability of existing assets and the balance of the capital program is associated with other non-growth, non-renewal projects.

The 2025 operating budget involves a gross expenditure of \$222.5 million for the programs and services provided to the community. Of the total, 52% is funded through property taxation with the remainder from other sources such as user fees, service charges and other transfers.

Looking beyond 2025, the nine-year forecast projects a capital investment of \$1,483.1 million with 57.4% of expenditures relating to growth. The largest areas of investment will be the transportation and public facilities programs, accounting for 36.9% and 27.0% of the anticipated spend, respectively.

Glen Cowan
Chief Financial Officer / Treasurer

May 26, 2025



2024 Town of Milton Financial Report

Consolidated Financial Statements

For the year ended December 31, 2024



Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The Corporation of the Town of Milton (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Deloitte LLP, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

All financial information contained within the 2024 Financial Report has been reviewed and approved by the Treasurer, with final approval of Council.

May 26, 2025



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Independent Auditor's Report

To the Members of Council of the Corporation of the Town of Milton

Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Milton (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2024, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in The Corporation of the Town of Milton - Financial Report 2024 (the "Financial Report").

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Financial Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Independent Auditors' Report

Responsibilities of Management and those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.

Independent Auditors' Report

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Town as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
[DATE]

DRAFT

The Corporation of the Town of Milton

Consolidated Statement of Financial Position

As at December 31, 2024 with comparative information for 2023
(in thousands of dollars)

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 157,223	\$ 56,425
Accounts receivable (note 2)		
Taxes receivable	13,986	10,804
Grants receivable	694	279
Other	14,044	13,822
Investments (note 3)	232,150	218,283
Investment in Milton Hydro Holdings Inc. (note 4)	61,933	60,481
Other assets	1,663	442
Total financial assets	481,693	360,536
Liabilities:		
Accounts payable and accrued liabilities	18,260	20,568
Other liabilities (note 7)	3,496	2,438
Deferred revenue (note 5)	125,283	78,069
Long-term debt (note 6)	46,780	41,324
Developer obligations (note 7)	54,797	19,922
WSIB and other employee future benefits (note 8)	4,272	4,438
Asset retirement obligation (note 17)	2,300	2,656
Total liabilities	255,188	169,415
Net financial assets	226,505	191,121
Non-financial assets:		
Tangible capital assets (note 10)	1,271,477	1,239,897
Inventories of supplies	683	1,248
Prepaid expenses	2,075	2,402
Total non-financial assets	1,274,235	1,243,547
Commitments (note 19)		
Contingent liabilities and guarantees (note 20)		
Accumulated surplus (note 11)	\$ 1,500,740	\$ 1,434,668

Certain corresponding figures have been reclassified to conform to the current year financial statement presentation.

The accompanying notes are an integral part of these consolidated financial statements.

The Corporation of the Town of Milton

Consolidated Statement of Operations

Year ended December 31, 2024 with comparative information for 2023
(in thousands of dollars)

	Budget (Note 18)	2024	2023
Revenues:			
Taxation (note 12)	\$ 103,022	\$ 103,262	\$ 92,055
User charges	25,825	24,904	22,741
Government transfers:			
Federal (note 13)	4,513	3,981	5,514
Provincial (note 13)	1,621	5,273	1,993
Other municipalities	6,567	5,061	3,628
Investment income	6,614	11,054	8,979
Penalties and interest	3,323	3,524	3,202
Developer contributions	23,281	20,761	39,435
Contributed tangible capital assets	-	24,798	27,572
Proceeds from Ontario Lottery Corporation	6,200	6,745	7,377
Licenses, permits and rents	10,077	8,662	7,806
Equity in income of Milton Hydro Holding Inc. (note 4)	1,865	3,671	5,710
Donations	77	1,039	1,051
Other recoveries	134	21	13
Miscellaneous	102	672	416
Total revenues	193,221	223,428	227,492
Expenses:			
General government	25,023	26,202	23,605
Protection services	23,597	22,397	21,370
Transportation services	48,650	48,182	47,676
Environmental services	3,750	4,770	4,735
Health services	627	614	651
Recreation and cultural services	47,527	46,259	44,281
Planning and development	8,344	8,932	7,703
Total expenses	157,518	157,356	150,021
Annual surplus	35,703	66,072	77,471
Accumulated surplus, beginning of year	1,434,668	1,434,668	1,357,197
Accumulated surplus, end of year (note 11)	\$ 1,470,371	\$ 1,500,740	\$ 1,434,668

The accompanying notes are an integral part of these consolidated financial statements.

The Corporation of the Town of Milton

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2024 with comparative information for 2023
(in thousands of dollars)

	Budget (Note 18)	2024	2023
Annual surplus	\$ 35,703	\$ 66,072	\$ 77,471
Acquisition of tangible capital assets	(83,733)	(71,923)	(104,125)
Amortization	38,773	39,559	37,006
Loss on disposal of tangible capital assets	-	278	2,498
Proceeds on sale of tangible capital assets	-	506	219
	(9,257)	34,492	13,069
Change in inventories of supplies	-	565	(384)
Change in prepaid expenses	-	327	(997)
Change in net financial assets	(9,257)	35,384	11,688
Net financial assets, beginning of year	191,121	191,121	179,433
Net financial assets, end of year	\$ 181,864	\$ 226,505	\$ 191,121

The accompanying notes are an integral part of these consolidated financial statements.

The Corporation of the Town of Milton

Consolidated Statement of Cash Flows

Year ended December 31, 2024 with comparative information for 2023
(in thousands of dollars)

	2024	2023
Operating Activities:		
Annual surplus	\$ 66,072	\$ 77,471
Items not involving cash:		
Amortization	39,559	37,006
Loss on disposal of tangible capital assets	278	2,498
Developer contributions of tangible capital assets	(24,798)	(27,572)
Change in WSIB and other employee future benefits	(166)	905
Change in asset retirement obligations	(356)	2,656
Equity in income of Milton Hydro Holdings Inc.	(3,671)	(5,710)
Change in non-cash assets and liabilities:		
Accounts receivable	(3,819)	(1,637)
Other assets	(1,221)	(15)
Accounts payable and accrued liabilities	(2,308)	1,636
Other liabilities	1,058	(755)
Deferred revenue	47,214	(5,074)
Developer obligations	34,875	3,263
Inventories of supplies	565	(384)
Prepaid expenses	327	(997)
Net change in cash from operating activities	153,609	83,291
Capital Activities:		
Proceeds on sale of tangible capital assets	506	219
Cash used to acquire tangible capital assets	(47,125)	(76,553)
Net change in cash from capital activities	(46,619)	(76,334)
Investing Activities:		
Investments	(13,867)	(20,964)
Dividends from Milton Hydro Holdings Inc.	2,219	5,706
Net change in cash from investing activities	(11,648)	(15,258)
Financing Activities		
Debt issued and assumed	10,475	-
Debt principal repayment and sinking fund contributions	(5,019)	(5,652)
Net change in cash from financing activities	5,456	(5,652)
Net change in cash	100,798	(13,953)
Cash and cash equivalents, beginning of year	56,425	70,562
Cash and cash equivalents, end of year	\$ 157,223	\$ 56,609
Cash and cash equivalents consist of:		
Cash	135,848	54,637
Cash equivalents	21,375	1,788
	\$ 157,223	\$ 56,425

The accompanying notes are an integral part of these consolidated financial statements.

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The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

The Corporation of the Town of Milton ("the Town") is a municipality in the Province of Ontario ("the Province"), Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and related legislation. The Town provides municipal services such as fire, roads maintenance and construction, transit, planning, parks and recreation, library and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of The Corporation of the Town of Milton are prepared by management in accordance with Canadian public sector accounting standards.

Significant accounting policies adopted by the Town are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town except for Milton Hydro Holdings Inc. ("Milton Hydro") and Halton Digital Access Services Corporation (HDASC), which are accounted for on the modified equity basis of accounting.

These reporting entities include:

- The Milton Public Library Board
- The Board of Management of the Milton Downtown Business Improvement Area

Interdepartmental and inter-organizational transactions and balances between these entities and organizations have been eliminated.

(ii) Investment in Milton Hydro Holdings Inc.:

The Town's investment in Milton Hydro Holdings Inc., a government business enterprise, is accounted for on a modified equity basis, consistent with Canadian public sector accounting standards. Under the modified equity basis, Milton Hydro's accounting policies are not adjusted to conform to those of the Town and inter-organizational transactions and balances are not eliminated. The Town recognizes its equity interest in the annual income or loss of Milton Hydro in its Consolidated Statement of Operations with a corresponding increase or decrease in its investment asset account. Any dividends that the Town may receive from Milton Hydro are reflected as reductions in the investment asset account.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

1. Significant accounting policies: (continued)

(a) Basis of consolidation: (continued)

(iii) Halton Digital Access Services Corporation

Halton Digital Access Services Corporation was incorporated on June 14, 2023. It is owned in equal parts by the Town of Milton, the Regional Municipality of Halton ("Halton Region"), the Town of Oakville, the City of Burlington, and the Town of Halton Hills. HDASC serves to consolidate the negotiation and provision of licensing and permitting of pole positions within the Halton Region boundary.

The investment in HDASC is accounted for on a modified equity basis, consistent with Canadian public sector accounting standards. Under the modified equity basis, HDASC's accounting policies are not adjusted to conform to those of the Town and inter-organizational transactions and balances are not eliminated. The Town recognizes its equity interest in the annual income or loss of HDASC in its Consolidated Statement of Operations with a corresponding increase or decrease in its investment asset account. The HDASC did not have any material activity during 2023 and 2024.

(iv) Accounting for Halton Region and School Board transactions:

The taxation revenue and development charges collected by the Town on behalf of the Halton Region and the School Boards are not reflected in the Consolidated Statement of Operations.

(b) Basis of accounting:

The Town follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except when, and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished. Government transfers paid are recognized as a liability and an expense when the transfer is authorized and all eligibility criteria have been met by the recipient.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

1. Significant accounting policies: (continued)

(d) Deferred revenue:

Deferred revenue represents development charges, provincial and federal government transfers and other fees which have been collected, but for which the related services or inspections have yet to be performed. These amounts will be recognized as revenues in the fiscal year the related services are performed.

(i) Obligatory reserve funds:

Funds received for specific purposes which are externally restricted by legislation, regulation, or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purposes.

(e) Investments:

Investments consist of bonds and debentures and are recorded at amortized cost. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments.

(f) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related act, investment income earned is added to the deferred revenue balance.

(g) Taxation revenue:

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC). Tax rates are established by Town Council, incorporating amounts to be raised for local municipal services and service partners. The Town is also required to bill and collect education taxes on behalf of the Province at rates determined by the Province as well as regional taxes at rates determined by the Halton Region. The local municipal portion of property tax revenue is recognized subsequent to the passing of a property tax bylaw in the period in which the tax is levied.

The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are earned.

Assessments and related property taxes are subject to appeal. The Town evaluates the likelihood of having to repay taxes as a result of tax appeals or other changes and recognizes a liability if the amount can be reasonably estimated.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

1. Significant accounting policies: (continued)

(h) Cash and cash equivalents:

Cash and cash equivalents include short-term investments with a term to maturity of 90 days or less at acquisition.

