



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: July 20, 2020

Report No: CORS-040-20

Subject: Operating Budget Review Report- May 2020

Recommendation: THAT the operating report for the five months ending May 2020 along with a projected year end deficit position of \$1.6 million to \$2.6 million before additional mitigation options be received for information

EXECUTIVE SUMMARY

This report provides a detailed review and update of the operating budget through May 2020 with the following information of note:

- Gross operating-related revenue for the Town (including building permit revenue and OLG revenue), is projected to fall between \$12.6 million and \$13.8 million below the budgeted amount for 2020
- Reflecting continued uncertainty as to the financial impacts of COVID-19, a projected net unfavourable variance of \$1.6 million to \$2.6 million for the year is being forecasted
- After additional mitigation options have been applied, the net unfavourable variance is expected to range from \$0.4 million to \$1.4 million
- The financial position of the Town will continue to change throughout the balance of the year due to factors such as the impacts of COVID-19, weather conditions, utility and fuel usage and rates, position vacancies and development activity.

The May Variance Report has historically also provided an update on the Town's investment income and portfolio. New to this report, and as part of future Operating Variance reports, detail related to other key balance sheet accounts such as property tax collections, debentures and reserve/reserve funds will also be provided. This change is expected to further support Council in achieving its fiduciary responsibilities and provide greater transparency on the Town's financial position.

REPORT



Background

Corporate Policy No. 113: Financial Management - Budget Management identifies that a comprehensive review of the Town's operating budget will be undertaken in association with its May 31 balances. Corporate Policy No. 61: Financial - Cash Management & Investments as well as Ontario Regulation 438/97 identifies that reporting to Council on the investment portfolio must be done at least annually. This report is to satisfy the requirements as set out in those policies.

COVID-19 and its resulting implications have had a significant impact globally, nationally and within the community. A detailed review of the Town's financial considerations in relation to COVID-19 was first provided via report ES-003-20 on April 16, 2020 with an update provided through ES-006-20 and most recently ES-007-20 on June 22, 2020. Discussions with budget managers were conducted in late May/early June to refine previously identified COVID related and other variances to the 2020 budget which are presented through this report.

A mid-year update on the status of the Town's investment portfolio and cash position is also being provided through this report. A more detailed report on investment activity for the full year is provided annually through a separate report, with the most recent being CORS-020-19.

Historically, the May Operating Variance report has provided commentary on projected variances to budget and an update on the Town's investment portfolio as discussed above. New for this report and going forward, the Operating Variance reports will also provide additional reporting in the following areas:

- Property Tax Collection Statistics
- Debenture Obligations Update
- Reserve and Reserve Fund Balances

While internally monitoring of each of the areas identified above, incorporating all through this report will allow for more frequent public reporting of not only the operating budget but also the more significant assets and liabilities of the Town and provide greater transparency on the Town's financial position.

In an effort to accommodate the new information and streamline the presentation of information, high level summaries have been included in the body of the report with further detail attached within the related appendices.

The revenue and expenditures that are shown in the financial statements within Appendix A are presented on a cash basis, and therefore exclude accruals.



Discussion

Operating Budget Monitoring for the period ending May 31, 2020

At the time of preparing this report, it was announced that municipalities within Halton Region would be moving to Stage 2 of the “Framework to Re-Open the Province” effective June 19. As further outlined in staff report ES-007-20, the details provided through this framework allowed community centres, libraries, sport and other recreation activities to resume under modified conditions. As outlined in ES-007-20, staff have taken a phased approach to facility re-openings based on safety, community needs, workforce and financial considerations.

Planning for service modifications, as well as the related financial implications, continues to be challenging given the pace at which the situation is evolving and the continued release of revised legislation, guidelines and best practices. As uncertainty remains with respect to the specific timing and form of program delivery (in association with stage 3, for example), financial forecasts for 2020 continue to reflect various scenarios with respect to the fall season.

The following table reflects forecasted variances to the 2020 budget by department with two different scenarios of revenue projections through the fall months relative to a normal year and premised on the Town continuing to operate under Stage 2 or moving into Stage 3.

	2020 Approved Budget \$	2020 Forecast Over/(Under) Budget \$	
		Fall Revenue at 25% Programs/ 50% Facilities	Fall Revenue at 50% Programs/ 75% Facilities
Mayor & Council	\$575,609	29,531	29,531
Executive Services	13,246,039	(791)	(791)
Corporate Services	10,223,005	14,954	14,954
General Government	(54,119,183)	228,694	228,694
Community Services	25,710,775	3,210,259	2,234,324
Development Services	4,363,755	(638,786)	(638,786)
Library	-	(250,678)	(272,382)
Hospital Expansion	-	-	-
DBIA	-	-	-
Total Town of Milton	\$0	2,593,184	1,595,544
Additional Mitigation*	-	(1,221,352)	(1,221,352)
Total after Additional Mitigation	\$0	\$1,371,831	\$374,193

* Additional mitigation option represents Town 2019 Year End Surplus of \$1.2 million

The deficit of \$1.6 to \$2.6 million as shown in the above table is largely attributed to lost revenue for the year estimated to be between \$12.6 million to \$13.8 million. This is primarily

in the areas of recreational services and transit but also includes lower development related revenues such as building permits, capital provision and reduced proceeds from the Ontario Lottery and Gaming Corporation, both of which are transferred to reserve as received.

Several measures have been taken to mitigate the financial impact to the Town including holding full time positions vacant where possible as well as implementing temporary leaves of part time and seasonal staff who support the impacted programs. Savings resulting from the closure of facilities such as reduced utility costs as well as reducing non-essential contracted services have also been considered. The aforementioned cost reductions result in savings of approximately \$6.1 million. Reductions in the contracted Transit services are expected to provide further savings of \$0.8 million.

While slower development activity will result in less capital provision revenue of \$0.9 million and OLG proceeds are expected to be lower by \$2.2 million there will be no impact on the operating budget in 2020 as this will in turn result in a lower transfer to reserve. Further information can be found in the Reserves section of this report.

Identified savings in other areas have also provided some mitigation such as an anticipated savings in winter control of \$0.2 million, savings on the Town's insurance contract relative to budget of \$0.1 million and anticipated savings of \$0.4 million in areas such as professional development, photocopies and printing.

After giving consideration to the cost savings opportunities, a Town wide deficit of \$1.6 million to \$2.6 million is anticipated for 2020. Through 2019 operating savings of \$1.2 million were realized which were transferred to the Tax Rate Stabilization Reserve. These funds could be used as needed at year end to further mitigate the impact. This would bring the remaining deficit down to between \$0.4 million and \$1.4 million.

It is important to note that the financial impact will continue to change over the balance of the year. As the Province continues to release information, the Town will continue planning for fall programs and the financial implications will be evaluated and reported back to Council as available.

Additional details regarding the identified variances within each department can be found on the May 2020 Financial Statements as shown in Appendix 1 with commentary in Appendix 2.

Federal and Provincial Support for COVID-19

On July 6, 2020, the AMO, LUMCO, MARCO and the City of Toronto, representing all municipal governments in the province, renewed the municipal request for at least \$10 billion dollars in emergency relief for Canadian municipalities to be funded 100% by the federal and provincial governments. This call supports the national funding call led by the

Federation of Canadian Municipalities (FCM). At the time of preparing this report, Federal and Provincial support for Milton during COVID has come in the following forms:

- Deferrals of the remittance dates for the Educational Property Taxes that the Town collects on behalf of the Province.
- An acceleration of the payment to the Town of the 2020 Federal Gas Tax payment that was previously announced by the Federal Government.
- Funding of up to \$48,536 towards the cost of enhanced cleaning on local transit from the Provincial Ministry of Transportation.

Consistent with the July 6th messaging from all municipalities, the Town continues to see a role for the Federal and Provincial governments to support municipalities by financially supporting service delivery during this period of declining revenue. The operating budget forecasts presented herein have only reflected the aforementioned announcements that have been made to date.

Balance Sheet Monitoring as at May 31, 2020

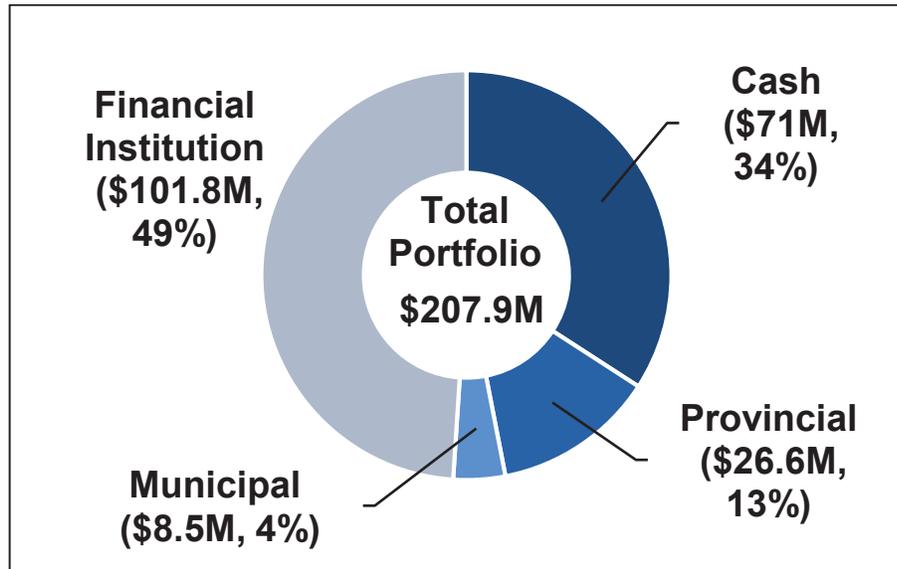
Investments and Cash Management

Economic Update

COVID-19 continues to have a major impact on the global and Canadian economy. To provide support to the Canadian financial system and the economy during the COVID-19 pandemic, the Bank of Canada lowered the target for the overnight rate by 1.5% to 0.25% in March 2020. The interest rate cuts, along with pandemic concerns, decline in business and consumer confidence and reductions in growth projections has also created an overall decline in bond yields as illustrated in Appendix 3. The economic uncertainty and unknown repercussions from the pandemic are expected to continue through the next few years.

