



CITY OF **M**ILTON
 a community since 1838

Office of the Finance Director/Treasurer

To: Milton Common Council
 Anissa Welch, City Mayor
From: Dan Nelson, Finance Director/Treasurer
Date: November 1, 2016
Subject: Budget document explanation

Discussion

There are several documents that are attached and the hope of this summary is to explain what each page is communicating:

Budget History Original & amended 2016 budgets and requested 2017 budget (pg. 1-2)

This shows the original 2016 budget as approved in December 2015. The amended budget includes all budget amendments that have been made (includes mainly the Fire Department adjustments). The requested budget indicates the requests for 2017 which includes the list of items on the attached document titled “2017 increases/decreases to explain levy increase.” We have finalized property insurance, liability insurance and audit fees in the amended budget. The following is a list of the non-profit requests:

	2013	2014	2015	2016	Requested 2017
Historical Society	\$ 11,600	\$ 10,000	\$ 10,000	\$ 10,000	\$ 13,000
Gathering Place	\$ 9,000	\$ 10,000	\$ 15,000	\$ 10,000	\$ 12,000
Milton College	\$ 500	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000
YMCA	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Milton Youth Coalition	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
MACC	\$ 8,424	\$ 1,813	\$ 1,964	\$ 1,964	\$ -
	\$ 32,024	\$ 24,813	\$ 30,464	\$ 25,464	\$ 28,500

In order to qualify for expenditure restraint in 2018, approximately \$15,000 needs to be reduced from the 2017 budget. We are still waiting on finalizing health insurance costs and the assessor contract.

Capital requests (pg. 3)

This document outlines which capital requests were included in the preliminary 2017 budget request and those that were excluded. The items on all the lists can be modified. The furnace replacement on the PD side have been added because of their existing condition.

2017 Increases/decreases to explain levy increase (pg. 4)

This provides guidance as to what items are causing a change when compared to the original 2016 budget. This covers all the major items and are broken out into 5 categories: Revenues, Required Increases, Operational Changes, Non-Profit Requests, Employee Relations, and Library Allocation. Staff has also indicated cuts or new revenues that have been included in the 2017 request in order to lower the required tax levy.

Actual and Budget History (pg. 5-6)

This is very similar to the “Budget History Original & amended 2016 budgets and requested 2017 budget” but includes historical actual amounts from 2013 – October 2016.

City of Milton
Budget History - Original & amended 2016 budgets
and requested 2017 budget

	Original Budget 2016	Amended Budget 2016	Requested Budget 2017	\$ Change from Original 2016 Budget	Change
Revenue					
Property tax collections	3,140,725	3,140,725	3,140,944	219	0.01%
Other taxes	-	-	-		#DIV/0!
Tax equivalant	175,000	175,000	190,000	15,000	8.57%
Special assessments	-	-	-	-	#DIV/0!
Intergovernmental revenue	1,049,700	1,049,700	1,042,123	(7,577)	-0.72%
Licenses and permits	112,300	112,300	112,500	200	0.18%
Fines, Forfeits and penalties	56,000	56,000	56,000	-	0.00%
Public charges for service	19,800	19,800	20,300	500	2.53%
Intergovernmental charges	74,084	74,084	110,104	36,020	48.62%
Interest Income	15,274	15,274	19,474	4,200	27.50%
Rental Income	5,000	5,000	5,600	600	12.00%
Miscellaneous revenue	14,150	17,150	13,000	(1,150)	-8.13%
Transfer in	12,500	12,500	-	(12,500)	-100.00%
	4,674,533	4,677,533	4,710,045	35,512	0.76%
General Government					
Mayor/Council	18,320	18,320	18,320	-	0.00%
Municipal Court	72,758	72,758	76,660	3,902	5.36%
Legal	57,500	72,500	64,700	7,200	12.52%
Municipal Building	26,800	26,800	26,800	-	0.00%
City Hall	349,031	350,031	355,066	6,035	1.73%
Elections	10,500	10,500	6,000	(4,500)	-42.86%
Assessor	28,500	28,500	57,500	29,000	101.75%
Insurance	91,000	91,000	93,907	2,907	3.19%
City office expenses	28,950	27,950	28,950	-	0.00%
Recinded taxes/writeoffs	-	41,440	-	-	#DIV/0!
Retiree/OPEB	40,650	155,184	33,000	(7,650)	-18.82%
Information technology	40,000	40,000	38,200	(1,800)	-4.50%
Flex spending administration	1,500	1,500	1,500	-	0.00%
Miscellaneous	-	-	-	-	#DIV/0!
Contingency	100,000	48,583	85,289	(14,711)	-14.71%
	865,509	985,066	885,892	20,383	2.36%
Public Safety					
Law Enforcement	1,099,049	1,099,049	1,145,674	46,625	4.24%
Crossing Guards	18,300	16,577	14,802	(3,498)	-19.11%
Code Enforcement	30,935	30,935	31,483	548	1.77%
Fire Protection	293,251	293,251	316,511	23,260	7.93%
Ambulance	-	-	-	-	#DIV/0!
	1,441,535	1,439,812	1,508,470	66,935	4.64%

