



Office of the Finance Director/Treasurer

To: Milton Common Council
Mayor Anissa Welch
From: Dan Nelson, Finance Director/Treasurer
Date: January 7, 2020
Subject: Discussion and Possible Action Regarding the Proposed 2020 Utility and TID Budgets

Discussion and Background

Staff has attached summarized copies of the following budgets:

1. Water Utility
2. Sewer/Wastewater Utility
3. Stormwater Utility
4. Tax Incremental District #6, #7, #9 and #10

UTILITY BUDGETS

Historically, capital acquisitions and purchases are not shown as these are recorded fixed assets and not shown as an expense from a budgeting standpoint. However, the 2019 requests are shown on the budget summaries. Debt service payments are not shown for the water and sewer/wastewater fund because the principal portion of the payment is not reflected as expense from an accounting perspective. There are other projects that are scheduled that are not shown because the costs are unknown at this time but would be approved separately.

Water Utility

The total scheduled principal and interest payments on the 2015A Water System Revenue Bonds in 2020 is \$229,102.50. Water tower rent is shown as \$0 because the Council sold the rights for a lump sum payment in 2015. The amounts shown are reflective of accounting standards that require amortizing the payment over the course of time.

Sewer/Wastewater Utility

The total scheduled principal and interest payments on the 2002 Clean Water Fund Loan Bonds in 2020 is \$276,140.80. The capital request of the Pine Road force main replacement is part of the interstate project in which the City will be reimbursed by the Department of Transportation.

Stormwater Utility

The debt service payment of \$56,397 is a reflection of the stormwater utility's portion of the outstanding general obligation debt since the utility wasn't established until 2009. The capital requests also include a proposed payment to the Rock County Clean Sweep Program. This was discussed with the Council earlier in the fall 2018 and is scheduled to remain in the 2020 budget.



TAX INCREMENTAL DISTRICT (TID) BUDGETS

Staff has shown the budgets for TID #6, #7, #9, and #10. Any large items that have not been approved previously by the Council would be brought forward for approval separately. Many of the amounts shown are estimates that are used for the long-term planning of each of the TIDs.

Recommendation

Approval of the proposed 2020 budgets for the water, sewer/wastewater, and stormwater budgets.
Approval of the proposed 2020 TID #6, #7, #9, and #10 budgets.