



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: September 12, 2022

Report No: CORS-060-22

Subject: 2023 Budget Call Report

Recommendation: THAT the 2023 Capital and Operating Budgets and Forecasts be prepared in alignment with the Town's Council-approved strategic plans and long-term studies (example: 2020-23 Council/Staff Workplan, Official Plan, Asset Management Plan, Fiscal Impact Studies, Master Plans etc.) and that the newly elected Council be provided with:

a) identification of the cost pressures associated with the existing service levels; and

b) options to mitigate the tax levy impact for the year 2023.

EXECUTIVE SUMMARY

- The budget process provides a venue within which decisions as to the appropriate balance between affordability, service levels and financial sustainability can be made.
- Through the 2022 budget process, a budget pressure equivalent to an increase in the Town's portion of property taxes of 7.05% (or \$19.17 per \$100,000 of assessment) was estimated for 2023 in order to maintain existing service levels.
- This amount has been revised with the most current information (including higher than projected rates of inflation) and is now estimated at a pressure that is equivalent to 12.40% increase to the Town's portion of property taxes (or \$33.73 per \$100,000 of assessment) in relation to existing service levels.
 - When the Regional and Educational portion of property taxes are considered, the pressure to the total tax rate is estimated at 5.98% for 2023 (or \$42.08 per \$100,000 of assessment).

EXECUTIVE SUMMARY

- The Town's local tax levy is lower than surrounding local municipalities by an average of 25% (or \$95 per \$100,000 of residential assessment), and when Regional and Education rates are considered, Milton property taxes as a percentage of household income remains lowest in the GTA and second lowest relative to Provincial comparators.
- With a Municipal Election in October of 2022, it is recommended that the cost of existing services be presented to the incoming Council, along with options to mitigate the potential tax rate impact, for the budget deliberations scheduled in January 2023.

REPORT

Background

Section 290 (1) of the Municipal Act requires municipalities to prepare and adopt an annual budget. Through the Budget Call report, staff provide Council with the appropriate context and financial considerations, as well as recommendations with respect to the guidelines to be followed when capital and operating budgets and forecasts are prepared.

The underlying principles used in preparing the annual budget are outlined in Financial Management - Financial Principles Policy No. 110. Using Council's vision for the Town as outlined through strategic planning processes, resulting priorities are then reflected across the broad array of master planning and strategy processes undertaken (including secondary plans, fiscal impact studies etc.). The budget process provides an avenue to prioritize and balance the allocation of available resources to achieve the various master plan targets and priorities.

The 2023/24 forecasted budget pressures that are presented in this Budget Call report are based on data and information currently available. As the detailed budget is developed this forecast will continue to be refined to include additional information that is identified. The budget will then be presented to Council in December of 2022 and Council deliberation of the budget is scheduled for January 2023.

Discussion

Milton has experienced steady population growth since 2001 and has consistently ranked as one of Canada's fastest growing communities. With a population of 134,304 residents at the end of 2021 and projections showing that figure approximately doubling over a 15 year period, the Town continues to be faced with a number of financial challenges and opportunities. Within this context, the budget serves as a financial plan that provides guidelines and direction to staff for the allocation of resources and the provision of services and infrastructure.

Public Input

The budget development process considers the ongoing feedback that is received from the public throughout the year as part of the public engagement that is undertaken for Town initiatives such as master plan updates and planning processes. In addition to these ongoing opportunities for public engagement, residents and business owners were also invited to provide comments and input related to the prioritization of services and investments for the 2023 budget year. This opportunity was available from June 30, 2022 through the Let's Talk Milton platform and was advertised through a public service announcement, social media posts and an ad in the local newspaper. While the platform will continue to remain open and available for comments through December 11, 2022, all comments received to end of day August 19 are attached as Appendix A to this report. Additional comments received between August 20 and December 11, 2022 will be shared with Council in advance of the December 12, 2022 budget meeting.

Once per term of Council a more formal public input survey is utilized, with the next survey expected to inform the 2024 budget. The development of the 2023 budget will continue to consider the public survey results received over the past several years (see staff report CORS-049-19 for more information) that tend to be relatively consistent from year to year, as well as comments and feedback received through the additional avenues noted above.

Growth Forecast

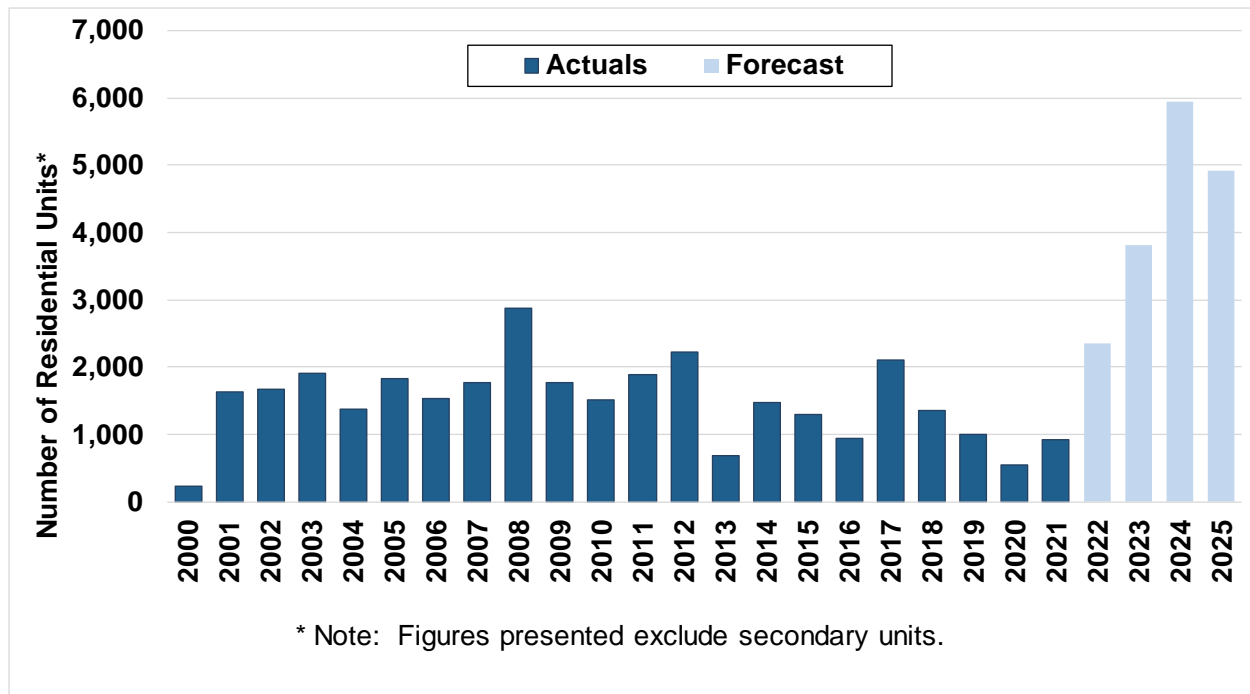
An important consideration in the preparation of the budget is estimating the rate of growth expected in the community which affects both revenues and expenses in the capital and operating budgets. Growth in the community will result in incremental tax revenues from assessment growth. It also drives the requirement to expand services and infrastructure such as roadways, parkland and facilities to the growing community.

