



# The Corporation of the Town of Milton

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Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: July 14, 2025

Report No: ES-039-25

Subject: Operating Budget Review - May 2025

**Recommendation:** THAT the operating report for the five months ending May 2025 along with a projected year end surplus of \$2,348,321 be received for information.

THAT the Financial Management Policy No. 116 - Treasury be amended to re-classify the Per Unit Processing Reserve to a Reserve Fund, effective January 1, 2025.

## EXECUTIVE SUMMARY

This report provides a detailed review and update of the operating budget through May 2025 with the following information of note:

- Current forecasting suggests that the operating fund will be in a surplus of \$2.4 million for year end, primarily related to higher than anticipated revenues in the areas of recreation, planning applications and developer revenues associated with Transit, along with savings in fuel and natural gas following the federal carbon tax removal.
- Gross investment income is expected to be \$2.8 million greater than budget due to largely to higher than budgeted portfolio balances.
- Reserve balances are expected to be \$18.5 million higher than anticipated, largely due to reclassifying the Project Variance Account to a Reserve along with the reinvestment of excess investment income into infrastructure renewal reserves.

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

## 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. 116: Financial Management - Treasury as well as Ontario Regulation 438/97 require that reporting to Council on the investment portfolio must be done at least annually. This report is to satisfy the requirements as set out in those policies.

The revenue and expenditures that are shown in the financial statements within Appendix 1 are presented on a cash basis, and therefore exclude accruals.

## Discussion

### Operating Budget Monitoring for the period ending May 31, 2025

The following table reflects forecasted variances to the 2025 budget by department based on expectations for program delivery for the remainder of the year. It is worth noting that the departments that are presented in this table and report have been updated to reflect the organizational re-alignment that was announced earlier in 2025.

Department	2025 Approved Budget \$	2025 Forecast \$	Over/(Under) Budget \$
Mayor & Council	\$705,973	\$672,862	\$(33,111)
Executive Services	4,004,276	3,795,849	(208,427)
Corporate Services	40,030,176	38,985,132	(1,045,044)
General Government	(78,673,318)	(78,088,068)	585,250
Community Services	32,863,447	32,153,218	(710,229)
Development Services	1,069,446	250,602	(818,844)
Library	-	(117,916)	(117,916)
Hospital Expansion	-	-	-
BIA	-	-	-
<b>Total Town of Milton</b>		<b>\$(2,348,321)</b>	<b>\$(2,348,321)</b>

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

Staff are currently forecasting a surplus to budget of \$2,348,321 for 2025.

The main drivers of the surplus relate to increased recreation fees of \$628,820, largely in the area of Fitness and Aquatics, a timing related increase in planning application revenues of \$653,445, developer revenues associated with Subsidized Transit Pass Agreements of \$561,709, savings in fuel and natural gas of \$441,949 as a result of the carbon tax removal, and \$449,747 due to a reversal of an Allowance for Bad Debts amount given a change in circumstances regarding the recovery of certain development related expenses.



## Discussion

Partially offsetting these favourable variances is \$595,373 in increased winter maintenance costs resulting from severe storms during this past winter which brought record snowfall, prolonged blizzard conditions and required extended response efforts.

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

## Balance Sheet Monitoring as at May 31, 2025

### Investments and Cash Management

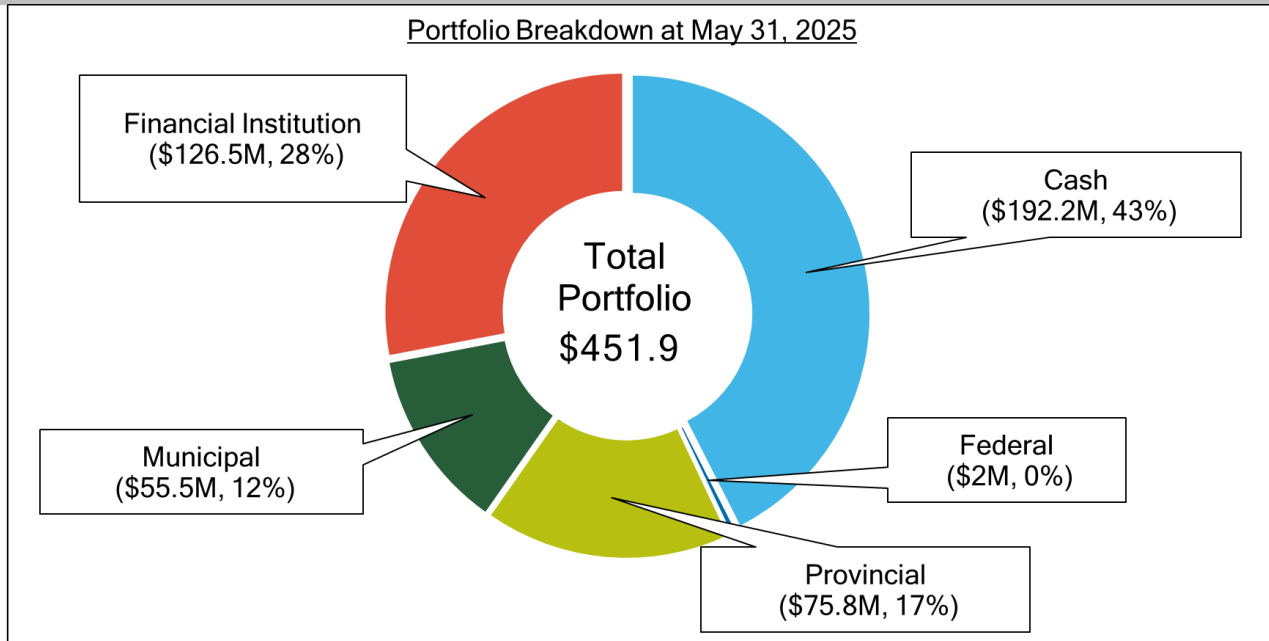
#### *Economic Update*

Over the previous twelve months the Bank of Canada (BOC) has lowered the overnight rate from 5.00% to 2.75% as of June 4, 2025. After declining substantially in a short period, the interest rates should remain stable over the next year according to the forecasts by the major Canadian banks. Inflation has been easing over the previous year and is expected to stay within the BOC's target range of 1% to 3% however the broader economy is showing signs of slowing, especially in housing and employment. The consensus among the major banks is that economic growth will remain modest, with uncertainty around tariffs and global conflicts contributing to market volatility and cautious monetary policy. Staff will continue to monitor market conditions to guide investment decisions while adhering to the objectives of the Town's Treasury Policy No. 116.

#### *Portfolio Summary / Cash and Investment Positions*

A summary of the overall portfolio as of May 31, 2025 is shown in the chart below and a detailed comparison of the limitations on holdings, as set out in Financial Management - Treasury Policy No. 116, is included in Appendix 3. All securities held in the first five months of 2025 satisfied the Town's credit rating requirements.

## Discussion



The Town is currently carrying approximately 40% of its portfolio balance in cash, including approximately \$22 million in a locked-in high interest account, due to upcoming capital project expenditures and timing of tax collections and payments. It is anticipated that throughout the balance of the year the composition of the Town's portfolio breakdown will shift as the Town continues to take advantage of market opportunities and changing interest rates, as illustrated in Appendix 4. A resulting reduction in cash holdings and increase in both short and long term investments is expected as the year progresses.

### *2025 Investment Income Forecast*

Due to a higher than expected portfolio balance, current projections estimate gross investment income to be \$15.2 million for the year, which is \$2.8 million higher than what was incorporated into the 2025 budget. The additional investment income will have no impact on the operating budget in 2025 as it will be allocated to reserves at year end in accordance with the Town's Treasury Policy, where it will be available for future investment by Council. Changing market conditions may create forecast adjustments throughout the year.

### Property Tax Collection

The Town of Milton collects property taxes for the Town, Region of Halton and the Halton Boards of Education as legislated under the Municipal Act, 2001. The following table provides an update on the Town's current year tax collection up to the end of May 2025. As

## Discussion

shown, the 2025 collection rate to date is generally aligned with the Town's historical rate as we approach the third regular installment date in late June.

Tax Year	Total Billable Properties	Properties with Arrears as of Jun 3	Final Tax Levy <sup>1</sup>	Current Year Collections (as of June 3) <sup>1</sup>	Current Year Past Due <sup>1</sup>	Current Year % Paid
2025	44,608	7,330	\$285,163,384	\$127,996,331	\$9,899,480	44.9%
2024	43,389	5,114	\$264,549,378	\$120,539,201	\$7,738,605	45.6%
2023	42,788	4,563	\$244,413,915	\$109,972,208	\$6,508,690	45.0%

<sup>1</sup> Includes Town, Region and Educational shares

## Debenture Obligations

As of May 31, 2025 the Town has an estimated \$42.2 million in total debt outstanding. To date, \$4.6 million in debenture repayments have occurred. For the remainder of the year, based on the status of projects funded with unissued debt and market conditions, it is expected that approximately \$4.8 million in new debt will be issued as part of a Region of Halton debenture issuance. Additionally, \$1.2 million in debenture principal payments remain in 2025, which would bring the projected outstanding debt balance to \$45.7 million by year end.