Portfolio Summary / Cash and Investment Positions

A summary of the overall portfolio as of May 31, 2020 is shown in the chart below and a detailed comparison of the limitations on holdings, as set out in Cash Management & Investments Policy Update (CORS-026-17), expressed as a percentage of the total portfolio is included in Appendix 4. All securities held in the first five months of 2020 satisfied the Town's credit rating requirements.



The Town is currently carrying a high cash balance due largely to market conditions. Limited investment opportunities exist as the interest rate currently received on the Town’s bank account yields similar or higher returns than some short-term and long-term investments. Staff will continue to monitor market conditions for the purposes of making investment decisions while adhering to the objectives of the Town’s Cash Management and Investments Policy.

2020 Investment Income Forecast

Relative to 2019, the Town expects to generate approximately \$1 million less in investment earnings in 2020. As a lower return in 2020 was already anticipated, the variance of total investment earnings relative to budget will only be \$340,000 unfavourable. As a result of Financial Principles Policy No. 110 no variance will occur within the 2020 operating budget as the amount of investment earnings reflected are capped in the event a significant market adjustment occurred. The majority of the variance will be reflected in lower capital reserve and reserve fund balances (including development charges).

Property Tax Collection

The Town of Milton collects property taxes for the Town, Region of Halton and the Halton Boards of Education as legislated under the Municipal Act, 2001. Collections for the current taxation year were at 88.8% of the \$102 million interim billing by the end of May which is below the 95.2% that the Town had historically collected at the same time in 2019.



The Corporation of the Town of Milton

Tax Year	Total Billable Properties	Properties with Arrears as of June 1	Interim Tax Levy*	Current Year Collections as of June 1*	Current Year Past Due * \$	Current Year % Paid
2020	39,458	6,955	\$101,923,099	\$ 90,523,057	\$ 11,400,042	88.8%
2019	38,303	4,032	\$ 96,091,620	\$ 91,459,597	\$ 4,632,023	95.2%
2018	37,248	3,858	\$ 91,241,847	\$ 87,366,567	\$ 4,055,280	95.6%

* Includes Town, Region and Educational shares.

When prior year arrears are considered, the total 2019 taxes receivable as a percentage of annual amounts levied in the year equals 3.2%. This remains below the municipal comparator average of the previous 5 year as published in the annual BMA Municipal Study of 5.4%.

By July 1st, the total collection had increased to \$94,297,646, representing 92.5% of the \$102 million. Because of the changes made to the due dates in 2020 and the timing of billing, a comparison of the July 1st outstanding balance to prior year is problematic.

Debenture Obligations

As of May 31, 2020 the Town has an estimated \$39.5 million in total debt outstanding reflecting the \$3.0 million in debenture repayments that have occurred year to date. For the remainder of the year the Town will have \$2.8 million in debenture payments resulting in \$36.8 million in outstanding debt at the end of 2020.

In addition to the debenture obligations outlined below, \$16.6 million of debt that has been previously approved by Council remains yet to be issued. Based on the status of projects with unissued debt as a funding source, it is expected that no additional debt will be issued by the Town during 2020.

Existing Debenture Obligations	Dec 31, 2019 Balance	May 31, 2020 Balance	Dec 31, 2020 Balance
Tax Supported Debt	\$13,664,487	\$13,010,749	\$11,328,317
Reserve Fund Debt	323,445	323,445	44,861
Development Charge Debt	2,378,415	1,793,076	993,126
Capital Provision Debt (Hospital)	12,479,301	11,026,793	11,026,793
Hospital Expansion Debt (see below)	13,686,624	13,383,898	13,383,898
Total Debenture Obligations	\$42,532,271	\$39,537,961	\$36,776,995



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The Hospital sinking fund debenture is held and managed by the Region of Halton, for the purposes of retiring the debt at maturity. The annual \$302,726 sinking fund contribution and the interest income to be earned on the investments of the sinking fund over 30 years were projected at the outset to fully cover the principal payment due at maturity. The balance at December 31, 2020 as shown will be further reduced by the interest earned to date on the fund which will be reported by the Region to the Town for year end.

Reserves and Reserve Funds

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

The anticipated reserve and reserve fund balances for 2020 are outlined in the table below. Balances by individual reserve and reserve fund are shown in Appendix 5.

Reserves and Reserve Funds	Balance as at Dec 31, 2019	Balance as at May 31, 2020	Forecasted December 31, 2020 (Note 1)
Reserves	\$61,840,665	\$67,071,692	\$69,946,671
Reserve Funds	43,726,538	36,534,100	39,489,851
Development Charges	32,110,431	36,098,283	28,748,447
Total	\$137,677,634	\$139,704,075	\$138,184,969

Note 1: Forecasted 2020 balance is based on December 31, 2019 balance plus projected 2020 activity as identified in the 2020 budget.

Certain reserves have been impacted by COVID-19 as a result of delays in development activity and the temporary closure of Mohawk Racetrack.

An unanticipated draw of \$1.7 million from the Building Stabilization Reserve is expected as a result of delays in both residential and non-residential building activity leading to reduced 2020 building permit revenue.

A shortfall in revenue proceeds from the Ontario Lottery and Gaming Corporation (OLG) in the amount of \$2.2 million is forecasted. OLG funds are transferred to Ontario Lottery and Gaming Corporation Reserve Fund as received. The shortfall will impact the reserve balance and have funding implications for the 10 year capital forecast.

Reduced development activity has resulted in an anticipated shortfall of \$694,680 in capital provision fees and \$237,683 in per unit processing fees. This will, in turn, result in a



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lower than anticipated balance in the Capital Provision Reserve and Per Unit Processing Reserve as these fees are transferred to those reserves as received. This delay in the revenues due to the timing of growth will have funding implications for the 10 year capital forecast.

The balance of reserves are largely expected to achieve budgeted year end balances. The Town's Reserve and Reserve Funds have recently been reviewed by staff and an update and revisions to the existing fund structure are being recommended. Further details are discussed through staff report CORS-039-20 - Financial Policy Update - Phase 2.

Financial Impact

The May 2020 variance review process has identified a potential deficit for the year ranging from \$1.6 million to \$2.6 million depending on the degree of revenue able to be generated by the Town through the fall. After applying the \$1.2 million operating surplus generated in 2019, the remaining pressure amounts to \$0.4 million to \$1.4 million.

The financial position of the Town will continue to change as new information and new opportunities for re-opening become available. The year end financial position may also be impacted by other factors including weather related activity, utility and fuel usage and rates, tax write-offs and position vacancies among other items.

The results of the May variance review process, as well as the on-going monitoring of the Town's financial position, will be used to inform the preparation of the Town's 2021 Budget.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Jennifer Kloet, CPA, CA

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7252 x2216

Attachments

Appendix 1 - May 2020 Operating Financial Statements
Appendix 2 - May 2020 Operating Variance Commentary by Department
Appendix 3 - Interest Rates and Bond Yields
Appendix 4 - Investment Portfolio Holdings and Limitations
Appendix 5 - Reserve and Reserve Fund Continuity Schedule



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CAO Approval
Andrew M. Siltala
Chief Administrative Officer

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST	FORECAST	% of FORECAST	FORECAST	FORECAST	% of FORECAST
			CHANGES	BUDGET	BUDGET	CHANGES	BUDGET	BUDGET
MAYOR AND COUNCIL	292,878	575,609	29,531	605,140	48%	29,531	605,140	48%
EXECUTIVE SERVICES	5,141,253	13,246,039	(791)	13,245,247	39%	(791)	13,245,247	39%
CORPORATE SERVICES	2,492,760	10,223,005	14,954	10,237,960	24%	14,954	10,237,960	24%
GENERAL GOVERNMENT	(15,351,181)	(54,119,183)	228,694	(53,890,487)	28%	228,694	(53,890,487)	28%
COMMUNITY SERVICES	11,514,600	25,710,775	3,210,259	28,921,034	40%	2,234,324	27,945,099	41%
DEVELOPMENT SERVICES	1,192,757	4,363,755	(638,786)	3,724,969	32%	(638,786)	3,724,969	32%
LIBRARY	(645,987)		(250,678)	(250,679)	258%	(272,382)	(272,383)	237%
HOSPITAL EXPANSION	(583,962)							
BIA	(45,958)							
Pre-Additional Mitigation	4,007,160		2,593,183	2,593,184		1,595,544	1,595,545	
Additional Mitigation*			(1,221,352)	(1,221,352)		(1,221,352)	(1,221,352)	
Post Additional Mitigation	4,007,160		1,371,831	1,371,832		374,192	374,193	

* The current list of Additional Mitigation options include Town 2019 Year End Surplus (\$1.2M).