The taxes raised from residential growth do not currently cover the costs of services provided and therefore balancing growth between the residential and non-residential sectors is critical to financial stability. Over recent years, residential growth has outpaced non-residential with the mix of assessment (unweighted) changing from 71.8% residential in 2001 to 83.7% residential in 2022.

Over the next several years residential building activity is anticipated to be higher than previous activity experienced by the Town as illustrated in the following graph.

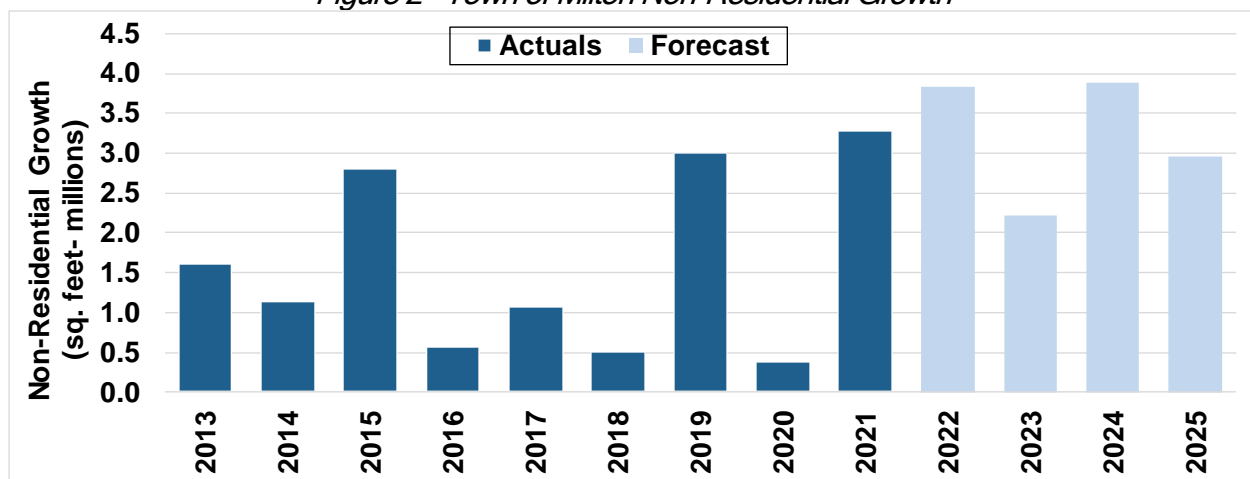
Discussion

Figure 1 - Town of Milton Residential Growth



Non-residential activity is also expected to remain strong with 3.8 million square feet of development anticipated in 2022.

Figure 2 - Town of Milton Non-Residential Growth



The projected increases in the levels of residential and non-residential growth from 2022 to 2025 are expected to result in higher levels of annual assessment growth revenues in the

Discussion

next term of Council, and will therefore influence the budget processes in future years. Assessment growth for the current budget year (2023) will be influenced by prior volumes, and due to the relatively lower growth totals in 2020 (non-residential) and 2021 (residential), lower assessment growth dollars are expected.

Capital Budget and Forecast

A 10-year capital budget and forecast will be prepared that will identify the investment required to support the anticipated growth in the community as well as the Town's infrastructure maintenance and rehabilitation needs. The starting point for preparing the 2023-2032 budget and forecast will be the 2023-2031 forecast presented and approved in principle through the 2022 budget process. The forecast estimated that the capital investment for 2023 would exceed \$103 million, with a 9-year investment totaling \$1.1 billion. The budget and forecast will be updated to reflect revised construction timelines, updated cost estimates (including inflation) and current corporate priorities.

Operating Impacts from Capital

Investing in new and expanded infrastructure has a significant financial impact on future operating budgets and tax levies. Capital investment in local infrastructure that is constructed by developers and assumed by the Town through new developments (including local roads and stormwater assets) also results in ongoing incremental costs. Capital budgets will continue to identify the operational impacts resulting from investment in new or expanded services including the maintenance of newly constructed roads and parks, expanded transit services, new facilities and information technology infrastructure. Future capital investment to maintain or replace assets is also required and as such, contributions to reserves for the long-term rehabilitation and/or replacement of new assets will be identified.

These impacts were considered as part of the Town's comprehensive 2021 Fiscal Impact Study (FIS) which projected an annual average tax rate pressure of 5.5% for the first 10 years of the forecast due largely to additional investments towards the infrastructure deficit as well as the fire and transit service master plans.

Infrastructure Funding Deficit & Asset Management Plan

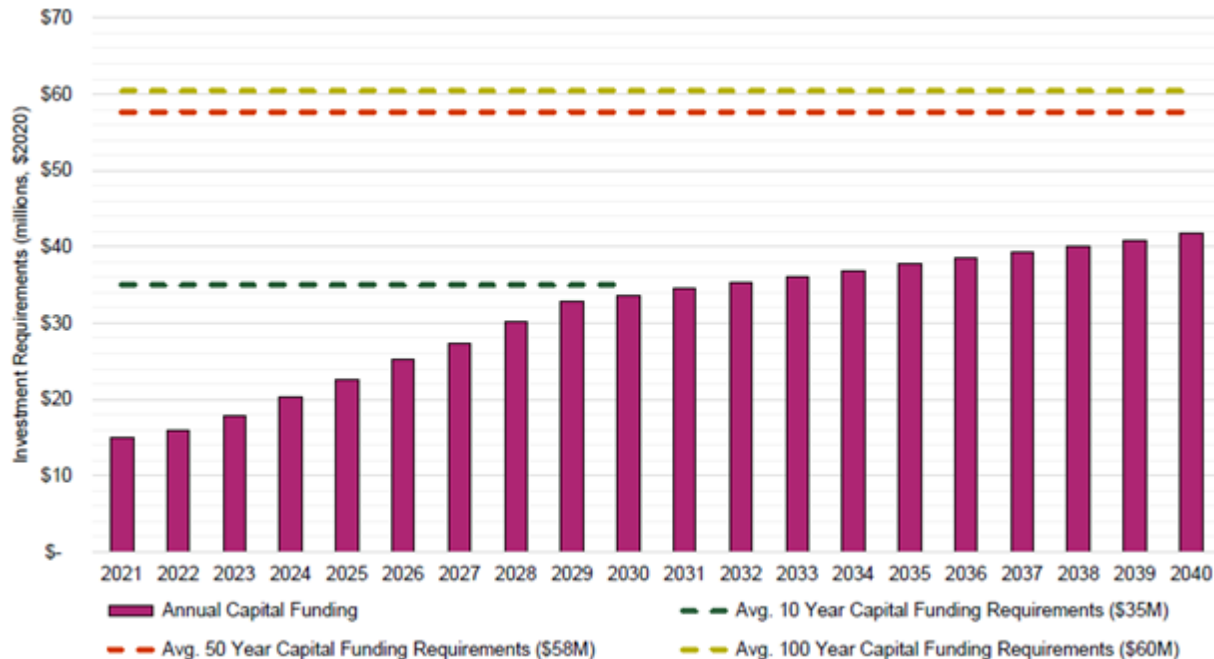
The Town's Corporate Asset Management Plan (AMP) was updated in 2021 to include all core infrastructure (roads, bridges and stormwater) and was reported to Council through staff report CORS-038-21.

