



03

Operating Budget  
Summary



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# Overview

The operating budget is the financial plan for the day-to-day operations at the Town. It provides the funding to deliver services such as firefighting and protective services, snow clearing, maintenance of roads and parks, transit, recreation and library. Through the operating budget annual contributions are also made to reserves and reserve funds. Maintaining sufficient balances in reserves and reserve funds is a critical component of a municipality's long-term financial plan. Reserve balances fund the rehabilitation and replacement of Town infrastructure such as roads and buildings to ensure that the services provided today can continue to be provided in the future. Reserve balances also provide the necessary funding to minimize temporary fluctuations in the tax rate.

As outlined in the Town's Financial Principles Policy No. 110, the budget process provides an avenue to prioritize the services being provided to the community with regard for the funding available and the Town's long-term sustainability. Municipalities are required by provincial law to balance their operating budget such that revenues match the expenditures for the current year.

Financial impacts resulting from growth, the infrastructure funding deficit and resource demands continue to challenge the Town. The financial pressures in 2021 are intensified by the impacts associated with COVID-19. In response to the pandemic restrictions have been placed on how certain municipal services can be delivered, resulting in significant reductions in revenue that are expected to continue into 2021.

The 2021 Budget Call Report, CORS-044-20 projected a budget pressure equivalent to an increase of 8.60%, or \$21.33 per \$100,000 of residential assessment (relative to the existing levy of \$248 per \$100,000), in order to maintain existing service levels. Through CORS-044-20, Council provided direction to staff to prepare the 2021 operating budget with a residential property tax increase not exceeding 5.00% on the Town portion of the total tax levy. Furthermore, in recognition of the continued uncertainty resulting from COVID-19, Council directed staff to present strategies to mitigate the resulting pressure associated with COVID-19 without further increasing property tax revenue in 2021.

To achieve Council direction, COVID-19 impacts were first mitigated utilizing similar strategies that proved successful in 2020. This includes short-term reductions in spending, along with a contribution from the Tax Rate Stabilization Reserve to fund the remaining balance. Should a Federal or Provincial funding program become available, or should a portion of the 2020 Safe Restart funding remain available for 2021, the Town may be able to lessen the required draw from reserve.

To further reduce the tax impact in 2021 opportunities to increase revenues or realize efficiencies were incorporated into the budget reflecting an annual historical trend analysis. Some growth related items that were originally planned to be included in the 2021 budget were deferred including staffing and capital projects. Finally, to further mitigate the tax impact in 2021, additional contributions from stabilization reserves were included in the budget. These items, as further discussed in this section of the budget document, result in achieving a 3.93% increase, or \$9.74 per \$100,000 of residential assessment on local property tax. It is important to note that the transfers from the stabilization reserves represent a short-term solution and will result in increased financial pressures in future budgets.

## Development of the 2021 Operating Budget

An important initial consideration in the preparation of the budget is public input. Beginning with the 2021 Budget, the Town transitioned to utilizing a public input survey for each term of Council rather than each budget year. As such, the 2021 budget considers the public survey results received over that past several years that tend to be relatively consistent from year to year. Feedback received from other avenues during the year are also considered such as through public meetings, public engagement on specific projects and comments received through Councillors.

Outputs of the various studies, master plans and Council directions approved through the course of the year are also considered along with inflationary pressures, legislative changes and the costs of expanding existing services into new growth areas. Pages 61 to 64 provide more detailed information on the key factors impacting the budget in 2021.

The impacts from COVID-19 are expected to continue into 2021 and a net loss of \$2.8 million is projected. This amount primarily consists of revenue losses in the areas of recreation and transit, and includes any related direct cost savings in the affected program areas. The impacts of COVID-19 remain the subject of continued review as there are many unknowns with respect to the pandemic and recovery. Through 2020 the Town has been proactive in its response to COVID-19, through both investing in the safety measures required to support service delivery during the pandemic as well as in identifying cost mitigation opportunities to reduce the impact of the lost revenue. The 2021 budget is no exception and follows a similar approach of proactively managing the financial pressures through a combination of cost savings and other strategies with the remaining shortfall funded from a one-time contribution from the Tax Rate Stabilization Reserve.

A detailed line-item review was undertaken that included comparing the actual financial results of the Town over the past several years with consideration of future growth, market conditions and opportunities for

automation and efficiencies driven from the pandemic. Several adjustments were made as a result of this review including increasing expected revenues in areas such as parking enforcement and supplementary taxes and reducing expenses such as copies and office supplies reflecting ongoing efforts to shift to more digital and automated processes.

In order to further reduce the tax impact for 2021, some items originally forecast to be included in the 2021 budget were deferred including:

- Staffing to support growth in service delivery and existing risks (CORS-043-17)
- Technology projects intended to strengthen processes for the Town including the implementation of an Agenda Management system

Additional contributions of \$450,000 from Town and Library Tax Rate Stabilization reserves were included in the 2021 budget to phase out the funding from those reserves that was introduced through the 2020 Budget. Further details on this can be found on page 61 of the Operating Budget Summary section. Since this is an unsustainable funding source this strategy will result in financial pressures in future years as outlined in the Operating Forecast section. In addition, drawing funds from the stabilization reserves will create financial risk for the Town as the Tax Rate Stabilization Reserve is currently below the target balance as further discussed on page 318 of the Reserve and Reserve Fund section. Despite these concerns, the draw from stabilization was considered an appropriate measure for 2021 to reduce pressure on the tax rate in the current economic climate.

At the time of budget deliberations, projections for net taxable assessment growth were estimated at 3.08% as compared to the 2.39% incorporated in the proposed budget document. A motion was passed by Council to transfer \$450,000 of the additional assessment growth tax dollars to the Tax Rate Stabilization Reserve. This reduced the impact of the aforementioned 2021 draw from reserve and mitigated budget pressure that otherwise would have been deferred to 2021.

# Overview

## Tax Impact of the 2021 Budget

The total tax bill collected by the Town of Milton is shared between three levels of government:

- Town of Milton receives 38%;
- Region of Halton receives 40%;
- Local School Boards receives 22%.

As shown in the table below, the presented tax increase of 3.93% on the local share of property taxes would result in an additional \$9.74 per \$100,000 of assessment. When the potential tax levy increases for the Region of Halton and Education are included, the overall increase is \$14.67 per \$100,000 of assessment or 2.19%.

As further outlined on page 19 of the Overview section and as reported in the 2019 BMA Municipal Study, the average Milton residential property taxes paid for a 2 storey home in 2019 was \$4,090 which is the third lowest in the GTA and 19% below the average. Town of Milton taxes continue to be the most affordable in the greater Toronto area (GTA) with municipal taxes as a percentage of household income at 3.4%; which is also the second lowest in the Province based on the 2019 BMA Municipal Study.

**Estimated Impact on Total Tax Bill per \$100,000 of Residential Assessment\***

	Share of Tax Bill	2020 Taxes	2021 Increase	2021 Taxes	\$ Impact on Total Tax Bill	% Impact on Total Tax Bill
Town of Milton	37.73%	\$ 248.12	3.93%	\$ 257.86	\$9.74	1.46%
Region of Halton**	39.88%	\$ 267.58	1.84%	\$ 272.51	\$4.93	0.74%
Education***	22.39%	\$ 153.00	0.00%	\$ 153.00	\$0.00	0.00%
<b>Total</b>	<b>100.00%</b>	<b>\$ 668.70</b>	<b>2.19%</b>	<b>\$ 683.37</b>	<b>\$14.67</b>	<b>2.19%</b>

\* Cost per \$100,000 of residential assessment are derived using the assessment values & tax rates from the 2020 tax-by-law (CORS-032-20). These values will be re-stated following budget approval using the finalized 2020 assessment figures from the returned assessment roll.

\*\* Per Region of Halton 2021 Budget and Business Plan approved by Council through resolution FN-44-20 (includes enhanced waste service for urban area).