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
			MAYOR AND COUNCIL					
MAYOR AND COUNCIL								
EXPENDITURES								
Salaries and Benefits	270,578	504,113	29,694	533,807	51%	29,694	533,807	51%
Administrative	22,730	53,004		53,004	43%		53,004	43%
Financial		5,000		5,000	0%		5,000	0%
Purchased Goods	197	701		701	28%		701	28%
Purchased Services	4,024	30,763	(163)	30,600	13%	(163)	30,600	13%
Total EXPENDITURES	297,529	593,581	29,531	623,112	48%	29,531	623,112	48%
REVENUE								
Financing Revenue		(5,000)		(5,000)	0%		(5,000)	0%
Recoveries and Donations	(4,651)	(12,972)		(12,972)	36%		(12,972)	36%
Total REVENUE	(4,651)	(17,972)		(17,972)	26%		(17,972)	26%
Total MAYOR AND COUNCIL	292,878	575,609	29,531	605,140	48%	29,531	605,140	48%
Total MAYOR AND COUNCIL	292,878	575,609	29,531	605,140	48%	29,531	605,140	48%

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
EXECUTIVE SERVICES								
OFFICE OF THE CAO								
EXPENDITURES								
Salaries and Benefits	189,401	535,242		535,242	35%		535,242	35%
Administrative	5,993	19,189		19,189	31%		19,189	31%
Purchased Goods	5,333	5,507		5,507	97%		5,507	97%
Purchased Services	35,002	370,647	(48)	370,599	9%	(48)	370,599	9%
Total EXPENDITURES	235,729	930,585	(48)	930,537	25%	(48)	930,537	25%
REVENUE								
Financing Revenue	(16,071)	(16,071)		(16,071)	100%		(16,071)	100%
User Fees and Service Charges	(20,416)	(88,000)		(88,000)	23%		(88,000)	23%
Total REVENUE	(36,487)	(104,071)		(104,071)	35%		(104,071)	35%
Total OFFICE OF THE CAO	199,242	826,514	(48)	826,466	24%	(48)	826,466	24%
STRATEGIC INITIATIVES AND ECONOMIC DEVELOPMENT								
EXPENDITURES								
Salaries and Benefits	196,205	706,091	(79,731)	626,360	31%	(79,731)	626,360	31%
Administrative	4,202	23,659		23,659	18%		23,659	18%
Financial	508	1,858		1,858	27%		1,858	27%
Transfers to Own Funds	7,024	26,867		26,867	26%		26,867	26%
Purchased Goods	656	14,233		14,233	5%		14,233	5%
Purchased Services	19,757	225,306	(266)	225,040	9%	(266)	225,040	9%
Reallocated Expenses	338	2,387		2,387	14%		2,387	14%
Total EXPENDITURES	228,690	1,000,401	(79,997)	920,404	25%	(79,997)	920,404	25%
REVENUE								
Financing Revenue	(16,252)	(33,588)		(33,588)	48%		(33,588)	48%
Recoveries and Donations		(45,000)	36,110	(8,890)	0%	36,110	(8,890)	0%
User Fees and Service Charges	(31,378)	(95,147)	51,201	(43,946)	71%	51,201	(43,946)	71%
Total REVENUE	(47,630)	(173,735)	87,311	(86,424)	55%	87,311	(86,424)	55%
Total STRATEGIC INITIATIVES AND ECONOM	181,060	826,666	7,314	833,980	22%	7,314	833,980	22%
FIRE								
EXPENDITURES								
Salaries and Benefits	3,514,961	9,996,176		9,996,176	35%		9,996,176	35%
Administrative	31,316	62,618		62,618	50%		62,618	50%
Financial	1,597	1,427		1,427	112%		1,427	112%
Transfers to Own Funds	1,029,778	1,029,778		1,029,778	100%		1,029,778	100%
Purchased Goods	19,668	112,544		112,544	17%		112,544	17%
Purchased Services	192,142	551,596	(8,057)	543,539	35%	(8,057)	543,539	35%
Fleet Expenses	76,244	159,115		159,115	48%		159,115	48%
Reallocated Expenses	1,009	3,646		3,646	28%		3,646	28%
Total EXPENDITURES	4,866,715	11,916,900	(8,057)	11,908,843	41%	(8,057)	11,908,843	41%
REVENUE								
Financing Revenue	(9,768)	(9,768)		(9,768)	100%		(9,768)	100%
Grants		(2,500)		(2,500)	0%		(2,500)	0%
Recoveries and Donations	(51,914)	(153,114)		(153,114)	34%		(153,114)	34%
User Fees and Service Charges	(44,082)	(158,660)		(158,660)	28%		(158,660)	28%
Total REVENUE	(105,764)	(324,042)		(324,042)	33%		(324,042)	33%
Total FIRE	4,760,951	11,592,858	(8,057)	11,584,801	41%	(8,057)	11,584,801	41%
Total EXECUTIVE SERVICES	5,141,253	13,246,038	(791)	13,245,247	39%	(791)	13,245,247	39%

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST	FORECAST	% of FORECAST	FORECAST	FORECAST	% of FORECAST
			CHANGES	BUDGET	BUDGET	CHANGES	BUDGET	BUDGET
CORPORATE SERVICES								
FINANCE								
EXPENDITURES								
Salaries and Benefits	1,705,457	4,724,064	(112,146)	4,611,918	37%	(112,146)	4,611,918	37%
Administrative	17,398	77,081		77,081	23%		77,081	23%
Financial	1,054	4,008		4,008	26%		4,008	26%
Purchased Goods	11,514	50,848		50,848	23%		50,848	23%
Purchased Services	69,819	172,308	(1,060)	171,248	41%	(1,060)	171,248	41%
Total EXPENDITURES	1,805,242	5,028,309	(113,206)	4,915,103	37%	(113,206)	4,915,103	37%
REVENUE								
Financing Revenue	(2,187,636)	(2,435,738)		(2,435,738)	90%		(2,435,738)	90%
User Fees and Service Charges	(209,304)	(692,593)		(692,593)	30%		(692,593)	30%
Reallocated Revenue	(68,566)	(274,264)		(274,264)	25%		(274,264)	25%
Total REVENUE	(2,465,506)	(3,402,595)		(3,402,595)	72%		(3,402,595)	72%
Total FINANCE	(660,264)	1,625,714	(113,206)	1,512,508	(44%)	(113,206)	1,512,508	(44%)
INFORMATION TECHNOLOGY								
EXPENDITURES								
Salaries and Benefits	914,148	2,654,845	(123,663)	2,531,182	36%	(123,663)	2,531,182	36%
Administrative	864	37,300		37,300	2%		37,300	2%
Purchased Goods	1,013,927	1,411,596	28,525	1,440,121	70%	28,525	1,440,121	70%
Purchased Services	361,043	1,078,647	3,887	1,082,534	33%	3,887	1,082,534	33%
Total EXPENDITURES	2,289,982	5,182,388	(91,251)	5,091,137	45%	(91,251)	5,091,137	45%
REVENUE								
Financing Revenue	(95,212)	(254,873)		(254,873)	37%		(254,873)	37%
User Fees and Service Charges	(20)	(100)		(100)	20%		(100)	20%
Reallocated Revenue		(113,155)		(113,155)	0%		(113,155)	0%
Total REVENUE	(95,232)	(368,128)		(368,128)	26%		(368,128)	26%
Total INFORMATION TECHNOLOGY	2,194,750	4,814,260	(91,251)	4,723,009	46%	(91,251)	4,723,009	46%
HUMAN RESOURCES								
EXPENDITURES								
Salaries and Benefits	302,426	974,125		974,125	31%		974,125	31%
Administrative	52,220	308,308	(57,571)	250,737	21%	(57,571)	250,737	21%
Purchased Goods	2,592	11,857		11,857	22%		11,857	22%
Purchased Services	29,467	178,714	(180)	178,534	17%	(180)	178,534	17%
Total EXPENDITURES	386,705	1,473,004	(57,751)	1,415,253	27%	(57,751)	1,415,253	27%
REVENUE								
Financing Revenue	(147,403)	(147,402)		(147,402)	100%		(147,402)	100%
Reallocated Revenue	(52,479)	(136,786)		(136,786)	38%		(136,786)	38%
Total REVENUE	(199,882)	(284,188)		(284,188)	70%		(284,188)	70%
Total HUMAN RESOURCES	186,823	1,188,816	(57,751)	1,131,065	17%	(57,751)	1,131,065	17%
LEGISLATIVE & LEGAL SERVICES								
EXPENDITURES								
Salaries and Benefits	919,030	2,601,487	(129,710)	2,471,777	37%	(129,710)	2,471,777	37%
Administrative	20,930	56,601		56,601	37%		56,601	37%
Financial	3,962	28,834		28,834	14%		28,834	14%
Purchased Goods	10,924	26,891	1,679	28,570	38%	1,679	28,570	38%
Purchased Services	142,007	557,107	(8,190)	548,917	26%	(8,190)	548,917	26%
Reallocated Expenses	41,960	100,703		100,703	42%		100,703	42%
Total EXPENDITURES	1,138,813	3,371,623	(136,221)	3,235,402	35%	(136,221)	3,235,402	35%
REVENUE								
Financing Revenue	(61,937)	(61,937)		(61,937)	100%		(61,937)	100%
Recoveries and Donations		(21,500)		(21,500)	0%		(21,500)	0%
User Fees and Service Charges	(546,962)	(1,552,696)	507,491	(1,045,205)	52%	507,491	(1,045,205)	52%
Total REVENUE	(608,899)	(1,636,133)	507,491	(1,128,642)	54%	507,491	(1,128,642)	54%
Total LEGISLATIVE & LEGAL SERVICES	529,914	1,735,490	371,270	2,106,760	25%	371,270	2,106,760	25%

