

# FY 2013 BUDGET REVIEW FOR MILTON SELECTBOARD

Presented August 5

Based on Unclosed Unaudited Financial Reports

Brian Palaia, Town Manager

# FY 2013 General Fund Revenues

- Revenues were budgeted at **\$6,463,674**. This includes a fund balance transfer of **\$347,500**.
- By avoiding a fund balance transfer and generating a surplus, the unassigned fund balance is projected to increase by **\$70,000** for a total of **\$630,000**.
- Actual revenues as of August 1 were **\$6,057,431**, **93.71%** of budgeted revenues and *does not* include the budgeted fund balance transfer. This is slightly higher than last year's revenues.

# FY 2013 General Fund Revenues

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- The Tax Collection Rate was very healthy at **99.33%**
- Building permit fees, recreation program fees, and recording fees were higher than expected.
- The Transfer Out to TIF Districts required by law was about **\$50,000** higher than expected.
- Planning Fees, Pound Fees, Penalties on Delinquent Taxes, and Police Fines were lower than expected.

# FY 2013 General Fund Expenditures

- Expenses were budgeted at **\$6,463,674**.
- Expenses as of July 29 were **\$5,893,957**; **91.18%** of budgeted expenses; *this includes a \$35,000 carryover to support paving in the future. Expenses were approximately 2% higher than last fiscal year*
- This is **\$570,077** less than the budget.
- There are remaining expenses for FY2013 that have not been closed out – such as legal and other expenses that are included in this warrant.

# FY 2013 General Fund

- Revenues as of 7/29 were **\$5,775,000** (not including the **\$347,500** reduction in fund balance assumed for use)
- Expenses through the end of FY13 for the General Fund are **\$5,650,000**, **\$521K** less than budgeted.
- This leaves a potential surplus of up to **\$163,474**. Of this about **\$91,000** will be set aside in an assigned account in the fund balance for health insurance stabilization (pursuant to Board Resolution). This gives the Town sufficient cushion to absorb the exchange reform.
- The Town had higher than budgeted expenses this year for legal services and an unbudgeted signage project; these categorical areas put the most stress on the Town's contingency budget, nearly depleting the allocation.

# FY 2013 Impact Fees

- Impact Fees for FY 2013 were budgeted as **\$143,440**. As of June, we collected **\$134,948** in Impact Fees; **\$135,000** is the average rate of collection in a year since we began collecting these fees.
- This is consistent with the level of economic activity we are experiencing.
- Impact Fee collections have been pledged to offset debt service expenses for:
  - School Addition
  - Fire Station
  - Municipal Building
  - Sidewalk Expansions

# FY 2013 Tax Increment Financing

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- Tax Increment Financing revenue collected for FY 2013, as of August 1, 2013, is **\$612,922**. This is about **\$100,000** more than the prior year, attributable to Grand List growth.
- Operating Transfer out total is **\$310,000** (**\$9,000** was for legal fees) and the remainder was to cover debt service expenses.
- The first payment on the Town Core TIF District debt is due in the fall of 2014.