Existing Debenture Obligation (\$000)	Debt at Dec 31, 2024	Principal Payments to May 31	Debt at May 31	Estimated New Issue	2025 Principal Payments Outstanding	Forecast Dec 31, 2025
Tax Supported	\$29,557	\$(2,712)	\$26,845	\$4,800	\$(1,243)	\$30,402
Capital Provision (Hospital)	4,947	(1,606)	3,340	0	0	3,340
Hospital Expansion (see below)	12,275	(303)	11,973	0	0	11,973
<b>Total</b>	<b>\$46,780</b>	<b>\$(4,621)</b>	<b>\$42,159</b>	<b>\$4,800</b>	<b>\$(1,243)</b>	<b>\$45,716</b>

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, 2025 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

## Discussion

unforeseeable events, and provide flexibility to manage debt levels and protect the Town's financial position.

The anticipated reserve and reserve fund balances for 2025 are outlined in the table below. Balances by individual reserve and reserve funds are shown in Appendix 5.

Reserves and Reserve Funds (\$000)	As at Dec 31, 2024	As at May 31, 2025	Forecasted Dec 31, 2025	Surplus/ (Deficit) to Budget
Stabilization	\$24,269	\$23,153	\$23,990	\$(2,278)
Corporate Use	15,200	14,960	15,237	(2,192)
Infrastructure Non Growth	105,827	98,004	107,451	21,074
Infrastructure Growth	89,085	101,798	112,215	(2,070)
Program Specific	16,906	16,922	17,977	259
Board, Committee & Other	12,611	19,869	11,151	3,712
<b>Total</b>	<b>\$263,898</b>	<b>\$274,705</b>	<b>\$288,022</b>	<b>\$18,505</b>

The forecasted 2025 balance includes projected 2025 activity as identified in the 2025 budget along with any forecasted adjustments that have been identified in 2025. Following is commentary on forecasted 2025 year end reserve balances that are expected to be significantly different than budget:

### *Stabilization Reserves & Reserve Funds*

The Stabilization reserves are expected to be lower at the end of the year due to lower than anticipated building permit activity resulting in a decreased transfer to the Building Stabilization Reserve. This is partially offset from higher than expected balances in the Tax Rate Stabilization and Severe Weather reserves at the end of 2024 (see staff report ES-013-25).

### *Corporate Use Reserves*

The Corporate Use reserves are expected to be unfavourable to budget at the end of 2025 due to the lower than expected Per Unit Development Processing Fee revenues as a result of timing differences in development activity, higher than anticipated WSIB claims and lower than expected balances at the end of 2024 (see staff report ES-013-25).

### *Infrastructure Non Growth*

The Infrastructure Non Growth reserves are projecting a surplus to budget largely due to the reclassification of the Project Variance Account balance of \$12.1 million to a reserve (see staff report ES-012-25), an additional \$2.05 million in investment income along with higher than expected balances at the end of 2024 (see staff report ES-013-25). The balance in the Project Variance Reserve will fluctuate based on the refinancing of projects following tender awards, grant funding received, etc.

## Discussion

### *Infrastructure Growth*

The Infrastructure Growth reserves are forecasting a deficit primarily due to the lower than expected Capital Provision reserve balance at the end of 2024 as a result of timing of development activity. While Development Charge (DC) reserves are currently projecting to be in line with budget, shifts in timing of capital expenditures and revenue collections could change as the year progresses. The DC reserve balances include the approximate \$33.9 million in cash flow assistance that was received in 2024 (see staff report CORS-016-24). A portion of the unfavourable variance is offset by higher than expected balances at the end of 2024 (see staff report ES-013-25).

### *Program Specific / Board, Committee & Other*

The projected variances are related to year end transfers that occurred in 2024 (see staff report ES-013-25) with the exception of the Provincial Government Transfer reserve fund where grant funding will be held in an interest bearing reserve fund until it is spent and recognized in various Council approved projects.

### Policy Update - No. 116 - Treasury

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

With the introduction of PS3400 Revenue Recognition standards an adjustment to the Town's Per Unit Processing Fees Reserve was required as part of the 2024 Annual Financial Statements. Per Unit Processing fees are developer contributions collected at the time of subdivision registration or site plan intended to recover time spent by staff outside the Planning and Building Department for review and processing of development related applications. Per Unit Processing fees had previously been held in a Reserve prior to use and as such had historically been reported as part of the Town's surplus in the Annual Financial Statements. Under the new PS3400 standard, Per Unit Processing Fees represent deferred revenues and, as such, in the Town's 2024 Annual Financial Statements were reflected as a Reserve Fund and shown as deferred revenue. Going forward revenue will be recognized annually through an allocation of funds from the



# The Corporation of the Town of Milton

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## Discussion

Reserve Fund to recover the established portion of staff costs that are recovered from the per unit processing fees.

An amendment to the Town's Treasury policy, restating the Per Unit Processing Reserve to a Reserve Fund, is required to align with the new accounting treatment. In accordance with the Treasury Policy interest will now also be allocated to this fund going forward.

## Financial Impact

The May 2025 variance review process suggests that the operating fund may be in a surplus position of \$2.3 million for 2025 related largely to higher than anticipated recreation fees, planning application fees, developer revenues associated with Transit, and savings in fuel and natural gas following the federal carbon tax removal. The financial position of the Town will continue to change throughout the balance of the year and may be impacted by factors including weather related activity, utility and fuel usage and rates, tax write-offs, the pace of growth and staff vacancies, among other items.

The results of 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 2026 Budget.

Respectfully submitted,

Glen Cowan  
Chief Financial Officer / Treasurer

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

## Attachments

Appendix 1 - May 2025 Operating Financial Statements

Appendix 2 - May 2025 Operating Variance Commentary by Department

Appendix 3 - Investment Portfolio Holdings and Limitations

Appendix 4 - Interest Rates and Bond Yields

Appendix 5 - Reserve and Reserve Fund Continuity Schedule





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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.

**TOWN OF MILTON - SUMMARY  
OPERATING FINANCIAL STATEMENT  
May 2025**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
MAYOR AND COUNCIL	337,629	324,406	705,973	(33,111)	672,862	48%
EXECUTIVE SERVICES	118,277	(54,208)	4,004,276	(208,427)	3,795,849	(1%)
CORPORATE SERVICES	15,796,973	17,088,093	40,030,176	(1,045,044)	38,985,132	44%
GENERAL GOVERNMENT	(71,035,073)	(73,969,782)	(78,673,318)	585,250	(78,088,068)	95%
COMMUNITY SERVICES	12,190,995	14,216,290	32,863,447	(710,229)	32,153,218	44%
DEVELOPMENT SERVICES	(622,361)	(2,305,960)	1,069,446	(818,844)	250,602	(920%)
LIBRARY	(2,933,819)	(3,589,083)		(117,916)	(117,916)	3,044%
HOSPITAL EXPANSION	(477,937)	(444,565)				
BIA	(227,734)	(209,315)				
<b>Total TOWN OF MILTON</b>	<b>(46,853,050)</b>	<b>(48,944,124)</b>		<b>(2,348,321)</b>	<b>(2,348,321)</b>	

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

**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**MAYOR AND COUNCIL**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
MAYOR AND COUNCIL						
MAYOR AND COUNCIL						
EXPENDITURES						
Salaries and Benefits	291,783	280,951	622,011	(33,111)	588,900	48%
Administrative	43,834	40,166	62,875		62,875	64%
Financial			5,000		5,000	
Purchased Goods	392		976		976	
Purchased Services	1,620	3,288	20,111		20,111	16%
<b>Total EXPENDITURES</b>	337,629	324,405	710,973	(33,111)	677,862	48%
REVENUE						
Financing Revenue			(5,000)		(5,000)	
<b>Total REVENUE</b>			(5,000)		(5,000)	
<b>Total MAYOR AND COUNCIL</b>	337,629	324,405	705,973	(33,111)	672,862	48%
<b>Total MAYOR AND COUNCIL</b>	337,629	324,405	705,973	(33,111)	672,862	48%
<b>Total MAYOR AND COUNCIL</b>	337,629	324,405	705,973	(33,111)	672,862	48%