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	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
			MARKETING & GOVERNMENT RELATIONS					
EXPENDITURES								
Salaries and Benefits	222,798	844,020	(103,996)	740,024	30%	(103,996)	740,024	30%
Administrative	1,494	6,394		6,394	23%		6,394	23%
Purchased Goods	213	8,000		8,000	3%		8,000	3%
Purchased Services	25,721	82,239	9,888	92,127	28%	9,888	92,127	28%
Total EXPENDITURES	250,226	940,653	(94,108)	846,545	30%	(94,108)	846,545	30%
REVENUE								
Financing Revenue	(8,689)	(81,927)		(81,927)	11%		(81,927)	11%
Total REVENUE	(8,689)	(81,927)		(81,927)	11%		(81,927)	11%
Total MARKETING & GOVERNMENT RELATIONS	241,537	858,726	(94,108)	764,618	32%	(94,108)	764,618	32%
Total CORPORATE SERVICES	2,492,760	10,223,006	14,954	10,237,960	24%	14,954	10,237,960	24%

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	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
			GENERAL GOVERNMENT					
GENERAL GOVERNMENT								
EXPENDITURES								
Salaries and Benefits	399,847		399,847	399,847	100%	399,847	399,847	100%
Administrative	26,684	120,000	(144,500)	(24,500)	(109%)	(144,500)	(24,500)	(109%)
Financial	1,177,531	3,706,548	(12,978)	3,693,570	32%	(12,978)	3,693,570	32%
Transfers to Own Funds	19,030,546	30,770,139	(3,140,188)	27,629,951	69%	(3,140,188)	27,629,951	69%
Purchased Goods	123,351		43,176	43,176	286%	43,176	43,176	286%
Purchased Services	171,144	256,280	(1,606)	254,674	67%	(1,606)	254,674	67%
Reallocated Expenses	3,410							
Total EXPENDITURES	20,932,513	34,852,967	(2,856,249)	31,996,718	65%	(2,856,249)	31,996,718	65%
REVENUE								
External Revenue Transferred to Reserves	(2,251,037)	(11,064,506)	2,894,680	(8,169,826)	28%	2,894,680	(8,169,826)	28%
Financing Revenue	(2,232,617)	(5,948,405)	(100,000)	(6,048,405)	37%	(100,000)	(6,048,405)	37%
Taxation	(30,514,344)	(66,843,947)		(66,843,947)	46%		(66,843,947)	46%
Payments In Lieu		(890,651)		(890,651)	0%		(890,651)	0%
Recoveries and Donations	(46,754)		(46,744)	(46,744)	100%	(46,744)	(46,744)	100%
User Fees and Service Charges	(432,673)	(2,375,838)	337,008	(2,038,830)	21%	337,008	(2,038,830)	21%
Reallocated Revenue	(806,269)	(1,848,801)		(1,848,801)	44%		(1,848,801)	44%
Total REVENUE	(36,283,694)	(88,972,148)	3,084,944	(85,887,204)	42%	3,084,944	(85,887,204)	42%
Total GENERAL GOVERNMENT	(15,351,181)	(54,119,181)	228,694	(53,890,487)	28%	228,694	(53,890,487)	28%
Total GENERAL GOVERNMENT	(15,351,181)	(54,119,181)	228,694	(53,890,487)	28%	228,694	(53,890,487)	28%

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	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST	FORECAST	% of FORECAST	FORECAST	FORECAST	% of FORECAST
			CHANGES	BUDGET	BUDGET	CHANGES	BUDGET	BUDGET
COMMUNITY SERVICES								
RECREATION AND CULTURE FACILITIES								
EXPENDITURES								
Salaries and Benefits	1,799,374	5,880,668	(1,273,054)	4,607,614	39%	(1,182,127)	4,698,541	38%
Administrative	1,375	34,654		34,654	4%		34,654	4%
Financial	44,488	682,196		682,196	7%		682,196	7%
Transfers to Own Funds	1,620,773	1,705,288		1,705,288	95%		1,705,288	95%
Purchased Goods	223,036	892,228	33,149	925,377	24%	33,149	925,377	24%
Purchased Services	1,943,586	5,943,638	(867,336)	5,076,302	38%	(867,336)	5,076,302	38%
Reallocated Expenses	19,667	170,039		170,039	12%		170,039	12%
Total EXPENDITURES	5,652,299	15,308,711	(2,107,241)	13,201,470	43%	(2,016,314)	13,292,397	43%
REVENUE								
Financing Revenue	(259,738)	(763,485)	129,808	(633,677)	41%	129,808	(633,677)	41%
Grants	(448,359)	(905,100)	(8,417)	(913,517)	49%	(8,417)	(913,517)	49%
Recoveries and Donations	(25,391)	(228,407)		(228,407)	11%		(228,407)	11%
User Fees and Service Charges	(1,984,748)	(7,314,181)	3,784,227	(3,529,954)	56%	3,085,634	(4,228,547)	47%
Reallocated Revenue	(6,807)	(420,855)		(420,855)	2%		(420,855)	2%
Total REVENUE	(2,725,043)	(9,632,028)	3,905,618	(5,726,410)	48%	3,207,026	(6,425,002)	42%
Total RECREATION AND CULTURE FACILITIES	2,927,256	5,676,683	1,798,377	7,475,060	39%	1,190,712	6,867,395	43%
ADMINISTRATION AND CIVIC FACILITIES								
EXPENDITURES								
Salaries and Benefits	1,172,143	3,171,438	(65,361)	3,106,077	38%	(65,361)	3,106,077	38%
Administrative	13,768	48,325		48,325	28%		48,325	28%
Financial	(1,864)	51,169		51,169	(4%)		51,169	(4%)
Transfers to Own Funds	167,316	293,268		293,268	57%		293,268	57%
Purchased Goods	14,981	50,486		50,486	30%		50,486	30%
Purchased Services	289,950	674,430	(9,117)	665,313	44%	(9,117)	665,313	44%
Reallocated Expenses	10,124	64,450		64,450	16%		64,450	16%
Total EXPENDITURES	1,666,418	4,353,566	(74,478)	4,279,088	39%	(74,478)	4,279,088	39%
REVENUE								
Financing Revenue	(596,452)	(1,409,628)	3,669	(1,405,959)	42%	3,669	(1,405,959)	42%
User Fees and Service Charges	(104,410)	(291,693)		(291,693)	36%		(291,693)	36%
Total REVENUE	(700,862)	(1,701,321)	3,669	(1,697,652)	41%	3,669	(1,697,652)	41%
Total ADMINISTRATION AND CIVIC FACILITIES	965,556	2,652,245	(70,809)	2,581,436	37%	(70,809)	2,581,436	37%
PROGRAMS								
EXPENDITURES								
Salaries and Benefits	1,158,262	5,346,244	(2,377,433)	2,968,811	39%	(2,282,683)	3,063,561	38%
Administrative	8,931	61,347		61,347	15%		61,347	15%
Financial	15,672	329,301		329,301	5%		329,301	5%
Transfers to Own Funds		3,350		3,350	0%		3,350	0%
Purchased Goods	26,889	294,321	3,900	298,221	9%	3,900	298,221	9%
Purchased Services	295,074	931,183	(392,178)	539,005	55%	(392,178)	539,005	55%
Reallocated Expenses		30,484		30,484	0%		30,484	0%
Total EXPENDITURES	1,504,828	6,996,230	(2,765,711)	4,230,519	36%	(2,670,962)	4,325,268	35%
REVENUE								
Financing Revenue	(36,808)	(364,823)		(364,823)	10%		(364,823)	10%
Grants	(14,400)	(67,800)		(67,800)	21%		(67,800)	21%
Recoveries and Donations	(41,394)	(405,660)		(405,660)	10%		(405,660)	10%
User Fees and Service Charges	(779,202)	(6,073,917)	4,824,693	(1,249,224)	62%	4,361,673	(1,712,244)	46%
Total REVENUE	(871,804)	(6,912,200)	4,824,693	(2,087,507)	42%	4,361,673	(2,550,527)	34%
Total PROGRAMS	633,024	84,030	2,058,982	2,143,012	30%	1,690,711	1,774,741	36%