City of Milton
 Budget History - Original & amended 2016 budgets
 and requested 2017 budget

	Original Budget 2016	Amended Budget 2016	Requested Budget 2017	\$ Change from Original 2016 Budget	Change
DPW					
Inspection	22,350	22,350	22,551	201	0.90%
Mass Transit	-	-	-	-	#DIV/0!
DPW Administration	71,394	49,394	73,436	2,042	2.86%
Engineering	2,500	2,500	2,500	-	0.00%
City Garage	48,050	48,050	45,550	(2,500)	-5.20%
Public Safety Building/Vehicles	11,882	11,882	12,030	148	1.25%
Community House	5,070	5,070	5,070	-	0.00%
Shaw Building	-	-	-	-	#DIV/0!
Street Maintenance	430,366	448,366	401,583	(28,783)	-6.69%
Snow and Ice Removal	71,700	71,700	70,700	(1,000)	-1.39%
Traffic Signs	24,300	24,300	24,300	-	0.00%
Street Lights	75,600	75,600	75,600	-	0.00%
Sidewalks	-	-	-	-	#DIV/0!
Weed & Nuisance Control	-	-	-	-	#DIV/0!
Recycling	7,300	7,300	6,500	(800)	-10.96%
	770,512	766,512	739,820	(30,692)	-3.98%
Health & Human Services					
Animal & Insect Control	-	-	-	-	#DIV/0!
Code Enforcement	-	-	-	-	#DIV/0!
Cemetery	6,025	6,025	6,025	-	0.00%
	6,025	6,025	6,025	-	0.00%
Culture, Recreation, & Education					
Donations	23,500	23,500	28,000	4,500	19.15%
Parks	224,877	228,877	229,198	4,321	1.92%
Recreation	12,077	12,077	12,077	-	0.00%
Celebrations	4,850	7,850	4,850	-	0.00%
Historic preservation allocation	2,540	4,040	2,540	-	0.00%
Planning	5,100	5,100	5,100	-	0.00%
Economic Development	7,000	7,000	5,036	(1,964)	-28.06%
	279,944	288,444	286,801	6,857	2.45%
Expenditures before transfers	3,363,525	3,485,859	3,427,008	63,483	1.89%
Transfers					
Debt Service	893,000	893,000	857,000	(36,000)	-4.03%
Other funds	-	-	-	-	#DIV/0!
Capital	105,500	105,500	122,500	17,000	16.11%
Capital lease payment	66,304	66,304	38,700	(27,604)	-41.63%
Library Fund	246,204	246,204	264,837	18,633	7.57%
	1,311,008	1,311,008	1,283,037	(27,971)	-2.13%
Total general fund expenditures	4,674,533	4,796,867	4,710,045	35,512	0.76%

City of Milton Capital Items for 2017 budget

Capital requests included in Budget

Remaining amount for squad car	29,500
Tree replacement	8,000
One ton dump truck	55,000
Upgraded used bucket truck	36,000
Use of 2016 funds	(21,000)
3 replacement furnances	9,000
Barricade Trailer	6,000
	<hr/>
	122,500

Taken out of Budget

Air Conditioners on PD side	6,000
New Squad car	40,000
5 year lease on Plow Truck	32,000
Bucket Truck	60,000
Tool Cat	30,000
1/2 of Pickup truck with front plow & salter	21,000
Brush Chipper	35,000
Equipment Trailer	14,000
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	238,000

**City of Milton
General Fund
Explanation of Tax levy changes from 2016 budget**

Revenues

Property taxes	219
PILOT from water utility	15,000
Shared revenues	(1,789)
Expenditure Restraint payment (State Aid)	19,435
TID administration charges	36,104
Investment income	4,200
Transfer from sidewalk fund	(12,500)
Other	<u>(25,157)</u>
	35,512

Expenses

Required increases/(decreases)