The 2021 AMP included a lifecycle funding analysis that considered current lifecycle management strategies, levels of service, condition assessments, replacement costs, and risk management strategies. The analysis projects a comparison of the Town's financial

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capacity to the funding requirements needed to maintain existing core infrastructure assets in a state of good repair using established lifecycle strategies as shown in the figure below.

Figure 3 - Non-Growth Infrastructure Financing to Lifecycle Funding Requirements - Transportation and Stormwater (millions, 2020\$)

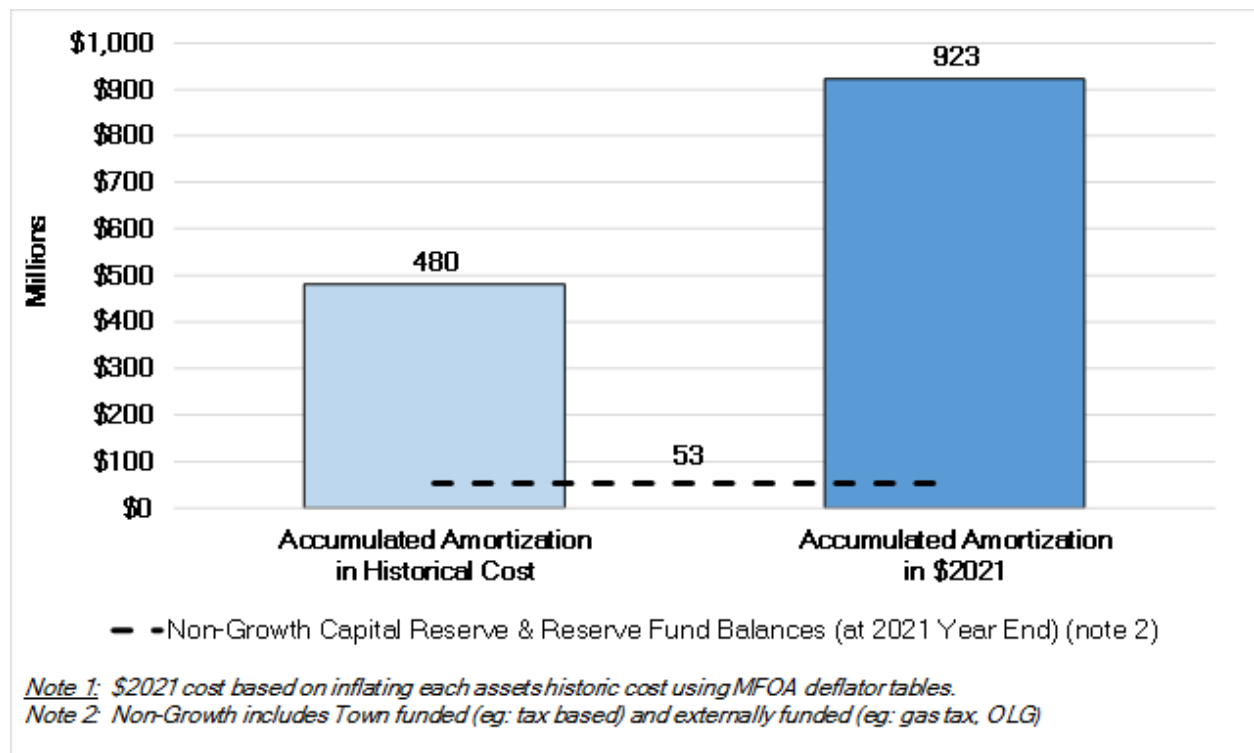


Although the 2021 AMP focused solely on core infrastructure assets it reaffirms an annual infrastructure funding deficit throughout the planning horizon. The financial strategies taken in recent years are expected to ensure that the deficit will not increase as the Town grows and highlights the long-term importance of the \$1.0 million incremental annual contribution where the majority goes to fund core infrastructure asset renewals. Even with these financial measures, an annual deficit is projected at the end of the horizon and additional forms of mitigation will be required.

Another method of reviewing the degree to which the Town is setting aside funds for future rehabilitation is to compare the capital replacement reserve and reserve fund balances to the accumulated amortization on the Town's assets (i.e. the degree to which existing assets have aged). These figures are depicted on the following graph, and suggest that additional contributions to capital reserve are required for the Town's existing assets based on the service levels currently provided. Although other financing tools (example debt or future contributions) will be available as a part of the funding strategy, the differences noted below exceed the current Provincially mandated and Council established debt capacity limits.

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Figure 4 - Measure of Infrastructure Renewal Funding Status



Council Staff Work Plan

A Council-Staff Work Plan for the years 2020-2023 was approved through staff report ES-009-20. The plan is the road map for how the Town of Milton continues to accommodate growth while ensuring the financial sustainability of the organization and the community. Due to the multi-year nature of many of the growth related initiatives included in the plan, budget approval has already occurred and the financial impacts and funding have been incorporated into the operating and capital budget and forecasts for several items. Additional or new funding requests will be presented where required as the various initiatives proceed to finalization or when the scope and expected outcomes have been further defined.

Service Delivery Reviews

The Town of Milton has undertaken a number of initiatives with a focus on service review and efficiency. The status of these reviews include:

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1. Transit Master Plan - results were presented through report ENG-021-19 and an update is scheduled for 2023.
2. Service Delivery Review Phase 1 (Community Services) - results were presented through report ES-015-19.
3. Administrative Monetary Penalty System (AMPS) - results presented through CORS-008-20.
4. Service Delivery Review Phase 2 (Corporate Services) - results were presented through CORS-063-20.
5. Fire Master Plan - results presented through ES-003-21.

The scope of these reviews will continue to strike an appropriate balance between leveraging non tax-based revenue sources, revising service levels, raising property tax revenues, and proactively identifying and implementing process efficiencies.

Human Resources

The Town of Milton's full time staff complement is notably lower than that of comparator municipalities. The Town also has a higher reliance on contractors and part time staffing in several service areas. These factors influence the way in which services can be delivered, and also affect the levels of service that can be provided to a growing community.