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			FORECAST	FORECAST	% of FORECAST	FORECAST	FORECAST	% of FORECAST
			CHANGES	BUDGET	BUDGET	CHANGES	BUDGET	BUDGET
OPERATIONS								
EXPENDITURES								
Salaries and Benefits	2,223,692	6,356,365	(544,240)	5,812,125	38%	(544,240)	5,812,125	38%
Administrative	3,097	43,282		43,282	7%		43,282	7%
Transfers to Own Funds	1,633,498	1,633,498		1,633,498	100%		1,633,498	100%
Purchased Goods	726,158	1,808,741	(165,000)	1,643,741	44%	(165,000)	1,643,741	44%
Purchased Services	2,196,104	7,083,815	(284,912)	6,798,903	32%	(284,912)	6,798,903	32%
Fleet Expenses	382,112	1,086,137		1,086,137	35%		1,086,137	35%
Reallocated Expenses	1,287,062	3,557,558		3,557,558	36%		3,557,558	36%
Total EXPENDITURES	8,451,723	21,569,396	(994,152)	20,575,244	41%	(994,152)	20,575,244	41%
REVENUE								
Financing Revenue	(8,689)	(237,006)		(237,006)	4%		(237,006)	4%
Recoveries and Donations	(1,254,049)	(3,232,987)	(150,000)	(3,382,987)	37%	(150,000)	(3,382,987)	37%
User Fees and Service Charges	(109,716)	(899,546)	283,000	(616,546)	18%	283,000	(616,546)	18%
Reallocated Revenue	(1,423,158)	(3,955,343)		(3,955,343)	36%		(3,955,343)	36%
Total REVENUE	(2,795,612)	(8,324,882)	133,000	(8,191,882)	34%	133,000	(8,191,882)	34%
Total OPERATIONS	5,656,111	13,244,514	(861,152)	12,383,362	46%	(861,152)	12,383,362	46%
TRANSIT								
EXPENDITURES								
Salaries and Benefits	105,699	262,688		262,688	40%		262,688	40%
Administrative	1,078	13,815		13,815	8%		13,815	8%
Financial		300		300	0%		300	0%
Transfers to Own Funds	1,326,511	1,326,511		1,326,511	100%		1,326,511	100%
Purchased Goods	2,466	13,778		13,778	18%		13,778	18%
Purchased Services	1,357,095	4,438,250	(827,200)	3,611,050	38%	(827,200)	3,611,050	38%
Fleet Expenses	385,450	1,492,511		1,492,511	26%		1,492,511	26%
Reallocated Expenses	59,690	65,503		65,503	91%		65,503	91%
Total EXPENDITURES	3,237,989	7,613,356	(827,200)	6,786,156	48%	(827,200)	6,786,156	48%
REVENUE								
Financing Revenue	(1,591,481)	(1,591,481)		(1,591,481)	100%		(1,591,481)	100%
Grants			(48,536)	(48,536)	0%	(48,536)	(48,536)	0%
Recoveries and Donations		(434,019)		(434,019)	0%		(434,019)	0%
User Fees and Service Charges	(313,855)	(1,534,553)	1,160,597	(373,956)	84%	1,160,597	(373,956)	84%
Reallocated Revenue								
Total REVENUE	(1,905,336)	(3,560,053)	1,112,061	(2,447,992)	78%	1,112,061	(2,447,992)	78%
Total TRANSIT	1,332,653	4,053,303	284,861	4,338,164	31%	284,861	4,338,164	31%
Total COMMUNITY SERVICES	11,514,600	25,710,775	3,210,259	28,921,034	40%	2,234,324	27,945,099	41%

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			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
DEVELOPMENT SERVICES								
PLANNING SERVICES								
EXPENDITURES								
Salaries and Benefits	914,169	2,555,915	(46,797)	2,509,118	36%	(46,797)	2,509,118	36%
Administrative	925	56,752		56,752	2%		56,752	2%
Purchased Goods	4,243	37,250		37,250	11%		37,250	11%
Purchased Services	25,664	85,981	(481)	85,500	30%	(481)	85,500	30%
Total EXPENDITURES	945,001	2,735,898	(47,278)	2,688,620	35%	(47,278)	2,688,620	35%
REVENUE								
Financing Revenue	(225,804)	(847,290)		(847,290)	27%		(847,290)	27%
Recoveries and Donations	(4,402)	(43,647)		(43,647)	10%		(43,647)	10%
User Fees and Service Charges	(1,026,573)	(1,088,977)	(445,492)	(1,534,469)	67%	(445,492)	(1,534,469)	67%
Total REVENUE	(1,256,779)	(1,979,914)	(445,492)	(2,425,406)	52%	(445,492)	(2,425,406)	52%
Total PLANNING SERVICES	(311,778)	755,984	(492,770)	263,214	(118%)	(492,770)	263,214	(118%)
BUILDING SERVICES								
EXPENDITURES								
Salaries and Benefits	1,240,294	3,449,431	(150,988)	3,298,443	38%	(150,988)	3,298,443	38%
Administrative	23,319	135,839		135,839	17%		135,839	17%
Financial	(10)							
Transfers to Own Funds		114,790	(114,790)			(114,790)		
Purchased Goods	2,350	18,094		18,094	13%		18,094	13%
Purchased Services	13,958	40,973	(621)	40,352	35%	(621)	40,352	35%
Reallocated Expenses	846,278	2,197,207		2,197,207	39%		2,197,207	39%
Total EXPENDITURES	2,126,189	5,956,334	(266,399)	5,689,935	37%	(266,399)	5,689,935	37%
REVENUE								
Financing Revenue	(193,658)	(8,688)	(1,686,648)	(1,695,336)	11%	(1,686,648)	(1,695,336)	11%
User Fees and Service Charges	(1,941,222)	(5,947,646)	1,953,047	(3,994,599)	49%	1,953,047	(3,994,599)	49%
Total REVENUE	(2,134,880)	(5,956,334)	266,399	(5,689,935)	38%	266,399	(5,689,935)	38%
Total BUILDING SERVICES	(8,691)							
INFRASTRUCTURE MANAGEMENT								
EXPENDITURES								
Salaries and Benefits	652,080	1,974,894	(193,085)	1,781,809	37%	(193,085)	1,781,809	37%
Administrative	5,027	33,309		33,309	15%		33,309	15%
Financial		44,519		44,519	0%		44,519	0%
Transfers to Own Funds	271,000	271,000		271,000	100%		271,000	100%
Purchased Goods	7,465	46,472	(25,012)	21,460	35%	(25,012)	21,460	35%
Purchased Services	560,202	1,957,037	(52,996)	1,904,041	29%	(52,996)	1,904,041	29%
Reallocated Expenses	105	7,770		7,770	1%		7,770	1%
Total EXPENDITURES	1,495,879	4,335,001	(271,093)	4,063,908	37%	(271,093)	4,063,908	37%
REVENUE								
Financing Revenue	(455,540)	(987,929)		(987,929)	46%		(987,929)	46%
Recoveries and Donations	(7,448)	(12,283)		(12,283)	61%		(12,283)	61%
User Fees and Service Charges	(33,794)	(275,957)	21,807	(254,151)	13%	21,807	(254,151)	13%
Total REVENUE	(496,782)	(1,276,169)	21,807	(1,254,363)	40%	21,807	(1,254,363)	40%
Total INFRASTRUCTURE MANAGEMENT	999,097	3,058,832	(249,286)	2,809,546	36%	(249,286)	2,809,546	36%

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	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
DEVELOPMENT ENGINEERING								
EXPENDITURES								
Salaries and Benefits	624,964	1,825,336		1,825,336	34%		1,825,336	34%
Administrative	6,352	27,099	(2,500)	24,599	26%	(2,500)	24,599	26%
Purchased Goods		1,036		1,036	0%		1,036	0%
Purchased Services	204,914	214,142	206,271	420,413	49%	206,271	420,413	49%
Total EXPENDITURES	836,230	2,067,613	203,771	2,271,384	37%	203,771	2,271,384	37%
REVENUE								
Financing Revenue	(36,215)	(130,633)		(130,633)	28%		(130,633)	28%
User Fees and Service Charges	(478,223)	(1,679,709)		(1,679,709)	28%		(1,679,709)	28%
Reallocated Revenue	(72,844)	(236,484)		(236,484)	31%		(236,484)	31%
Total REVENUE	(587,282)	(2,046,826)		(2,046,826)	29%		(2,046,826)	29%
Total DEVELOPMENT ENGINEERING	248,948	20,787	203,771	224,558	111%	203,771	224,558	111%
ENGINEERING SERVICES ADMINISTRATION								
EXPENDITURES								
Salaries and Benefits	141,083	416,102	(103,008)	313,094	45%	(103,008)	313,094	45%
Administrative	2,424	10,237	0	10,237	24%	0	10,237	24%
Purchased Goods	2,705	17,700		17,700	15%		17,700	15%
Purchased Services	130,194	178,881	(50,296)	128,585	101%	(50,296)	128,585	101%
Total EXPENDITURES	276,406	622,920	(153,304)	469,616	59%	(153,304)	469,616	59%
REVENUE								
Financing Revenue	(11,225)	(94,768)	52,803	(41,965)	27%	52,803	(41,965)	27%
Total REVENUE	(11,225)	(94,768)	52,803	(41,965)	27%	52,803	(41,965)	27%
Total ENGINEERING SERVICES ADMINISTRATION	265,181	528,152	(100,501)	427,651	62%	(100,501)	427,651	62%
Total DEVELOPMENT SERVICES	1,192,757	4,363,755	(638,786)	3,724,969	32%	(638,786)	3,724,969	32%