**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**EXECUTIVE SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
EXECUTIVE SERVICES						
OFFICE OF THE CAO						
EXPENDITURES						
Salaries and Benefits	266,672	273,941	653,716		653,716	42%
Administrative	10,240	6,746	21,314		21,314	32%
Purchased Goods	6,258	3,492	5,442	(1,500)	3,942	89%
Purchased Services	3,218	3,544	29,549		29,549	12%
<b>Total EXPENDITURES</b>	286,388	287,723	710,021	(1,500)	708,521	41%
REVENUE						
Financing Revenue	(16,670)	(18,592)	(18,592)		(18,592)	100%
User Fees and Service Charges	(511)	(162)	(3,000)		(3,000)	5%
<b>Total REVENUE</b>	(17,181)	(18,754)	(21,592)		(21,592)	87%
<b>Total OFFICE OF THE CAO</b>	269,207	268,969	688,429	(1,500)	686,929	39%
STRATEGIC INITIATIVES AND ECONOMIC DEVELOPMENT						
EXPENDITURES						
Salaries and Benefits	255,316	329,868	982,708	55,369	1,038,077	32%
Administrative	7,394	4,625	24,743		24,743	19%
Financial	168		2,608		2,608	
Purchased Goods	307	21,868	118,064	3,850	121,914	18%
Purchased Services	72,656	16,165	118,684		118,684	14%
<b>Total EXPENDITURES</b>	335,841	372,526	1,246,807	59,219	1,306,026	29%
REVENUE						
Financing Revenue	(11,197)	(24,221)	(11,706)	(55,368)	(67,074)	36%
User Fees and Service Charges	(460)					
<b>Total REVENUE</b>	(11,657)	(24,221)	(11,706)	(55,368)	(67,074)	36%
<b>Total STRATEGIC INITIATIVES AND ECONOMIC DEVELOPMENT</b>	324,184	348,305	1,235,101	3,851	1,238,952	28%
FINANCE						
EXPENDITURES						
Salaries and Benefits	2,348,103	2,543,134	6,691,649	(128,585)	6,563,064	39%
Administrative	24,166	20,169	93,237	(3,229)	90,008	22%
Financial	1,667	2,860	7,060		7,060	41%
Purchased Goods	14,202	1,826	30,546	(18,137)	12,409	15%
Purchased Services	104,452	36,753	313,177	(3,000)	310,177	12%
<b>Total EXPENDITURES</b>	2,492,590	2,604,742	7,135,669	(152,951)	6,982,718	37%
REVENUE						

**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**EXECUTIVE SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
Financing Revenue	(2,468,249)	(2,831,782)	(3,621,340)	(127,865)	(3,749,205)	76%
Recoveries and Donations	(1,124)					
User Fees and Service Charges	(385,616)	(444,443)	(1,080,003)	(6,000)	(1,086,003)	41%
Reallocated Revenue	(112,709)		(353,577)	76,039	(277,538)	
<b>Total REVENUE</b>	(2,967,698)	(3,276,225)	(5,054,920)	(57,826)	(5,112,746)	64%
<b>Total FINANCE</b>	(475,108)	(671,483)	2,080,749	(210,777)	1,869,972	(36%)
<b>Total EXECUTIVE SERVICES</b>	118,283	(54,209)	4,004,279	(208,426)	3,795,853	(1%)
<b>Total EXECUTIVE SERVICES</b>	118,283	(54,209)	4,004,279	(208,426)	3,795,853	(1%)

**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**CORPORATE SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
<b>CORPORATE SERVICES</b>						
<b>INFORMATION TECHNOLOGY</b>						
<b>EXPENDITURES</b>						
Salaries and Benefits	1,557,750	1,677,603	4,628,562	(236,851)	4,391,711	38%
Administrative	7,117	34,785	78,048		78,048	45%
Purchased Goods	1,816,810	2,422,865	3,685,628	85,726	3,771,354	64%
Purchased Services	1,080,105	1,170,130	2,258,474	(52,000)	2,206,474	53%
<b>Total EXPENDITURES</b>	4,461,782	5,305,383	10,650,712	(203,125)	10,447,587	51%
<b>REVENUE</b>						
Financing Revenue	(295,430)	(349,559)	(990,978)	(11,500)	(1,002,478)	35%
User Fees and Service Charges	(1,482)		(100)		(100)	
Reallocated Revenue	(54,113)		(137,778)		(137,778)	
<b>Total REVENUE</b>	(351,025)	(349,559)	(1,128,856)	(11,500)	(1,140,356)	31%
<b>Total INFORMATION TECHNOLOGY</b>	4,110,757	4,955,824	9,521,856	(214,625)	9,307,231	53%
<b>HUMAN RESOURCES</b>						
<b>EXPENDITURES</b>						
Salaries and Benefits	1,289,991	778,863	2,166,100	12,036	2,178,136	36%
Administrative	79,775	68,868	200,435	(5,292)	195,143	35%
Purchased Goods	1,117	237	6,307	(1,056)	5,251	5%
Purchased Services	61,582	62,914	204,071		204,071	31%
<b>Total EXPENDITURES</b>	1,432,465	910,882	2,576,913	5,688	2,582,601	35%
<b>REVENUE</b>						
Financing Revenue	(279,752)	(263,270)	(543,324)	(15,402)	(558,726)	47%
Reallocated Revenue	(73,353)	(77,775)	(232,133)		(232,133)	34%
<b>Total REVENUE</b>	(353,105)	(341,045)	(775,457)	(15,402)	(790,859)	43%
<b>Total HUMAN RESOURCES</b>	1,079,360	569,837	1,801,456	(9,714)	1,791,742	32%
<b>LEGISLATIVE &amp; LEGAL SERVICES</b>						
<b>EXPENDITURES</b>						
Salaries and Benefits	1,362,282	1,394,563	4,024,856	(48,052)	3,976,804	35%
Administrative	23,597	18,121	89,860	300	90,160	20%
Financial	10,779	12,963	49,573	(10,000)	39,573	33%
Transfers to Own Funds	235,323	163,189	163,189		163,189	100%
Purchased Goods	5,075	6,221	30,375	(9,500)	20,875	30%
Purchased Services	312,670	188,754	1,104,495	127,600	1,232,095	15%
Reallocated Expenses	85,627	53,807	162,643		162,643	33%

**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**CORPORATE SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
<b>Total EXPENDITURES</b>	2,035,353	1,837,618	5,624,991	60,348	5,685,339	32%
REVENUE						
Financing Revenue	(193,176)	(84,648)	(363,477)	(77,891)	(441,368)	19%
Recoveries and Donations	(1,992)	(6,096)	(21,500)		(21,500)	28%
User Fees and Service Charges	(851,299)	(828,568)	(3,016,030)		(3,016,030)	27%
<b>Total REVENUE</b>	(1,046,467)	(919,312)	(3,401,007)	(77,891)	(3,478,898)	26%
<b>Total LEGISLATIVE &amp; LEGAL SERVICE</b>	988,886	918,306	2,223,984	(17,543)	2,206,441	42%
COMMUNICATIONS & CUSTOMER EXPENSES						
EXPENDITURES						
Salaries and Benefits	528,165	546,563	1,250,896	40,578	1,291,474	42%
Administrative	14,672	1,004	24,836		24,836	4%
Purchased Goods	2,322	1,386	8,300	(1,300)	7,000	20%
Purchased Services	34,595	17,063	128,958	(15,638)	113,320	15%
<b>Total EXPENDITURES</b>	579,754	566,016	1,412,990	23,640	1,436,630	39%
REVENUE						
Financing Revenue	(209,401)	(301,742)	(329,002)		(329,002)	92%
<b>Total REVENUE</b>	(209,401)	(301,742)	(329,002)		(329,002)	92%
<b>Total COMMUNICATIONS &amp; CUSTOMER SERVICE</b>	370,353	264,274	1,083,988	23,640	1,107,628	24%
TRANSIT						
EXPENDITURES						
Salaries and Benefits	203,198	235,626	595,955		595,955	40%
Administrative	9,557	13,048	21,239		21,239	61%
Transfers to Own Funds	1,821,448	2,049,644	2,049,644		2,049,644	100%
Purchased Goods	7,483	3,972	14,518		14,518	27%
Purchased Services	2,157,395	2,459,858	7,304,567	48,000	7,352,567	33%
Fleet Expenses	679,457	665,981	2,373,659	(147,510)	2,226,149	30%
Reallocated Expenses	59,661	143,351	101,226		101,226	142%
<b>Total EXPENDITURES</b>	4,938,199	5,571,480	12,460,808	(99,510)	12,361,298	45%
REVENUE						
Financing Revenue	(978,745)	(1,380,330)	(1,486,554)		(1,486,554)	93%
Recoveries and Donations	(725,811)	(938,998)	(2,132,157)		(2,132,157)	44%
User Fees and Service Charges	(895,543)	(850,954)	(2,201,318)	(609,709)	(2,811,027)	30%
<b>Total REVENUE</b>	(2,600,099)	(3,170,282)	(5,820,029)	(609,709)	(6,429,738)	49%
<b>Total TRANSIT</b>	2,338,100	2,401,198	6,640,779	(709,219)	5,931,560	40%
FIRE						

