

# Town of Milton

115 Federal St  
Milton, DE 19968



[www.ci.milton.de.us](http://www.ci.milton.de.us)

Phone: 302-684-4110

Fax: 302-684-8999

## TOWN MANAGER'S MONTHLY FINANCIAL REPORT

For the period ending 2/29/12:

The following report is an un-audited account of finances.

### Summary

The explanation of cash versus accrual-based accounting and the adjustments made in order to create a comparable statement last month was not carried forward with this report. The largest factor in the adjustment was property taxes. A significant amount was collected in February and more than 90% should be collected by the end of March. This will appear in the report next month – which reflects activity through 3/31/12. In the interim, a comparison to last year's activity will not reflect the true performance of year to date financial activity.

Type	General Fund +	General Fund -	Same Period Prior Year	Annual Budget FY 2011-12
All Revenue ytd	\$391,129.14		\$772,806.19*	\$1,352,175.00
All Expenditures ytd		\$658,011.31	\$621,477.53	\$1,355,138.15**
Difference from prior year	Not applicable during this period because of the change from accrual to cash basis accounting.	\$36,533.78 (more than same period in the prior year)	N/A	

### Budget Amendments

This report reflects changes made to General Fund accounting so that the value of lower health insurance premiums are shown. The Annual Budget for expenses has been reduced by \$16,155.51. This total adjustment is the sum of changes made to the "Employee Ins Benefit" line item in the payroll expense section of each department. The changes are predicated upon the current configuration of the staff and the choices they have made in health insurance coverage (dependents, etc.).

Last month, the Council authorized additional expenditures for capital equipment in the Water Department. This has not been incorporated into the referenced accounting report. The revenue-enhancing effect of installing more accurate meters (the capital expense) will be incremental. In any case, the Water Department Budget is independent of the General Fund Budget.

The Council will soon adopt an Amended Budget that incorporates all authorized changes to the original document.

## Department-level Comparisons

Departmental revenue comparisons are not provided this month because property tax revenue in the prior year was counted as soon as it was billed. The expense comparisons follow.

<b>Department</b>	<b>Highlight Category</b>	<b>Prior Year YTD Expense</b>	<b>Current Year YTD Expense</b>	<b>Difference</b>
Administration	All categories	\$200,760.29	\$132,090.47	-\$68,669.82
Streets	All categories (paving project and Bobcat purchase excl)	\$16,941.55	\$12,230.47	-\$4,711.08
Police	All categories	\$331,095.54	\$370,883.67	+\$39,788.13
General	All categories	\$3,570.59	\$1,430.48	-\$2,140.11
Parks	All categories	\$8,889.60	\$9,516.76	+\$627.16
Code	All categories	\$34,838.46	\$61,657.76	+\$26,819.30

As previously mentioned, property tax revenue jumped from \$7,057.06 in January to \$70,608.35 in February. Approximately \$600,000 will likely be received in March. There was \$16,489 of property transfer in February. This keeps us on a trend to exceed the \$155,000 budgeted for the year. Revenue from sewer impact fees is significantly less than what was projected, though.

The Administrative Department's equipment expense budget will be exceeded before the year-end. This is because budget assumptions regarding leased equipment terms were incorrect. The security system lease did not expire in November, as anticipated. It expires in April.

Last month, it was reported that the Police Department year-to-date expenses were \$54,663.70 more than the same period in the prior year. This month, the department has exceeded the prior year's ytd expenses by \$39,788.13. The year to year difference, however, can be attributed to the fact that there are two more employees in the department this year. While some annualized expenses are incurred in the early part of the year. Other expenses are on-going. Managing the fleet to stay within the limited gasoline budget will surely be a challenge in the coming months.

The Streets Department is awaiting a determination on the use of left-over paving grant monies. In the meantime, the reimbursement request has not been processed. This will soon occur and \$70,201 will be backed-out of the Street Repairs line of the department's budget.

Pledges for Concert in the Park sponsorship may exceed the cost of the performances this year. That is because one of our military bands will be waiving the cost. If there is an "excess" of sponsor funds this year, a plan to carry-over program dollars from one year to the next should be considered.

The Proprietary Fund includes Water and Trash services. It continues on a financially sound track. Revenues are \$73,242.98 greater than expenditures year to date. This is less than the \$124,273.86 difference last year. Changes regarding charged expenses for salaries attributed to Water Department activity have made the greatest impact on this value.

This Fund is not meant to be "profitable", either. In the coming months, a Capital Improvements Plan that includes a "sinking fund" for the same should be developed. A portion of revenues that exceed expenditures would then be set aside for future needs.