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
LIBRARY								
LIBRARY								
EXPENDITURES								
Salaries and Benefits	1,213,058	3,669,827	(438,776)	3,231,051	38%	(436,012)	3,233,815	38%
Administrative	14,706	35,698		35,698	41%		35,698	41%
Financial	2,020	5,616		5,616	36%		5,616	36%
Transfers to Own Funds	577,936	577,936		577,936	100%		577,936	100%
Purchased Goods	116,936	278,208	11,349	289,557	40%	11,349	289,557	40%
Purchased Services	107,525	458,764	581	459,345	23%	581	459,345	23%
Reallocated Expenses	589	386,926		386,926	0%		386,926	0%
Total EXPENDITURES	2,032,770	5,412,975	(426,846)	4,986,129	41%	(424,082)	4,988,893	41%
REVENUE								
Financing Revenue	(363,416)	(363,416)		(363,416)	100%		(363,416)	100%
Taxation	(2,277,574)	(4,785,491)		(4,785,491)	48%		(4,785,491)	48%
Grants		(57,554)	49,805	(7,749)	0%	42,954	(14,600)	0%
Recoveries and Donations	(5,444)	(14,484)	1,850	(12,634)	43%	1,360	(13,124)	41%
User Fees and Service Charges	(32,323)	(192,031)	124,513	(67,518)	48%	107,386	(84,645)	38%
Total REVENUE	(2,678,757)	(5,412,976)	176,168	(5,236,808)	51%	151,700	(5,261,276)	51%
Total LIBRARY	(645,987)	(1)	(250,678)	(250,679)	258%	(272,382)	(272,383)	237%
Total LIBRARY	(645,987)	(1)	(250,678)	(250,679)	258%	(272,382)	(272,383)	237%

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
			HOSPITAL EXPANSION					
HOSPITAL EXPANSION								
EXPENDITURES								
Financial	1,920,988	2,504,950		2,504,950	77%		2,504,950	77%
Total EXPENDITURES	1,920,988	2,504,950		2,504,950	77%		2,504,950	77%
REVENUE								
Financing Revenue	(2,504,950)	(2,504,950)		(2,504,950)	100%		(2,504,950)	100%
Total REVENUE	(2,504,950)	(2,504,950)		(2,504,950)	100%		(2,504,950)	100%
Total HOSPITAL EXPANSION	(583,962)							
Total HOSPITAL EXPANSION	(583,962)							

Town of Milton
Operating Financial Statements
May 2020 including COVID-19 Scenarios

	YTD ACTUAL	ANNUAL BUDGET	Fall Revenue at 25% Programs/50% Facilities			Fall Revenue at 50% Programs/75% Facilities		
			FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET	FORECAST CHANGES	FORECAST BUDGET	% of FORECAST BUDGET
BIA								
BIA								
EXPENDITURES								
Salaries and Benefits	43,070	126,506		126,506	34%		126,506	34%
Financial	2,570	1,500		1,500	171%		1,500	171%
Transfers to Own Funds			7,685	7,685	0%	7,685	7,685	0%
Purchased Goods	320	12,345	(1,000)	11,345	3%	(1,000)	11,345	3%
Purchased Services	21,745	181,660	(85,733)	95,927	23%	(85,733)	95,927	23%
Reallocated Expenses	3,000	3,500		3,500	86%		3,500	86%
Total EXPENDITURES	70,705	325,511	(79,048)	246,463	29%	(79,048)	246,463	29%
REVENUE								
Financing Revenue		(27,428)	27,428			27,428		
Taxation	(116,463)	(230,633)		(230,633)	50%		(230,633)	50%
Grants		(2,000)	(2,430)	(4,430)	0%	(2,430)	(4,430)	0%
Recoveries and Donations		(23,200)	16,800	(6,400)	0%	16,800	(6,400)	0%
User Fees and Service Charges	(200)	(25,000)	20,000	(5,000)	4%	20,000	(5,000)	4%
Reallocated Revenue		(17,250)	17,250			17,250		
Total REVENUE	(116,663)	(325,511)	79,048	(246,463)	47%	79,048	(246,463)	47%
Total BIA	(45,958)							
Total BIA	(45,958)							

Appendix 2 -CORIS-040-20

May 2020 Operating Variance Commentary By Department

Variances impacting multiple departments of the Town are highlighted below.

Staff Gapping

As staff gapping savings are identified, the salary and benefit budget is reduced within the respective department while an offsetting variance is shown in General Government up to the full year budgeted gapping amount of \$500,000. This redistributes the annual budget from the departments as the savings are being incurred. By end of May 2020 the staff gapping savings identified have led to cumulative projected savings of \$725,698. As a result, the Town has exceeded the annual budget for staff gapping savings and \$225,698 will result in a net favourable variance. Additional savings from the temporary leaves of part time or seasonal staff are reported within each affected department below.

Insurance

Insurance costs were lower than budget by \$112,132 in 2020. Insurance has been allocated across departments and corresponding forecast changes reflecting variances to budget for each department have been completed.

Utilities

Utility costs to date have been tracking lower than budget on aggregate due to facility closures. Savings in hydro and gas are currently estimated at approximately \$750,000 and may vary depending on phased re-openings of facilities.

Other

As a result of the Town facility closures and remote workforce due to COVID-19 it is expected that there will be savings of approximately \$150,000 in printing, photocopies and office supplies across the Town. A further \$200,000 in savings is expected in the areas of staff professional development and training which has been deferred due to COVID-19.

Variances identified within specific departments are as follows:

Mayor & Council - \$29,531 Projected Unfavourable

The unfavourable variance is the result of adjustments in compensation following a review in 2019 as referenced in CORIS-045-18.

Appendix 2 -CORs-040-20

May 2020 Operating Variance Commentary By Department

Executive Services - \$791 Projected Favourable

Staff gapping in the areas of Strategic Initiatives and Economic Development have resulted in savings to the budget of \$79,731. A further savings of \$8,371 resulted from the allocation of the insurance savings.

This is largely offset by expected revenue reductions at the MEV Innovation Centre in the area of leases and donations as a result of COVID-19.

Corporate Services - \$14,954 Projected Unfavourable

Staff gapping savings of \$385,495 has been realized throughout the department due to vacancies. Further savings of \$2,916 is due to the insurance allocation.

Human Resources is reflecting estimated savings of \$57,571 related to lower than anticipated corporate training initiatives.

Information Technology is anticipating approximately \$36,000 in additional costs including virtual meeting licenses and additional hardware to support staff working from home.

Legislative & Legal Services is estimating a revenue shortfall of \$507,491 due to the reduced on-street parking restrictions that started in March as By-law enforcement focused on safety related issues. Of this amount, \$82,683 was offset by savings from temporarily suspending the Town's parking enforcement contract. The current forecast assumes revenues are back to normal starting in the Fall. CORs-009-20 recommended a contract increase of \$67,663 for a new parking shift. Although there was an anticipated favourable variance from this contract increase, costs for court proceedings were unknown. The new shift, including estimated court costs of \$17,839 is being funded from a Parking Control Officer Position that is being held vacant.

General Government - \$228,694 Projected Unfavourable

As referenced in ES-003-20, the Town continued to compensate part time employees for scheduled shifts up to April 5 prior to implementing temporary leaves as many of the programs and facilities supported by those staff were discontinued. The cost associated with this was \$399,847 and is reflected within General Government with the offsetting reduced salaries and benefits costs identified within each of the affected departments.

Other unanticipated costs as a result of COVID-19 have been included within General Government such as \$193,176 for personal protective equipment required by the Town through 2020. Of this amount, \$46,744 was recovered from others as the Town purchased supplies such as hand sanitizer on behalf of the local municipalities, Halton Regional Police and the Halton Catholic District School Board.

Appendix 2 -CORS-040-20

May 2020 Operating Variance Commentary By Department

As identified in CORS-020-20 and CORS-032-20 overdue tax notice fees were waived to September resulting in an anticipated deficit of \$90,000.

Staff gapping savings that were identified within each department are reflected as a \$500,000 unfavourable variance in General Government with the offset being booked in each of the relevant departments.