\*\*\* Consistent with recent experience, the 2021 education rate is presented in alignment with the prescribed rate currently outlined in O.Reg 400/98 and is subject to change through the approval of final 2021 rates by the Province.

# Overview

## Downtown Milton Business Improvement Area (BIA)

The BIA prepares its own budget. The BIA tax levy of \$0.24 million is approved by its Board of Directors and is then recommended to Council for approval. The budget for the BIA is included on pages 277 to 279

The Operating Budget Summary includes only the Town programs and services and excludes the BIA unless otherwise noted.

Summary financial statements of gross and net expenditures by department are included on pages 71 to 72 respectively.

## 2020 Budget Restatements

For comparative purposes changes in programs and services that occurred throughout 2020 have been restated within the 2020 approved budget. The changes have no net impact on the 2020 total approved budget however costs and revenues between accounts and/or departments have been reallocated. The significant restatements include:

- Re-alignment of Transit Division and Operations Divisions to Community Services department.
- Re-aligned Infrastructure Division and Development Engineering Division to Development Services.
- Planning and Development Department was re-named Development Services Department.
- Re-aligned Strategic Communications Division from Executive Services to Corporate Services.
- Re-aligned revenues between Programs division and Recreation and Culture Facilities division.
- Re-aligned Fire facilities from Executive Services to Community Services to better align with area of responsibility.

## Council Approved Operating Budget Policies

The Operating Budget was prepared in accordance with Financial Management – Budget Management Policy No. 113 and includes:

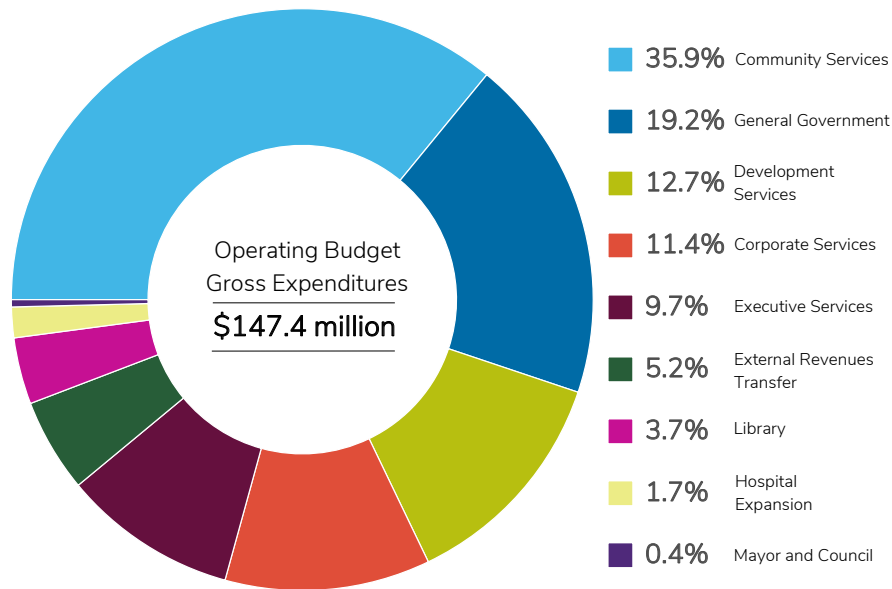
- Financing sources, such as transfers from reserves, deferred revenues, user fees, subsidies from other levels of government, grants, donations, cost sharing and the tax levy.
- Operating expenditures required in-year for program delivery such as compensation, administration, operational and supply, services, maintenance, equipment, vehicle and technology expenses, as well as any other asset lifecycle related costs.
- Service level change forms for program changes for the current year.
- Capital financing including transfer to capital reserves, debt charges, and transfers to the capital fund where a funding source for a Capital Project is identified as a recovery from the Operating Budget.
- Municipal Price Index Summary as well as Key Statistical Indicators and Trends.
- A Summary of staff complement (Full Time Equivalents) including a continuity schedule summarizing the changes in complement relative to the prior year.

The full budget management policy is included on pages 361 to 367

# Overview

## Investing in a Complete Community

The Town's budget is spent in areas such as transportation (including winter control), parks and recreation, fire, library, planning services, licensing and enforcement, crossing guards and economic development services. It also reflects financing of capital through debt payments and transfers to reserves as well as administration and governance functions.



## Mayor & Council \$0.6 Million (0.4%)

The governing body of the Town of Milton is Town Council consisting of the Mayor and 8 Councillors who represent Milton's four wards. Council is responsible for representing the public and considering the well-being and interests of the municipality as well as carrying out the duties of Council under the Municipal Act, the Planning Act and other legislation. Milton residents elect members of Council for a four-year term of office.

## Executive Services \$14.3 Million (9.7%)

The Executive Services Department, under the direction of the Chief Administrative Officer, exercises the general management and oversight of the Corporation consistent with the Municipal Act and related legislation. Services provided by the Executive Services Department include:

- Mayor and Council support through the Office of the CAO.
- Strategic Initiatives and Economic Development assists with business relocation and set-up, attracts new business investments as well as supporting existing businesses and facilitates economic growth.
- Fire Services operates five fire stations that are strategically located to minimize response times. Fire Services provides many services including fire suppression and prevention, emergency call response, public education, burn and fireworks permits and property inspections.

# Overview

## Community Services \$52.9 Million (35.9%)

The Community Services Department is responsible for planning, building, maintaining and operating a variety of community facilities, whereby residents can embrace a healthy and active lifestyle through the delivery of quality recreation, parks and cultural services. Maintenance of the parks and road networks, delivery of transit services and oversight of the corporate sustainability portfolio also reside within the department. Specific roles include:

- Planning, design, construction and operation of facilities including the rehabilitation and reconstruction of existing facilities
- Community program planning, development and implementation for children, youth, adults and older adults
- Management and operation of cultural services, including FirstOntario Arts Centre Milton
- Administration of recreation services such as inclusion opportunities (fee assistance, special needs), community development, Affiliation Program, and Space Allocation for community organizations and departmental administrative services including facility scheduling, permitting and program registrations
- Parks planning and project management including design of new parks and reconstruction of existing parks
- Maintenance of parks, sports fields, stormwater management facilities and roadways, including winter control, forestry, horticulture, and operations fleet
- Operation of the Town's transit service





# Overview

## Development Services \$18.8 Million (12.7%)

The Development Services Department provides direction with respect to the management of growth and development. This includes the recommendation and application of appropriate policy framework to support balanced and effective decision making with respect to land use planning matters having regard for other corporate priorities including environmental sustainability, urban design, transportation and infrastructure, parks and recreation, cultural heritage and community improvement. This department consists of the following divisions:

- The Planning Policy and Urban Design Division develops and recommends strategic policies and regulations to guide the long term development of the Town in a manner that achieves the goals and objectives of the Official Plan as well as provides administrative support and staff liaison to Heritage Milton
- The Development Review Division manages applications for land development including subdivision, condominium, Official Plan and Zoning By-law amendments and is also responsible for the administration of the Committee of Adjustment
- The Building Services Division ensures that all construction within the Town complies with the minimum required Provincial standards as set out in the Ontario Building Code Act and also implements and enforces various municipal by-laws such as the Zoning By-law 016-2014 and Sign By-laws 120-2017 and 087-2009
- The Infrastructure Division oversees the design and construction of roadways, bridges, sidewalks and stormwater management facilities, manages traffic control including traffic signage, speed limit, streetlight maintenance, traffic data and traffic signal timings and manages the crossing guard program
- The Development Engineering Division reviews and approves engineering drawings and reports, inspects all subdivision and site plan municipal services, establishes and enforces engineering design standards and addresses grading issues associated with residential development

## General Government, External Revenues and Hospital \$38.5 Million (26.1%)

The purpose of the General Government Department is to provide funding for various financial expenditures that impact the Town including debenture principal and interest payments and annual transfers of funding to the capital budget as well as reserves. Collection of general Town revenues such as grants, investment income, penalties and interest and interest from Milton Hydro are also included in this department. Also included are the annual debenture payments associated with Milton's \$35 million local share contribution for the Milton District Hospital expansion.