(i) WSIB and other employee future benefits:

(i) Future period funding:

The Town provides certain employee benefits which will require funding in future periods. These benefits include benefits under the Workplace Safety and Insurance Board (WSIB) Act, and extended health and dental benefits for a closed group of early retirees. An expense is recognized when a WSIB insurable event occurs.

An independent actuarial study to determine the costs of benefits under the Workplace Safety and Insurance Board Act and liabilities for future payments of extended health and dental benefits has been undertaken using management's best estimate of insurance and health care cost trends, long-term inflation rates and discount rates.

(ii) Compensated vacation:

Compensated vacation expense is accrued for employees as entitlement to these payments is earned in accordance with the Town's benefit plans for vacation time. Under the same plan, unused banked overtime can accumulate and employees may become entitled to a cash payment upon termination of services. The cost of this banked overtime is accrued as the employee works the overtime.

(j) Pension agreements:

The costs of multi-employer defined benefit pension plan benefits, such as the Ontario Municipal Employees Retirement System (OMERS) pensions, are the employer's contributions due to the plan in the period. OMERS has been accounted for as a defined contribution plan since it is a multi-employer plan.

(k) Contaminated sites:

Contamination is a result of the introduction into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is estimated based upon information that is available when the financial statements are prepared. It is based upon the costs directly attributable to the remediation activities required using a present value measurement technique. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- (i) an environmental standard exists

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

1. Significant accounting policies: (continued)

(k) Contaminated sites: (continued)

- (ii) contamination exceeds the environmental standard
- (iii) the Town is directly responsible or accepts responsibility
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

(l) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. Tangible capital assets have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets (TCA) are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital assets, less residual value, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Assets	Useful Life - Years
Land improvements	10 - 50
Buildings and building improvements	15 - 50
Machinery and equipment	3 - 50
Linear assets	20 - 75

Amortization is charged in the year of acquisition and in the year of disposal. Amortization of the asset begins in the month of acquisition. Assets under construction are not amortized until the asset is available for productive use. The Town does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

1. Significant accounting policies: (continued)

(l) Non-financial assets (continued):

(iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are recorded at cost and are amortized on a straight line basis over their estimated useful lives.

(iv) Inventories of supplies:

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

(m) Asset retirement obligations

Asset Retirement Obligations (AROs) represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible assets include but are not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. AROs are only recognized when there is a legal obligation for the Town of Milton to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized for underlying assets that have been recorded and reported within the TCA values presented in the financial statements. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates. In circumstances when the underlying asset is fully depreciated, the ARO will be amortized over the estimated future life until the cash disbursement is made in the future to settle the obligation.

At remediation, the Town of Milton removes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

1. Significant accounting policies: (continued)

(n) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for AROs, accrued liabilities, allowance for doubtful accounts, and in performing actuarial valuations of WSIB and other employee future benefits, useful lives of tangible capital assets and the valuation of assets contributed by developers.

Actual results could differ from these estimates.

2. Accounts receivable:

Taxes receivable of \$13,986 (2023 - \$10,804) reported on the Consolidated Statement of Financial Position include supplementary taxes of \$1,422 (2023 - \$1,675) recorded in 2024 as earned, but not due until 2025. Other accounts receivable are reported net of a valuation allowance of \$1,286 (2023 - \$1,257).

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

3. Investments:

Investments reported on the Consolidated Statement of Financial Position have cost and market values as follows:

	2024	
	Cost	Market Value
Short-term notes and deposits	\$ 15,000	\$ 15,000
Government and government guaranteed bonds	63,468	62,556
Municipal bonds	44,811	44,428
Financial institutions	108,871	110,181
Total investments, year end	\$ 232,150	\$ 232,165

	2023	
	Cost	Market Value
Government and government guaranteed bonds	\$ 51,196	\$ 49,814
Municipal bonds	44,796	43,705
Financial institutions	122,291	122,757
Total investments, year end	\$ 218,283	\$ 216,276

4. Investment in Milton Hydro Holdings Inc.:

Milton Hydro Holdings Inc. and its wholly owned subsidiaries (collectively, the "Corporation") is owned and controlled by the Town and is accounted for on the modified equity basis in these consolidated financial statements. The Corporation serves as the electrical distribution utility for Milton's residents and businesses.

The following table provides condensed supplementary consolidated financial information for the Corporation and its subsidiaries as at and for the year ended December 31:

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

4. Investment in Milton Hydro Holdings Inc. (continued):

	2024	2023
Financial Position:		
Assets:		
Current	\$ 41,566	\$ 40,187
Capital	150,560	144,495
Other non-current assets	-	4,079
Regulatory balances	24,500	19,177
Total assets	216,626	207,938
Liabilities:		
Current	26,657	26,533
Long-term debt	62,739	63,642
Other non-current liabilities	51,553	50,281
Regulatory balances	13,744	7,002
Total liabilities	154,693	147,458
Equity:		
Share capital	17,549	17,549
Retained earnings	44,384	42,932
Total equity	61,933	60,481
Total liabilities and equity	216,626	207,939
Operations:		
Revenue (including other comprehensive income)	157,571	138,221
Expenses (including income tax provision)	152,481	134,663
Income net of taxes	5,090	3,558
Net movement in regulatory balances, net of tax	(1,419)	2,152
Total comprehensive income	3,671	5,710
Dividend paid to Town of Milton	(2,219)	(5,706)
Change in equity	1,452	4
Town of Milton investment represented by:		
2,000 Common shares	17,549	17,549
Retained earnings, end of year	44,384	42,932
Total investment in Milton Hydro Holdings Inc.	\$ 61,933	\$ 60,481

The following summarizes the Town's related party transactions with Milton Hydro for the year. All transactions are in the normal course of operations and are recorded at the exchange value based on normal commercial rates, or as agreed to by the parties. Gross revenue earned by Milton Hydro from the Town was \$2,240 (2023 - \$2,727). Property taxes paid to the Town by Milton Hydro was \$215 (2023 - \$203).

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

5. Deferred revenue:

(a) Deferred revenue continuity:

The deferred revenue reported on the Consolidated Statement of Financial Position is comprised of the following:

	2024	2023
Obligatory reserve funds (note 5.b)	\$ 104,091	\$ 54,671
Subdivision agreement fees	4,729	3,608
Property taxes prepaid	8,208	7,694
Development fees	2,256	771
Housing Accelerator Grant Program	-	5,604
Investment in the Arts Campaign naming rights	196	333
Naming opportunities deferred	1,765	2,573
Prepaid facility rentals and program registrations	1,199	1,102
Other	2,839	1,713
Total deferred revenue	\$ 125,283	\$ 78,069

	2024	2023
Balance, beginning of year:		
Obligatory reserve funds (note 5.b)	\$ 54,671	\$ 64,473
Subdivision agreement fees	3,608	3,276
Property taxes prepaid	7,694	7,078
Development fees	771	2,702
Housing Accelerator Grant Program	5,604	-
Investment in the Arts Campaign naming rights	333	470
Naming opportunities	2,573	3,381
Prepaid facility rentals and program registrations	1,102	974
Other	1,713	789
Total beginning balance	78,069	83,143
Receipts:		
Obligatory reserve funds	68,932	29,364
Interest earned on obligatory reserve funds	4,503	2,629
Subdivision agreement fees	4,400	3,205
Property taxes prepaid	8,208	7,694
Development fees	1,524	(362)
Housing Accelerator Grant Program	-	5,604
Prepaid facility rentals and program registrations	747	176
Other	2,454	1,898
Total receipts	90,768	50,208

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

5. Deferred revenue (continued):

(a) Deferred revenue continuity (continued):

	2024	2023
Transfers to revenue:		
Obligatory reserve funds	(24,015)	(41,795)
Subdivision agreement fees	(3,279)	(2,873)
Property taxes prepaid	(7,694)	(7,078)
Development fees	(39)	(1,569)
Housing Accelerator Grant Program	(5,604)	-
Investment in the Arts Campaign naming rights	(137)	(137)
Naming opportunities	(808)	(808)
Prepaid facility rentals and program registrations	(650)	(48)
Other	(1,328)	(974)
Total transfers to revenue	(43,554)	(55,282)
Balance, end of year	\$ 125,283	\$ 78,069

(b) Deferred revenue - obligatory reserve funds:

The balances in the obligatory reserve funds of the Town are summarized below:

	2024	2023
Building Stabilization	\$ 14,356	\$ 12,670
Cash in Lieu of Parking	371	356
Cash in Lieu of Parkland	27,193	23,108
Federal Gas Tax	7,109	4,834
Ontario Community Infrastructure Fund	5,383	1,471
Per Unit Processing Fees	2,683	-
Provincial Gas Tax	1,893	-
Provincial Government Transfers	4,978	189
Arts Programming	29	12
Development charges	40,096	12,031
	\$ 104,091	\$ 54,671

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

6. Long-term debt:

(a) Long-term debt continuity:

The balance of long-term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2024	2023
Serial debt issued by Halton Region, beginning of year	\$ 28,746	\$ 34,095
Less: Principal repayment	(4,716)	(5,349)
Add: New debt issued	10,475	-
Total serial debt	34,505	28,746
Sinking fund debt, beginning of year	15,000	15,000
Less: Sinking fund assets	(2,725)	(2,422)
Total sinking fund debt	12,275	12,578
Net long-term debt, end of year	\$ 46,780	\$ 41,324

The long-term liabilities issued in the name of the Town are within the annual limits set by the Ontario Regulation 403/02.

(b) Future principal payments:

The total principal payments to be made on the outstanding net long-term debt, classified by the recovery source are as follows:

	Operating	Development Charges	Obligatory Reserve Funds	Discretionary Reserve Funds	Total
2025	\$ 3,955	\$ -	\$ -	\$ 1,909	\$ 5,864
2026	3,675	-	-	1,950	5,625
2027	3,774	-	-	1,996	5,770
2028	3,579	-	-	303	3,882
2029	3,680	-	-	303	3,983
2030 - 2034	10,894	-	-	1,514	12,408
2035 - onward	-	-	-	9,248	9,248
	\$ 29,557	\$ -	\$ -	\$ 17,223	\$ 46,780

Of the future principal repayment amounts presented from Discretionary Reserve Funds, approximately \$5,506 is expected to be funded from investment earnings that are generated on the sinking fund contributions that are made in advance of the maturity date. The investment earnings are managed by the Halton Region and the actual return will be subject to market conditions. The Town will remain responsible for the entire sinking fund debt net of the final cumulative investment earnings amount.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

6. Long-term debt (continued):

(c) Total interest on long-term liabilities:

The total interest on long-term liabilities which are reported on the Consolidated Statement of Operations amounted to \$1,413 in 2024 (2023 - \$1,501). The long-term liabilities bear interest at rates ranging from 1.83% to 4.45%.