Increase in WRS rates	12,724
Legal services & Legal contingency	7,200
Assessor services (estimated)	29,000
Step increases for PD union staff	1,602
Debt service	(36,000)
Payback to sewer fund for capital leases	<u>(27,604)</u>
	(13,078)

Operational changes

Library allocation	18,633
Police overtime	15,000
Part-time police officers	(9,517)
Elections	(4,500)
Fire Department allocation	23,260
Contingency	(14,711)
Roadway supplies (asphalt, etc.)	(29,050)
Retiree health insurance	(7,650)
City Hall training/conferences	(2,500)
Capital budget increase	17,000
Other	<u>9,883</u>
	15,848

Non-profit requests - Increases/(Decreases)

MACC direct contribution	(1,964)
Milton College	-
YMCA	-
Milton Youth Coalition	(500)
Historical Society	3,000
Gathering Place	<u>2,000</u>
	2,536

Employee Relations

1% wage adjustment for all employees	17,919
Increase in City portion of health insurance	4,941
Add'l 3% wage adjustment for lieutenants	4,870
Wage adjustment for municipal judge	<u>2,476</u>
	30,206

TOTAL INCREASE IN EXPENDITURES 35,512

Library Allocation

Wage & benefit adjustment due to Federal law change	10,307
Changes in insurance plans	4,800
Other labor (WRS, 1%, insurance, etc)	4,646
More time to clean building	10,140
Computer services	4,350
Budget year 2016 use of fund balance	7,950
Building expenses (utilities, maint)	(12,300)
Use of Library fund balance	(10,000)
County aid	<u>(1,260)</u>
	18,633

Expenditure Restraint

Current expenditures	3,853,045
Estimated Target	<u>3,838,256</u>
Over/ (Under) Target	14,789

City of Milton
Revenue and Expenses 2013 - Requested 2017 Budget

	Actual 2013	Actual 2014	Actual 2015	Actual thru Oct-31-16	Original Budget 2016	Amended Budget 2016	Requested Budget 2017	\$ Change from Original 2016 Budget
Revenue								
Property tax collections	2,472,181	2,528,686	2,728,535	3,140,727	3,140,725	3,140,725	3,140,944	219
Other taxes	-	-	-	-	-	-	-	-
Tax equivelant	186,895	174,638	194,377	-	175,000	175,000	190,000	15,000
Special assessments	3,500	-	-	-	-	-	-	-
Intergovernmental revenue	1,135,428	1,097,153	1,087,199	566,000	1,049,700	1,049,700	1,042,123	(7,577)
Licenses and permits	123,168	121,013	132,393	72,881	112,300	112,300	112,500	200
Fines, Forfeits and penalties	54,683	54,743	55,882	38,436	56,000	56,000	56,000	-
Public charges for service	47,345	31,128	8,076	24,741	19,800	19,800	20,300	500
Intergovernmental charges	61,028	70,427	47,320	44,097	74,084	74,084	110,104	36,020
Interest Income	27,591	17,611	14,202	25,650	15,274	15,274	19,474	4,200
Rental Income	5,230	13,498	5,588	5,930	5,000	5,000	5,600	600
Miscellaneous revenue	17,858	21,460	64,447	16,649	14,150	17,150	13,000	(1,150)
Transfer in	519,013	15,000	7,500	-	12,500	12,500	-	(12,500)
	4,653,920	4,145,357	4,345,519	3,935,111	4,674,533	4,677,533	4,710,045	35,512
General Government								
Mayor/Council	13,228	14,920	17,910	10,795	18,320	18,320	18,320	-
Municipal Court	65,877	65,404	66,428	50,026	72,758	72,758	76,660	3,902
Legal	51,664	57,968	61,232	47,321	57,500	72,500	64,700	7,200
Municipal Building	-	26,707	23,878	22,681	26,800	26,800	26,800	-
City Hall	329,887	298,932	344,961	284,648	349,031	350,031	355,066	6,035
Elections	2,741	15,587	4,140	7,408	10,500	10,500	6,000	(4,500)
Assessor	28,580	28,406	30,479	24,430	28,500	28,500	57,500	29,000
Insurance	74,535	62,658	66,160	92,704	91,000	91,000	93,907	2,907
City office expenses	19,989	28,978	25,692	16,853	28,950	27,950	28,950	-
Recinded taxes/writeoffs	8,178	67	12,611	41,413	-	41,440	-	-
Retiree/OPEB	28,077	21,413	16,681	136,785	40,650	155,184	33,000	(7,650)
Information technology	42,239	55,942	39,970	27,764	40,000	40,000	38,200	(1,800)
Flex spending administration	1,536	1,383	1,315	1,011	1,500	1,500	1,500	-
Miscellaneous	503	1,599	2,930	1	-	-	-	-
Contingency	24,126	7,649	-	-	100,000	48,583	85,289	(14,711)
	691,160	687,613	714,387	763,840	865,509	985,066	885,892	20,383
Public Safety								
Law Enforcement	1,088,240	986,451	1,007,935	819,869	1,099,049	1,099,049	1,145,674	46,625
Crossing Guards	-	10,158	12,268	8,183	18,300	16,577	14,802	(3,498)
Code Enforcement	24,307	16,547	27,851	23,251	30,935	30,935	31,483	548
Fire Protection	142,304	217,895	301,503	236,494	293,251	293,251	316,511	23,260
Ambulance	23,265	-	17,300	-	-	-	-	-
	1,278,116	1,231,051	1,366,857	1,087,797	1,441,535	1,439,812	1,508,470	66,935
DPW								
Inspection	12,181	12,174	17,748	15,139	22,350	22,350	22,551	201
Mass Transit	15,000	27,000	30,942	-	-	-	-	-
DPW Administration	181,412	156,600	154,272	127,214	71,394	49,394	73,436	2,042
Engineering	9,059	(347)	(53)	140	2,500	2,500	2,500	-
City Garage	133,475	66,643	35,143	21,936	48,050	48,050	45,550	(2,500)
Public Safety Building/Vehicles	8,307	20,370	42,463	9,129	11,882	11,882	12,030	148
Community House	5,999	6,046	3,767	2,868	5,070	5,070	5,070	-
Shaw Building	31,652	52,279	-	-	-	-	-	-
Street Maintenance	133,311	164,541	308,643	212,831	430,366	448,366	401,583	(28,783)
Snow and Ice Removal	153,542	143,825	56,228	41,452	71,700	71,700	70,700	(1,000)
Traffic Signs	25,940	30,045	17,702	3,258	24,300	24,300	24,300	-
Street Lights	58,935	72,132	70,670	48,974	75,600	75,600	75,600	-
Sidewalks	3,131	1,220	-	-	-	-	-	-
Weed & Nuisance Control	3	-	-	-	-	-	-	-
Recycling	37,450	44,049	3,246	4,829	7,300	7,300	6,500	(800)
	809,397	796,577	740,771	487,770	770,512	766,512	739,820	(30,692)
Health & Human Services								
Animal & Insect Control	3,000	-	-	-	-	-	-	-
Code Enforcement	3,179	5,094	850	-	-	-	-	-
Cemetery	16,536	21,185	3,530	2,147	6,025	6,025	6,025	-
	22,715	26,279	4,380	2,147	6,025	6,025	6,025	-