# Overview

## Corporate Services \$16.8 Million (11.4%)

The Corporate Services Department provides a wide variety of administrative, technical and financial services to all departments of the Town and to the public in general.

The Finance Division facilitates the procurement of goods and services, provides payroll services, oversees the Town's risk management program, administers the Council approved tax levy through the regular billing and collection of property taxes, and implements the assessment base management program. This division is also responsible for the preparation and co-ordination of capital and operating budgets, financial analysis and reporting, development charge administration, investments and debt management, reserve fund administration, and maintaining accurate and up-to date financial records for the Town as well as establishing and implementing effective internal controls.

The Human Resources Division develops and implements policies and procedures which attract and retain excellent employees, promote fair and equitable treatment of employees and ensures the Town complies with all applicable Ministry of Labour legislation. This division also provides corporate staff training and development programs.

The Information Technology Division provides, manages and supports a robust, reliable and secure information technology and telecommunications architecture within the Town. This division also provides business system support and project management during the implementation of new or upgrading of existing applications.

The Legislative & Legal Services Division is responsible for corporate governance, information governance, and elections as well as licensing and enforcement activities such as by-law and parking enforcement, marriage/ business/ lottery licensing and animal services. In addition, this division supports Council and staff with agenda management and other services.

The Strategic Communications Division informs and connects with residents on municipal matters and services, fosters community engagement and a broader awareness and understanding of the Town's programs and services.

## Library Services \$5.5 Million (3.7%)

The Milton Public Library (MPL) is overseen by the Milton Public Library Board (MPLB). The MPLB is a governance board established in accordance with the Ontario Public Library Act, and is a formal policy-setting group that sets goals and objectives to meet the community's public library needs. The MPL system provides the community with resources, materials, programs and services to support and encourage life-long learning at the Main Library, Beaty and Sherwood branch locations. This is accomplished through a materials library, a life-long learning centre, virtual library services and resources and a service oriented organization.

The MPL also fulfills two secondary roles: acting as a broker/link to other resources and serving as a community gathering place. Each area of the MPL monitors trends and plans for appropriate innovations, service responses, and operational improvements as a result of the dynamic changes taking place in Milton.

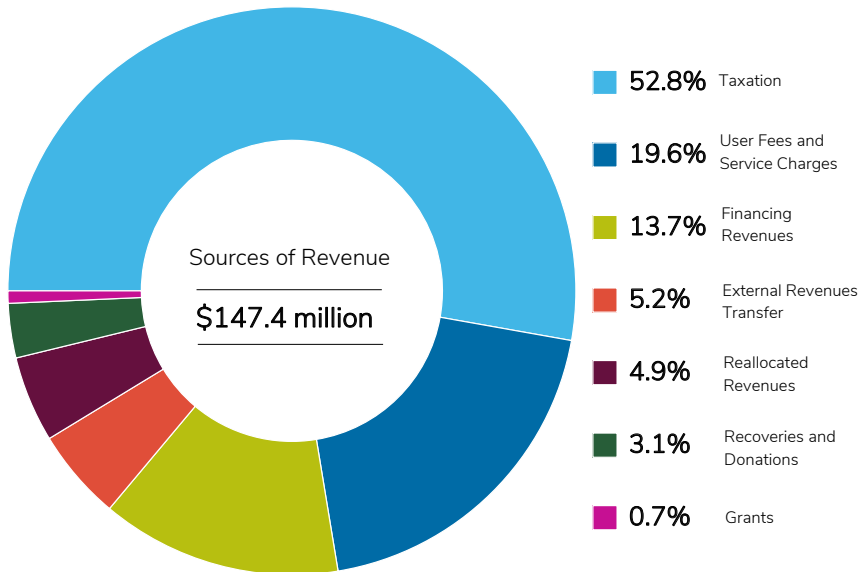
# Overview

## How is the Budget Funded?

Property taxes will account for slightly more than half of the Town's total revenue sources in 2021. User Fees and Service Charges represent the next significant portion of revenue collected by the Town making up 19.7% of the total revenue. This revenue is generated primarily from fees collected for the use of recreation programs and facilities, transit fares, as well as other services provided directly to users.

Continued pressure is placed on the Town's budget since several of the Town's revenue sources do not increase at the pace of inflation or the Town's growth. This is the case for revenues such as investment income and third-party sources including grants.

Sources of revenues to fund the operating budget are illustrated in the following graph, which is followed by commentary that provides detailed definitions of these sources of revenue.



## Taxation \$77.9 Million (52.8%):

Taxation represents the amount of property tax that is received by the Town from taxpayers, including \$73.3 million from the tax levy and \$3.1 million from other taxation and \$0.95 million from payments in lieu. Other taxation includes items such as Supplementary Taxes which result from changes in a property's assessed value during the taxation year and Right of Way payments for railway and utility corridors. Payments in Lieu are revenues from other government agencies who own property within the Town of Milton in lieu of a property tax payment.

## User Fees and Service Charges \$28.9 Million (19.6%):

Fees are charged to users of many Town services to cover part or all of the costs of providing these services. Examples of user fees include building permits, transit fares and recreation program fees. The Town's most recent User Fee By-law was established through the 2021 User Fee report CORS-046-20.

A primary principle followed by the Town in setting user fees is that those who benefit from a service should contribute to the cost of that service. In many cases the Town's user fees are set to recover the full cost of providing the applicable service. However, when setting fees consideration is given to whether the service provides a community-wide versus individual benefit, the capacity of the user to pay, competitive market conditions, demand for services and limits set by Town policy objectives or other legislative requirements on pricing. Recreation fees in particular are based on a set of influencing factors intended to support the strategic goals of the Town and are set in order to provide a range of low cost (affordable) or no cost programs and services as well as those that will recover a range of full costs associated with their offering.

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## **Financing Revenues (including Hospital) \$20.2 Million (13.7%):**

These are revenues received from other sources including the capital fund, reserves and reserve funds, investment income and revenues from Milton Hydro (including the annual dividend and interest payments on a long term note receivable). Long term lease agreements are recorded in this category as well, as are Ontario Lottery and Gaming Corporation (OLG) revenues applied to Hospital debt charges.