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**CORPORATE SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
<b>EXPENDITURES</b>						
Salaries and Benefits	5,667,518	6,118,606	16,570,642	(113,583)	16,457,059	37%
Administrative	83,097	63,629	182,562		182,562	35%
Financial	2,331	2,295	4,000		4,000	57%
Transfers to Own Funds	1,144,857	1,795,037	1,795,037		1,795,037	100%
Purchased Goods	40,938	46,034	96,991	(17,500)	79,491	58%
Purchased Services	56,957	71,894	504,436	6,000	510,436	14%
Fleet Expenses	69,623	69,618	161,529	7,500	169,029	41%
<b>Total EXPENDITURES</b>	7,065,321	8,167,113	19,315,197	(117,583)	19,197,614	43%
<b>REVENUE</b>						
Financing Revenue	(11,197)	(14,011)	(116,913)		(116,913)	12%
Grants		(22,740)	(27,500)		(27,500)	83%
Recoveries and Donations	(62,621)	(50,454)	(195,860)		(195,860)	26%
User Fees and Service Charges	(81,996)	(101,247)	(216,811)		(216,811)	47%
<b>Total REVENUE</b>	(155,814)	(188,452)	(557,084)		(557,084)	34%
<b>Total FIRE</b>	6,909,507	7,978,661	18,758,113	(117,583)	18,640,530	43%
<b>Total CORPORATE SERVICES</b>	15,796,963	17,088,100	40,030,176	(1,045,044)	38,985,132	44%
<b>Total CORPORATE SERVICES</b>	15,796,963	17,088,100	40,030,176	(1,045,044)	38,985,132	44%



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**GENERAL GOVERNMENT**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
GENERAL GOVERNMENT						
GENERAL GOVERNMENT						
EXPENDITURES						
Administrative	112,194	736,996	120,000	616,996	736,996	100%
Financial	1,809,900	3,426,483	5,963,030		5,963,030	57%
Transfers to Own Funds	33,365,107	38,696,335	59,480,582	(3,904,487)	55,576,095	70%
Purchased Services	758,723	756,178	105,379		105,379	718%
<b>Total EXPENDITURES</b>	36,045,924	43,615,992	65,668,991	(3,287,491)	62,381,500	70%
REVENUE						
External Revenue Transferred to Rese	(3,464,209)	(4,127,332)	(18,411,871)	4,244,397	(14,167,474)	29%
Financing Revenue	(5,205,409)	(5,392,876)	(10,036,610)	(1,099,543)	(11,136,153)	48%
Taxation	(94,919,366)	(105,532,882)	(108,315,861)		(108,315,861)	97%
Payments In Lieu	(975,315)	(1,029,968)	(1,077,246)		(1,077,246)	96%
User Fees and Service Charges	(1,505,416)	(1,343,984)	(3,550,272)	727,887	(2,822,385)	48%
Reallocated Revenue	(1,011,282)	(158,734)	(2,950,449)		(2,950,449)	5%
<b>Total REVENUE</b>	(107,080,997)	(117,585,776)	(144,342,309)	3,872,741	(140,469,568)	84%
<b>Total GENERAL GOVERNMENT</b>	(71,035,073)	(73,969,784)	(78,673,318)	585,250	(78,088,068)	95%
<b>Total GENERAL GOVERNMENT</b>	(71,035,073)	(73,969,784)	(78,673,318)	585,250	(78,088,068)	95%
<b>Total GENERAL GOVERNMENT</b>	(71,035,073)	(73,969,784)	(78,673,318)	585,250	(78,088,068)	95%

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**COMMUNITY SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
COMMUNITY SERVICES						
RECREATION AND CULTURE FACILITIES						
EXPENDITURES						
Salaries and Benefits	2,817,357	2,959,247	7,029,880	45,377	7,075,257	42%
Administrative	5,754	7,742	42,396		42,396	18%
Financial	57,224	64,661	133,545	6,000	139,545	46%
Transfers to Own Funds	2,180,969	2,252,410	2,338,596		2,338,596	96%
Purchased Goods	251,218	326,834	809,637	30,904	840,541	39%
Purchased Services	2,044,197	2,131,942	5,996,787	(161,373)	5,835,414	37%
Reallocated Expenses	22,258	9,299	46,425		46,425	20%
<b>Total EXPENDITURES</b>	<b>7,378,977</b>	<b>7,752,135</b>	<b>16,397,266</b>	<b>(79,092)</b>	<b>16,318,174</b>	<b>48%</b>
REVENUE						
Financing Revenue	(196,706)	(206,046)	(426,758)		(426,758)	48%
Grants	(468,614)	(474,198)	(955,983)	(5,098)	(961,081)	49%
Recoveries and Donations	(22,737)	(8,419)	(219,856)	(7,000)	(226,856)	4%
User Fees and Service Charges	(3,236,372)	(3,536,360)	(7,322,672)	(180,627)	(7,503,299)	47%
Reallocated Revenue	(220,458)		(456,666)		(456,666)	
<b>Total REVENUE</b>	<b>(4,144,887)</b>	<b>(4,225,023)</b>	<b>(9,381,935)</b>	<b>(192,725)</b>	<b>(9,574,660)</b>	<b>44%</b>
<b>Total RECREATION AND CULTURE FACILITIES</b>	<b>3,234,090</b>	<b>3,527,112</b>	<b>7,015,331</b>	<b>(271,817)</b>	<b>6,743,514</b>	<b>52%</b>
ADMINISTRATION AND CIVIC FACILITIES						
EXPENDITURES						
Salaries and Benefits	1,491,283	1,209,337	4,127,930	(553,765)	3,574,165	34%
Administrative	12,274	18,526	59,116		59,116	31%
Financial	22,093	25,294	39,944		39,944	63%
Transfers to Own Funds	208,060	287,568	514,599		514,599	56%
Purchased Goods	29,469	55,649	113,050	(7,531)	105,519	53%
Purchased Services	480,102	546,187	1,597,546	(1,806)	1,595,740	34%
Reallocated Expenses	17,340	18,598	21,542		21,542	86%
<b>Total EXPENDITURES</b>	<b>2,260,621</b>	<b>2,161,159</b>	<b>6,473,727</b>	<b>(563,102)</b>	<b>5,910,625</b>	<b>37%</b>
REVENUE						
Financing Revenue	(532,251)	(711,514)	(1,974,375)	106,983	(1,867,392)	38%
Recoveries and Donations	(8,617)	(25,341)	(32,138)		(32,138)	79%
User Fees and Service Charges	(90,537)	(42,367)	(272,653)	(7,000)	(279,653)	15%
<b>Total REVENUE</b>	<b>(631,405)</b>	<b>(779,222)</b>	<b>(2,279,166)</b>	<b>99,983</b>	<b>(2,179,183)</b>	<b>36%</b>
<b>Total ADMINISTRATION AND CIVIC FACILITIES</b>	<b>1,629,216</b>	<b>1,381,937</b>	<b>4,194,561</b>	<b>(463,119)</b>	<b>3,731,442</b>	<b>37%</b>