7. Developer obligations:

In addition to long-term debt, the Town recognizes obligations for future payments to developers as per legal agreements. The balance of developer obligation liabilities reported on the Consolidated Statement of Financial Position are comprised of the following:

	2024	2023
Subdivision agreements - parks	\$ 2,074	\$ 1,061
Subdivision agreements - roads	8,043	8,460
Sustainable Halton Studies	5,063	4,470
Road cash flow assistance	33,926	-
Cash Securities	5,691	5,931
Developer obligations, end of year	\$ 54,797	\$ 19,922

(a) Subdivision agreements

Through subdivision agreements, developers have constructed parks infrastructure on behalf of the Town that is directly attributable to their particular developments. The infrastructure was constructed sooner than planned in the Town's capital forecast in order to facilitate the development of the subdivision.

Reimbursements to the developers are in accordance with the Town's capital budget approvals for the various projects.

(b) Sustainable Halton Studies

Benefiting developers have entered into an agreement with the Town to finance various studies related to the Sustainable Halton urban expansion. Reimbursement to the developers will occur once the lands begin to develop and the costs are included in a Town-approved budget and business plan.

(c) Road cash flow assistance

Financial agreements with landowners in the Bristol and Sherwood secondary planning areas included a requirement for road cash flow assistance to be provided in the form of letters of credit, to be utilized to support the investment in road infrastructure that is required as growth in the Town proceeds. In

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

7. Developer obligations (continued):

(c) Road cash flow assistance (continued)

accordance with the financial agreements, the Town drew down the letters of credit in 2024 in a total amount of \$33,926 (2023 - \$Nil). Reimbursement to the landowners for the entire amount of \$33,926 (2023 - \$Nil) is required no later than June 2028.

(d) Cash securities

The Town requires the submission of financial securities to ensure compliance with the Town's standards and/or to protect the Town's financial interests with development-related approval processes or agreements. Such securities are collected in relation to subdivision, site plan and servicing agreements, engineering permits or through other arrangements. While the majority of such securities are collected in the form of letters of credit, a portion are provided to the Town in the form of a cash security, as reported here.

8. WSIB and other employee future benefits:

The WSIB and other employee future benefits liability, reported on the Consolidated Statement of Financial Position, is comprised of the following:

		2024	2023
Future payments to WSIB	\$	2,638	\$ 2,657
Retiree benefits		793	795
Vacation pay and banked overtime		841	986
Total	\$	4,272	\$ 4,438

(a) WSIB obligations:

In common with other Schedule 2 employers, the Town funds its obligations to the Workplace Safety and Insurance Board on a "pay-as-you-go" basis for employees under Schedule 2. An independent actuarial study of the workplace safety and insurance liabilities for future payments on WSIB claims has been undertaken. The most recent valuation of the workplace safety and insurance liabilities was completed as of December 31, 2023. The actuarial update was prepared for three consecutive years. The Estimated Average Remaining Service Life (EARSL) is 14 years, which is calculated using the Mean Term of the unescalated future payments for existing WSIB claims.

The significant actuarial assumptions adopted in estimating the Town's accrued benefits obligation are as follows:

Interest (gross discount rate)	4.50% per annum
Administration costs	21.00% of compensation

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

8. WSIB and other employee future benefits (continued):

(a) WSIB obligations (continued):

Compensation costs (including loss of earnings, health care benefits, survivor benefits and non-economic loss awards)

Before allowance for mortality improvements
0.50% - 2.50% per annum

After allowance for mortality improvements -
0.25% - 1.75% per annum

Information with respect to the Town's Workplace Safety and Insurance Board plan is as follows:

	2024	2023
Accrued WSIB obligation, beginning of year	\$ 1,988	\$ 2,089
Benefit costs	137	880
Actuarial loss	-	(825)
Interest	88	58
Benefit payments	(204)	(214)
	2,009	1,988
Net unamortized actuarial loss	629	669
Accrued WSIB obligation, end of year	\$ 2,638	\$ 2,657

The Town has established a WSIB reserve to mitigate the future impact of the WSIB obligations in the amount of \$5,375 (2023 - \$5,077).

In the current year, amortization of net actuarial gain of \$40 (2023 - \$(23)) has been included in the benefit expense on the Consolidated Statement of Operations.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

8. WSIB and other employee future benefits (continued):

(b) Retiree benefits:

The Town provides dental and health care benefits between the time an employee retires under OMERS and the normal retirement age of 65 for employees hired prior to July 1, 1996. Where applicable, bargaining unit employees are eligible for post-retirement benefits, as set out in the collective agreements. An independent actuarial study of the post-employment benefits has been undertaken. The most recent valuation of the retiree benefits was completed as of December 31, 2024. The actuarial update was prepared for three consecutive years. The Estimated Average Remaining Service Life (EARS�) is 14 years.

The significant actuarial assumptions adopted in estimating the Town's accrued benefits obligations are following:

Interest (discount rate)	4.25% per annum
Dental benefits escalation	same as health benefits
Health benefits escalation	6.00% per annum in 2025 decreasing by 0.33% per year to 4.0% in 2031 and 4.00% per annum thereafter

	2024	2023
Accrued benefits obligation, beginning of year	\$ 755	\$ 757
Current benefit cost	29	28
Actuarial loss	200	-
Interest	28	28
Benefits paid	(56)	(58)
	956	755
Unamortized actuarial gain	(163)	40
Accrued benefits obligation, end of year	\$ 793	\$ 795

In the current year amortization of the actuarial gains of \$3 (2023 - \$3) has been included in benefit expense on the Consolidated Statement of Operations.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

9. Pension agreements:

The Town makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of 711 (2023- 675) members of its staff. Effective January 1, 2023, OMERS updated eligibility rules to allow all existing and newly hired employees who are not currently plan members to join the plan. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contributions of employees with a normal retirement age of 65 were being made at a rate of 9.0% for earnings up to the yearly maximum pensionable earnings of \$68.5 and at a rate of 14.6% for earnings greater than the yearly maximum pensionable earnings.

The Town's contribution to OMERS for 2024 was \$5,225 (2023 - \$4,810) for current service and is included as an expense on the Consolidated Statement of Operations. Employees' contribution to OMERS in 2024 was \$5,225 (2023 - \$4,810).

As OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees. The OMERS primary pension plan has a deficit of \$2.9 billion as of December 31, 2024 (2023 - \$4.2 billion).

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

10. Tangible capital assets:

Cost	Balance at, December 31, 2023	Additions (Transfers)	Disposals	Balance at, December 31, 2024
Land	\$ 340,376	\$ 8,090	\$ -	\$ 348,466
Land improvements	91,545	5,969	(59)	97,455
Buildings and building improvements	186,917	2,093	-	189,010
Machinery and equipment	211,070	9,387	(4,582)	215,875
Linear assets	900,565	67,147	(2,253)	965,459
Asset retirement obligations	2,475	-	(435)	2,040
Assets under construction	37,439	(20,763)	-	16,676
Total	\$ 1,770,387	\$ 71,923	\$ (7,329)	\$ 1,834,981

Accumulated amortization	Balance at, December 31, 2023	Amortization	Disposals	Balance at, December 31, 2024
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	35,466	4,184	(46)	39,604
Building and building improvements	52,068	4,323	-	56,391
Machinery and equipment	105,153	13,034	(4,576)	113,611
Linear assets	337,654	17,870	(1,901)	353,623
Asset retirement obligations	149	148	(22)	275
Assets under construction	-	-	-	-
Total	\$ 530,490	\$ 39,559	\$ (6,545)	\$ 563,504

Net book value	December 31, 2023	December 31, 2024
Land	\$ 340,376	\$ 348,466
Land improvements	56,079	57,851
Buildings and building improvements	134,849	132,619
Machinery and equipment	105,917	102,264
Linear assets	562,911	611,836
Asset retirement obligations	2,326	1,765
Assets under construction	37,439	16,676
Total	\$ 1,239,897	\$ 1,271,477

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

10. Tangible capital assets (continued):

Cost	Balance at, December 31, 2022	Additions	Disposals	Balance at, December 31, 2023
Land	\$ 323,552	\$ 16,824	\$ -	\$ 340,376
Land Improvements	86,858	5,406	(719)	91,545
Building and building improvements	186,366	844	(293)	186,917
Machinery and equipment	201,554	15,575	(6,059)	211,070
Linear assets	833,790	76,522	(9,747)	900,565
Asset retirement obligations	-	2,475	-	2,475
Assets under construction	50,960	(13,521)	-	37,439
Total	\$ 1,683,080	\$ 104,125	\$ (16,818)	\$ 1,770,387

Accumulated amortization	Balance at, December 31, 2022	Amortization	Disposals	Balance at, December 31, 2023
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	32,052	3,884	(470)	35,466
Buildings and building improvements	47,995	4,306	(233)	52,068
Machinery and equipment	98,162	12,566	(5,575)	105,153
Linear assets	329,376	16,101	(7,823)	337,654
Asset retirement obligations	-	149	-	149
Assets under construction	-	-	-	-
Total	\$ 507,585	\$ 37,006	\$ (14,101)	\$ 530,490

Net book value	Balance at, December 31, 2022	Balance at, December 31, 2023
Land	\$ 323,552	\$ 340,376
Land improvements	54,806	56,079
Buildings and building improvements	138,371	134,849
Machinery and equipment	103,392	105,917
Linear assets	504,414	562,911
Asset retirement obligations	-	2,326
Assets under construction	50,960	37,439
Total	\$ 1,175,495	\$ 1,239,897

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

10. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction, having a value of \$16,676 (2023 - \$37,439), have not been amortized. Amortization of these assets will commence when the asset is put into service.

Additions to assets under construction are reported net of assets whose construction is complete and have been put into service.

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received during the year is \$24,798 (2023 - \$27,572) and is comprised of land and land improvements in the amount of \$1,167 (2023 - \$8,246) and linear assets in the amount of \$23,631 (2023 - \$19,326).

(c) Tangible capital assets recognized at nominal value:

The Town has recorded several assets at nominal value including heritage assets, cemeteries and several legacy infrastructure assets.