## **External Revenues Transferred to Reserves/Reserve Funds \$7.7 Million (5.2%):**

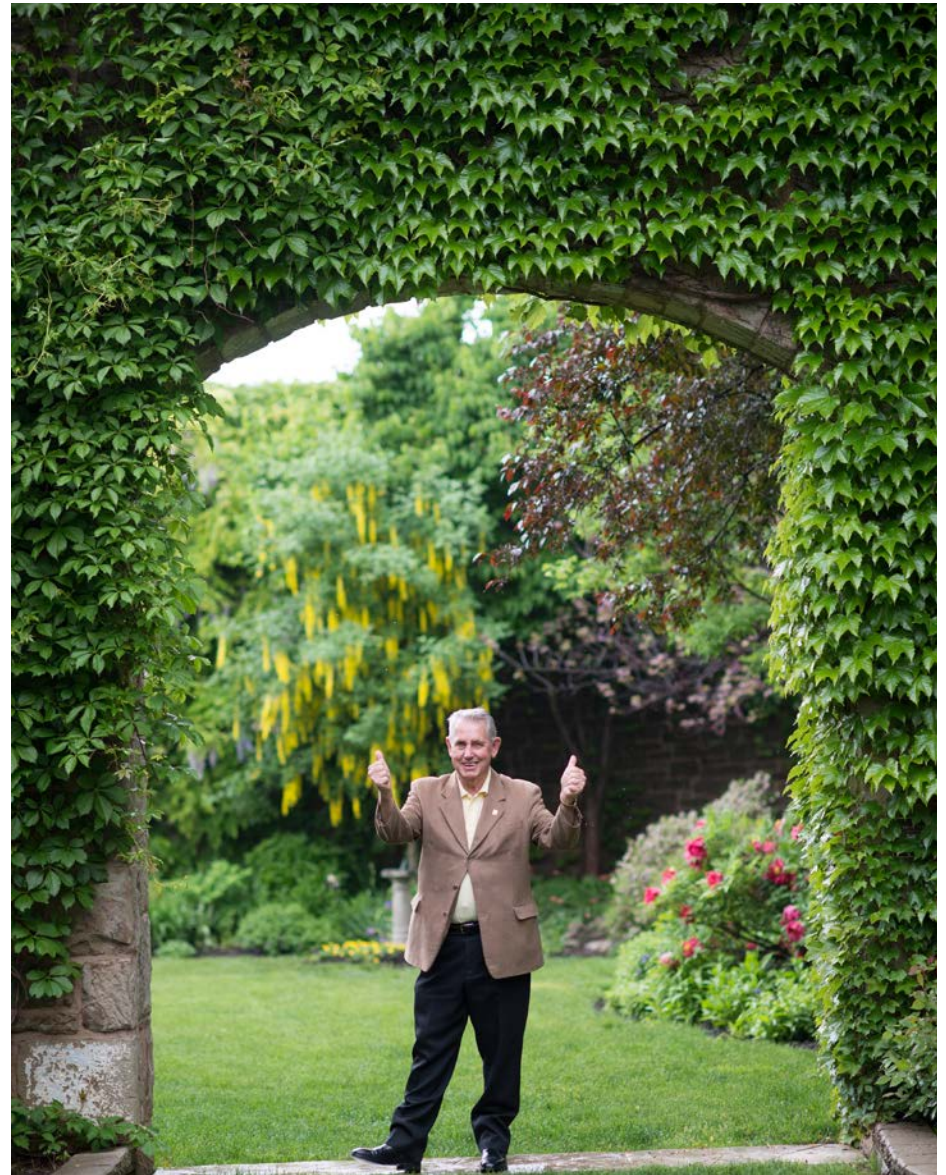
The revenues included in this category are not used directly in the operating budget but are immediately transferred to the appropriate reserve or reserve fund. The inclusion of the revenue in the operating budget is to support revenue recognition in accordance with accounting standards. These revenues include the OLG proceeds and contributions from developers as per Financial Agreements.

## **Reallocated Revenues \$7.2 Million (4.9%):**

Reallocated revenues including fleet equipment recoveries and building permit revenue denote transfers of revenues between departments to better reflect the true cost of providing Town services by functional/ service area. These revenues are offset by reallocated expenses as they are an allocation of costs from one functional area to another.

## **Recoveries, Donations and Grants \$5.5 Million (3.8%):**

This revenue source includes the reimbursement of Town costs through agreements with external agencies as well as donations and grants. The primary source is the Region of Halton which accounts for \$3.3 million, which is mostly related to the roadway maintenance services (including winter) that the Town provides on the Region's behalf. Other sources include the Toronto 2015 Sport Legacy Fund grant, Go Transit Integration, the Investment in the Arts campaign, as well as numerous grants to support programming for youth, the elderly, and the broader community.



# Overview

## Key Factors Impacting the Budget

During budget preparation, cost and revenue changes are identified between four categories: (1) Non-Recurring, (2) Status Quo, (3) Growth and (4) Service Level. Presenting the budget impacts in this manner highlights the cost of growth versus the costs associated with continuing to service the existing community and changes to the levels of service being delivered. The following table illustrates the budget impacts by cost driver.

Budget Impacts by Cost Driver	Impact (\$ millions)
<b>2020 Approved</b>	<b>\$ 68.89</b>
Non Recurring	(0.01)
Status Quo	3.22
Growth	1.70
Service Level	0.00
<b>2021 Approved</b>	<b>\$ 73.80</b>

### Non-Recurring:

Non-recurring are items that are expected to have an impact on the budget for a limited time period. The 2021 operating budget includes the following non-recurring items that are primarily related to COVID-19 impacts and mitigation:

- \$2.8 million COVID-19 related net financial impact in recreation, transit and other
- \$(1.4) million one-time additional mitigation including staff gapping savings and reductions in professional development
- \$(1.4) million one-time contribution from Tax Rate Stabilization Reserve to offset the balance of the COVID-19 impact

Also included as a non-recurring items are contributions from stabilization reserves in the amount of \$0.5 million in order to mitigate financial pressures in 2021. The following one-time, non-sustainable contributions from reserves are included in the 2021 budget:

- \$(0.15) million one-time contribution from Library Tax Rate Stabilization Reserve
  - » This contribution delays the impact of opening the new Sherwood branch as well as other inflationary pressures into 2022 to further ease financial pressures for the 2021 budget year.
- \$(0.3) million one-time contribution from Tax Rate Stabilization Reserve for transit services
  - » The 2020 budget included a contribution from reserve to realize the gross savings from a planned 2021 reallocation of low performing routes as recommended in the Transit Master Plan. COVID-19 has resulted in delays in the implementation of master plan recommendations. As a result, a one-time contribution from the Tax Rate Stabilization Reserve was made to smooth the impact of the reversal of the 2020 contribution from reserve in the absence of the associated cost savings from the route reallocation.

The impact of these transfers will be a decrease in the Town's stabilization reserve balances as well as the deferral of financial pressures to future budget processes. As illustrated on pages 318 and 326 the Town's Tax Rate Stabilization Reserve is projected to have a balance of \$5.1 million at the end of 2021, which is below the target balance of \$6.4 million. The Library Tax Rate Stabilization Reserve has a projected 2021 ending balance of \$0.7 million, which exceeds the target balance of \$0.5 million.

At the time of budget deliberations, projections for net taxable assessment growth were estimated at 3.08% as compared to the 2.39% incorporated in the proposed budget document. Council passed a motion resulting in the following:

- \$0.45 million one-time transfer of the additional assessment growth tax dollars to the Tax Rate Stabilization Reserve

# Overview

## Status Quo:

Status quo changes represent the increases or decreases required to maintain existing service levels. This includes items such as inflationary adjustments, contractual obligations and legislative requirements. The major drivers of the \$3.2 million increase include:

- \$1.8 million inflationary increase applies to individual accounts as appropriate
- \$1.0 million in infrastructure funding to continue to reduce the infrastructure deficit as previously discussed in the Budget Call Report, CORS-044-20, and the Asset Management Plan, CORS-067-17
- \$0.8 million reversal of one time reserve transfers from 2020 budget
- \$0.3 million increase in transit contractual costs as well as reduction in revenue from customers transition from single ticket to pass sales, reflecting increased customer loyalty
- \$(0.1) million increase in zoning amendment fees
- \$(0.1) million decrease in fuel prices
- \$(0.3) million increase in Parking Revenues based on the most recent full year result



# Overview

## Growth/Volume Change:

Growth/volume changes are the costs and revenues required to extend existing services to newly developed neighbourhoods and employment areas within Milton. The 2021 Operating budget is impacted by \$1.7 million in growth related pressures. The most significant drivers of the increase include the transfers to reserves to fund the future rehabilitation of newly assumed developer contributed or Town constructed assets, such as roads and stormwater systems. The transfers to reserve form an important part of the Town's asset management strategy, as they ensure that with the continued growth in Town assets the existing infrastructure funding deficit is not further increased.

As the Town grows and more properties are developed, the increased value of the developed properties are captured in the Town's property

tax assessment base and provide incremental tax revenue to help pay for a portion of the increased need for services that result from growth. Weighted assessment growth of 3.08% is projected for 2021 and has been incorporated into the budget. The 3.08% represents the net assessment growth, as reductions in assessment resulting from Assessment Review Board (ARB) decisions or requests for reconsideration have been included with the overall change in weighted assessment. The result of this reduction is further pressure on the Town's tax rate.

The table below provides additional details on the growth related items in 2021.