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**COMMUNITY SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
PROGRAMS						
EXPENDITURES						
Salaries and Benefits	2,009,700	2,041,175	6,418,749	169,234	6,587,983	31%
Administrative	15,061	3,701	61,629		61,629	6%
Financial	101,820	115,243	713,041		713,041	16%
Transfers to Own Funds			78,350		78,350	
Purchased Goods	59,881	100,791	268,022	16,330	284,352	35%
Purchased Services	191,659	215,752	698,875	1,231	700,106	31%
Reallocated Expenses			107,661		107,661	
<b>Total EXPENDITURES</b>	2,378,121	2,476,662	8,346,327	186,795	8,533,122	29%
REVENUE						
Financing Revenue	(101,548)	(102,728)	(681,078)		(681,078)	15%
Grants	(64,381)	(73,521)	(83,070)	(21,088)	(104,158)	71%
Recoveries and Donations	(21,152)	(27,086)	(255,862)		(255,862)	11%
User Fees and Service Charges	(2,335,900)	(2,440,341)	(6,605,887)	(448,193)	(7,054,080)	35%
Reallocated Revenue		(4,564)	(6,500)	(4,000)	(10,500)	43%
<b>Total REVENUE</b>	(2,522,981)	(2,648,240)	(7,632,397)	(473,281)	(8,105,678)	33%
<b>Total PROGRAMS</b>	(144,860)	(171,578)	713,930	(286,486)	427,444	(40%)
OPERATIONS						
EXPENDITURES						
Salaries and Benefits	3,428,263	3,560,359	9,005,128		9,005,128	40%
Administrative	28,488	11,115	78,262		78,262	14%
Transfers to Own Funds	2,106,289	2,344,509	2,344,509		2,344,509	100%
Purchased Goods	537,045	1,300,390	1,956,775	168,006	2,124,781	61%
Purchased Services	1,749,758	2,960,198	8,259,330	388,074	8,647,404	34%
Fleet Expenses	604,560	684,615	1,504,332	(62,741)	1,441,591	47%
Reallocated Expenses	1,868,181	2,993,031	5,244,280		5,244,280	57%
<b>Total EXPENDITURES</b>	10,322,584	13,854,217	28,392,616	493,339	28,885,955	48%
REVENUE						
Financing Revenue	(254,720)	(279,490)	(277,734)	(1,756)	(279,490)	100%
Recoveries and Donations	(1,391,231)	(1,881,924)	(3,639,326)		(3,639,326)	52%
User Fees and Service Charges	(416,630)	(332,061)	(1,349,280)	(120,700)	(1,469,980)	23%
Reallocated Revenue	(2,041,913)	(3,218,253)	(5,543,216)		(5,543,216)	58%
<b>Total REVENUE</b>	(4,104,494)	(5,711,728)	(10,809,556)	(122,456)	(10,932,012)	52%
<b>Total OPERATIONS</b>	6,218,090	8,142,489	17,583,060	370,883	17,953,943	45%

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**COMMUNITY SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
<b>INFRASTRUCTURE MANAGEMENT</b>						
<b>EXPENDITURES</b>						
Salaries and Benefits	1,114,990	1,147,803	2,852,065	(77,242)	2,774,823	41%
Administrative	17,530	15,614	53,135		53,135	29%
Financial	228,911	229,862	246,604		246,604	93%
Transfers to Own Funds	39,997	43,258	43,258		43,258	100%
Purchased Goods	13,832	26,163	63,760		63,760	41%
Purchased Services	586,124	535,874	2,200,773	11,205	2,211,978	24%
Reallocated Expenses			174		174	
<b>Total EXPENDITURES</b>	2,001,384	1,998,574	5,459,769	(66,037)	5,393,732	37%
<b>REVENUE</b>						
Financing Revenue	(627,867)	(555,350)	(1,710,002)	77,242	(1,632,760)	34%
Recoveries and Donations	(9,548)	(21,574)	(23,384)	(11,205)	(34,589)	62%
User Fees and Service Charges	(109,515)	(85,319)	(369,813)	(59,690)	(429,503)	20%
<b>Total REVENUE</b>	(746,930)	(662,243)	(2,103,199)	6,347	(2,096,852)	32%
<b>Total INFRASTRUCTURE MANAGEMENT</b>	1,254,454	1,336,331	3,356,570	(59,690)	3,296,880	41%
<b>Total COMMUNITY SERVICES</b>	12,190,990	14,216,291	32,863,452	(710,229)	32,153,223	44%
<b>Total COMMUNITY SERVICES</b>	12,190,990	14,216,291	32,863,452	(710,229)	32,153,223	44%

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**DEVELOPMENT SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
DEVELOPMENT SERVICES						
PLANNING SERVICES						
EXPENDITURES						
Salaries and Benefits	939,067	1,094,549	3,069,677	(280,354)	2,789,323	39%
Administrative	15,636	28,754	47,832		47,832	60%
Purchased Services	9,397	20,928	64,204		64,204	33%
<b>Total EXPENDITURES</b>	964,100	1,144,231	3,181,713	(280,354)	2,901,359	39%
REVENUE						
Financing Revenue	(205,157)	(206,869)	(650,432)		(650,432)	32%
Recoveries and Donations	(4,120)	(2,534)	(3,480)		(3,480)	73%
User Fees and Service Charges	(1,455,384)	(2,142,412)	(2,182,975)	(673,121)	(2,856,096)	75%
<b>Total REVENUE</b>	(1,664,661)	(2,351,815)	(2,836,887)	(673,121)	(3,510,008)	67%
<b>Total PLANNING SERVICES</b>	(700,561)	(1,207,584)	344,826	(953,475)	(608,649)	198%
BUILDING SERVICES						
EXPENDITURES						
Salaries and Benefits	1,693,412	1,823,122	4,867,141	(532,785)	4,334,356	42%
Administrative	45,208	54,839	192,527		192,527	28%
Financial	8,750	9,722	10,000		10,000	97%
Transfers to Own Funds	319,976		5,159,128	(4,160,787)	998,341	
Purchased Goods	4,792	5,585	19,001		19,001	29%
Purchased Services	5,563	365	53,576		53,576	1%
Reallocated Expenses	1,119,124	103,949	3,255,488	(76,039)	3,179,449	3%
<b>Total EXPENDITURES</b>	3,196,825	1,997,582	13,556,861	(4,769,611)	8,787,250	23%
REVENUE						
Financing Revenue	(9,876)	(10,329)	(10,329)		(10,329)	100%
User Fees and Service Charges	(3,186,948)	(3,178,140)	(13,546,534)	4,769,611	(8,776,923)	36%
<b>Total REVENUE</b>	(3,196,824)	(3,188,469)	(13,556,863)	4,769,611	(8,787,252)	36%
<b>Total BUILDING SERVICES</b>	1	(1,190,887)	(2)		(2)	59,544,350%
DEVELOPMENT ENGINEERING						
EXPENDITURES						
Salaries and Benefits	926,331	1,029,949	2,970,269	(143,488)	2,826,781	36%
Administrative	13,875	11,834	49,104		49,104	24%
Financial	100		500		500	
Purchased Goods		206	200	206	406	51%
Purchased Services	159,596	272,341	330,254	198,740	528,994	51%

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**DEVELOPMENT SERVICES**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
<b>Total EXPENDITURES</b>	1,099,902	1,314,330	3,350,327	55,458	3,405,785	39%
REVENUE						
Financing Revenue	(284,036)	(321,043)	(351,046)		(351,046)	91%
Recoveries and Donations		(4,120)	(127,479)		(127,479)	3%
User Fees and Service Charges	(806,837)	(962,922)	(2,585,371)	96,780	(2,488,591)	39%
Reallocated Revenue	(90,556)	(103,949)	(211,136)		(211,136)	49%
<b>Total REVENUE</b>	(1,181,429)	(1,392,034)	(3,275,032)	96,780	(3,178,252)	44%
<b>Total DEVELOPMENT ENGINEERING</b>	(81,527)	(77,704)	75,295	152,238	227,533	(34%)
ADMINISTRATION						
EXPENDITURES						
Salaries and Benefits	192,358	205,815	513,690		513,690	40%
Administrative	7,584	5,481	9,502		9,502	58%
Purchased Goods	4,372	884	15,000	(11,000)	4,000	22%
Purchased Services	32,857	66,048	223,597	31,557	255,154	26%
<b>Total EXPENDITURES</b>	237,171	278,228	761,789	20,557	782,346	36%
REVENUE						
Financing Revenue	(75,211)	(81,363)	(112,466)		(112,466)	72%
Recoveries and Donations	(2,235)	(26,652)		(38,164)	(38,164)	70%
<b>Total REVENUE</b>	(77,446)	(108,015)	(112,466)	(38,164)	(150,630)	72%
<b>Total ADMINISTRATION</b>	159,725	170,213	649,323	(17,607)	631,716	27%
<b>Total DEVELOPMENT SERVICES</b>	(622,362)	(2,305,962)	1,069,442	(818,844)	250,598	(920%)
<b>Total DEVELOPMENT SERVICES</b>	(622,362)	(2,305,962)	1,069,442	(818,844)	250,598	(920%)