Annually staffing level requirements are reviewed with consideration for Town goals and priorities as well as existing service levels and pressures. Performance measures are also assessed in relation to new staffing needs. In recent budget years due to financial pressures, a limited number of positions have been added and previously forecasted needs have been deferred. The 2023 operating budget forecast presented herein includes a provision to address only some of the highest priority staffing requirements, such as some of the staffing requirements as outlined in the Fire Master Plan. However, this leaves a number of the priorities and risks that were identified in previous staffing reports to Council outstanding. Should the Town be unable to achieve adequate staffing levels it may result in impacts to the pace of growth in certain service areas.

Other Revenue Sources

Aside from property taxes, user fees and service charges provide a significant portion (21.5%) of the Town's overall revenues each year. Other sources of revenue that the Town of Milton proactively pursues to help manage the overall tax pressures include items such as, but not limited to: external grants, investment income and cost recovery agreements with external organizations. As many of these sources are either frozen or stagnant and do not increase with inflation and growth the Town faces ongoing pressures in trying to meet the requirements of a growing community.

Discussion

Through effective management of Town user fees, which includes indexing annually by the Municipal Price Index (MPI), fees are charged to the direct users of many Town services to cover part or all of the costs of providing these services. Aside from annual inflation, comprehensive studies are also undertaken periodically to compare the effective rates to the related cost (via activity based costing), as well as to benchmark the Town's rates to its peers. The latest comprehensive study on the Town's user fees, excluding recreation and transit, was completed in 2022 and is also on tonight's agenda through staff report CORS-058-22. Recommended increases to fees are expected to generate approximately \$500,000 in additional revenue for the Town.

Furthermore, many of the rates and fees within the forecast will be indexed in 2023 using the MPI for expenditures of 5.9% (see Appendix B for details with respect to MPI). It should be noted that recreation fees are recommended to be indexed at a lower amount of 3.0%. Although this will translate into pressure on the tax levy, staff recommend this approach as it considers the expected increases for peer municipalities. A comprehensive review of the recreation and transit fees is scheduled for the next term of Council where these fees will be reviewed against the cost of service, targeted cost recoveries and market comparators with any fee adjustments recommended in this area being brought forward to Council for approval.

2023 Operating Budget and Forecast

Through the 2022 Operating and Capital Budget staff completed an operating budget forecast for the pressures anticipated in 2023 and 2024. Based on the assumptions at the time, staff were projecting a significant tax levy pressure to the Town portion of the tax bill in those years. The major drivers of the forecast included:

- Inflationary impacts to maintain existing levels of service
- Funding to gradually reduce the infrastructure deficit.
- Extending services to new growth areas including the Boyne Secondary Area.

Staff will continue to revise the forecast throughout the budget process. However, based on new information and analysis undertaken through the first two quarters of 2022 some of the more significant adjustments to the forecast include:

- Higher than anticipated inflationary pressures
- Delayed timing of assessment growth

Including the assumptions previously mentioned, the projected pressures equate to a 12.40% tax rate change in 2023 and 8.31% in 2024. Put another way, the revised forecast is currently projecting a tax pressure equivalent to \$33.73 per \$100,000 of residential assessment in 2023 and a further \$25.41 in 2024. These amounts are relative to the existing annual cost of \$272 per \$100,000.

Discussion

The following table provides a summary of the primary drivers impacting the 2023 and 2024 forecast (with further detail provided in Appendix C).

Component	2023 Net Levy Impact \$ (000's)	2023 Residential Tax per \$100K of Assessment	2023 Residential Tax % Change	2024 Net Levy Impact \$ (000's)	2024 Residential Tax per \$100K of Assessment	2024 Residential Tax % Change
Prior Year Tax Levy	\$ 79,686	\$ 271.97		\$ 91,153	\$ 305.71	
Inflation & Base Adjustments:						
Inflation (MPI)	\$ 5,665	\$ 19.00	6.99%	\$ 3,555	\$ 11.40	3.73%
Non-recurring & Reversal of One-Time Transfers	\$ 477	\$ 1.60	0.59%	\$ -	\$ -	0.00%
Service Enhancements	\$ 120	\$ 0.40	0.15%	\$ 285	\$ 0.91	0.30%
Infrastructure Deficit	\$ 1,000	\$ 3.35	1.23%	\$ 1,000	\$ 3.21	1.05%
Other Base Adjustments	\$ (613)	\$ (2.05)	-0.76%	\$ 333	\$ 1.07	0.35%
Total Inflation & Base Adjustments	\$ 6,649	\$ 22.30	8.20%	\$ 5,173	\$ 16.59	5.43%
Growth Related:						
State of Good Repair for Constructed & Assumed Assets	\$ 1,286	\$ 4.31	1.59%	\$ 2,299	\$ 7.37	2.41%
Expanding Service to Growth Areas	\$ 1,695	\$ 5.68	2.09%	\$ 3,334	\$ 10.69	3.50%
Other Growth-Related Impacts	\$ 1,837	\$ 6.16	2.27%	\$ 1,268	\$ 4.07	1.33%
Total Growth Related	\$ 4,818	\$ 16.16	5.94%	\$ 6,901	\$ 22.14	7.24%
Total Increase in Levy	\$ 11,467	\$ 38.46	14.14%	\$ 12,075	\$ 38.73	12.67%
Total Tax Levy	\$ 91,153	\$ 310.43		\$ 103,228	\$ 344.44	
Estimated Assessment Growth (net of reductions)**	\$ (1,408)	\$ (4.72)	-1.74%	\$ (4,154)	\$ (13.32)	-4.36%
Forecasted Net Tax Levy Increase Required	\$ 10,059	\$ 305.71	12.40%	\$ 7,921	\$ 331.11	8.31%

* Based on 2022 CVA values per 2022 Final Tax Levy By-law, CORS-028-22. Through the annual tax setting bylaw tax rates are re-calculated each year using current year assessment values.

** This is the amount net of anticipated losses from Assessment Review Board appeals, Request for Reconsiderations, and Section 357 Applications (tax class changes, properties razed by fire, etc.).