Growth Related Impact	Impact (\$ millions)	Rationale
Infrastructure Reserves	\$ 0.92	Increased transfers related to operating impacts from capital projects (\$0.2), DC legislated exemptions (\$0.2), assessment growth (\$0.2), Developer Assumed assets (\$0.2) and transfers to capital program (\$0.1).
Fire & Protective Services	0.38	The main driver is the addition of a new fire crew for Station No. 5 with a budgeted start date of May 1, 2021.
Internal Support	0.23	Increase in technology programs and services to ensure efficient operation of the municipality as the Town grows.
Roads	0.16	Maintenance of growth related roads, including asphalt patching, brushing and tree work, sidewalk repair, sweeping, storm water maintenance and winter control.
Transit	0.08	Ongoing costs associated with new onboard vehicle surveillance system.
Taxation	(0.15)	Increase in supplementary tax revenues.
Other	0.07	
<b>Subtotal</b>	<b>\$ 1.70</b>	
Assessment Growth Revenues	(2.12)	Net assessment growth estimated at 3.08%
<b>Deficit/(Surplus)</b>	<b>\$ (0.43)</b>	

# Overview

## Service Level Change:

Service Level changes reflect differences in the costs or revenues that result from the introduction of, discontinuance of, or revision to an existing service level. They represent a change in the level of service provided to the community in comparison to the approved 2020 budget. The net financial impact of such changes in 2021 is a nominal increase in the tax levy of just under \$2,000.

The following table presents a list of the service level changes contained in the operating budget.

Further details on the service level changes can be found within each department's section of the budget document.

Program Area		Description	Increase/ Decrease in Service	2021 Impact	Page
Corporate Services	Licensing and Enforcement	Implementation of an after hours call centre to address by-law enforcement issues such as parking and animal control to provide a live voice to residents and shorter response times.	SL ↑	\$ 12,500	144
Community Services	Children's Programs	Elimination of a pre-school drop in program due to steadily declining participation and decreased demand for the program.	SL ↓	(10,582)	208
<b>Total</b>				<b>\$ 1,918</b>	



# Overview



## Human Resources Complement Changes

Staffing requirements are reviewed annually following the Strategic Workforce Plan, CORS-078-15, that assessed the Town's long term needs to maintain business continuity at the existing level of service. Through the Human Capital Report, CORS-043-17, an update was provided identifying the challenges and opportunities of the Town's current staffing model. Through that report, it was noted that the Town has a much higher reliance on part time staff and has approximately 100 fewer full time staff than the comparable municipalities included in the study. These findings directly relate to the Town's ability to meet service level demands.

The following table presents budgeted changes in staffing based on full time equivalents (FTE). Each FTE is representative of the hours worked by one employee on a full-time basis. By using this concept, the hours worked by several part time staff are converted into the equivalent number of full time employees, providing a more consistent measure of the resources available. The overall number of individuals employed by the Town (i.e. headcount) will be higher than the FTE figure as part time staff are scheduled for less than a full work week.

The 2021 budget includes a net increase of 9.0 full time equivalent complement (FTE) as shown in the table below. This increase includes an additional fire crew through the 2021 budget as well as some positions within the Operations Division that will be funded from a reduction in contractual budgets. Certain other priority needs have been addressed through the re-purposing of existing approved positions.

# Overview

## Changes in Complement by Department

Employees by Department (FTE)						
	2019	2020	Status Quo	Growth / Volume	Service Level	Total 2021
Executive Services	88.34	88.34	-	6.00	-	<b>94.34</b>
Corporate Services	99.88	99.39	2.00	-	-	<b>101.39</b>
Community Services	275.92	294.62	3.94	(0.52)	(0.46)	<b>297.58</b>
Development Services	101.38	100.89	(1.97)	-	-	<b>98.91</b>
Library Services	48.87	45.32	-	-	-	<b>45.32</b>
<b>TOTAL</b>	<b>614.38</b>	<b>628.55</b>	<b>3.96</b>	<b>5.48</b>	<b>(0.46)</b>	<b>637.54</b>

Included in the 2021 budget are the following Status Quo impacts related to staffing within several departments:

- 2.00 FTE increase in Corporate Services to create a Communications Assistant role as well a Human Resources Lead role. The 2021 budget within the Strategic Communications also includes the conversion of a contract position previously scheduled to end in December 2020 to a full time position.
- 1 FTE arborist within Operations to increase request response times with funding from a reduction in contractual costs.
- 1 FTE mechanic within Operations to allow for increased on-site equipment maintenance with funding from a reduction in contractual costs and a reduction in overtime of existing mechanics.
- 2 FTE crew person II within Operations to focus on increased garbage pick-up year round with funding from a reduction in contractual costs.
- 0.06 FTE decrease in Community Services as a result of a net decrease in part time staffing following a detailed review of staff requirements for various programs.

- 1.97 FTE reductions in Development Services resulting from the elimination of a Commissioner position in 2020, the removal of a Policy Planner position, and increased hours for part time planning service representatives.

Growth related staffing increases are as follows:

- 6 FTE for probationary firefighters to continue staffing requirements for Fire Station No. 5. with a budgeted start date of May 1, 2021. Although not shown as an increase in FTE, the 2021 Budget also provides for the conversion of 2 first class fire fighter roles to captain roles.
- 0.52 FTE reductions in Recreation primarily due to a slight reduction in the hours of camps offerings in 2021.

The 0.46 FTE decrease identified as service level decrease represents the reduced part time staffing requirements associated with the elimination of the pre-school drop in program. Further details on this service level change are available on page 208.

# Overview

## Transfer To/From Reserves and Reserve Funds

In order to operate in a fiscally responsible manner, the Town of Milton maintains reserves and reserve funds that assist in creating a solid financial position to support the Town's future operating and capital requirements. Maintaining sufficient balances in the reserves and reserve funds is a critical component of a municipality's long-term financial plan as it strengthens financial sustainability.

Further detail on the reserve and reserve fund balances, the schedule of movement for 2021, and the longer-term forecast can be found in the Reserves and Reserve Funds section on pages 317 to 329.

The 2021 operating budget contains transfers to and from various reserves and reserve funds, summarized as follows:

Transfers To / (From) Reserves and Reserve Funds (\$ thousands)	
Reserve / Reserve Fund Type	2021 Operating Budget
Stabilization	\$ 1,794
Corporate Use	1,173
Infrastructure Non Growth	25,430
Infrastructure Growth	3,876
Program Specific	2,113
Boards and Committees	359
<b>Total</b>	<b>\$ 34,746</b>

Stabilization reserve transfers include a \$3.5 million transfer from building permit revenues to the Building Stabilization Reserve reflecting a high level of building permit activity anticipated for 2021. Based on the Financial Principles Policy No. 110 and the projected shortfall in the stabilization reserve balance, investment income of \$0.5 million is being transferred to the Tax Rate Stabilization Reserve. A further \$0.5 million of tax dollars generated from higher than anticipated assessment growth is also being transferred to

the Tax Rate Stabilization Reserve. These transfers to reserve are partially offset by the aforementioned one-time draws of \$1.7 million from the reserve in 2021 as well as a \$0.9 million transfer related to the funding of staff costs in managing the capital program.

Corporate use transfers relate largely to funding for legal costs and insurance as well as the transfer of user fee revenue related to development processing.

The transfer of funding into Infrastructure Non Growth reserves includes the incremental \$1.0 million capital funding strategy as identified in the Town's Asset Management Plan. This provision is intended to gradually reduce the existing annual infrastructure deficit, estimated at \$33.2 million through the 2017 AMP. Page 290 provides further details and highlights that even with continued incremental investments over the forecast period there will still be a projected annual deficit at the end of the 10 year period. The capital reserve transfers also captures the lifecycle contributions for newly assumed developer contributed assets and new growth related assets that are included 2021 capital budget. This provision is intended to ensure that growth in the Town's asset base does not further increase the existing infrastructure deficit. Also included is externally generated funding such as the revenue from the Ontario Lottery and Gaming Corporation.

Infrastructure Growth captures capital provision revenue, operating transfers to fund growth related capital projects and a transfer to fund the legislated development charge exemptions. Program specific funded transfers capture the utilization of Provincial Gas Tax funding that supports the Town's transit program. Finally the Board & Committee transfer primarily relates to funding in support of the Milton District Hospital Expansion.