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**LIBRARY**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
LIBRARY						
LIBRARY						
EXPENDITURES						
Salaries and Benefits	1,585,836	1,627,722	4,247,412	(113,269)	4,134,143	39%
Administrative	23,930	25,154	82,182		82,182	31%
Financial	2,454	2,975	6,500		6,500	46%
Transfers to Own Funds	710,139	753,543	753,543		753,543	100%
Purchased Goods	250,012	265,430	571,886	14,077	585,963	45%
Purchased Services	323,858	192,209	521,114		521,114	37%
Reallocated Expenses	206,303		420,766		420,766	
<b>Total EXPENDITURES</b>	<b>3,102,532</b>	<b>2,867,033</b>	<b>6,603,403</b>	<b>(99,192)</b>	<b>6,504,211</b>	<b>44%</b>
REVENUE						
Financing Revenue	(23,622)	(22,884)	(22,884)		(22,884)	100%
Taxation	(5,933,370)	(6,312,940)	(6,312,940)		(6,312,940)	100%
Grants	(25,000)	(25,000)	(55,704)		(55,704)	45%
Recoveries and Donations	(5,993)	(23,724)	(5,000)	(18,724)	(23,724)	100%
User Fees and Service Charges	(48,367)	(71,568)	(206,875)		(206,875)	35%
<b>Total REVENUE</b>	<b>(6,036,352)</b>	<b>(6,456,116)</b>	<b>(6,603,403)</b>	<b>(18,724)</b>	<b>(6,622,127)</b>	<b>97%</b>
<b>Total LIBRARY</b>	<b>(2,933,820)</b>	<b>(3,589,083)</b>		<b>(117,916)</b>	<b>(117,916)</b>	<b>3,044%</b>
<b>Total LIBRARY</b>	<b>(2,933,820)</b>	<b>(3,589,083)</b>		<b>(117,916)</b>	<b>(117,916)</b>	<b>3,044%</b>
<b>Total LIBRARY</b>	<b>(2,933,820)</b>	<b>(3,589,083)</b>		<b>(117,916)</b>	<b>(117,916)</b>	<b>3,044%</b>

**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**HOSPITAL EXPANSION**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
HOSPITAL EXPANSION						
HOSPITAL EXPANSION						
EXPENDITURES						
Financial	2,019,518	2,051,202	2,495,768		2,495,768	82%
<b>Total EXPENDITURES</b>	2,019,518	2,051,202	2,495,768		2,495,768	82%
REVENUE						
Financing Revenue	(2,497,455)	(2,495,768)	(2,495,768)		(2,495,768)	100%
<b>Total REVENUE</b>	(2,497,455)	(2,495,768)	(2,495,768)		(2,495,768)	100%
<b>Total HOSPITAL EXPANSION</b>	(477,937)	(444,566)				
<b>Total HOSPITAL EXPANSION</b>	(477,937)	(444,566)				
<b>Total HOSPITAL EXPANSION</b>	(477,937)	(444,566)				



**TOWN OF MILTON**  
**OPERATING FINANCIAL STATEMENT**  
**May                      2025**

**BIA**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 ANNUAL BUDGET	FORECAST CHANGES	2025 ANNUAL FORECAST	YTD PERCENT of FORECAST
BIA						
BIA						
EXPENDITURES						
Salaries and Benefits	84,753	84,846	220,714		220,714	38%
Financial	309	255	5,500		5,500	5%
Purchased Goods	86	532	37,730		37,730	1%
Purchased Services	47,906	57,320	232,709		232,709	25%
Reallocated Expenses	3,645	167	4,500		4,500	4%
<b>Total EXPENDITURES</b>	136,699	143,120	501,153		501,153	29%
REVENUE						
Financing Revenue	(25,000)	(22,126)	(22,126)		(22,126)	100%
Taxation	(270,990)	(284,539)	(284,539)		(284,539)	100%
Grants			(10,024)		(10,024)	
Recoveries and Donations	(22,660)	(17,192)	(29,750)		(29,750)	58%
User Fees and Service Charges	(45,785)	(28,579)	(47,053)		(47,053)	61%
Reallocated Revenue			(107,661)		(107,661)	
<b>Total REVENUE</b>	(364,435)	(352,436)	(501,153)		(501,153)	70%
<b>Total BIA</b>	(227,736)	(209,316)				
<b>Total BIA</b>	(227,736)	(209,316)				
<b>Total BIA</b>	(227,736)	(209,316)				

## 2025 Operating Variance Commentary By Department

Variances impacting multiple departments of the Town are highlighted below.

### Staff Gapping

In 2025, the Town budgeted for savings from staff vacancies in the amount of \$1,125,000. As staff gapping savings are identified, the salary and benefit budget is reduced within the respective department while an offsetting variance is shown against the budgets in General Government up to the full year budgeted gapping amounts. This redistributes the annual budget from the departments as the savings are being incurred. The Town wide staff gapping savings projected through the May variance review process is \$1,287,796. As such, the budgeted savings of \$1,125,000 have been reached and additional savings in the amount of \$162,796 are expected to be realized.

### Insurance

As previously reported through ES-022-25, the Town's insurance policies were awarded for a 12 month period from July 2025 to June 2026. The cost for 2025 is approximately \$1,466,075 and a favourable variance to budget of \$74,922 is being reported. The insurance costs are currently reflected in General Government but will be allocated across departments once the final invoice received.

### Fuel and Utilities

With the federal government decision to remove the consumer carbon tax, it is estimated that the Town will experience savings of \$441,949 related to reduced costs in fuel and natural gas.

### Copies

The copies budget was reallocated from individual departments to the Information Technology division to better centralize the costs under the division responsible for management and realize administrative efficiencies through the elimination of the allocation of these costs across all divisions. These forecast changes have a net zero impact Town wide.

Variances identified within specific departments are as follows:

#### **Mayor & Council - \$33,111 Projected Favourable**

Savings in the Mayor and Council are related to the vacancy in one of the Councillor positions. As reported through CORS-009-25, these savings will be used to partially fund costs associated with the by-election scheduled for October 2025.

#### **Executive Services - \$208,426 Projected Favourable**

## 2025 Operating Variance Commentary By Department

Office of the CAO is reporting a surplus of \$1,500 which relates to the reallocation of the copies budget to the Information Technology division.

The Strategic Initiatives and Economic Development is reporting a deficit of \$3,851 which relates to a reallocation of costs from Communications and Customer Experience division reflecting a shift in responsibility for intergovernmental relations offset by a reallocation of the copies budget to Information Technology.

The Finance division is projecting a net surplus to budget of \$210,777, due largely to savings of \$180,411 from staff vacancies, combined with savings in purchased goods of \$18,137 mainly related to reallocation of copies budget to Information Technology division. The remaining variance is related to savings in administrative expenses and increase in admin fee revenue.

### **Corporate Services - \$1,045,044 Projected Favourable**

Information Technology is reporting savings of \$214,625. Of this amount, \$147,675 is attributed to staff vacancy savings. Additional gapping savings of \$89,177 have been reallocated to Legislative and Legal Services and Communications and Customer Experience divisions to support contract extensions. Savings in purchased services of \$52,000 relate to communications, resulting from the deferred deployment of telephone and connectivity lines. To create efficiencies in administration processes associated with allocating copies costs to departments, the copies budget has been centralized under Information Technology which is the division responsible for managing copiers Town wide. This change, with no net impact to the Town's bottom line, is resulting in a deficit of \$85,726 in Information Technology. The Town was successful in receiving provincial grant funding in 2024/25 for Next Generation 9-1-1 (NG911) - Phase 3 in the amount of \$1.4 million. The portion related to fiscal 2025 was \$630,409, of which \$11,500 is being applied towards IT related expenditures in the operating budget. The balance will offset costs incurred in the capital program.

Human Resources is reporting a surplus of \$9,714, primarily due to staff vacancies and savings in administrative expenses.

The Legislative and Legal Services is forecasting a favourable variance to budget of \$17,543. A net savings from staff vacancies of \$48,052 is expected. Current analysis suggests that the fall 2025 By-election is forecasted to cost \$111,002, which will be funded from the Councillor vacancy savings of \$33,111 from the Mayor & Council department and the Tax Stabilization Reserve in accordance with staff report CORS-009-25.

Communications and Customer Experience is reporting a deficit of \$23,640 primarily staffing contract extensions funded from savings in the IT division.

Transit is anticipating a surplus in the amount of \$709,219. This is largely driven by developer revenues associated with Subsidized Transit Pass Agreements of \$561,709, combined with projected savings in fuel of \$147,510.

## 2025 Operating Variance Commentary By Department

Fire is projecting a surplus of \$117,583 largely related to savings in staff vacancies.

### **General Government - \$585,250 Projected Unfavourable**

In 2025, the Town budgeted for savings from staff vacancies in the amount of \$1,125,000. As staff gapping savings are identified, the salary and benefit budget is reduced within the respective department while an offsetting variance is shown against the budgets in General Government up to the full year budgeted gapping amounts. This redistributes the annual budget from the departments as the savings are being incurred. By end of May 2025, the Town wide staff gapping savings identified were \$1,287,796. The budget of \$1,125,000 has been reached and additional savings in the amount of \$162,796 have been realized.

Costs associated with WSIB claims are tracked centrally within General Government. A deficit of \$616,996 is expected for 2025 due to the cost of claims received. The division is reflected as being balanced to budget for year end with an adjustment to the transfer to/from the Town's WSIB reserve in accordance with Town policy.