Forecasted revenue from the Ontario Lottery and Gaming Corporation (OLG) was reduced by \$2.2 million to \$4.0 million for 2020. There is no impact to the operating budget as OLG revenue is transferred to reserve for use in the capital program. Updated assumptions will be reflected during the development of the 2021 budget.

Although not affecting the projected year end position, reduced development activity has resulted in an anticipated shortfall of \$694,680 in capital provision fees and \$237,683 in per unit processing fees. This will in turn result in a lower than anticipated balance in the Capital Provision Reserve and Per Unit Processing Reserve as these fees are transferred to those reserves as received. While there is no impact to the operating budget, this delay in the revenues due to the timing of growth has funding implications for the 10 year capital forecast.

Based on trends year to date and preliminary estimates, \$144,500 in savings related to training, development and attending conferences along with \$150,000 in lower administrative costs (i.e. copies, office supplies, postage and printing) have been reflected through General Government. In addition, reduced courier activity is resulting in projected savings of \$22,162.

Finally, to mitigate costs incurred by the Town resulting from COVID-19, a \$600,000 contribution was made to the Operating Budget from the Infrastructure Renewal Reserve as a result of a favourable variance in the award of the Expanded Asphalt Program as approved through CORS-024-20.

Community Services - \$2,234,324 to \$3,210,259 Projected Unfavourable

Staff gapping savings within Community Services is \$110,666. Savings of \$47,084 related to allocation of insurance were realized within Community Services primarily due to the impact of Sherwood Community Centre for which actual insurance costs were below the budgeted amount.

Recreation and Culture Facilities is projecting a shortfall between \$1.2 and \$1.8 million as a result of facility closures due to COVID-19. The estimated facility revenue loss ranges between \$3.2 and \$3.9 million. This is partially offset by \$1.2 million to \$1.3 million of reduced staffing costs as a result of the temporary leaves of the part time staff who support the facilities. A further \$0.8 million in savings of purchased goods and services is the result of reduced utility usage, foregoing the dismantling of the indoor soccer dome and idling the Rotary Outdoor Pool for the season.

May 2020 Operating Variance Commentary By Department

Due to COVID-19, the Town suspended all programming in March and as discussed through the Stage 2 Resumption of Services Report (see staff report ES-007-20) will now be phasing programming back in on a modified basis. The forecast for the year is estimating an overall shortfall in Programs between \$1.7 million and \$2.0 million. This is due to lost revenue estimated between \$4.4 million to \$4.8 million which is partially offset by \$2.3 to \$2.4 million in reduced staffing costs and \$0.4 million in purchased services that are directly related to program offerings.

As the Town continues to develop strategies for the resumption of services while adhering to Provincial guidelines the financial impact of opening splash pads, offering ice rental at Sherwood on two pads for July and August, limited day camps for July and August, limited aquatics offerings and issuance of permits for fields and diamond usage have been included in the estimates above.

Operations is expecting a savings of \$861,152. Of this amount, \$468,952 is due to reduced compensation expenses related to summer students who were not hired in 2020 as well as the deferral of seasonal workers to start later in the season. A further savings of \$53,623 within Operations is due to the reallocation of part time staff costs to General Government for the temporary salary continuance of part time staff through April 5. Contractual savings of \$223,891 resulted from the later opening of parks, splash pads, fields and diamonds as well as the reduced service. A favourable variance of \$225,000 is expected within winter control primarily due to less than anticipated salt usage. Increased recoveries from cost recovery agreements are leading to expected additional revenue of \$150,000. Partially offsetting these favourable variances is reduced revenue from field and diamond rentals in the amount of \$280,000.

Transit is anticipating a deficit in the amount of \$333,490 as a result of service changes due to COVID-19. Revenue losses of \$1.2 million for the year are largely offset by a reduction in the contractual service costs in amount of \$827,107 including fuel savings of \$173,313 resulting both from reduced service hours as well as a decrease in the price of fuel. It is also been announced that the Town will receive provincial grant funding "Investing in Enhanced Public Transit Cleaning" in the amount of \$48,536 to be used to offset the additional transit cleaning costs being incurred due to COVID.

Development Services - \$638,786 Projected Favourable

Staff gapping savings of \$149,806 has been identified within Development Services which is partially offset by a reduction in the recovery of staff costs from capital projects in the amount of \$52,803. A consulting budget of \$52,500 was reallocated from the Infrastructure Management Division to Development Engineering with no impact. Savings in the amount of \$52,122 have also been reported as a result of the insurance allocation. Reduced fees and permits across all divisions due to reduced activity resulting from COVID are expected to result in a deficit of \$40,272. Savings of \$35,757 from the reallocation of part time staff costs to General Government for the temporary salary continuance.

Appendix 2 -CORS-040-20

May 2020 Operating Variance Commentary By Department

Within Building Services, delays in non-residential and residential development are resulting in an expected unfavourable variance in 2020 building permit revenue. Planning staff are not filling several vacant roles which will help offset a portion of the variance, and the balance will need to come from the Building Stabilization Reserve which will be replenished when those sites proceed in 2021. At this time, the net unfavourable variance in the building division, and required draw from the reserve, is anticipated to be approximately \$1.7 million.

Planning Services is anticipated a surplus of \$445,492 in revenue from a number of new major applications under the Planning Act for subdivision applications as well as increased zoning amendment activity.

Infrastructure Management has identified savings of \$25,012 as a result of forecasted reductions in street light materials and maintenance. A further \$157,328 in savings is anticipated from the temporary leaves of the Crossing Guards from March through to the end of June which will be re-evaluated in the fall along with announcements as to the planned re-opening of schools.

Development Engineering is reporting a forecasted increase in expenses of \$151,505 due to performing more work on undeveloped subdivisions than was recovered through the Engineering and Inspection Fees as at the end of May 2020. Although the fees were updated through the 2016 User Fee Study, CORS-047-16, to start addressing the deficit, further shortfalls continue to be incurred until existing multi-year agreements entered into using the previous fee structure are complete. The deficits appear to be reducing from previous years as referenced in CORS-006-20.

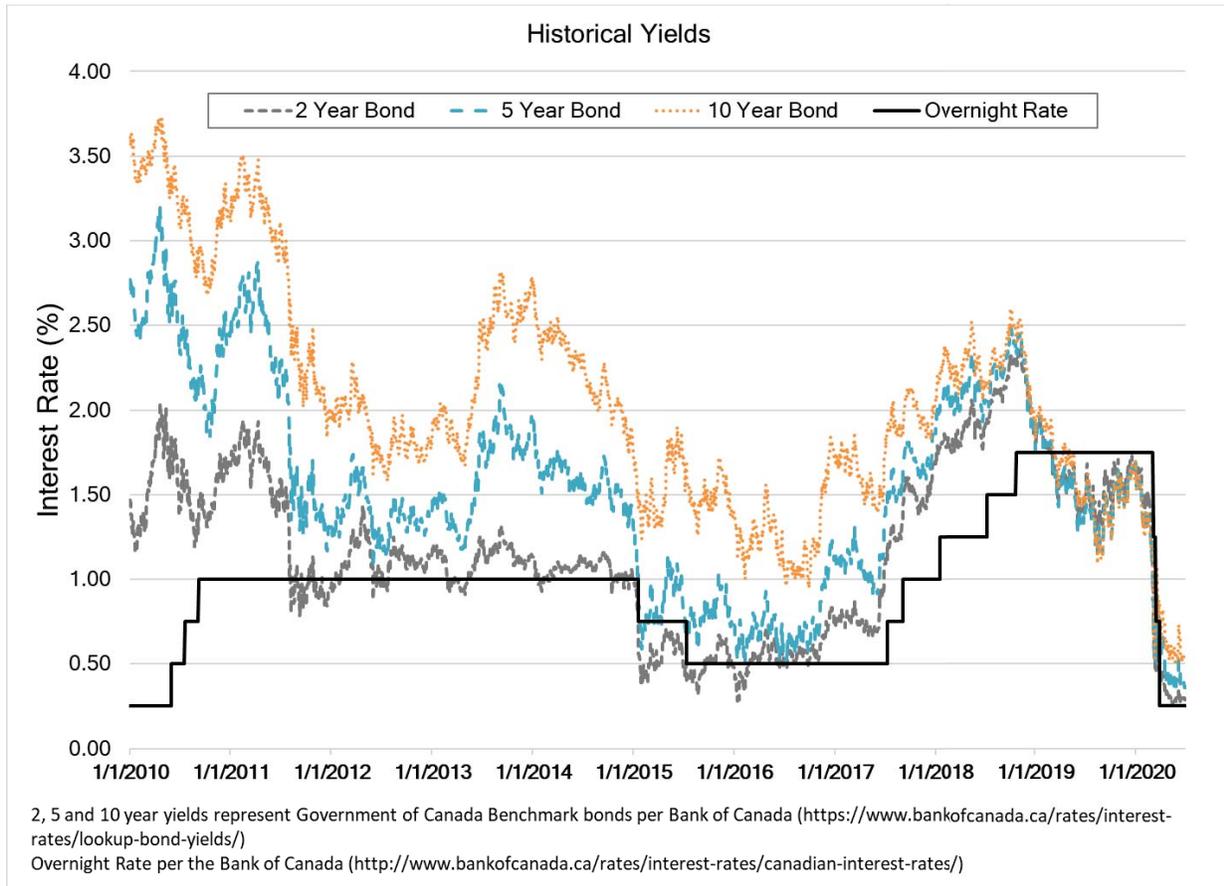
Library - \$250,678 to \$272,382 Projected Favourable

Library is expecting an overall favourable variance for the year of approximately \$260,000 which is largely due to a reduction in part time staff costs as a result of the facility closure partially offset by reduced revenues.