# Overview

## Challenges & Risks

There are a number of issues that the Town will need to remain mindful of in both 2021 and future budget processes. The major issues the Town will face over the forecast period and the foreseeable future include:

### COVID-19

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 updates and changes to legislation, guidelines and best practices. As recovery proceeds it is expected that the Town will continue to experience a reduction in revenue from normal levels primarily within the following services areas:

- Transit – reduced ridership volumes
- Recreation – reduced participation levels in programs as well as reduced rentals

The Town will need to continue to rely on support from other levels of government or place further reliance on reserves to address shortfalls in excess of what has been provided for in the 2021 budget. The Town will also continue with its cost mitigation efforts as well as the transition in service delivery, including accelerating the utilization of technology solutions where appropriate.

### Infrastructure Funding Deficit and Asset Management Plan

The Town's latest update to the Town's Asset Management Plan (AMP) is ongoing with finalization expected in early 2021. The previous AMP suggested that the Town has an annual infrastructure funding deficit of \$33.2 million. A capital funding strategy was introduced through the 2018 budget, and continued through the 2020 budgets, that included an additional annual \$1.0 million investment in infrastructure renewal to begin to address the infrastructure funding deficit. Even with further additional incremental \$1.0 million investments over a 20 year period, an annual deficit is projected to remain. As such, the adequacy of funding levels for the

redevelopment of the Town's asset base will need to continue to be re-evaluated over time. Current level of service practices will also need to be reviewed to ensure they are cost effective and sustainable while enabling the Town to deliver targeted levels of services. The deficit will be re-evaluated following the results of the ongoing update to the AMP.

### Staffing and Compensation

As previously reported through the Strategic Workforce Plan report, CORS-078-15, and the Human Capital Report, CORS-043-17, the number of full time staff employed by the Town is over 100 positions fewer than comparable municipalities, excluding fire and transit positions. Financial constraints prevented the needs identified in the Human Capital Report from being incorporated. This results in ongoing deficiencies in human capital, difficulties in servicing continued growth and potential impacts on service delivery. The Town will also continue to assess and implement alternate service delivery methods or introduce technology solutions as part of its balancing of service needs with resource capacity.

A new fire crew has been incorporated in the 2021 budget and additional crews considered in each of the 2022 and 2023 budget years. The need for additional fire suppression staffing has been identified in the most recently approved Fire Master Plan (2008), and is consistent with the preliminary outputs from the on-going master plan process. The shortfall in staffing will be reflected in the service plans and coverages for the Town, including in relation to Fire Station No. 5.

### Economic Considerations

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 through 2020. The economic outlook from the major

# Overview

Canadian banks indicate the Bank of Canada may keep the overnight rate steady through 2021 while the yields on long term bonds may start to increase.

## Stabilization Reserves

Stabilization reserves are used to mitigate fluctuations within the operating budget and help stabilize the annual impact on the tax rates. Several of the stabilization reserves are underfunded when compared to the target balances which may impact the Town's ability in the future to deal with unforeseen circumstances. Further details are included within the Reserves and Reserve Funds section on page 318.

## Operating Impacts of New Capital Infrastructure

The approval of certain capital projects will result in future operating impacts to support new or expanded services and the maintenance of infrastructure. Potential impacts may include staffing, maintenance, contracted or purchased service agreements along with reserve transfers to fund the future rehabilitation and/or replacement of new assets over the long-term. This information is used in preparation of the annual operating budget and forecasts for future years. Further information on the operating impacts of capital jobs in the 2021 budget can be found on page 35.

It is important to note that only the current year capital projects present operating impacts over the next three years. However, there are capital jobs in the forecast that will have a significant impact on the operating budget such as facilities, parkland development, transit and fleet. The operating impacts from the projects scheduled for 2022 and 2023 have been incorporated into the Operating Forecast presented on pages 307 to 314.

## Expanding Existing Services into the Growth Areas

The pressures associated with the Town's continued growth were most recently assessed as outlined in the Fiscal Impact Study report,

CORS-062-17. The fiscal impact assessment for the Sustainable Halton Lands calculated that annual tax rate increases averaging 5.26% per year to 2036 will be required to continue existing service levels. This estimate did not include the additional pressures resulting from reducing the annual infrastructure deficit, and could be further exacerbated should non-residential development not materialize as quickly as projected. The development of secondary and tertiary planning programs for the Sustainable Halton Lands are proceeding and will further identify impacts for future budget processes.

## Legislative Changes

The Town remains susceptible to financial pressures that may result from legislative changes at both the Provincial and Federal level. The introduction of Bill 108: More Homes, More Choice Act 2019 and subsequent related legislation will have an impact to Milton in the management and financing of growth and development as discussed through the Capital Budget Summary section page 36. Changes in areas potentially including climate change, the provincial gas tax program or others may result in further financial implications for the Town.

## Implementing Master Plans & Other Strategies

A number of potential increases to service levels have been previously identified or considered in order to respond to resident feedback or align service levels with master plans, strategic plans and goals. Due to funding and/or resource constraints, these service enhancements were either deferred or excluded from the 2021 Budget. Examples include the expansion of bike lane symbols in accordance with the Trails and Cycling Master Plan Update, additional tree maintenance and supplemental tree plantings and further development of program based budgeting. These initiatives will be revisited through future budget processes and service delivery review processes.

# Overview

## Opportunities

There are also opportunities that the Town will hopefully see materialize that may not have been fully reflected into the 2021 Budget. Such opportunities may potentially alleviate a portion of the budget pressure or benefit the broader community as whole, and may include:

### Service Delivery Reviews

Using a phased approach the Town has been reviewing services and their delivery to identify potential changes to service delivery methods and/or service levels and recommend changes that will improve efficiency or effectiveness. Phase 1 of the review was undertaken in 2019 with a focus on the former Community Services Division and Operations Division (ES-015-19). A review of the Administrative Monetary Penalty System was also presented in early 2020. Phase 2 of the project reviewed the area of Corporate Services and results will be presented to Council before the end of 2020. Opportunities identified through these reviews will continue to be analyzed and are subject to Council approval as necessary prior to further proceeding.

### Ontario Lottery and Gaming (OLG) Revenues

Through report ES-011-18, Council received information pertaining to the proposed future development of Woodbine Mohawk Park that would expand gaming offerings at the site and create the potential for growth in the municipal financial contribution made available by OLG. The impact of additional revenues to the Town is still being monitored but should additional revenue materialize, could provide a long-term funding source for the full value of the hospital-related debt charges, or further bolstering the investment in the Town's infrastructure.

COVID-19 has resulted in the closure of Mohawk for a significant portion of 2020 and therefore the funding available to the Town will be significantly lower than prior years or as was anticipated in the Town's 2020 Budget. The results of the shortfall will mean less funding available to invest in the Town's infrastructure program. As a result, the overall 10 year forecast will need to be reduced by an equivalent expenditure, additional Town funding will be required, or a combination thereof.

## Milton Education Village (MEV)

The MEV is Milton's vision for a comprehensively-planned complete urban neighborhood, integrating post-secondary education, residential, commercial, employment and recreational uses into a 400 acre site. Since 2008, the Town has had a memorandum of understanding and partnership with Wilfrid Laurier University to bring post-secondary education to Milton. In September 2020 through report DS-033-20 a public meeting was held in accordance with the Planning Act, to present the Draft Milton Education Village (MEV) Secondary Plan with the next steps involving a Regional Official Plan Amendment (ROPA) to remove the Regional Employment Area overlay and provide policy direction that supports knowledge-based employment growth over the long-term.

## Provincial & Federal Grant Opportunities

Despite recent setbacks to the Town including the Province's cancellation of previously planned increases to the municipal share of Provincial Gas Tax and changes to the Town's eligibility for the Ontario Community Infrastructure Fund, Milton remains active in pursuing opportunities to secure funding support from other levels of government. In the fall of 2019 Council approved the submission of applications for funding in areas such as transit and recreation facilities with results anticipated in 2021. The Town will also continue to advocate for a movement towards more predictable, long-term funding programs such as the existing and efficient Federal Gas Tax program.