A surplus of \$449,747 is being reported related to the reversal of an Allowance for Bad Debts whereby the Town now has certainty that costs associated with watermain works on Pan Am Boulevard will be recovered from MEV landowners through future agreements.

Additional revenue of \$90,003 relates to the recognition of income for items that had previously been reflected in the Town's deferred revenue balance.

Based on Town policy, the investment income related to reserve funds, including development charge reserve funds, is allocated directly to the specific reserve funds with the remaining going through the operating budget. Due to a higher than anticipated portfolio balance and overall increase in yields, investment income for the Town is forecasted to be \$2.8 million favourable to budget, with \$2.1 million flowing through Financing Revenue within General Government and then allocated to specific reserves as identified through the budget process with no impact to the bottom line. Based on fluctuating market conditions and varying reserve and reserve fund balances, overall investment income and allocations to specific funds may change throughout the year.

An increased dividend for 2024 was declared by Milton Hydro Holdings and remitted to the Town in 2025 in the incremental amount of \$48,344. Furthermore, based on the most current projections from Milton Hydro, 2025 dividends are expected to be \$93,805 greater than what had previously been included in the Town's budget. In accordance with the Town's Treasury Policy, transfers to reserve will be utilized to stabilize the net impacts relative to the budgeted Milton Hydro funding distributions such that there will be no net impact to the Town from annual fluctuations.

## 2025 Operating Variance Commentary By Department

Deferred timing of development activity is resulting in an expected deficit of \$5,122,872 in capital provision and per unit processing fees. This results in no impact to the Operating Budget bottom line however it will result in a lower balance transferred to reserve. The revenue delay has timing implications for the 10 year capital forecast which will be considered through future budgets.

### **Community Services - \$710,229 Projected Favourable**

Recreation and Culture Facilities is projecting a net surplus to budget of \$271,817 which is largely driven by an anticipated reduction in utility costs of \$223,011 following the removal of the carbon tax and increases in user fees revenues of \$180,627, partially offset by associated increases in purchased goods and services of \$92,542 and a net increase in salaries and benefits of \$45,377 as a result of a reallocation of staff between divisions with no net impact to the Town's bottom line.

Administration and Civic Facilities is forecasting a favourable variance to budget of \$463,119, largely due to reduced staffing costs associated with vacancies and a reallocation of staff positions between departments with no net impact to the Town's bottom line.

Programs is reporting a surplus of \$286,486, largely due revenue increases of \$448,193 driven by high demand for programs, particularly in the area of Fitness and Aquatics. Partially offsetting this is increased costs associated with staffing \$169,234 and purchased goods and services of \$17,561.

Operations is expecting an overall deficit of \$370,883. Of this amount, \$595,373 relates to increased winter maintenance costs resulting from severe storms during the past winter, which brought record snowfall, prolonged blizzard conditions and required extended response efforts. This is partially offset by an expected savings in fuel costs of \$62,741, along with savings in insurance costs of \$44,185. An additional \$120,700 of savings relates to increased recoveries from developers for winter maintenance due to new subdivision registrations and a shift in the timing of expected assumptions of existing subdivisions.

Infrastructure Management is projecting a \$59,690 favourable variance, related to increased developer recoveries of streetlight hydro and maintenance costs due to a shift in timing of subdivision assumptions along with new subdivisions not anticipated in the original budget estimates.

### **Development Services - \$818,844 Projected Favourable**

Planning Services is expecting a surplus in the amount of \$953,475. Savings due to staff vacancies in the amount of \$280,354 is being reported along with an increase in revenues of \$653,445 reflecting the timing of planning applications. The remaining variance is the result of an expected increase in other user fee revenues.

## 2025 Operating Variance Commentary By Department

Within Building Services, a decrease in projected building permit revenues of \$4,769,611 is forecast for 2025, driven largely by a decrease in industrial, commercial and institutional applications and permit issuance through 2025 combined with a small decrease in residential units. However, this is partially offset by savings due to staff vacancies in the amount of \$0.5 million. As a result, there is an expected decrease in contribution to the Building Stabilization Reserve this year in the amount of \$4,160,787. Overall there is no net impact to the Town's net operating budget.

Development Engineering is reporting a deficit of \$152,238. This is primarily related to costs increases of \$185,490 due to performing more work on undeveloped subdivisions than will be recovered through the Engineering and Inspection Fees. A further \$13,250 is related to consultant costs increase. Partially offsetting this is savings from staff vacancies of \$54,669.

The Administration division has a surplus of \$17,607 related to the reallocation of copies budget and savings from insurance costs.

### **Library - \$117,916 Projected Favourable**

The library is expecting a surplus of \$117,916, largely due to savings from staff vacancies.

### **Hospital - No Projected Net Variances**

### **BIA - No Projected Net Variances**

# Appendix 3 – ES-039-25

## Investment Portfolio Holdings and Limitations

Authorized Investments and Limitations and Cash Balance as of May 31 2025										
Category / Sector <sup>(1)</sup>	Remaining Term			Total	% of Portfolio	Portfolio Maximum	Individual Maximum <sup>(2)</sup>	Term Limitation (Years)	Minimum DBRS Rating <sup>(3)</sup>	
	Less than 1 Year	1 to 5 Years	5 to 10 Years						Short-term	Long-Term
<b>Cash</b>	\$192.15	-	-	\$192.15	43%					
<b>Federal and Federal Guaranteed<sup>(4)</sup></b>	\$0.00	-	\$1.97	\$1.97	0%	100%	100%	20	N/A	A (low)
<b>Provincial and Provincial Guaranteed<sup>(4)</sup></b>										
Alberta	-	\$4.15	\$7.05	\$11.21	2%		20%	15	R-1 (low)	A (low)
British Columbia	-	-	\$4.81	\$4.81	1%		20%			
Manitoba	-	\$3.45	\$8.83	\$12.28	3%		20%			
New Brunswick	-	-	\$5.07	\$5.07	1%		20%			
Ontario	-	\$2.43	\$15.93	\$18.36	4%		20%			
Prince Edward Island	-	-	\$0.99	\$0.99	0%		20%			
Quebec	-	-	\$22.01	\$22.01	5%		20%			
Saskatchewan	-	-	\$1.04	\$1.04	0%		20%			
<b>Provincial and Provincial Guaranteed Sub-total</b>	\$0.00	\$10.03	\$65.74	\$75.76	16.8%	100%				
<b>Municipal and Municipal Guaranteed</b>										
BC Municipal Finance Authority	-	\$3.10	\$5.40	\$8.50	2%		10%	15	R-1 (low)	A (low)
City of Toronto	-	\$0.99	\$3.81	\$4.80	1%		10%			
Regional Municipality of York	\$5.23	\$3.28	\$4.27	\$12.79	3%		10%			
Regional Municipality of Peel	-	\$1.02	-	\$1.02	0%		10%			
Laval	-	-	-	-	0%		10%			
City of Montreal	\$1.50	\$1.56	\$11.01	\$14.07	3%		10%			
Quebec City	-	-	\$4.80	\$4.80	1%		10%			
Region of Waterloo	-	\$1.50	\$2.92	\$4.42	1%		10%			
Region of Halton	-	-	\$4.12	\$4.12	1%		10%			
City of Vancouver	-	\$1.03	-	\$1.03	0%		10%			
<b>Municipal and Municipal Guaranteed Sub-total</b>	\$6.73	\$12.48	\$36.33	\$55.54	12%	50%				
<b>Boards / Schools<sup>(5)</sup> Sub-total</b>	\$0.00	\$0.00	\$0.00	\$0.00	0%	15%		15	R-1 (low)	AA(low)
<b>Financial Institution<sup>(6)</sup></b>										
<b>Schedule I Bank (Six Majors)</b>										
Bank of Montreal	-	\$7.00	\$16.31	\$23.31	5%		20%	10	R-1 (low)	A(low) <sup>(8)</sup>
Bank of Nova Scotia (The)	\$2.00	\$19.71	\$17.49	\$39.20	9%		20%			
Canadian Imperial Bank of Commerce	-	\$10.00	-	\$10.00	2%		20%			
Royal Bank of Canada	\$3.98	\$8.21	\$10.70	\$22.89	5%		20%			
Toronto-Dominion Bank (The)	-	\$14.22	\$1.00	\$15.22	3%		20%			
<b>Schedule I Bank (Six Majors) Sub-total</b>	\$5.98	\$59.13	\$45.50	\$110.61	24%	60%				
<b>Other Sch I, Sch II, Trust Loan, Credit Union</b>										
First Ontario	\$15.90	-	-	\$15.90	3.5%		10%	2	R-1 (low)	A(low) <sup>(8)</sup>
<b>Other Sch I/Sch II/Trust/Credit Union Sub-total</b>	\$15.90	\$0.00	\$0.00	\$15.90	4%	20%				
<b>Financial Institution Sub-total<sup>(7)</sup></b>	\$21.88	\$59.13	\$45.50	\$126.51	28%	60%				
<b>ONE Investment Program<sup>(9)</sup></b>	\$0.00	\$0.00	\$0.00	\$0.00	0%	25%		N/A	N/A	N/A
<b>Asset Backed Securities</b>				\$0.00	0%	10%	5%	5	R-1 (high)	AAA
<b>Commercial paper or promissory notes</b>				\$0.00	0%	10%	5%	1	R-1 (mid)	N/A
<b>Total</b>	<b>\$220.77</b>	<b>\$81.64</b>	<b>\$149.54</b>	<b>\$451.94</b>	<b>100%</b>					

