

Town of Milton
 115 Federal St
 Milton, DE 19968



www.milton.delaware.gov
 Phone: 302-684-4110
 Fax: 302-684-8999

**TOWN MANAGER'S
 MONTHLY FINANCIAL REPORT**

For the period ending 6/30/13:

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

Summary

The comparison of the current fiscal year performance (modified accrual basis) to the prior year's performance (cash basis):

Type	General Fund +	General Fund -	Same Period Prior Year	Difference from Prior Year
All General Fund Revenue ytd	\$1,490,583.32		\$1,415,055.10	\$75,528.22 (more revenue than prior year)
All General Fund Expenditures ytd		\$1,253,955.54	\$1,189,095.41	\$64,860.13 (more expense than prior year)
Net change				n/a

The line "Net change" has the notation of "not applicable" because of changes in reporting or accounting methods. The method of reporting of certain grant revenue and the reporting of property tax receipts is different in 2013 than it was in 2012.

References to the year to date activity from the prior fiscal year may not be obvious from the current fiscal year report. The analysis requires a review of the same type of report from the prior period.

General Fund Revenue Highlights

Property Tax revenue is recorded as "received" when it is billed, under the accrual method of accounting. Activity in June 2012 shows the receipt of \$10,122.76 in property taxes (cash accounting method). In 2013, it shows as -\$2.43. The Transaction Audit Trail for June 2013 reveals mix of receipts and refunds or adjustments that have a net value of +\$10,065.59. So, a year-to-year comparison shows no appreciable difference in activity.

The FY 2013 collection of Realty Transfer Tax, year to date, lags behind the 2012 figure. Approximately 60% of the difference may be attributed to a single transaction in April 2012 – which corresponded with a \$1.687 million purchase. The current fiscal year trend (\$129,792 with 25% of the year remaining) indicates that the \$157,500 revenue budget may be exceeded by \$15,500 or more.

Fines (Police) are down \$7,886. Rental license receipts have increased by \$24,550. Business license receipts have declined by \$6,705 and Building Permit revenue is greater by \$11,652. (2013 v. 2012)

Proprietary Fund Revenue Highlights

Water and Trash disposal services are town-owned enterprises. Revenue for these services is used for the support of the same. Revenue in excess of expenditures is used for contingencies and capital improvements for these services, exclusively. Human resources and equipment expenses attributed to these operations is allocated to the enterprise or “proprietary” fund.

Proprietary fund revenue, year-to-date, exceeds the prior year by \$13,208. The increase, however, is almost entirely attributed to a contracted increase in trash service fees. This contracted increase is passed-on to customers in a manner that results in no increase to the net income of the department.

While the pace of new home construction continues at a rate of approximately twenty-five units per year. Revenue from Water Rents has shown little growth. This may be the consequence of a significant reduction in the use of lawn irrigation. A review of account records reveals that many of these accounts have been inactivated. See below for a historic review of Water Rent revenue.

Period	2010	2011	2012	2013
Q1	98,929	99,757	96,587	99,969
Q2	108,145	114,307	125,547	113,437
Q3	129,886	129,241	126,690	
Q4	98,527	101,811	107,776	
Total	435,487	445,116	456,600	

A Holistic View of the Budget

A budget represents a plan by the Council. It is subject to change – as the FY 2013 Budget was amended a couple of months ago. Sometimes there are budget-affecting events beyond the control of Council and management. This is the case with the windfall of a significant property transfer in April 2012. The lack of snow removal expenses in 2013 also provided an opportunity for much-needed maintenance of the Memorial Park gazebo in May.

The current budget anticipates General Fund (GF) Revenue of \$1,565,745 in FY 2013. It is likely that this conservative revenue figure will be exceeded. There are some factors, like property tax accrual, that may skew the projected trend (year to date divided by .75) – but the outlook is good.

This GF budget also anticipates Expenditures of \$1,592,066. This represents a planned deficit of \$26,321. Proprietary Revenue, on the other hand, is budgeted to exceed Expenditures by \$47,051.

As previously explained, some expenses are allocated between the General and Proprietary Funds. The following table provides a combined view of year to date expenditures.

Department	Budget	Year to Date	% of Budget
Administration	\$306,699	\$254,538	83%
Public Works (Streets, Parks and Water)	\$710,310	\$566,734	80%
Planning & Code	\$173,100	\$150,112	87%
Police	\$889,411	\$662,186	74%
Total	\$2,079,520	\$1,633,570	79%

Payroll-related expenditures closely follow the period (June is 75% of the year). Other expenditures are not so periodic. All departments are performing within acceptable ranges of financial control.