Hospital - No net variances

Interest Rates and Bond Yields

The chart below illustrates the historical trending of interest rates relative to bond yields. As evidence of the rapid changes resulting from current economic conditions, the 10 year Government of Canada bond yield dropped from 1.70% on December 31, 2019 to 0.53% on May 29, 2020 and the Bank of Canada Overnight rate declined from 1.75% on December 31, 2019 to 0.25% at the end of May.



The immediate impact for the Town, as existing investments mature, will be a higher cash balance until more favourable market opportunities become available for re-investment.

Appendix 4 -CORS-040-20

Investment Portfolio Holdings and Limitations

Authorized Investments \$ Millions and Limitations (31-May-2020)										
Category / Sector ⁽¹⁾	Remaining Term			Total	% of Portfolio	Portfolio Maximum	Individual Maximum ⁽²⁾	Term Limit Years	Minimum DBRS Rating ⁽³⁾	
	Less than 1 Year	1 to 5 Years	5 to 10 Years						Short-term	Long-Term
Cash	\$71.00			\$71.00	34%					
Federal and Federal Guaranteed⁽⁴⁾	-	-	-	\$0.00	0%	100%	100%	20	N/A	A low)
Provincial and Provincial Guaranteed⁽⁴⁾										
British Columbia	\$1.18	\$2.68	-	\$3.86	2%		20%			
Manitoba	-	\$3.15	-	\$3.15	2%		20%			
Nova Scotia	\$6.34	\$1.03	-	\$7.37	4%		20%	15	R-1 low)	A low)
Ontario	\$2.70	\$4.73	-	\$7.43	4%		20%			
Prince Edward Island	\$1.33	-	-	\$1.33	1%		20%			
Quebec	\$1.22	\$2.26	-	\$3.48	2%		20%			
Provincial and Provincial Guaranteed Sub-total	\$12.77	\$13.86	\$0.00	\$26.62	13%	100%				
Municipal and Municipal Guaranteed										
City of Toronto	-	-	\$0.96	\$0.96	0%		10%	15	R-1 (low	AA (low
Regional Municipality of York	-	-	\$7.52	\$7.52	4%		10%			
Municipal and Municipal Guaranteed Sub-total	\$0.00	\$0.00	\$8.49	\$8.49	4%	50%				
Boards / Schools⁽⁵⁾ Sub-total	\$0.00	\$0.00	\$0.00	\$0.00	0%	15%		10	R-1 low)	AA low)
Financial Institution										
Schedule I Bank Six Majors⁽⁶⁾										
Bank of Montreal	\$4.00	\$17.00	-	\$21.00	10%		20%	10	R-1 low)	AA(low
Bank of Nova Scotia The	\$7.24	\$24.00	-	\$31.24	15%		20%			
Canadian Imperial Bank of Commerce	-	\$4.00	-	\$4.00	2%		20%			
Royal Bank of Canada	\$3.00	-	\$5.00	\$8.00	4%		20%			
Toronto-Dominion Bank The	-	\$7.09	-	\$7.09	3%		20%			
Schedule I Bank Six Majors Sub-total	\$14.24	\$52.09	\$5.00	\$71.33	34%	60%				
Other Sch I, Sch II, Trust Loan, Credit Union										
First Ontario	\$14.00	-	-	\$14.00	6.7%		10%	2	R-1 mid)	AA(low)
Meridian	\$16.50	-	-	\$16.50	7.9%		10%			
Other Sch I/Sch II/Trust/Credit Union Sub-total	\$30.50	\$0.00	\$0.00	\$30.50	15%	20%				
Financial Institution Sub-total⁽⁷⁾	\$44.74	\$52.09	\$5.00	\$101.83	49%	60%				
ONE Investment Program⁽⁸⁾	\$0.00	\$0.00	\$0.00	\$0.00	0%	25%		N/A	N/A	N/A
Asset Backed Securities	\$0.00	\$0.00	\$0.00	\$0.00	0%	10%	5%	5	R-1 high	AAA
Commercial paper or promissory notes	\$0.00	\$0.00	\$0.00	\$0.00	0%	10%	5%	1	R-1 mid	N/A
Total	\$128.51	\$65.94	\$13.49	\$207.94	100%					

Notes:

- 1 Per definitions and regulations under Ontario Regulation 438/97.
- 2 Individual maximum applies to either an individual institution or in the case of the ONE Investment Program it applies to individual portfolios.
- 3 Equivalent ratings from Moody's Investor Services, Standard and Poor's or Fitch Ratings are also acceptable.
- 4 A minimum of 10% of the portfolio must be in the Federal or Provincial category.
- 5 Includes a University in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000 and a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002.
- 6 Six major Schedule I Banks include: Bank of Montreal, Bank of Nova Scotia The), Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada and Toronto-Dominion Bank The).
- 7 The overall Financial Institution category shall not exceed 60% of the total portfolio, within this category:
 - i) Aggregate holdings of the Six major Schedule I Banks shall not exceed 60% of the total portfolio; and
 - ii) Aggregate holdings of Schedule II Other Schedule I Banks not listed above and Trust Loan / Credit Union s shall not exceed 20% of the total portfolio.
- 8 The ONE Investment Program provides recommended investment timelines for each fund however funds can be withdrawn with one day's notice and investments in each pool meet eligibility criteria as defined by regulations under the Municipal Act.

**Appendix 5 -CORS-040-20
Reserves and Reserve Fund Balances**

Reserves and Reserve Funds	Balance as at Dec 31, 2019	Balance as at May 31, 2020	Forecasted Dec 31, 2020 *
Reserves			
Tax Rate Stabilization	\$4,190,056	\$3,436,548	\$4,262,298
Infrastructure Renewal	4,964,416	8,567,180	8,567,180
Library Tax Rate Stabilization	2,204,322	1,858,548	1,858,549
Library Capital Works	674,222	759,843	759,843
Legal Matters	1,341,076	1,631,465	1,654,829
Per Unit Development Processing Fee	1,468,134	998,026	1,663,121
Election	313,563	503,811	503,811
Winter Control	1,467,022	1,467,022	1,467,022
Insurance	1,413,151	1,553,302	1,553,302
WSIB	1,211,628	1,211,628	1,211,628
Municipal Building Components	7,973,048	9,058,251	9,070,822
Capital Provision	13,386,558	11,460,735	14,257,870
Capital Works	5,672,544	8,722,896	7,107,124
Transit and Transportation	1,786,420	1,424,116	1,424,116
Computer Requirements	1,245,238	1,215,274	1,296,452
Equipment Replacement	7,834,707	8,043,063	8,096,063
Working Funds	1,064,000	1,064,000	1,064,000
Aggregate Permit Fees	483,073	311,763	312,763
DBIA Surplus	107,331	107,331	79,902
Seniors' Fundraising	76,034	76,034	76,034
Training	460,699	460,699	460,699
Growth Related Resources	2,068,158	2,021,808	2,021,808
Municipal Building Replacements	435,265	1,118,348	1,177,436
Total Reserves	\$61,840,665	\$67,071,692	\$69,946,671
Reserve Funds			
Ontario Community Infrastructure Fund	\$816,152	\$816,152	\$172,461
Provincial Gas Tax	265,621	(803,247)	18,653
Perpetual Maintenance	605,099	605,099	608,870
Provincial Government Transfer	0	0	0
Cash-In-Lieu of Parking	9,178,354	9,576,534	9,559,833
Building Rate Stabilization	3,493,325	3,308,355	3,622,073
Property Transactions	11,495,728	7,167,769	8,331,602
Arts Programming	6,131	6,131	6,131
Milton District Hospital Expansion	370,985	306,053	312,775
Cash-In-Lieu of Parking	322,725	322,725	329,154
Cash-In-Lieu of Storm Water Mgmt	46,846	46,846	47,779
Sportsfield Development	44,454	14,351	14,935
Investment in the Arts	608,772	503,799	514,887
Federal Gas Tax	7,336,606	7,238,818	3,728,795
Mayor's Legacy Fund	90,611	90,611	92,416
Ontario Lottery Corporation Proceeds	9,045,129	7,334,104	12,129,488
Development Charges	32,110,431	36,098,283	28,748,447
Total Reserve Funds	\$75,836,968	\$72,632,383	\$68,238,298
Total Reserve and Reserve Funds	\$137,677,634	\$139,704,075	\$138,184,969

* Note: Estimated 2020 balance is based on December 31, 2019 balance plus projected 2020 activity as identified in the 2020 budget.