**Notes:**

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

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

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

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

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

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

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

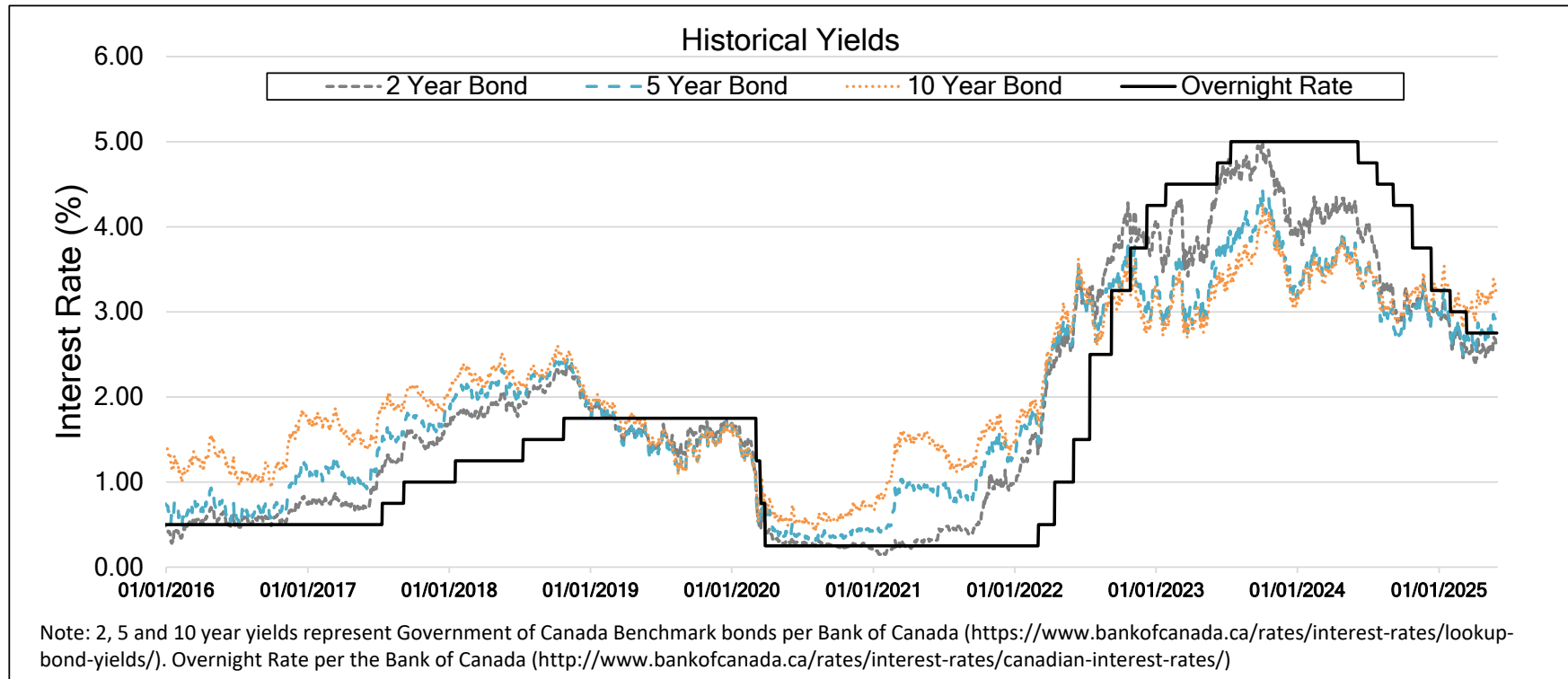
- i) Aggregate holdings of the Six major Schedule I Banks shall not exceed 60% of the total portfolio; and
- ii) Aggregate holdings of Schedule II & Other Schedule I Banks not listed above and Trust Loan / Credit Union's shall not exceed 20% of the total portfolio.

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

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

## Appendix 4 - ES-039-25

### Interest Rates and Bond Yields





**Appendix 5 - ES-039-25**  
**Reserve and Reserve Fund Balances**

<b>Reserves and Reserve Funds (\$000s)</b>	<b>As at Dec 31, 2025</b>	<b>As at May 31, 2025</b>	<b>Forecasted Dec 31, 2025</b>	<b>Surplus/ (Deficit) to Budget</b>
<b>Stabilization</b>				
Tax Rate Stabilization	\$7,350	6,226	\$6,148	\$1,468
Severe Weather	2,563	2,563	2,563	500
Building Rate Stabilization	14,356	14,364	15,279	(4,247)
<b>Subtotal</b>	<b>\$24,269</b>	<b>\$23,153</b>	<b>\$23,990</b>	<b>\$(2,278)</b>
<b>Corporate Use Reserves</b>				
Insurance and Legal Matters	\$7,143	\$7,459	\$7,086	\$(585)
Per Unit Development Processing Fee	2,683	2,289	3,081	(990)
WSIB	5,375	5,213	5,071	(617)
<b>Subtotal</b>	<b>\$15,200</b>	<b>\$14,960</b>	<b>\$15,237</b>	<b>\$(2,192)</b>
<b>Infrastructure Non Growth</b>				
Infrastructure Renewal - Roads & Structures	\$56,132	\$48,773	\$51,818	\$1,179
Infrastructure Renewal - Stormwater	6,504	5,695	5,695	1,500
Infrastructure Renewal - Recreation, Facilities, Other	15,212	12,532	16,533	2,483
Information Technology	1,493	1,565	1,584	1,035
Studies and Other Non Growth Capital	1,202	743	1,116	(55)
Vehicles and Equipment Replacement	9,923	6,601	6,654	1,452
Canada Community-Building Fund	7,109	7,107	4,254	
Ontario Lottery Corporation Proceeds	8,252	2,860	7,668	1,352
Project Variance Reserve		12,128	12,128	12,128
<b>Subtotal</b>	<b>\$105,827</b>	<b>\$98,004</b>	<b>\$107,451</b>	<b>\$21,074</b>
<b>Infrastructure Growth</b>				
Growth Capital - Other	\$4,418	\$3,930	\$4,180	\$2,113
Capital Provision	5,600	5,438	9,040	(4,681)
Payment-in-Lieu of Land Conveyance	27,194	27,353	28,815	225
Cash-in-lieu of Parking	371	371	377	175
Development Charges (Note 1)	51,948	65,202	76,293	
Post Period Capacity	(448)	(497)	(6,491)	97
<b>Subtotal</b>	<b>\$89,085</b>	<b>\$101,798</b>	<b>\$112,215</b>	<b>\$(2,070)</b>
<b>Program Specific</b>				
Property Transactions	\$14,137	\$14,364	\$15,029	\$237
Provincial Gas Tax	1,893	1,518	1,906	5
Election	488	651	651	
Aggregate Permit Fees	179	179	180	0
Seniors' Fundraising	76	76	76	
Arts Programming	29	29	29	16
Mayor's Legacy Fund	104	104	107	1
<b>Subtotal</b>	<b>\$16,906</b>	<b>\$16,922</b>	<b>\$17,977</b>	<b>\$259</b>
<b>Board, Committee &amp; Other</b>				
Library Tax Rate Stabilization	\$762	\$762	\$762	\$221
Library Capital Infrastructure	1,092	878	878	6
DBIA Surplus	396	373	373	117
Provincial Government Transfer	4,978	6,868	3,368	3,368
Federal Government Transfer	5,384	10,988	5,770	
<b>Subtotal</b>	<b>\$12,611</b>	<b>\$19,869</b>	<b>\$11,151</b>	<b>\$3,712</b>
<b>Total Reserve and Reserve Funds</b>	<b>\$263,898</b>	<b>\$274,705</b>	<b>\$288,022</b>	<b>\$18,505</b>

Note 1: Includes Development Charge Exemptions.