# Gross Expenditures by Department

## Town of Milton

DEPARTMENT NAME	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Approved Budget	% Change Presented/ P.Y. Approved
<b>EXPENDITURES</b>									
Mayor and Council	\$ 584,738	\$ 609,045	\$ 593,581	\$ -	\$ 43,756	\$ -	\$ -	\$ 637,337	7.4%
Executive Services	13,071,493	13,313,856	13,452,431	22,500	464,522	344,431	-	14,283,884	6.2%
Corporate Services	15,001,839	14,914,894	15,995,975	(14,833)	613,942	194,959	12,500	16,802,543	5.0%
General Government	32,149,563	30,602,802	34,852,966	230,000	634,817	292,337	-	36,010,120	3.3%
Community Services	53,263,859	45,660,839	56,386,606	(4,850,476)	1,122,733	226,498	(16,100)	52,869,262	(6.2%)
Development Services	14,396,587	15,187,959	15,567,869	(272,750)	183,113	3,296,213	-	18,774,445	20.6%
Library	5,083,198	4,970,867	5,412,976	-	47,869	16,398	-	5,477,243	1.2%
<b>SUBTOTAL TOWN OF MILTON</b>	<b>\$ 133,551,277</b>	<b>\$ 125,260,262</b>	<b>\$ 142,262,404</b>	<b>\$ (4,885,559)</b>	<b>\$ 3,110,752</b>	<b>\$ 4,370,836</b>	<b>\$ (3,600)</b>	<b>\$ 144,854,834</b>	<b>1.8%</b>
Hospital Expansion	\$ 2,543,268	\$ 2,504,950	\$ 2,504,950	\$ -	\$ (1,860)	\$ -	\$ -	\$ 2,503,090	(0.1%)
<b>TOTAL TOWN OF MILTON EXPENDITURES</b>	<b>\$ 136,094,545</b>	<b>\$ 127,765,212</b>	<b>\$ 144,767,354</b>	<b>\$ (4,885,559)</b>	<b>\$ 3,108,892</b>	<b>\$ 4,370,836</b>	<b>\$ (3,600)</b>	<b>\$ 147,357,924</b>	<b>1.8%</b>
<b>REVENUE</b>									
Mayor and Council	\$ (12,048)	\$ (17,972)	\$ (17,972)	\$ -	\$ 2,069	\$ -	\$ -	\$ (15,903)	(11.5%)
Executive Services	(565,164)	(411,931)	(580,733)	42,500	(22,906)	-	-	(561,140)	(3.4%)
Corporate Services	(5,568,266)	(5,283,830)	(5,772,969)	-	(757,132)	45,870	-	(6,484,231)	12.3%
General Government	(24,307,014)	(20,789,544)	(24,870,723)	(1,388,529)	633,824	481,039	-	(25,144,389)	1.1%
Community Services	(28,809,148)	(19,801,517)	(30,151,596)	6,372,419	395,840	53,811	5,518	(23,324,008)	(22.6%)
Development Services	(10,387,077)	(11,465,068)	(11,354,010)	-	(479,265)	(3,255,714)	-	(15,088,989)	32.9%
Library	(297,707)	(580,480)	(627,485)	(150,000)	340,104	-	-	(437,381)	(30.3%)
<b>SUBTOTAL TOWN OF MILTON</b>	<b>\$ (69,946,424)</b>	<b>\$ (58,350,342)</b>	<b>\$ (73,375,488)</b>	<b>\$ 4,876,390</b>	<b>\$ 112,534</b>	<b>\$ (2,674,994)</b>	<b>\$ 5,518</b>	<b>\$ (71,056,041)</b>	<b>(3.2%)</b>
Hospital Expansion	\$ (2,543,268)	\$ (2,504,950)	\$ (2,504,950)	\$ -	\$ 1,860	\$ -	\$ -	\$ (2,503,090)	(0.1%)
<b>TOTAL TOWN OF MILTON REVENUES</b>	<b>\$ (72,489,692)</b>	<b>\$ (60,855,292)</b>	<b>\$ (75,880,438)</b>	<b>\$ 4,876,390</b>	<b>\$ 114,394</b>	<b>\$ (2,674,994)</b>	<b>\$ 5,518</b>	<b>\$ (73,559,131)</b>	<b>(3.1%)</b>
<b>TOTAL LEVY REQUIREMENTS TOWN OF MILTON</b>	<b>\$ 63,604,853</b>	<b>\$ 66,909,920</b>	<b>\$ 68,886,916</b>	<b>\$ (9,169)</b>	<b>\$ 3,223,286</b>	<b>\$ 1,695,842</b>	<b>\$ 1,918</b>	<b>\$ 73,798,793</b>	<b>7.1%</b>

Note: The figures above do not include the Downtown Milton Business Improvement Area (BIA).

## Downtown Milton Business Improvement Area (BIA)

DEPARTMENT NAME	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Approved Budget	% Change Presented/ P.Y. Approved
<b>Downtown Milton Business Improvement Area</b>									
EXPENDITURES	\$ 272,591	\$ 257,333	\$ 325,511	\$ -	\$ (29,492)	\$ -	\$ -	\$ 296,019	(9.1%)
REVENUE	(272,591)	(257,333)	(325,511)	-	29,492	-	-	(296,019)	(9.1%)
<b>TOTAL LEVY REQUIREMENTS BIA</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>

# Net Expenditures by Department

## Town of Milton

DEPARTMENT NAME	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Approved Budget	% Change Presented/ P.Y. Approved
Mayor and Council	\$ 572,689	\$ 591,073	\$ 575,609	\$ -	\$ 45,825	\$ -	\$ -	\$ 621,434	8.0%
Executive Services	12,506,329	12,901,924	12,871,697	65,000	441,616	344,431	-	13,722,744	6.6%
Corporate Services	9,433,573	9,631,065	10,223,004	(14,833)	(143,189)	240,829	12,500	10,318,311	0.9%
General Government	7,842,549	9,813,258	9,982,243	(1,158,529)	1,268,641	773,376	-	10,865,731	8.9%
Community Services	24,454,711	25,859,323	26,235,013	1,521,943	1,518,573	280,309	(10,582)	29,545,256	12.6%
Development Services	4,009,510	3,722,892	4,213,859	(272,750)	(296,152)	40,498	-	3,685,455	(12.5%)
Library	4,785,491	4,390,387	4,785,491	(150,000)	387,973	16,398	-	5,039,862	5.3%
<b>SUBTOTAL TOWN OF MILTON</b>	<b>\$ 63,604,852</b>	<b>\$ 66,909,922</b>	<b>\$ 68,886,916</b>	<b>\$ (9,169)</b>	<b>\$ 3,223,287</b>	<b>\$ 1,695,841</b>	<b>\$ 1,918</b>	<b>\$ 73,798,793</b>	<b>7.1%</b>
Hospital Expansion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
<b>SUBTOTAL HOSPITAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>TOTAL TOWN OF MILTON</b>	<b>\$ 63,604,852</b>	<b>\$ 66,909,922</b>	<b>\$ 68,886,916</b>	<b>\$ (9,169)</b>	<b>\$ 3,223,287</b>	<b>\$ 1,695,841</b>	<b>\$ 1,918</b>	<b>\$ 73,798,793</b>	<b>7.1%</b>

Note: The figures above do not include the Downtown Milton Business Improvement Area (BIA).