When potential changes to the Region and Educational portion of the property tax bill are considered, the total potential impact to ratepayers is estimated as follows:

		2023	2024
Town Tax Rate Pressure	\$ Change	\$33.73	\$25.41
	% Change	12.40%	8.31%
Overall Tax Rate Pressure*	\$ Change	\$42.08	\$32.58
	% Change	5.98%	4.37%

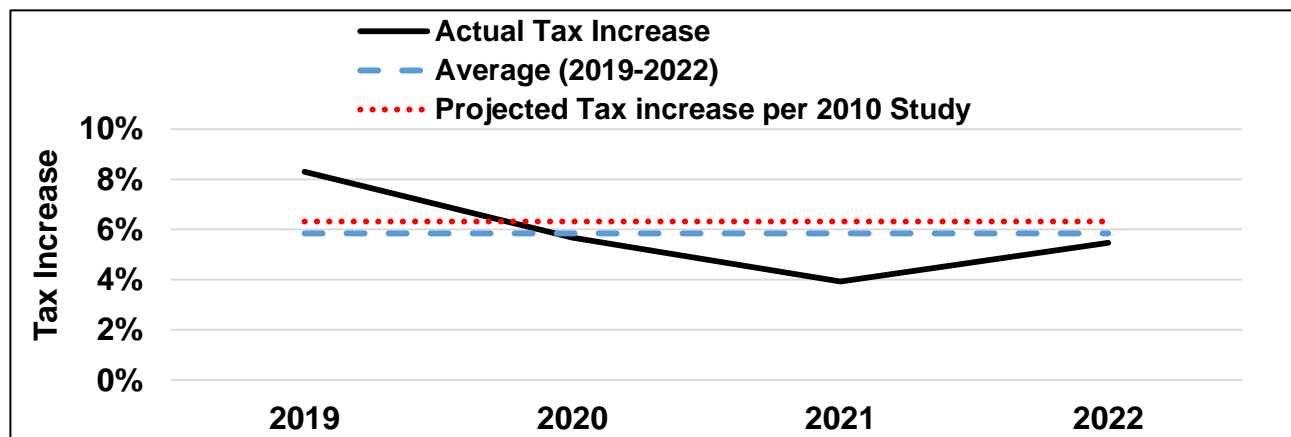
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* Includes estimated Town, Regional and Educational portion of the property tax bill. Estimated Regional changes are based on Region report FN-26-22, estimated Educational portions are held constant consistent with reports FN-13-22 and CORS-028-22.

Long Term Fiscal Impact Study

Tax rate increases during the most recent term of Council have averaged 5.85%, which is slightly below the average pressure of 6.32% that had been previously forecasted in the 2010 Fiscal Impact Study (FIS).

Figure 5 - Annual Local Tax Rate Change

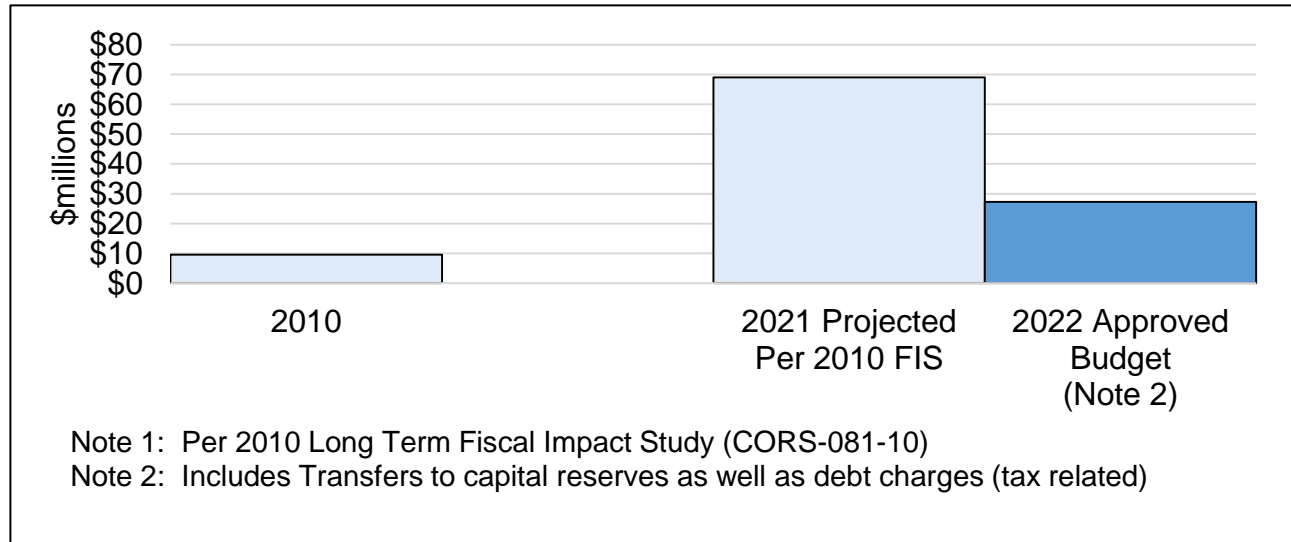


Over the entire period since the 2010 study, the average tax rate increase equalled 4.69%. As a result, and when combined with the Town's assessment growth results for the period, the Town's tax levy generated \$73.8 million in revenue by 2021, as compared to the \$117.3 million originally forecasted in the 2010 FIS.

The majority of the differential between projections from the fiscal impact studies and the actual tax levy changes can be attributed to the amount of funding transferred to capital reserve annually to fund future rehabilitation and replacement. As illustrated in the following graph, the Town's capital funding from the tax base was projected to increase from \$9.5 million in 2010 to \$69.0 million by 2021. The actual tax supported capital funding has increased to \$27.3 million in 2022, with 75% of that growth occurring since 2017.

Discussion

Figure 6 - Capital Funding from Tax Base



As the Town's asset base is still relatively young, a shortfall in funding will impact the Town's ability to rehabilitate and replace aging assets in the future.

An updated Fiscal Impact Study was prepared in 2021 (CORS-056-21) that considered growth to 2041. The analysis showed that financial pressure on the Town and its taxpayers will continue as existing shortfalls continue to be addressed and expansion of services continues to new urban areas. An annual average tax rate pressure of 4.3% between 2021 and 2041 was projected, including an initial pressure averaging 5.5% for the first 10 years of the forecast due to additional investments towards the infrastructure deficit, as well as the fire and transit service master plans. The projected capital investment over the period 2021 to 2041 amounted to \$3.3 billion, along with gross operating costs that were expected to grow to \$310 million per year. Any increases in service levels during this period would translate to additional financial pressures above the figures noted above.

Budget vs Actual Variance Trend

As shown in the table below, over the previous five years the year-end operating expenditures have been within 3.0% of the approved net budget and 1.4% of the approved gross budget. The surplus in 2020 and 2021 has been higher than average variances experienced over the past five years largely due to organization-wide cost containment efforts, coupled with provincial and federal funding received related to specific COVID-19 impacts. These recent mitigation opportunities do not represent a trend that is expected to continue in the long term as the demands on programs, facilities and transit recover and expand with the Town's growth.

