



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: May 8, 2023

Report No: CORS-025-23

Subject: Capital and Operating Financial Statements - March 2023

Recommendation: **THAT report CORS-025-23 covering the capital and operating financial statements as at March 31, 2023, be received for information.**

EXECUTIVE SUMMARY

Capital and operating financial statements as at March 31, 2023 are attached for informational purposes.

REPORT

Background

In accordance with the approved Budget Management Policy (policy no. 113), the attached financial statements are being submitted for informational purposes to report on the capital and operating budgets as at March 31, 2023.

Discussion

The attached financial statements are provided for information purposes. A detailed review and report on variances to budget is completed for the month ends of May, September and December for the Operating fund and June and December for the Capital fund.

With respect to the Operating Budget, the net balance of the operating fund increased by \$25.0 million largely reflective of the interim property tax billings issued in February, which were partially offset by investments made in service delivery. Staff continue to monitor areas of potential increased financial pressures in 2023 including the recent announcement by the Province of a further minimum wage increase effective October 1 as well as increased pressure on rates as contracts are renewed, such as locate services. The financial impact associated with any increases in contractual rates is dependent on volume of activity and, as such, the actual impact will be monitored and reported on as the year progresses. A 2022 dividend reconciliation payment in the amount of \$3.3 million was received from Milton Hydro following Board approval in March 2023. These funds will be transferred to reserve in accordance with Treasury Policy No. 116 and used to manage



Discussion

budget relative to actual dividend income from Milton Hydro in 2023 and future years. A re-forecasted year end operating position will be reported to Council in July as part of the May Operating Variance report.

The Capital Budget has seen \$6.3 million invested in infrastructure during the first three months of the year and ended the first quarter with 51% of the available budget spent to date (before commitments). Significant tender awards that have been made to date in 2023 include the tender for the Fifth Line Reconstruction - Derry to Main (\$16.5 million), asphalt overlay program (\$7.1 million), Appleby Line Phases 1 and 2 reconstruction (\$2.7 million) and the expanded asphalt program (\$2.6 million). Spending from these awards will be reflected in the statements as progress payments are made or payment upon delivery has occurred.

Financial Impact

These statements reflect entries booked to the end of March 2023. The statements are presented on a cash basis and therefore exclude accruals.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Jennifer Kloet

Phone: 905-878-
7252 Ext. 2216

Attachments

Appendix A: Capital and Operating Financial Statements as at March 31, 2023

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.