# Sources of Expenditure by Account

## Town of Milton

EXPENDITURE SOURCES	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Approved Budget	% Change Presented/ P.Y. Approved
<b>TOWN OF MILTON</b>									
Salaries and Benefits	\$ 53,535,847	\$ 51,559,713	\$ 58,449,069	\$ (3,306,918)	\$ 1,722,622	\$ 324,482	\$ (16,000)	\$ 57,173,255	(2.2%)
Administrative	968,473	790,524	1,264,509	(114,649)	42,480	(804)	-	1,191,536	(5.8%)
Financial	4,916,570	5,486,291	4,860,775	(11,497)	(533,287)	-	-	4,315,992	(11.2%)
Transfers to Own Funds	34,585,756	32,461,504	37,752,424	(41,000)	1,146,569	3,585,831	-	42,443,824	12.4%
Purchased Goods	4,990,477	4,397,169	5,117,602	(130,701)	(107,737)	111,207	(100)	4,990,271	(2.5%)
Purchased Services	25,554,320	21,806,519	25,493,586	(1,091,619)	800,712	318,776	12,500	25,533,955	0.2%
Fleet Expenses	2,674,079	2,188,794	2,737,764	(189,175)	(93,599)	(1,478)	-	2,453,512	(10.4%)
Reallocated Expenses	6,325,758	6,569,755	6,586,675	-	132,992	32,822	-	6,752,489	2.5%
<b>SUBTOTAL TOWN OF MILTON</b>	<b>\$ 133,551,280</b>	<b>\$ 125,260,269</b>	<b>\$ 142,262,404</b>	<b>\$ (4,885,559)</b>	<b>\$ 3,110,752</b>	<b>\$ 4,370,836</b>	<b>\$ (3,600)</b>	<b>\$ 144,854,834</b>	<b>1.8%</b>
<b>HOSPITAL</b>									
Financial	2,543,269	2,504,950	2,504,950	-	(1,860)	-	-	2,503,090	(0.1%)
Transfers to Own Funds	-	-	-	-	-	-	-	-	0.0%
<b>SUBTOTAL HOSPITAL</b>	<b>\$ 2,543,269</b>	<b>\$ 2,504,950</b>	<b>\$ 2,504,950</b>	<b>\$ -</b>	<b>\$ (1,860)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,503,090</b>	<b>(0.1%)</b>
<b>TOTAL TOWN OF MILTON</b>	<b>\$ 136,094,549</b>	<b>\$ 127,765,219</b>	<b>\$ 144,767,354</b>	<b>\$ (4,885,559)</b>	<b>\$ 3,108,892</b>	<b>\$ 4,370,836</b>	<b>\$ (3,600)</b>	<b>\$ 147,357,924</b>	<b>1.8%</b>

Note: The figures above do not include the Downtown Milton Business Improvement Area (BIA).

## Downtown Milton Business Improvement Area (BIA)

EXPENDITURE SOURCES	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Approved Budget	% Change Presented/ P.Y. Approved
<b>DOWNTOWN MILTON BUSINESS IMPROVEMENT AREA</b>									
Salaries and Benefits	\$ 108,921	\$ 126,506	\$ 126,506	\$ -	\$ 14,619	\$ -	\$ -	\$ 141,125	11.6%
Administrative	-	-	-	-	-	-	-	-	0.0%
Financial	5,613	4,070.00	1,500	-	2,000	-	-	3,500	133.3%
Transfers to Own Funds	20,369	7,685	-	-	-	-	-	-	0.0%
Purchased Goods	5,351	4,145	12,345	-	(4,845)	-	-	7,500	(39.2%)
Purchased Services	120,566	111,427	181,660	-	(41,266)	-	-	140,394	(22.7%)
Reallocated Expenses	11,773	3,500.00	3,500	-	-	-	-	3,500	0.0%
<b>TOTAL BIA</b>	<b>\$ 272,593</b>	<b>\$ 257,333</b>	<b>\$ 325,511</b>	<b>\$ -</b>	<b>\$ (29,492)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 296,019</b>	<b>(9.1%)</b>

# Sources of Revenue by Account

## Town of Milton

REVENUE SOURCES	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Budget as Presented	% Change Presented/ P.Y. Approved
<b>TOWN OF MILTON</b>									
Taxation (excluding Tax Levy)	\$ (3,202,732)	\$ (3,378,787)	\$ (2,742,522)	\$ -	\$ (65,567)	\$ (340,000)	\$ -	\$ (3,148,089)	14.8%
Payments In Lieu	(878,159)	(933,952)	(890,651)	-	(61,522)	1,283	-	(950,890)	6.8%
Grants	(1,038,883)	(2,950,588)	(1,032,954)	19,800	(5,017)	-	-	(1,018,171)	(1.4%)
Recoveries and Donations	(5,266,807)	(4,342,638)	(4,588,543)	147,356	(64,783)	(3,500)	-	(4,509,470)	(1.7%)
User Fees and Service Charges	(27,682,526)	(17,752,232)	(30,261,241)	6,547,763	(1,468,548)	(3,721,951)	5,518	(28,898,459)	(4.5%)
External Revenue Transferred to Reserves and Reserve Funds	(11,232,000)	(5,481,194)	(11,064,506)	3,100,000	700	269,736	-	(7,694,070)	(30.5%)
Financing Revenue	(14,015,300)	(16,725,961)	(15,809,384)	(4,938,529)	1,935,321	1,152,258	-	(17,660,334)	11.7%
Reallocated Revenue	(6,630,017)	(6,784,989)	(6,985,688)	-	(158,049)	(32,820)	-	(7,176,557)	2.7%
<b>SUBTOTAL TOWN OF MILTON</b>	<b>\$ (69,946,424)</b>	<b>\$ (58,350,341)</b>	<b>\$ (73,375,489)</b>	<b>\$ 4,876,390</b>	<b>\$ 112,535</b>	<b>\$ (2,674,994)</b>	<b>\$ 5,518</b>	<b>\$ (71,056,040)</b>	<b>(3.2%)</b>
<b>HOSPITAL</b>									
Taxation	\$ (93)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Financing Revenue	(2,543,176)	(2,504,950)	(2,504,950)	-	1,860	-	-	(2,503,090)	(0.1%)
<b>SUBTOTAL HOSPITAL</b>	<b>\$ (2,543,269)</b>	<b>\$ (2,504,950)</b>	<b>\$ (2,504,950)</b>	<b>\$ -</b>	<b>\$ 1,860</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,503,090)</b>	<b>(0.1%)</b>
<b>TOTAL TOWN OF MILTON</b>	<b>\$ (72,489,693)</b>	<b>\$ (60,855,291)</b>	<b>\$ (75,880,439)</b>	<b>\$ 4,876,390</b>	<b>\$ 114,395</b>	<b>\$ (2,674,994)</b>	<b>\$ 5,518</b>	<b>\$ (73,559,130)</b>	<b>(3.1%)</b>

Note: The figures above do not include the Downtown Milton Business Improvement Area (BIA) and are presented prior to Decision Package options.

## Downtown Milton Business Improvement Area (BIA)

REVENUE SOURCES	2019 Actuals	2020 Projected Actuals	2020 Approved Budget	2021 Non-Recurring	2021 Status Quo/ Contractual	2021 Growth/Volume Change	2021 Service Level Change	2021 Budget as Presented	% Change Presented/ P.Y. Approved
<b>DOWNTOWN MILTON BUSINESS IMPROVEMENT AREA</b>									
Taxation	\$ (220,641)	\$ (230,633)	\$ (230,633)	\$ -	\$ (8,004)	\$ -	\$ -	\$ (238,637)	3.5%
Grants	(1,960)	(4,430.00)	(2,000)	-	2,000	-	-	-	0.0%
Recoveries and Donations	(20,679)	(8,400)	(23,200)	-	22,700	-	-	(500)	(97.8%)
User Fees and Service Charges	(29,311)	(5,000)	(25,000)	-	24,500	-	-	(500)	(98.0%)
Financing Revenue	-	(8,870)	(27,428)	-	(11,704)	-	-	(39,132)	42.7%
Reallocated Revenue	-	-	(17,250)	-	-	-	-	(17,250)	100.0%
<b>TOTAL BIA</b>	<b>\$ (272,591)</b>	<b>\$ (257,333)</b>	<b>\$ (325,511)</b>	<b>\$ -</b>	<b>\$ 29,492</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (296,019)</b>	<b>(9.1%)</b>