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Figure 7 - 5-Year Historical Net Budget Variance Trend

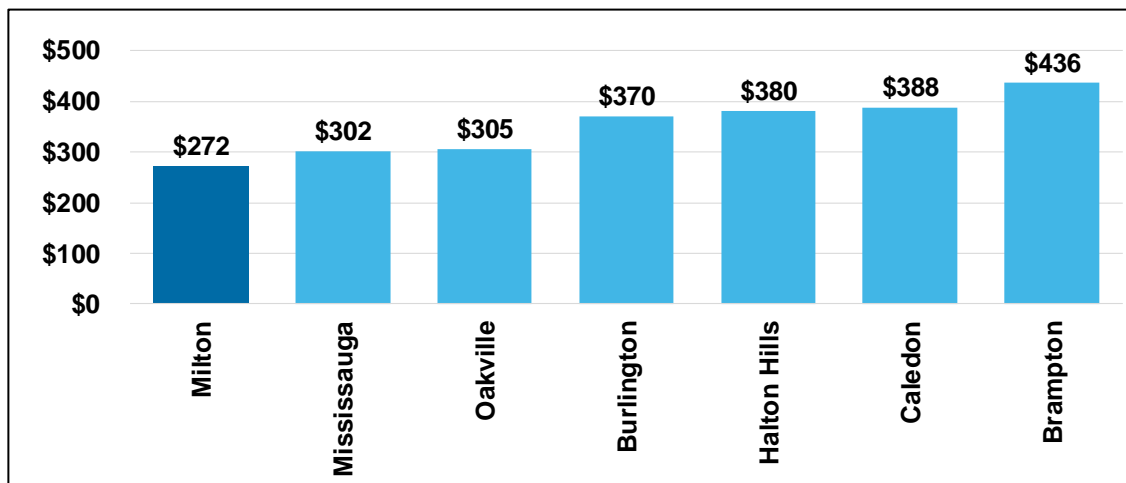
	2017	2018	2019	2020	2021	Average
Variance (\$Millions)	\$0.92	\$1.40	\$1.22	\$1.85	\$4.45	\$2.0
% Variance to Net Budget	1.8%	2.4%	1.9%	2.7%	6.0%	3.0%
% Variance to Gross Budget	0.8%	1.1%	0.9%	1.3%	3.0%	1.4%

*Positive variance represents a favourable variance and a negative variance represents an unfavourable variance.

Comparing Milton's Taxes to Other Local Municipalities

When comparing Milton's local taxes and overall tax bill (including Town, Region and Education portions) to surrounding municipalities, Milton continues to have the lowest tax rates. As shown below Milton's 2022 approved local portion of the tax bill is \$272 per \$100,000 which is \$92 lower (25%) than the average of the surrounding municipalities.

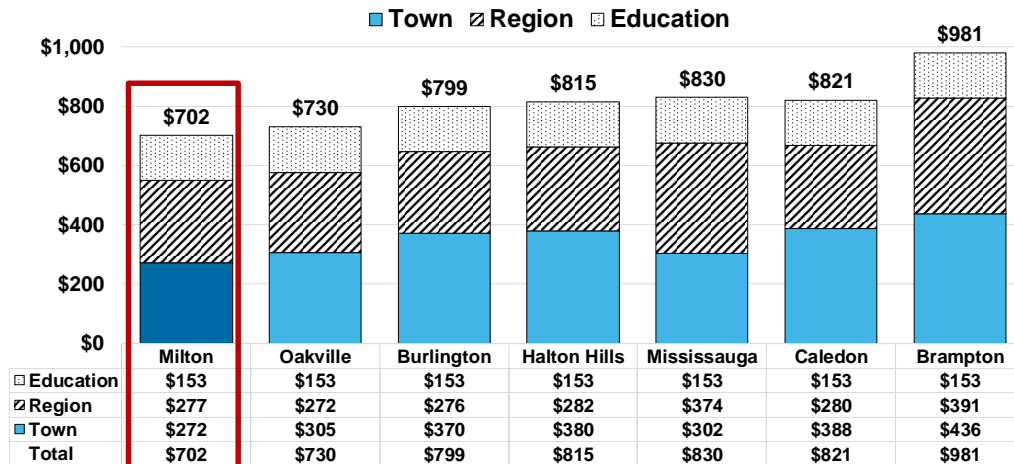
Figure 8 - 2022 Local Residential Tax Comparison (per \$100,000 of assessment)



When reviewing the 2022 total approved tax bill, an average resident in Milton will pay \$702 per \$100,000 of assessment which is the lowest of the surrounding municipalities.

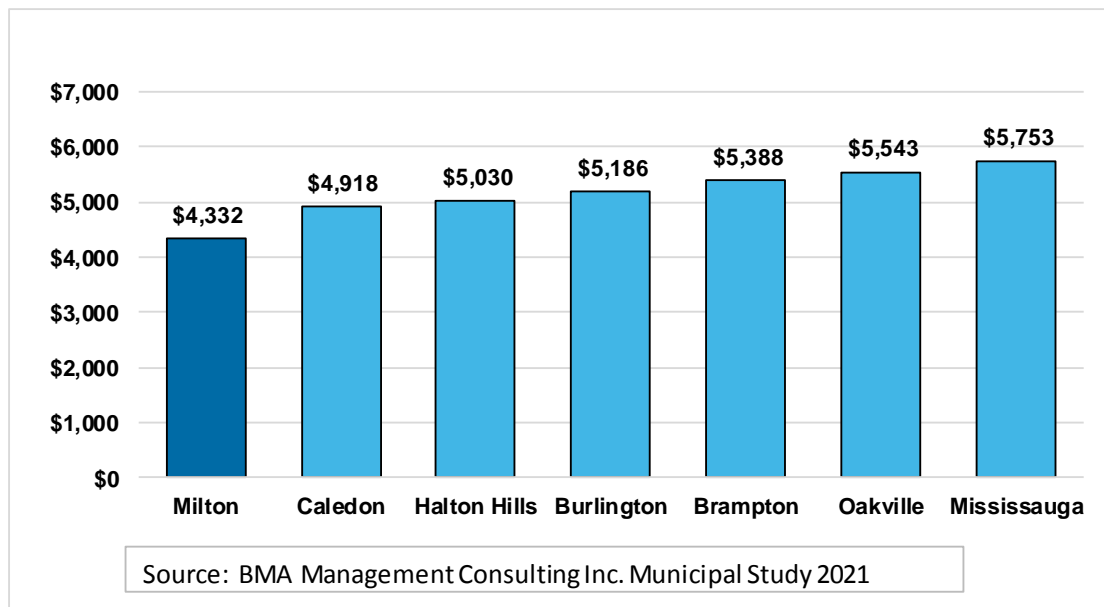
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Figure 9 - 2022 Total Property Taxes (per \$100,000 of assessment)



Each of the above graphs considers property taxes relative to \$100,000 of residential assessment, and therefore does not capture differences in assessment values between municipalities. The following graph considers these differences, and shows that Milton's residential property taxes (local, regional and education) for a 2 storey home are 18% lower than the comparator group.