(d) Works of art and historical assets:

The Town manages and controls various works of art and non-operational historical cultural assets located at Town sites and public display areas. The assets consist of cenotaphs and unique historical artifacts requiring preservation. These tangible capital assets are recorded at cost and are amortized on a straight line basis over their estimated useful lives.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

11. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2024	2023
Reserves set aside by Council:		
Aggregate Permit Fees	\$ 179	\$ 303
Capital Provision	5,600	8,267
Information Technology	1,493	3,459
Downtown Milton Business Improvement Area	396	304
Elections	488	253
Vehicles and Equipment Replacement	9,923	9,674
Growth Capital - Other	16,270	12,113
Infrastructure Renewal - Roads and Structures, Traffic	56,132	39,920
Infrastructure Renewal - Stormwater	6,504	3,704
Infrastructure Renewal - Recreation, Facilities, Other	15,212	15,493
Insurance and Legal Matters	7,143	7,696
Library Tax Rate Stabilization	762	541
Library Capital	1,092	1,393
Per Unit Development Processing Fee	-	1,906
Seniors Fundraising	76	76
Studies and Other Non-Growth	1,202	1,648
Tax Rate Stabilization	7,350	7,340
Severe Weather Stabilization	2,563	2,063
WSIB	5,375	5,077
Total reserves	137,760	121,230

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

11. Accumulated surplus (continued):

	2024	2023
Reserve funds set aside by Council:		
Mayor's Legacy	104	100
Ontario Lottery Corporation Proceeds	8,252	8,824
Post Period Capacity	(448)	(407)
Property Transactions	14,137	15,559
Total reserve funds	22,045	24,076
Surplus:		
Invested in tangible capital assets	1,271,477	1,239,897
Unexpended Capital	75,411	50,740
Investment in Milton Hydro Holdings Inc.	61,933	60,481
Unfunded:		
Long-term debt	(46,780)	(41,324)
WSIB and other employee future benefits	(3,430)	(3,452)
Asset retirement obligation	(2,300)	(2,656)
Developer obligations	(15,180)	(13,991)
Investment In the Arts Campaign naming rights	(196)	(333)
Total surplus	1,340,935	1,289,362
Total accumulated surplus	\$ 1,500,740	\$ 1,434,668

12. Taxation:

Taxation revenue reported on the Consolidated Statements of Operations is comprised of the following:

	2024	2023
Municipal and school property taxes	\$ 267,091	\$ 247,712
Payments-in-lieu of property and business taxes	1,909	1,980
Balance, end of year	269,000	249,692
Payments to Halton Region and school boards	(165,738)	(157,637)
Net property taxes and payments in-lieu available for municipal purposes	\$ 103,262	\$ 92,055

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

13. Government transfers:

The Government transfers reported on the Consolidated Statement of Operations are:

	2024	2023
Provincial:		
Audit and Accountability Fund	\$ -	\$ 24
COVID-19 Recovery Funding for Municipalities	-	105
Building Faster Fund	2,580	-
Elderly Persons Centres Program	46	63
Gas Tax Funds for Public Transportation Program	969	967
Investing in Canada Infrastructure - COVID-19 Resilience	298	-
Ministry of Transportation - fire calls on King's highways	136	103
Ontario Arts Council Programs	-	26
Ontario Seniors Community Grant Program	7	7
Ontario's After School Program	65	36
Next Generation 9-1-1	1,014	302
Public Library Operating Grant	52	52
Public Library Pay Equity Grant	3	3
Reconnect Festivals and Events	-	1
Streamline Development Approval Fund	-	244
Municipal Fire Protection Grant	41	-
TO2015 Sport Legacy Fund	62	60
Subtotal provincial government transfers	5,273	1,993
Federal:		
Active Transportation Fund	-	50
Building Safer Communities Fund	1	-
Canada Arts Presentation Fund	-	57
Canada Community-Building Fund	2,191	4,419
Canada Community Revitalization Fund	-	13
Canada Healthy Communities Initiative	-	20
Canada Summer Jobs Program	37	23
Digital Service Squad Program	-	45
Housing Accelerator Fund	448	-
Investing in Canada Infrastructure - COVID-19 Resilience	368	-
Commemorate Canada Program - the National Day for Truth and Reconciliation	-	10
New Horizons for Seniors Program	27	24
TO2015 Sport Legacy Fund	821	797
Young Canada Works Program	24	3
Zero Emission Transit Fund	64	53
Subtotal federal government transfers	3,981	5,514
Total government transfers	\$ 9,254	\$ 7,507

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

14. Segmented information:

Segmented information has been identified based on functional classification as categorized by the Financial Information Return. The classifications are as follows:

(a) General Government:

General government function includes Mayor and Council as well as other divisions that are responsible for the general management and control of the Town, including adopting by-laws, adopting administrative policy, levying taxes, and providing administrative, communication, human resources, technical, and financial services. They also ensure quality services are provided to the community and that the services provided are aligned with Council approved actions.

(b) Protection to Persons and Property:

Protection is comprised of the Fire department, By-Law Enforcement, Licensing, Animal and Weed control, and Building Services. The Fire department is responsible to provide fire suppression services; fire prevention programs; training and education related to prevention; detection or extinguishment of fires and emergency rescue services. By-law enforcement, marriage and business licensing and animal and weed control are provided by the Office of the Town Clerk. The Building Services Division is responsible for permit processing and building inspections.

(c) Transportation Services:

The related divisions are responsible for the operations and infrastructure management of the Town's road and bridge network. They also provide traffic control, parking control and development engineering services. Milton Transit provides a fixed route conventional and on-demand transit service as well as accessible transit.

(d) Health Services:

Revenues and expenses associated with the Town's contribution for the local share of the Milton District Hospital Expansion.

(e) Environmental Services:

The Town provides storm water management services (planning, construction or assumption and operations) through several program areas.

(f) Recreation and Cultural Services:

The Community Services is responsible for the development, provision and maintenance of facilities, parks and recreation and cultural programs and services. The Milton Public Library provides the community with materials, programs and services to support and encourage informal life-long learning.

(g) Planning and Development:

The Development Services Department provides direction to Council and the community through land

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

14. Segmented information (continued):

(g) Planning and Development (continued):

use policy formulation and implementation. The Economic Development Division assists businesses through technical processes associated with the relocation or set up of business. With the support of the Town, the DMBIA board of management provides business promotion and improvement functions in downtown Milton.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segment's budgeted net expenditure.

User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

14. Segmented information (continued):

	2024							
	General government	Protection to persons and property	Transportation services	Environmental services	Health services	Recreation and cultural services	Planning and development	Total
Revenues:								
Taxation	\$ 17,051	\$ 14,239	\$ 29,497	\$ 2,608	\$ 386	\$ 34,466	\$ 5,015	\$ 103,262
User charges	(1,273)	470	4,319	-	-	15,086	6,302	24,904
Government transfers								
Federal	-	-	2,275	-	-	1,268	438	3,981
Provincial	356	835	2,990	558	-	534	-	5,273
Other municipalities	-	261	4,516	130	-	154	-	5,061
Investment income	11,028	-	-	-	-	14	12	11,054
Penalties and interest	2,493	-	939	-	-	92	-	3,524
Developer contributions	37	-	12,116	592	-	2,672	5,344	20,761
Contributed tangible capital assets	-	-	14,960	8,880	-	958	-	24,798
Proceeds from Ontario Lottery Corporation	6,745	-	-	-	-	-	-	6,745
Licenses, permits and rents	688	7,371	132	-	-	464	7	8,662
Equity in income of Milton Hydro Holding Inc.	3,671	-	-	-	-	-	-	3,671
Donations	-	-	4	-	-	948	87	1,039
Other recoveries	-	-	19	2	-	-	-	21
Miscellaneous	56	-	471	-	-	145	-	672
Total revenues	40,852	23,176	72,238	12,770	386	56,801	17,205	223,428
Expenses:								
Salaries, wages and employee benefits	16,719	18,704	6,927	373	-	21,146	6,935	70,804
Purchased goods	2,876	762	3,872	64	-	6,051	148	13,773
Purchased services	3,032	890	16,891	1,132	-	5,924	1,724	29,593
Financial expenses / (recovery)	217	48	986	47	614	1,220	20	3,152
Transfers to others	1	5	-	-	-	464	5	475
Amortization expense	3,357	1,988	19,506	3,154	-	11,454	100	39,559
Total expenses	26,202	22,397	48,182	4,770	614	46,259	8,932	157,356
Annual surplus / (deficit)	\$ 14,650	\$ 779	\$ 24,056	\$ 8,000	\$ (228)	\$ 10,542	\$ 8,273	\$ 66,072

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

14. Segmented information (continued):

	2023						
	General government	Protection to persons and property	Transportation services	Environmental services	Health services	Recreation and cultural services	Planning and development
Revenues:							
Taxation	\$ 14,938	\$ 12,942	\$ 27,502	\$ 2,253	\$ 396	\$ 29,708	\$ 4,316
User charges	1,507	278	2,543	9	-	14,926	3,478
Government transfers							
Federal	-	-	4,372	150	-	924	68
Provincial	140	392	969	-	-	247	245
Other municipalities	-	289	3,205	8	-	126	-
Investment income	8,979	-	-	-	-	-	-
Penalties and interest	1,906	-	1,230	-	-	66	-
Developer contributions	41	30	28,938	2,831	-	2,677	4,918
Contributed tangible capital assets	-	-	12,537	6,936	-	8,099	-
Proceeds from Ontario Lottery Corporation	7,377	-	-	-	-	-	-
Licenses, permits and rents	536	6,659	140	-	-	427	44
Equity in income of Milton Hydro Holding Inc.	5,710	-	-	-	-	-	-
Donations	-	-	3	-	-	962	86
Other recoveries	-	-	-	-	-	13	-
Miscellaneous	31	110	145	-	-	130	-
Total revenues	41,165	20,700	81,584	12,187	396	58,305	13,155
Expenses:							
Salaries, wages and employee benefits	15,866	17,398	6,548	255	-	19,713	6,262
Purchased goods	2,030	768	3,709	60	-	5,963	170
Purchased services	2,440	1,025	17,477	1,595	-	4,758	1,209
Financial expenses / (recovery)	282	75	2,408	3	651	1,879	19
Transfers to others	5	24	-	-	-	422	1
Amortization expense	2,982	2,080	17,534	2,822	-	11,546	42
Total expenses	23,605	21,370	47,676	4,735	651	44,281	7,703
Annual surplus / (deficit)	\$ 17,560	\$ (670)	\$ 33,908	\$ 7,452	\$ (255)	\$ 14,024	\$ 5,452
							\$ 77,471

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

15. Expenses by object:

The consolidated statement of operations represents the expenses by function, the following note classifies those same expenses by object:

	Budget 2024	Actual 2024	Actual 2023
Salaries, wages and employee benefits	\$ 75,303	\$ 70,804	\$ 66,042
Purchased goods	14,734	13,773	12,700
Purchased services	25,698	29,593	28,504
Financial expenses / (recovery)	2,473	3,152	5,317
Transfers to others	537	475	452
Amortization expense	38,773	39,559	37,006
Total	\$ 157,518	\$ 157,356	\$ 150,021

16. Fair value and risk management:

Town of Milton is exposed to a variety of financial risks, including credit risk and liquidity risk. Milton's overall risk management program seeks to minimize potential adverse effects on financial performance.

Financial instruments are classified as either fair value, cost, or amortized cost. The Town of Milton determines the classification of its financial instruments at initial recognition.

The following classification is used to describe the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - market based inputs other than quoted prices that are observable for the asset for liability either directly or indirectly; and

Level 3 - inputs for the assets or liabilities that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instruments being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Town of Milton does not have any financial instruments that are measured at fair value as at end of fiscal year 2024.

(a) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss. The Town of Milton is exposed to credit risk with respect to accounts receivable and other investments. The Town assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in Allowance for Doubtful Accounts. The maximum exposure to credit risk of the Town is the carrying value of these assets. Management considers credit risk to be minimal as most of the accounts receivable balance is collected in a timely fashion. There have been no significant changes to credit risk exposure from prior year.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

16. Fair value and risk management: (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Town will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Town manages its liquidity risk by monitoring its operating requirements, and prepares a budget, as well as cash forecasts, to ensure that it has sufficient funds to fulfill obligations.