City of Milton
Revenue and Expenses 2013 - Requested 2017 Budget

	Actual 2013	Actual 2014	Actual 2015	Actual thru Oct-31-16	Original Budget 2016	Amended Budget 2016	Requested Budget 2017	\$ Change from Original 2016 Budget
Culture, Recreation, & Education								
Donations	23,300	23,000	28,000	15,500	23,500	23,500	28,000	4,500
Parks	122,824	159,471	218,754	196,105	224,877	228,877	229,198	4,321
Recreation	18,515	18,253	18,695	10,625	12,077	12,077	12,077	-
Celebrations	10,647	16,092	3,446	973	4,850	7,850	4,850	-
Historic preservation allocation	18,665	20,669	15,535	4,063	2,540	4,040	2,540	-
Planning	16,413	11,825	33,515	2,833	5,100	5,100	5,100	-
Economic Development	9,574	50,128	6,475	2,651	7,000	7,000	5,036	(1,964)
	219,938	299,438	324,420	232,750	279,944	288,444	286,801	6,857
Expenditures before transfers	3,021,326	3,040,958	3,150,815	2,574,304	3,363,525	3,485,859	3,427,008	63,483
Transfers								
Debt Service	1,206,230	737,598	742,497	893,000	893,000	893,000	857,000	(36,000)
Other funds	5,000	-	-	-	-	-	-	-
Capital	136,400	629,655	549,263	105,500	105,500	105,500	122,500	17,000
Capital lease payment	-	-	-	-	66,304	66,304	38,700	(27,604)
Library Fund	200,192	-	247,393	246,204	246,204	246,204	264,837	18,633
	1,547,822	1,367,253	1,539,153	1,244,704	1,311,008	1,311,008	1,283,037	(27,971)
Total general fund expenditures	4,569,148	4,408,211	4,689,968	3,819,008	4,674,533	4,796,867	4,710,045	35,512