Figure 10 - 2021 Residential Property Taxes for a 2 Storey Home

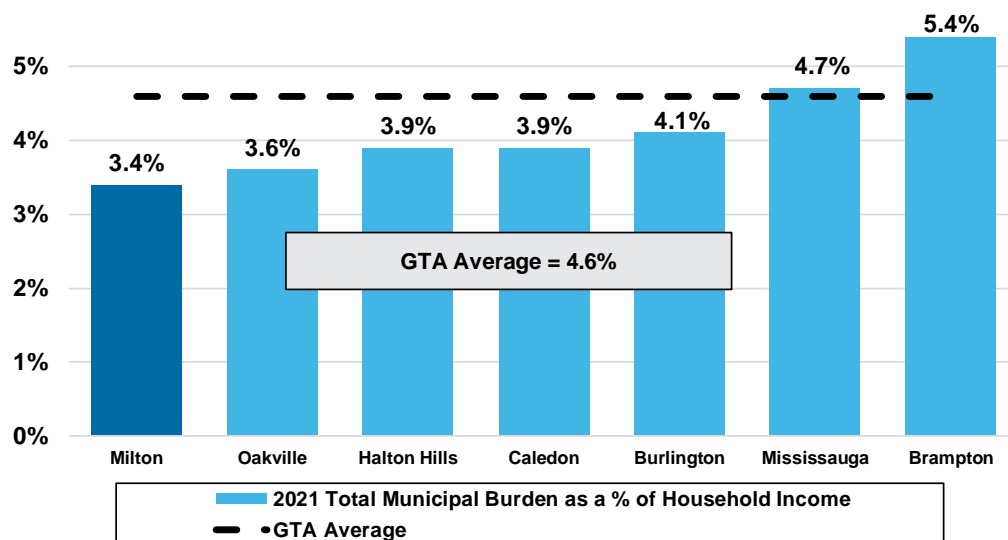


Affordability

Each year BMA Management Consulting completes a municipal comparative study on behalf of over 100 participating Ontario municipalities. Included in the study are various indicators and metrics to help evaluate a municipality's financial condition including an analysis of affordability where property taxes are calculated as a percentage of household income.

In terms of the total tax burden which includes property taxes for the local, region and education portion of the tax bill along with water and wastewater rates Milton is second lowest when compared to the other participating Ontario Municipalities and is the lowest in the GTA.

Figure 11 - 2021 Total Municipal Burden as a % of Household Income



Source: 2021 BMA Municipal Study, Page 468.

Non-residential Comparisons

In addition to the residential comparisons above, the Town needs to remain mindful of its relative standing with respect to non-residential competitiveness. The following tables present the industrial and commercial tax rates for the same comparator group as noted above, and show that for 2022 Milton's commercial tax rate is lower than the comparator group, while the industrial rate represents approximately the average of the comparator group.

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Figure 12 - 2022 Commercial Tax Rate Comparison (per \$100,000 of assessment)

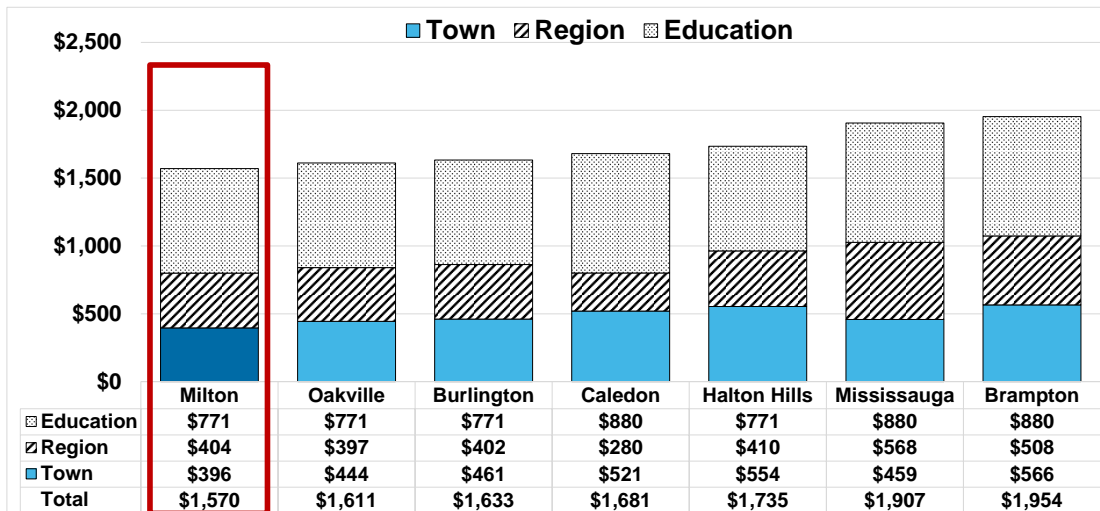
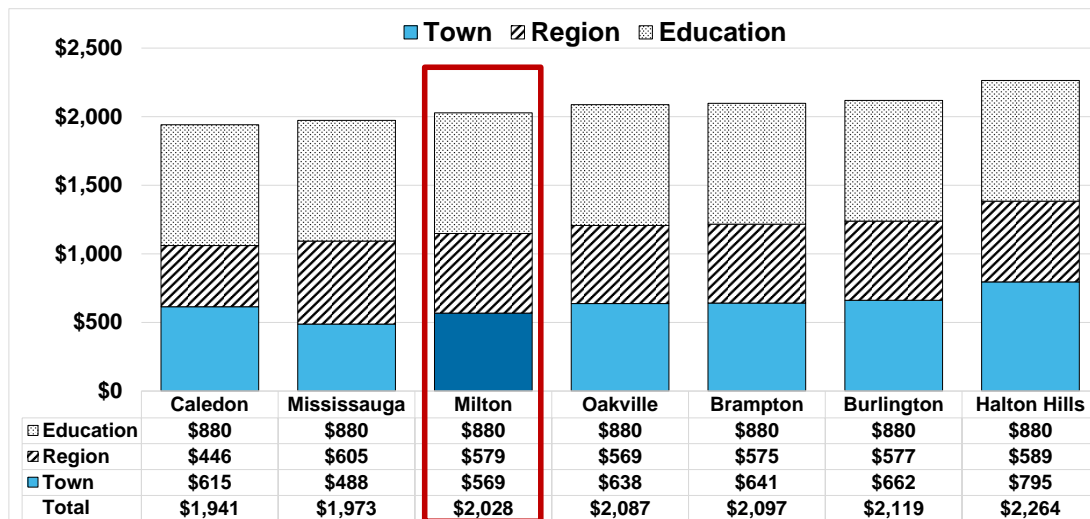


Figure 13 - 2022 Industrial Tax Rate Comparison (per \$100,000 of assessment)