There have been no significant changes to the liquidity risk exposure from prior year, as Milton, through prudent long-term financial planning, continues to support the Halton Region's AAA credit rating, which allows the Halton Region to obtain the most competitive rates available in the market.

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates. The Town is not subject to significant interest rate risk as its cash and cash equivalents, investments, and long-term debt have fixed interest rates and are intended to be carried until maturity. Since cash and cash equivalents are carried at amortized cost, their valuation does not change with changes in fair value.

The Town follows a Treasury Policy approved by Council.

(d) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Town of Milton is not exposed to this risk due to the amounts held in foreign currency being immaterial.

17. Asset retirement obligation:

(a) Asbestos:

The Town of Milton owns 23 buildings which contain or might contain asbestos, and therefore, the Town is legally required to perform abatement activities upon renovation or demolition of this asset. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed.

The estimated total liability of \$1,811 thousand (2023 - \$1,742) is based on a per square foot estimate of potential abatement costs that has been applied to all of Town's buildings. Further, the sum of the estimated costs for abatement activities was adjusted for inflation using annual non-residential construction price index of 4.00% (2023 - 8.23%). The Town has not designated funds for settling the abatement activities.

(b) Landfill:

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

17. Asset retirement obligation (continued):

(b) Landfill (continued):

landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The responsibility to monitor the closed landfill in perpetuity resides with the Halton Region.

The reported liability is based on estimations of capital costs over the term of 40 years. The estimated total liability of \$111 thousand (2023- \$116) is based on the sum of discounted future cash flows for capital activities using a discount rate of 4.5% and assuming annual inflation of 4.00% (2023 - 8.23%). The estimate will be adjusted annually to reflect changes in discount rate and annual inflation rate. Future events may result in changes to the estimated total expense, and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

(c) Fuel tanks:

The Town of Milton owns and operates two underground fuel tanks that have estimated useful life of 30 years, however could be used for a longer period of time if maintained in good condition. According to O.Reg. 213/01 - Fuel Oil under the Technical Standards and Safety Act, 2000, at the end of use, the Town is legally required to remove the fuel tanks from the ground, to properly dispose of, and to remediate contamination, if any. An Asset Retirement Obligation estimated at \$378 thousand (2023 - \$363) has been recorded and, is based on the cost of a similar project, adjusted for inflation by annual non-residential construction price index.

(d) Leasehold:

The salt dome at the Civic Operations Centre is located on a parcel of land leased from the Halton Region. In 2024, the term of the lease agreement was extended for another 60 years spanning beyond useful life of the leasehold improvement. As such there is no asset retirement obligation in relation to the decommissioning of that dome prior to its end of life. An ARO estimated at \$435 thousand (2023 - \$435) has been removed from the Town books.

	2024	2023
Balance, beginning of year	\$ 2,656	\$ -
Liabilities incurred	-	2,474
Liabilities settled	(435)	-
Accretion expense	79	182
Balance, end of year	\$ 2,300	\$ 2,656

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

18. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2024 budget approved by Council on December 4, 2023. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget Amount
Revenue:	
Operating budget	\$ 193,013
Capital budget	83,733
Less:	
Interfund transfers	(67,087)
New debt financing	(6,000)
Reallocated revenues	(10,438)
Total revenue	193,221
Expenses:	
Operating budget	193,013
Capital budget	83,733
Amortization	38,773
Less:	
Acquisition of tangible capital assets	(83,733)
Interfund transfers	(58,890)
Reallocated expenses	(10,359)
Debt principal payments	(5,019)
Total expenses	157,518
Annual surplus	\$ 35,703

19. Commitments:

The Town has outstanding contractual obligations of approximately \$39,537 (2023 - \$58,803) for capital works and operating activities. The Town Council has authorized financing of these obligations.

20. Contingent liabilities and guarantees:

The Town has been named as the defendant in certain legal actions, in which damages have been sought. Any losses arising from these actions are recorded in the year that the related litigation is settled or when likely amounts are measurable. Where the outcomes of actions are not determinable as at December 31, 2024, no provision is made in the consolidated financial statements.

The Corporation of the Town of Milton

Notes to Consolidated Financial Statements

Year ended December 31, 2024
(in thousands of dollars)

21. Contractual rights:

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future.

Town's contractual rights of \$48,249 arise because of the various types of contracts entered into, among which are agreements for assumption of assets under subdivision agreements of \$36,451, cost recovery of \$4,061, lease agreements of \$4,499, services agreements of \$349 and \$2,889 from agreements with developers.



2024 Town of Milton Financial Report

Milton Public Library Board

For the year ended December 31, 2024





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Independent Auditor's Report

To the Members of Council of The Corporation of the Town of Milton

Opinion

We have audited the financial statements of The Corporation of the Town of Milton Public Library Board (the "Library Board"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library Board as at December 31, 2024, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Library Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Library Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Library Board's financial reporting process.

Independent Auditors' Report

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Library Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
[DATE]

Milton Public Library Board

Statement of Financial Position

As at December 31, 2024 with comparative information for 2023

	2024	2023
Financial assets:		
Due from the Town of Milton	\$ 3,070,032	\$ 3,560,967
Accounts receivable	15,764	-
Total financial assets	3,085,796	3,560,967
Liabilities:		
Accounts payable and accrued liabilities	267,730	322,759
Deferred revenue (note 2)	30,752	19,985
Total financial liabilities	298,482	342,744
Net financial assets	2,787,314	3,218,223
Non-financial assets:		
Tangible capital assets (note 3)	3,455,382	3,008,409
Prepaid expenses	77,030	61,289
Total non-financial assets	3,532,412	3,069,698
Commitments (note 6)		
Accumulated surplus (note 4)	\$ 6,319,726	\$ 6,287,921

The accompanying notes are an integral part of these financial statements.

Milton Public Library Board

Statement of Operations

Year ended December 31, 2024 with comparative information for 2023

	Budget (Note 7)	2024	2023
Revenues:			
Transfer from the Town of Milton	\$ 6,190,338	\$ 5,933,370	\$ 5,901,548
Fines and penalties	145,501	103,214	73,348
User charges	53,307	15,636	24,828
Federal government transfers:			
Summer career placement grant	1,850	18,184	-
Canada Healthy Communities	-	-	20,000
Young Canada Works	-	23,990	3,329
National Day for Truth and Reconciliation	-	-	10,000
New Horizons for Seniors	23,734	5,248	23,734
Provincial government transfers:			
Library pay equity program	3,275	3,275	3,275
Public library operating grant program	52,429	52,429	52,429
Transfers from Town of Milton	21,696	23,622	30,604
Milton contributions - growth capital projects (note 5)	50,213	165,419	76,390
Miscellaneous	7,950	55,164	14,357
Total revenues	6,550,293	6,399,551	6,233,842
Expenses:			
Salaries, wages and employee benefits	4,332,950	3,819,667	4,047,759
Administrative	66,052	56,467	73,363
Financial	6,500	6,232	6,999
Purchased goods	428,778	476,869	449,988
Purchased services	955,661	1,375,849	979,616
Transfer to Town of Milton	-	26,240	-
Amortization	603,516	606,422	608,618
Total expenses	6,393,457	6,367,746	6,166,343
Annual surplus/(deficit)	156,836	31,805	67,499
Accumulated surplus, beginning of year	6,287,921	6,287,921	6,220,422
Accumulated surplus, end of year (note 4)	\$ 6,444,757	\$ 6,319,726	\$ 6,287,921

The accompanying notes are an integral part of these financial statements.

Milton Public Library Board

Statement of Change in Net Financial Assets

Year ended December 31, 2024 with comparative information for 2023

		Budget (Note 7)	2024	2023
Annual surplus	\$	156,836	\$ 31,805	\$ 67,499
Acquisition of tangible capital assets		(1,081,420)	(1,053,395)	(606,284)
Amortization of tangible capital assets		603,516	606,422	608,618
		(321,068)	(415,168)	69,833
Change in prepaid expenses		-	(15,741)	23,372
Change in net financial assets		(321,068)	(430,909)	93,205
Net financial assets, beginning of year		3,218,223	3,218,223	3,125,018
Net financial assets, end of year	\$	2,897,155	\$ 2,787,314	\$ 3,218,223

The accompanying notes are an integral part of these financial statements.

Milton Public Library Board

Statement of Change in Due from the Town of Milton

Year ended December 31, 2024 with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating Activities:		
Annual surplus	\$ 31,805	\$ 67,499
Items not involving cash:		
Amortization	606,422	608,618
Change in non-cash assets and liabilities:		
Grants receivable	(15,764)	-
Accounts payable and accrued liabilities	(55,029)	18,231
Deferred revenue	10,767	6,985
Prepaid expenses	(15,741)	23,372
Net change in due from the Town of Milton from operating activities	562,460	724,705
Capital Activities:		
Cash used to acquire tangible capital assets	(1,053,395)	(606,284)
Financing Activities:		
Change in due from Town of Milton	490,935	(118,421)
Net change in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies:

The financial statements of the Milton Public Library Board (the "Library") are prepared in accordance with Canadian public sector accounting standards.

Significant accounting policies adopted by the Library are as follows:

(a) Basis of accounting:

The Library follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Government transfers:

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except, when and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(c) Milton contributions - growth capital projects:

Development charges are collected by The Corporation of the Town of Milton to be used to support future development. Development charges are transferred to the Library and recognized as revenue in the Library's statement of operations when eligible Library owned tangible capital assets are purchased.

(d) Deferred revenue:

Deferred revenue includes federal and provincial government transfers which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. Tangible capital assets have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

The costs of the tangible capital assets, less residual value, are amortized on a straight line basis over their estimated useful lives as follows:

Assets	Useful Life - Years
IT equipment	3 - 10
Office equipment	10 - 50
Collections	3 - 10

Amortization is charged in the year of acquisition and in the year of disposal. Amortization of the asset begins in the month of acquisition. Assets under construction are not amortized until the asset is available for productive use. The Library does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Where fair market value is not available the values are estimated.

(f) Use estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and useful lives of tangible capital assets. Actual results could differ from these estimates.

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

2. Deferred revenue:

The deferred revenue reported on the Statement of Financial Position is made of the deferred government transfers revenue:

	2024	2023
Deferred revenue	\$ 30,752	\$ 19,985
Balance, beginning of year:		
Deferred revenue	\$ 19,985	\$ 13,000
Receipts:		
Government transfers and sponsorships	19,752	7,985
Transfers:		
Government transfers and sponsorships revenue earned	(8,985)	(1,000)
Balance, end of year	\$ 30,752	\$ 19,985

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

3. Tangible capital assets:

Cost	Balance at, December 31, 2023	Additions	Disposals	Balance at, December 31, 2024
IT equipment	\$ 855,421	\$ 489,784	\$ (63,328)	\$ 1,281,877
Office equipment	1,525,569	127,656	(644)	1,652,581
Collections	6,096,445	435,955	(341,784)	6,190,616
Total	\$ 8,477,435	\$ 1,053,395	\$ (405,756)	\$ 9,125,074

Accumulated amortization	Balance at, December 31, 2023	Amortization	Disposals	Balance at, December 31, 2024
IT equipment	\$ 519,848	\$ 145,783	\$ (63,328)	\$ 602,303
Office equipment	745,543	62,596	(644)	807,495
Collections	4,203,635	398,043	(341,784)	4,259,894
Total	\$ 5,469,026	\$ 606,422	\$ (405,756)	\$ 5,669,692

Net book value	Balance at, December 31, 2023	Balance at, December 31, 2024
IT equipment	\$ 335,573	\$ 679,574
Office equipment	780,026	845,086
Collections	1,892,810	1,930,722
Total	\$ 3,008,409	\$ 3,455,382

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

3. Tangible capital assets (continued):

Cost	Balance at, December 31, 2022	Additions	Disposals	Balance at, December 31, 2023
IT equipment	\$ 792,034	\$ 145,866	\$ (82,479)	\$ 855,421
Office equipment	1,507,083	19,915	(1,429)	1,525,569
Collections	5,962,367	440,503	(306,425)	6,096,445
Total	\$ 8,261,484	\$ 606,284	\$ (390,333)	\$ 8,477,435

Accumulated amortization	Balance at, December 31, 2022	Amortization	Disposals	Balance at, December 31, 2023
IT equipment	\$ 462,141	\$ 140,186	\$ (82,479)	\$ 519,848
Office equipment	666,258	80,714	(1,429)	745,543
Collections	4,122,342	387,718	(306,425)	4,203,635
Total	\$ 5,250,741	\$ 608,618	\$ (390,333)	\$ 5,469,026

Net book value	Balance at, December 31, 2022	Balance at, December 31, 2023
IT equipment	\$ 329,893	\$ 335,573
Office equipment	840,825	780,026
Collections	1,840,025	1,892,810
Total	\$ 3,010,743	\$ 3,008,409

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

3. Tangible capital assets (continued):

(a) Contributed capital assets:

The Library received no contributed tangible capital assets in 2024 or 2023.

(b) Tangible capital assets disclosed at nominal value:

There are no tangible capital assets recognized at a nominal value.

(c) Write-down of tangible capital assets:

The Library has not recorded write-downs of tangible capital assets during the year of 2024 or 2023 .

4. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2024	2023
Surplus:		
Invested in tangible capital assets	\$ 3,455,382	\$ 3,008,409
Unexpended capital	1,010,351	1,346,006
Total surplus	4,465,733	4,354,415
Reserves set aside by Library Board:		
Library Capital Works	1,092,009	1,392,911
Library Tax Rate Stabilization	761,984	540,595
Total reserves	1,853,993	1,933,506
Accumulated surplus	\$ 6,319,726	\$ 6,287,921

The Library Capital Works reserve is designated by the Library Board for the future purchase of Library owned tangible capital assets and the balance represents funds that have been allocated from the Town to the Library for the acquisition of Library assets. These funds do not include development charges that have been collected under the Town's by-law. The Library Tax Rate Stabilization reserve is used to stabilize revenue streams and provide resources to respond to extraordinary events.

5. Milton contributions - growth capital projects:

The Town of Milton (the "Town") manages a development charge obligatory reserve fund for library services in the amount of \$11,164,722 (2023 - \$8,794,548) that is funded by contributions received from developers as stipulated by the Development Charges By-law and identified in the Development Charges Background Study.

The development charges will be spent on tangible capital assets to facilitate Library growth. Tangible capital asset purchases may be either Town or Library owned recognizing that the Town maintains title to Library facilities and furniture.

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

6. Commitments:

The Library entered into an agreement with the Town in 2016 and is committed to minimum annual payments for services as follows:

2025	\$	420,766
2026		267,309
2027		98,602
2028		103,207
2029		108,027
	\$	997,911

7. Budget data:

The budget data presented in these financial statements is based upon the 2024 operating and capital budgets approved by Council on December 4, 2023. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	Budget Amount
Revenue:	
Operating budget	\$ 6,508,954
Capital budget	1,081,420
Municipal government transfers	21,696
Milton contributions - development charges	50,213
Less:	
Contribution from surplus	(21,696)
Interfund transfers	(1,081,420)
Other transfers	(8,874)
Total revenue	6,550,293
Expenses:	
Operating budget	6,508,954
Capital budget	1,081,420
Amortization	603,516
Less:	
Interfund transfers	(710,139)
Other transfers	(8,874)
Acquisition of tangible capital assets	(1,081,420)
Total expenses	6,393,457
Annual surplus	\$ 156,836

Milton Public Library Board

Notes to Financial Statements

Year ended December 31, 2024

8. Related party transactions:

In 2016, the Town of Milton entered into a lease agreement with the Milton Public Library for use of the Arts Centre Milton space at nominal value of \$1 dollar. The lease agreement is due for renewal in 2026.

In addition to the transactions noted, the Town also periodically provides support services at no cost. Should the Library be required to source these services independently, additional costs that could be material may be incurred.

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2024 Town of Milton Financial Report

Downtown Milton Business Improvement Area

For the year ended December 31, 2024





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Independent Auditor's Report

To the Members of Council of The Corporation of the Town of Milton

Opinion

We have audited the financial statements of the Downtown Business Improvement Area of the Corporation of the Town of Milton (the "BIA"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BIA as at December 31, 2024, and the results of its operations and changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the

Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the BIA in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the BIA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the BIA's financial reporting process.

Independent Auditors' Report

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BIA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BIA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the BIA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
[DATE]

Downtown Milton Business Improvement Area

Statement of Financial Position

As at December 31, 2024 with comparative information for 2023

	2024	2023
Financial assets:		
Due from the Town of Milton	\$ 397,287	\$ 327,687
Liabilities:		
Accounts payable and accrued liabilities	13,813	23,790
Net financial assets	383,474	303,897
Non-financial assets:		
Tangible capital assets (note 2)	60,733	78,912
Prepaid expenses	12,079	-
Total Non-financial assets	72,812	78,912
Commitments (note 5)		
Accumulated surplus (note 3)	\$ 456,286	\$ 382,809

The accompanying notes are an integral part of these financial statements.

Downtown Milton Business Improvement Area

Statement of Operations

Year ended December 31, 2024 with comparative information for 2023

	Budget (Note 7)	2024	2023
Revenues:			
Taxation levied by Town	\$ 266,290	\$ 269,634	\$ 255,912
User charges	43,500	44,795	23,618
Federal government transfers (note 4)	10,024	10,224	22,451
Provincial government transfers (note 4)	-	-	1,108
Municipal government transfers	107,661	119,908	108,411
Miscellaneous	30,500	87,390	85,525
Total revenues	457,975	531,951	497,025
Expenses:			
Beautification and planters	64,500	46,458	58,449
General administration	52,805	33,795	47,407
Salaries and benefits	203,440	208,978	202,522
Trade promotion and special events	162,230	149,231	127,688
Amortization	19,916	20,012	21,804
Total expenses	502,891	458,474	457,870
Annual surplus/(deficit)	(44,916)	73,477	39,155
Accumulated surplus, beginning of year	382,809	382,809	343,654
Accumulated surplus, end of year (note 3)	\$ 337,893	\$ 456,286	\$ 382,809

The accompanying notes are an integral part of these financial statements.

Downtown Milton Business Improvement Area

Statement of Change in Net Financial Assets

Year ended December 31, 2024 with comparative information for 2023

	Budget (Note 7)	2024	2023
Annual surplus	\$ (44,916)	\$ 73,477	\$ 39,155
Acquisition of tangible capital assets	-	(1,833)	(4,904)
Amortization of tangible capital assets	19,916	20,012	21,805
	(25,000)	91,656	56,056
Change in prepaid expenses	-	(12,079)	218
Change in net financial assets	(25,000)	79,577	56,274
Net financial assets, beginning of year	303,897	303,897	247,623
Net financial assets, end of year	\$ 278,897	\$ 383,474	\$ 303,897

The accompanying notes are an integral part of these financial statements.

Downtown Milton Business Improvement Area

Statement of Change in Due from the Town of Milton

Year ended December 31, 2024 with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating Activities:		
Annual surplus	\$ 73,477	\$ 39,155
Items not involving cash:		
Amortization	20,012	21,805
Change in non-cash assets and other liabilities:		
Accounts payable and accrued liabilities	(9,977)	(8,162)
Prepaid expenses	(12,079)	218
Net change in cash from operating activities	71,433	53,016
Capital Activities:		
Cash used to acquire tangible capital assets	(1,833)	(4,904)
Financing Activities:		
Change in Due from Town of Milton	(69,600)	(48,112)
Net change in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Downtown Milton Business Improvement Area

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies:

The financial statements of the Downtown Milton Business Improvement Area (DMBIA) are prepared by management in accordance with Canadian public sector accounting standards.

Significant accounting policies adopted by the DMBIA are as follows:

(a) Basis of accounting:

The DMBIA follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Government transfers:

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made, except when and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs of the tangible capital assets, less residual value, are amortized on a straight line basis over their estimated useful lives as follows:

Assets	Useful Life - Years
Office equipment	3 - 15
Other equipment	5 - 10

Downtown Milton Business Improvement Area

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(c) Non-financial assets (continued):

Amortization is charged in the year of acquisition and in the year of disposal. Amortization of the asset begins in the month of acquisition.

The Town does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(d) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and useful lives of tangible capital assets. Actual results could differ from these estimates.

2. Tangible capital assets:

	2024		
	Office Equipment	Other Equipment	Total
Cost			
Balance, beginning of year	\$ 7,060	\$ 133,271	\$ 140,331
Additions	-	1,833	1,833
Disposals	-	(689)	(689)
Balance, end of year	7,060	134,415	141,475
Accumulated amortization			
Balance, beginning of year	4,983	56,436	61,419
Disposals	-	(689)	(689)
Amortization	210	19,802	20,012
Balance, end of year	5,193	75,549	80,742
Net book value, end of year	\$ 1,867	\$ 58,866	\$ 60,733

Downtown Milton Business Improvement Area

Notes to Financial Statements

Year ended December 31, 2024

2. Tangible capital assets (continued):

	2023		
	Office Equipment	Other Equipment	Total
Cost			
Balance, beginning of year	\$ 7,060	\$ 130,829	\$ 137,889
Additions	-	4,904	4,904
Disposals	-	(2,462)	(2,462)
Balance, end of year	7,060	133,271	140,331
Accumulated amortization			
Balance, beginning of year	4,773	37,303	42,076
Disposals	-	(2,462)	(2,462)
Amortization	210	21,595	21,805
Balance, end of year	4,983	56,436	61,419
Net book value, end of year	\$ 2,077	\$ 76,835	\$ 78,912

(a) Contributed capital assets:

The DMBIA received no contributed tangible capital assets in 2024 or 2023.

(b) Tangible capital assets disclosed at nominal value:

There are no tangible capital assets recognized at a nominal value.

(c) Write-down of tangible capital assets:

The DMBIA has not recorded write-downs of tangible capital assets during the year of 2024 or 2023 .

3. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2024	2023
Surplus		
Invested in tangible capital assets	\$ 60,733	\$ 78,912
Reserves		
Downtown Milton Business Improvement Area	395,553	303,897
Accumulated surplus	\$ 456,286	\$ 382,809

Downtown Milton Business Improvement Area

Notes to Financial Statements

Year ended December 31, 2024

3. Accumulated surplus (continued):

The reserve is designated by the Board to stabilize revenue streams and finance improvements in the Downtown Milton Business Improvement Area.