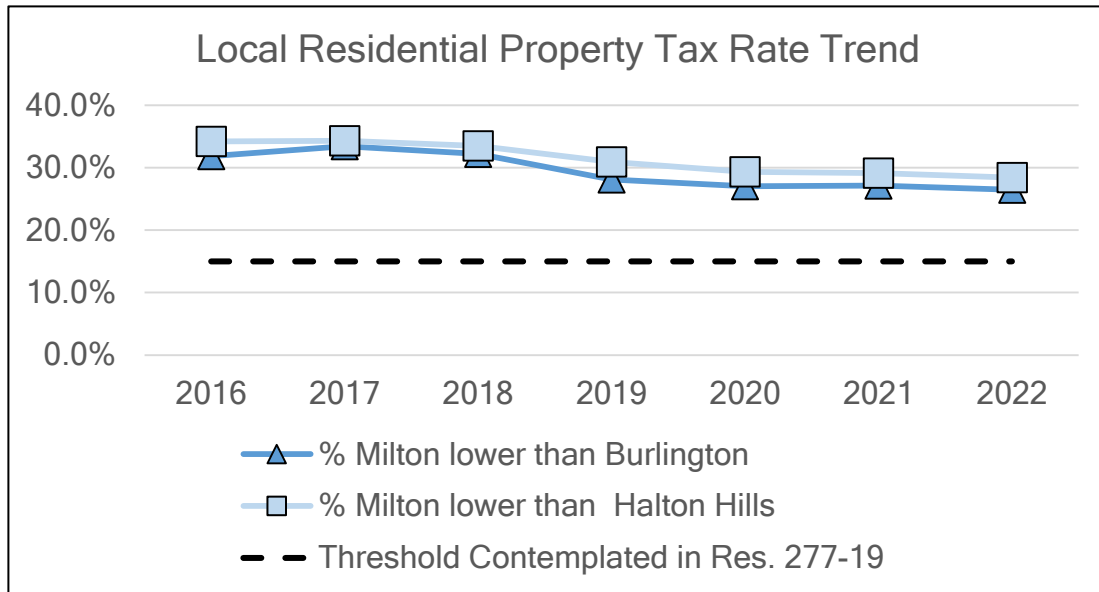
Multi-Year Trend

In 2019 through resolution 277-19 and in consideration a multi-year strategy presented through report CORS-072-19, direction was provided for annual reporting through the budget process with respect to the Town's positioning relative to two of its neighbouring municipalities. The following graph provides that reporting in the context of the 15% threshold considered in that resolution and report. It shows that in 2022, after a declining

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trend from 2016 to 2021, Milton's local tax rate is 26.5% lower than that of Burlington and 28.4% lower than that of Halton Hills.

Figure 14 - Annual Reporting for Resolution 277-19



Recommendations & Alternatives

With a Municipal Election in October of 2022, it is recommended that the cost of existing services be presented to the incoming Council, along with options to mitigate the potential tax rate impact, for the budget deliberations scheduled in January 2023. As a part of the budget process annually, staff look to identify opportunities to manage the tax rate pressure, including the following potential strategies:

- defer service enhancements and new capital projects;
- review other revenue sources;
- reduce or modify existing service levels or delivery methods;
- consider alternative financing strategies (example - utilization of reserves).

Given the degree of inflationary pressure that will impact this budget year specifically (in addition to the pressures that were previously forecasted through the fiscal impact studies and other processes), the review of these alternatives will be an especially important aspect of the budget process.

Discussion

Council can always choose to provide an alternate or amended direction to staff as a part of the consideration of the 2023 Budget Call report. Any direction received will be reflected into the Proposed Budget document that will be presented by staff in Q4 2022.

Timetable

Staff across the organization are preparing detailed estimates for the capital and operating budgets and forecasts. Budget packages are scheduled to be available publicly in November in order to support Council in its preparation for budget deliberations. Of particular note is that the Town will be transitioning to a fully digital budget package in 2023 as hard copies will no longer be distributed.

In accordance with the approved Council meeting calendar for 2022, budget presentation and public delegations will occur on December 12 with Council deliberations scheduled for January 2023, due to the election. A summary timetable with important budget deadlines is included as Appendix D to this report.

Financial Impact

As staff develop the annual budget, detailed program and service estimates will be refined as information becomes available and further analysis is undertaken. Opportunities to manage the timing of the pressure on the tax levy will also be identified.

The budget pressures for the years 2023 and 2024 result from inflationary impacts, the expansion of services to new areas, the fire master plan implementation and the infrastructure deficit, amongst other items. Current estimates suggest that the cost to maintain existing services to current and growth areas would result in a tax pressure of 12.40% on the Town portion of property taxes. This figure is higher than previously forecast through the Fiscal Impact Study and 2022 Budget process, in part due to the significant degree that inflation rates are escalating in a number of sectors.

As shown in the following table, combining a 12.40% increase in the Town portion with the potential 2023 increase to the Region and School Boards would result in an impact on the total tax bill of 5.98% or \$42.08 per \$100,000 of assessment.

Financial Impact

*Potential Pressure on the Total Tax Bill per \$100,000 of Residential Assessment**

	Share of Tax Bill	2022 Taxes	2023 Increase	2023 Taxes	\$ Impact on Total Tax Bill	% Impact on Total Tax Bill
Milton Services	34.53%	\$227.76	13.02%	\$ 257.42	\$29.66	4.22%
Fire Services	6.48%	\$44.21	9.22%	\$ 48.29	\$4.08	0.58%
Total Milton	41.00%	\$271.97	12.40%	\$ 305.70	\$33.73	4.79%
Regional Services	24.14%	\$174.72	3.00%	\$179.96	\$5.24	0.74%
Police Services	14.34%	\$103.77	3.00%	\$106.88	\$3.11	0.44%
Total Region of Halton**	38.47%	\$ 278.49	3.00%	\$ 286.84	\$8.35	1.19%
Education***	20.52%	\$ 153.00	0.00%	\$ 153.00	\$0.00	0.00%
Total	100.00%	\$ 703.46	5.98%	\$745.54	\$42.80	5.98%

* Cost per \$100,000 of residential assessment are derived using the assessment values & tax rates from the 2022 tax by-law (CORS-028-22). These values will be re-stated following budget approval using the finalized 2022 assessment figures from the returned assessment roll.

** Estimated 2023 increase per Region of Halton 2023 Budget Directions, FN-26-22 (includes enhanced waste service for urban area). Final impact may be different subject to Regional Council approval.

*** Consistent with recent experience, the 2023 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 2023 rates by the Province.

Milton's tax rates and affordability are currently amongst the lowest in the GTA and province and well below the Town's neighbouring municipalities.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Jennifer Kloet, Manager,
Financial Planning & Policy

Phone: 905 878 7252
Ext. 2216

Attachments

Appendix A - Public Input Results
Appendix B - 2023 Municipal Price Index
Appendix C - 2023 and 2024 Operating Budget Pressure Details
Appendix D - 2023 Budget Timetable

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.