The change in the reserve fund balance is as follows:

	2024	2023
Annual surplus	\$ 73,477	\$ 39,155
Less: Current year tangible capital assets additions	(1,833)	(4,904)
Add: Amortization expense	20,012	21,805
	91,656	56,056
Fund balance at beginning of year	303,897	247,841
Fund balance, end of year	\$ 395,553	\$ 303,897

4. Government transfers:

The Provincial government transfer reported on the Statement of Operations is the Reconnect Festival and Event Program in the amount of \$Nil (2023 - \$ 1,108). The Federal government transfers reported on the Statement of Operations in the amount of \$10,224 (2023 - \$22,451) consist of Community Revitalization Fund \$Nil (2023 - \$12,935) and the Summer Career Placement Grant \$10,224 (2023 - \$9,516).

5. Commitments:

In August 2023, The Board of Management of the Downtown Milton Business Improvement Area entered into a five year lease agreement, which expires on September 30, 2028 and is committed to lease payments payable as follows:

2025	\$ 15,084
2026	15,876
2027	16,140
2028	12,105
Total Commitments	\$ 59,205

6. Related party transactions:

During the year the Town has provided DMBIA ground maintenance services for \$29,981 of which \$3,000 were recovered from Downtown Milton Business Improvement Area. In addition to the transactions noted, the Town also periodically provides support services at no cost. Should the DMBIA be required to source these services independently, additional costs that could be material may be incurred.

Downtown Milton Business Improvement Area

Notes to Financial Statements

Year ended December 31, 2024

7. Budget Data

The budget data presented in these financial statements is based upon the 2024 budget approved by Council on December 4, 2023.

	Budget Amount
Revenue:	
Operating budget	\$ 487,675
Capital budget	-
Less:	
Transfers from other funds	(25,000)
Reallocated revenues	(4,700)
Total revenue	457,975
Expenses:	
Operating budget	487,675
Capital budget	-
Amortization	19,916
Less:	
Reallocated expenses	(4,700)
Total expenses	502,891
Annual surplus	\$ (44,916)



2024 Town of Milton Financial Report Multi-Year Comparison of Financial Statements

For the year ended December 31, 2024



Consolidated Statement of Financial Position

(in thousands of dollars)

	2024	2023	2022	2021	2020
Cash and cash equivalents	\$ 157,223	\$ 56,425	\$ 70,562	\$ 66,862	\$ 56,406
Accounts receivable					
Taxes receivable	13,986	10,804	7,846	6,027	9,477
Grants receivable	694	279	1,885	104	352
Other	14,044	13,822	13,537	19,295	11,520
Investments	232,150	218,283	197,319	131,765	111,642
Investment in Milton Hydro Holdings Inc.	61,933	60,481	60,477	62,253	59,962
Other Assets	1,663	442	427	377	3,188
Total financial assets	481,693	360,536	352,053	286,683	252,547
Non-financial assets	1,274,235	1,243,547	1,177,764	1,151,626	1,128,494
Total assets	1,755,928	1,604,083	1,529,816	1,438,309	1,381,041
Accounts payable and accrued liabilities	18,260	20,568	18,932	21,793	19,654
Other liabilities	3,496	8,369	9,124	8,354	6,984
Deferred revenue	125,283	78,069	83,143	60,130	52,826
Long-term debentures	46,780	41,324	46,976	44,638	36,879
Asset retirement obligation	2,300	2,656	-	-	-
Developer obligations	54,797	13,991	10,912	4,314	3,398
WSIB and other future employee benefits	4,272	4,438	3,533	3,526	3,290
Total liabilities	255,188	169,415	172,620	142,755	123,031
Accumulated surplus	\$ 1,500,740	\$ 1,434,668	\$ 1,357,197	\$ 1,295,554	\$ 1,258,010

Consolidated Statement of Operations

(in thousands of dollars)

	2024	2023	2022	2021	2020
Sources of revenue:					
Taxation	\$ 103,262	\$ 92,055	\$ 83,283	\$ 76,995	\$ 72,732
User charges	24,904	22,741	16,929	11,829	10,233
Government transfers:					
Federal	3,981	5,514	7,888	6,096	6,448
Provincial	5,273	1,993	2,424	4,501	4,985
Other municipalities	5,061	3,628	7,213	4,761	4,900
Investment income	11,054	8,979	5,666	3,788	4,202
Penalties and interest	3,524	3,202	2,952	2,710	2,225
Developer contributions	20,761	39,435	31,808	31,125	34,580
Contributed tangible capital assets	24,798	27,572	10,074	15,216	13,370
Proceeds from Ontario Lottery Corporation	6,745	7,377	7,007	3,900	1,551
License, permits, rents etc.	8,662	7,806	7,142	6,488	6,193
Equity in income of Milton Hydro Holdings Inc.	3,671	5,710	14,727	3,791	242
Donations	1,039	1,051	1,065	1,963	899
Other recoveries	21	13	866	181	62
Miscellaneous	672	416	2,338	420	135
Total revenue	223,428	227,492	201,382	173,764	162,757
Expenses by function:					
General government	26,202	23,605	21,012	19,584	20,659
Protection to persons and property	22,397	21,370	19,137	18,167	17,447
Transportation services	48,182	47,676	44,846	40,848	37,116
Environmental services	4,770	4,735	7,942	6,057	6,480
Health Services	614	651	687	774	1,861
Recreational and cultural services	46,259	44,281	38,747	43,630	31,893
Planning and development	8,932	7,703	7,368	7,160	6,843
Total expenses	157,356	150,021	139,739	136,220	122,299
Annual surplus	66,072	77,471	61,643	37,544	40,458
Accumulated surplus, beginning of year	1,434,668	1,357,197	1,295,554	1,258,010	1,217,552
Accumulated surplus, end of year	\$ 1,500,740	\$ 1,434,668	\$ 1,357,197	\$ 1,295,554	\$ 1,258,010

Consolidated Statement of Change in Net Financial Asset

(in thousands of dollars)

	2024	2023	2022	2021	2020
Annual surplus	\$ 66,072	\$ 77,471	\$ 61,643	\$ 37,544	\$ 40,458
	-				
Acquisition of tangible capital assets	(71,923)	(104,125)	(63,999)	(68,795)	(69,672)
Amortization of tangible capital assets	39,559	37,006	35,869	34,370	33,644
Loss on disposal of tangible capital assets	278	2,498	392	10,903	4,857
Proceeds on sale of tangible capital assets	506	219	2,278	776	51
	34,492	13,069	36,183	14,798	9,338
Change in supplies of inventory	565	(384)	(514)	193	262
Change in prepaid expenses	327	(997)	(164)	(579)	42
Change in net financial assets	35,384	11,688	35,505	14,412	9,642
Net financial assets, beginning of year	191,121	179,433	143,928	129,516	119,874
Net financial assets, end of year	\$ 226,505	\$ 191,121	\$ 179,433	\$ 143,928	\$ 129,516

Analysis of Expenses by Object

(in thousands of dollars)

	2024	2023	2022	2021	2020
Salaries, wages and employee benefits	\$ 70,804	\$ 66,042	\$ 58,032	\$ 52,283	\$ 49,091
Purchased goods	13,773	12,315	12,550	10,122	9,544
Purchased services	29,593	28,889	28,384	23,236	22,301
Financial expenses	3,152	5,317	4,619	13,221	7,469
External transfers	475	452	285	2,988	250
Amortization expense	39,559	37,006	35,869	34,370	33,644
Total expenses	\$ 157,356	\$ 150,021	\$ 139,739	\$ 136,220	\$ 122,299

Net Book Value of Tangible Capital Assets

(in thousands of dollars)

	2024	2023	2022	2021	2020
Land	\$ 348,466	\$ 340,376	\$ 323,552	\$ 314,338	\$ 313,955
Land improvements	57,851	56,079	54,806	54,575	52,939
Buildings and building improvements	132,619	134,849	138,371	142,346	146,049
Machinery and equipment	102,264	105,917	103,392	107,644	110,136
Linear assets	611,836	562,911	504,414	500,415	462,687
Asset retirement obligation	1,765	2,326	-	-	-
Assets under construction	16,676	37,439	50,960	30,717	41,523
Total assets	\$ 1,271,477	\$ 1,239,897	\$ 1,175,495	\$ 1,150,035	\$ 1,127,289

Accumulated Surplus

(in thousands of dollars)

	2024	2023	2022	2021	2020
Reserves set aside by Council:					
Aggregate Permit Fees	\$ 179	\$ 303	\$ 194	\$ 125	\$ 367
Capital Provision/Growth	5,600	8,267	7,331	12,609	12,167
Computer Replacement	1,493	3,459	3,684	3,220	5,492
Downtown Milton Business Improvement Area	396	304	248	198	166
Election	488	253	28	627	504
Equipment Replacement	9,923	9,674	7,102	9,085	8,152
Growth Capital - Other	16,270	12,113	10,207	9,828	7,588
Infrastructure Renewal Reserve - Roads and Structures	56,132	39,920	35,719	13,694	11,776
Infrastructure Renewal - Stormwater	6,504	3,704	4,615	4,062	2,748
Infrastructure Renewal - Recreation, Facilities, Other	15,212	15,493	11,379	7,896	7,037
Insurance	-	-	-	-	1,573
Insurance Legal Matters	7,143	7,696	7,427	6,923	1,439
Library Services	762	541	546	807	859
Library Capital	1,092	1,393	1,431	1,107	1,767
Per Unit Development Processing Fee	-	1,906	1,197	1,340	1,224
Seniors Fundraising	76	76	76	76	76
Studies and Other Non-Growth Capital	1,202	1,648	451	2,992	2,082
Tax Rate Stabilization	7,350	7,340	8,428	8,019	8,160
Severe Weather	2,563	2,063	2,063	1,923	1,467
WSIB	5,375	5,077	4,789	4,034	2,867
Total reserves	\$ 137,760	\$ 121,230	\$ 106,915	\$ 88,565	\$ 77,511

Accumulated Surplus (Continued)

(in thousands of dollars)

	2024	2023	2022	2021	2020
Reserve funds set aside for specific purpose by Council:					
Mayor's Legacy	\$ 104	\$ 100	\$ 96	\$ 94	\$ 92
Milton District Hospital	-	-	-	-	310
Post Period Capacity	(448)	(407)	(383)	-	-
Ontario Lottery Corporation Proceeds	8,252	8,824	11,606	4,702	7,496
Property Transactions	14,137	15,559	16,083	8,067	7,260
Total reserve funds	\$ 22,045	\$ 24,076	\$ 27,402	\$ 12,863	\$ 15,158
	2024	2023	2022	2021	2020
Surplus:					
Invested in tangible capital assets	\$ 1,271,477	\$ 1,239,897	\$ 1,175,495	\$ 1,150,035	\$ 1,127,289
Unexpended capital	75,411	50,739	47,976	33,983	19,151
Investment in Milton Hydro Holdings Inc.	61,933	60,481	60,477	62,253	59,962
Endowment fund	-	-	-	-	2,406
Unfunded:					
Long-term debentures	(46,780)	(41,324)	(46,976)	(44,638)	(36,879)
Asset retirement obligation	(2,300)	(2,656)	-	-	-
WSIB and other employee future benefits	(3,430)	(3,452)	(2,711)	(2,586)	(2,446)
Developer obligations	(15,180)	(13,991)	(10,912)	(4,314)	(3,398)
Investment in the arts deferred donations	(196)	(332)	(469)	(607)	(744)
Total surplus	\$ 1,340,935	\$ 1,289,362	\$ 1,222,880	\$ 1,194,126	\$ 1,165,341
Total accumulated surplus	\$ 1,500,740	\$ 1,434,668	\$ 1,357,197	\$ 1,295,554	\$ 1,258,010

Five-Year Financial Statistics

Property Taxation

(in thousands of dollars)

	2024	2023	2022	2021	2020
Weighted assessment by property class					
Residential	23,470,033	23,206,192	22,730,282	22,096,688	21,316,998
Multi-residential	371,772	359,624	305,380	302,876	316,308
Farmland	76,613	75,201	79,540	77,826	80,693
Managed forests	10,487	10,309	10,563	10,424	10,585
Commercial	5,458,799	4,900,845	4,738,171	4,644,238	4,334,385
Industrial	1,226,872	1,297,251	1,319,149	1,371,262	1,589,913
Pipelines	118,666	118,118	116,781	115,568	114,190
Total weighted assessment	30,733,242	29,967,540	29,299,865	28,618,882	27,763,071
Commercial and industrial as % of total weighted assessment	22%	21%	21%	21%	21%
Total tax levied and collected					
Property tax levied	102,545	91,884	83,406	77,234	73,233
Taxes billed on behalf of Halton Region	93,811	88,616	83,670	80,088	77,314
Taxes billed on behalf of school boards	72,493	70,426	68,346	67,101	67,198
Total tax levied	268,848	250,927	235,422	224,423	217,745
Total tax collected	265,666	247,969	233,603	227,872	214,791
Taxes Receivable as % of tax levied	5.20%	4.31%	3.33%	2.69%	4.35%

Five-Year Financial Statistics

Property Taxation

	2024	2023	2022	2021	2020
Taxation rates by property class – General					
Residential					
Town of Milton	0.322715%	0.293692%	0.271966%	0.257867%	0.248124%
Halton Region	0.299766%	0.288176%	0.278490%	0.272466%	0.267578%
School boards	0.153000%	0.153000%	0.153000%	0.153000%	0.153000%
	0.775481%	0.734868%	0.703456%	0.683333%	0.668702%
Multi-residential					
Town of Milton	0.645430%	0.587384%	0.543932%	0.515735%	0.496248%
Halton Region	0.599531%	0.576353%	0.556980%	0.544930%	0.535156%
School boards	0.153000%	0.153000%	0.153000%	0.153000%	0.153000%
	1.397961%	1.316737%	1.253912%	1.213665%	1.184404%
Farmlands					
Town of Milton	0.064543%	0.058738%	0.054393%	0.051573%	0.049625%
Halton Region	0.059953%	0.057635%	0.055698%	0.054493%	0.053516%
School boards	0.038250%	0.038250%	0.038250%	0.038250%	0.038250%
	0.162746%	0.154624%	0.148341%	0.144316%	0.141391%
Managed forests					
Town of Milton	0.080679%	0.073423%	0.067992%	0.064467%	0.062031%
Halton Region	0.074941%	0.072044%	0.069622%	0.068116%	0.066895%
School boards	0.038250%	0.038250%	0.038250%	0.038250%	0.038250%
	0.193870%	0.183717%	0.175864%	0.170833%	0.167176%
Commercial					
Town of Milton	0.470034%	0.427762%	0.396118%	0.375584%	0.361393%
Halton Region	0.436609%	0.419729%	0.405620%	0.396844%	0.389728%
School boards	0.770552%	0.770552%	0.770552%	0.770552%	0.770552%
	1.677195%	1.618043%	1.572290%	1.542980%	1.521673%

Five-Year Financial Statistics

Property Taxation

	2024	2023	2022	2021	2020
Industrial					
Town of Milton	0.674700%	0.614022%	0.568599%	0.539124%	0.518753%
Halton Region	0.626720%	0.602490%	0.582239%	0.569643%	0.559425%
School boards	0.880000%	0.880000%	0.880000%	0.880000%	1.098184%
	2.181420%	2.096512%	2.030838%	1.988766%	2.176362%
Pipeline					
Town of Milton	0.342627%	0.311813%	0.288746%	0.273778%	0.263433%
Halton Region	0.318261%	0.305957%	0.295673%	0.289276%	0.284088%
School boards	0.880000%	0.880000%	0.880000%	0.880000%	0.980000%
	1.540888%	1.497770%	1.464419%	1.443055%	1.527521%

Five-Year Financial Statistics

Long-Term Debt and Other Statistics

	2024	2023	2022	2021	2020
Transfers from other levels of government					
Federal	\$ 3,981,406	\$ 5,514,246	\$ 7,887,811	\$ 6,095,929	\$ 6,495,575
Provincial	5,273,221	1,992,878	2,424,070	4,501,084	4,985,317
Total transfers	\$ 9,254,627	\$ 7,507,124	\$ 10,311,881	\$ 10,597,013	\$ 11,480,892
Long-term debt:					
Debt supported by property taxes	\$ 29,557,240	\$ 22,230,943	\$ 26,046,969	\$ 21,684,476	\$ 11,328,317
Debt supported by development charges	-	-	-	195,967	993,126
Debt supported by reserves and reserve funds	17,222,517	19,092,940	20,928,713	22,757,235	24,558,025
Total long-term debt	\$ 46,779,757	\$ 41,323,884	\$ 46,975,682	\$ 44,637,677	\$ 36,879,467
Long-term debt by function:					
General government	\$ -	\$ -	\$ 269,088	\$ 554,954	\$ 834,473
Fire	789,527	937,247	1,081,926	1,419,869	1,890,629
Roadways	23,604,423	16,197,844	18,806,057	14,758,070	5,525,473
Parks	4,026,397	3,698,051	4,236,320	3,248,260	1,464,697
Storm water	60,504	120,022	178,553	236,098	292,689
Health services	17,222,517	19,092,940	20,928,713	22,734,517	24,513,164
Recreation facilities	973,750	1,155,938	1,334,375	1,526,802	2,181,130
Library	102,639	121,842	140,650	159,107	177,213
Total long-term debt	\$ 46,779,757	\$ 41,323,884	\$ 46,975,682	\$ 44,637,677	\$ 36,879,467
Total long-term debt per capita	327.56	294.62	340.72	332.36	291.87
Total long-term debt per household	1,085.60	958.99	1,100.31	1,102.38	948.20
Annual debt repayment limit*	35,342,159	30,375,897	25,061,991	21,372,010	17,742,653
Actual annual debt repayment	6,432,217	6,853,224	6,341,265	5,650,799	6,858,561
Actual debt repayment as % of own source revenues	3.85%	4.60%	5.05%	5.23%	6.97%

* As determined by the Province of Ontario, calculated as 25% of current year actual net revenue.

Five-Year Financial Statistics

Municipal Statistics

	2024	2023	2022	2021	2020
Population	142,811	140,260	137,870	134,304	126,355
Area	36,538	36,538	36,538	36,538	36,538
Residential Properties ¹	43,091	42,693	41,748	40,492	38,894
Residential Units ²	46,038	43,936	42,160	40,839	39,656
Average household income ³	\$ 160,420	\$ 154,995	\$ 137,141	\$ 137,789	\$ 135,698
Ontario unemployment rate ⁴	7.00%	5.70%	5.60%	8.00%	9.60%
Town of Milton budgeted labour force:					
Full time funded positions	488	475	460	439	430
Part time funded positions	1,014	919	779	775	774
Seasonal funded positions	350	304	312	312	312
Total funded positions	1,852	1,698	1,551	1,526	1,516
Infrastructure					
Lane kilometres of paved roads	1,315	1,291	1,257	1,242	1,226
Lane kilometres of unpaved roads	5	5	5	5	5
Total kilometres of stormwater (urban and rural)	998	988	971	960	953
Recreation					
Total kilometres of trails	46	46	45	44	44
Total hours of recreations programs	5,144,415	5,062,153	3,952,032	1,004,073	2,035,361

¹ Per returned roll from MPAC (excludes individual multi-residential and secondary units)

² Residential units presented include multi-residential and secondary units

³ BMA Management Consulting Inc. Municipal Study

⁴ Statistics Canada

Five-Year Financial Statistics

Municipal Statistics

	2024	2023	2022	2021	2020
New construction procurement:					
Number of new construction contracts awarded	33	23	23	18	18
Total value of new construction contracts awarded	\$ 20,193,185	\$ 41,724,388	\$ 18,190,237	\$ 51,225,636	\$ 27,536,935
Square metres of new construction:					
Residential properties	194,915	117,709	125,815	158,584	108,704
Multi-residential properties	65,356	35,070	38,640	18,477	-
All other property classes	208,425	313,989	124,858	304,547	34,692
Total square metres	468,696	466,768	289,313	481,609	143,396
Residential permits issued (excluding secondary units):					
Single and semi detached	675	144	356	540	250
Townhouses/ Stacked Townhouses	228	605	288	250	300
Apartments*	6	4	4	1	-
Total building permits issued	909	753	648	791	550
Value of building permits issued:					
Residential properties	538,014,848	264,155,030	249,445,679	291,581,462	\$ 178,441,220
Multi-residential properties	220,386,722	174,816,735	148,050,000	28,700,000	-
All other property classes	368,240,097	357,303,031	89,601,737	289,135,300	27,599,872
Total value of building permits issued	\$ 1,126,641,667	\$ 796,274,796	\$ 487,097,416	\$ 609,416,762	\$ 206,041,092

* 2020-2021 permits have been revised to exclude secondary units

Five-Year Financial Statistics

List of 2024 Principal Corporate Tax Accounts

Business Name
Prologis Canada Holding 3 GP U
Heartland (Two) Limited
SunLife Assurance Company of Canada
RA Investment 2 Holdings GP
857529 Ontario Incorporated
I.G. Investment Management Ltd.
690346 Ontario Incorporated
Hoop Realty Incorporated
8574 Boston Church Road ULC
Roxul Incorporated

List of 2024 Principal Employers

Business Name	Industry Subsector
Gordon Food Service	General-line food merchant wholesalers, admin offices and distribution
Milton District Hospital	Community hospital
Maplehurst Correctional Complex	Correctional facility
Modatek Systems	Motor vehicle manufacturing
Karmax Heavy Stamping	Motor vehicle metal stamping
Uline Canada Corporation	Warehouse facility
Rockwool	Manufacturer of stone wool
DSV Canada - Global Transport & Logistics	Transportation and logistics
Monaghan Mushrooms Ltd	Agricultural producer
Community Living North Halton	Non-profit organization



The Corporation of the Town of Milton
Finance Division

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Direct any inquiries regarding this document to the [Finance Division](#)