

**City of Milton, WA
Operating and Capital Budget
2019**



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CITY OF MILTON, WASHINGTON

ORDINANCE NO. 1954-18

AN ORDINANCE OF THE CITY OF MILTON, WASHINGTON; ADOPTING THE BUDGET FOR THE FISCAL YEAR ENDING DECEMBER 31, 2019; BUDGETING AMOUNTS BY FUND; PROVIDING FOR THE MAYOR'S ADMINISTRATION OF THE ADOPTED BUDGET; PROVIDING FOR SALARIES AND COMPENSATION; DIRECTING REQUIRED TRANSMISSIONS OF THE BUDGET; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE AND PROVIDING FOR SUMMARY PUBLICATION.

WHEREAS, the tax estimates and budget for the City of Milton, Washington, for the 2019 calendar year have been prepared and filed as provided by the laws of the State of Washington; and

WHEREAS, preliminary budget was printed for distribution and noticed published in the official paper of the City of Milton, setting the time and place for hearing on the budget; and

WHEREAS, the City Council of the City of Milton, held a public hearing on the Revenue Sources on November 5, 2018 as required by law, and considered the public testimony presented; and

WHEREAS, the City Council of the City of Milton properly noticed and held public hearings on the preliminary budget on November 19, 2018 and on the final budget on December 3, 2018 as required by law, and considered the public testimony presented;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF MILTON, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Budget Adopted. The budget for the City of Milton, Washington for the year 2019 is hereby adopted at the fund level in its final form and content as set forth in the comprehensive 2019 budget document for the City of Milton, copies of which are on file in the Office of the City Clerk.

Section 2. Budget Amounts by Fund. Estimated revenues, including fund balances for each separate fund of the City of Milton, for the year 2019 are set forth in summary form below, and are hereby appropriated at the fund level during the year 2019 as set forth in the adopted 2019 budget for the City of Milton:

Fund	Projected Beginning Fund Balance	Revenues & Other Resources	Expenditures & Other Uses	Net Increase (Decrease) In Fund Balance	Projected Ending Fund Balance
General Fund	622,325	4,383,387	4,569,640	(186,253)	436,072
Special Revenue Funds:					
Street Fund	4,697	367,000	367,136	(136)	4,561
Rainy Day Fund	266,259	203,700	-	203,700	469,959
Asset Replacement & Capital Improvement Fund	499,818	127,204	70,000	57,204	557,022
Drug Seizure Fund	41,260	10,000	10,000	-	41,260
Criminal Justice Fund	5,862	2,957,850	2,957,209	641	6,503
Community Events Fund	6,731	23,424	23,424	-	6,731
Reserve Officer's Fund	2,063	-	-	-	2,063
Real Estate Excise Tax 1 Fund	25,231	151,650	175,000	(23,350)	1,881
Real Estate Excise Tax 2 Fund	53,280	150,740	185,000	(34,260)	19,020
Traffic Impact Fee Fund	159,084	60,450	75,000	(14,550)	144,534
Parks Impact Fee Fund	53,872	10,450	-	10,450	64,322
Capital Projects Fund:					
Capital Improvement Fund	399,602	1,140,003	1,275,336	(135,333)	264,269
Enterprise Funds:					
Electric Utility Fund	866,568	4,722,500	5,482,401	(759,901)	106,667
Electric Capital Improvement Fund	2,309,938	352,650	750,000	(397,350)	1,912,588
Electric Utility Asset Replacement Fund	599,743	141,450	330,000	(188,550)	411,193
Water Utility Fund	1,202,400	2,272,350	2,516,836	(244,486)	957,914
Water Capital Improvement Fund	1,681,830	255,000	1,173,000	(918,000)	763,830
Water Utility Asset Replacement Fund	360,511	68,700	227,000	(158,300)	202,211
Stormwater Operations Fund	496,596	1,004,700	1,180,091	(175,391)	321,205
Stormwater Capital Improvement Fund	881,431	854,900	1,465,000	(610,100)	271,331
Stormwater Asset Replacement Fund	146,889	30,150	72,000	(41,850)	105,039
Internal Service Funds:					
Vehicle Repair & Maintenance Fund	535	265,000	261,103	3,897	4,432
Information Technology Fund	67,616	224,698	224,698	-	67,616
TOTAL	10,754,141	19,777,956	23,389,874	(3,611,918)	7,142,223

Section 3. Administration. The Mayor shall administer the budget, and in doing so may authorize adjustments within the funds set forth in Sections 1 and 2 above, to the extent that such adjustments are consistent with the budget approved in Sections 1 and 2.

Section 4. Salaries and Compensation. The salaries and compensation for the City of Milton employees for the calendar year 2019 shall be as set forth on page 15 of the 2019 budget document, or as the same may be amended by the Mayor as part of administration of the budget pursuant to Section 2 above.

Section 5. Transmission of the Adopted Budget. The Finance Director is directed to transmit a certified copy of the budget hereby adopted to the State Auditors' Office and to the Association of Washington Cities.

Section 6. Severability. The provisions of this ordinance are declared separate and severable. If any provision of this ordinance or its application to any person or circumstances is held invalid, the remainder of this ordinance or application of the provision to other persons or circumstances shall be unaffected.

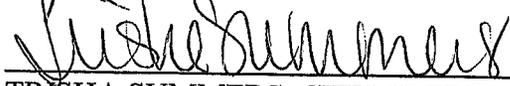
Section 7. Effective Dates/Summary Publication. This ordinance shall take effect January 1, 2019 following its publication. Publication may be by summary publication by Ordinance Title only.

Passed by the Milton City Council the 3rd day of December, 2018, and approved by the Mayor, the 3rd day of December, 2018.



SHANNA STYRON SHERRELL, MAYOR

ATTEST/AUTHENTICATED:



TRISHA SUMMERS, CITY CLERK

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY David King
OGDEN MURPHY WALLACE, CITY ATTORNEY

FILED WITH THE CITY CLERK: 12/5/18
PASSED BY THE CITY COUNCIL: 12/5/18
PUBLISHED: 12/5/18
EFFECTIVE DATE: 12/10/18
ORDINANCE NO. 1954-18

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Mayor's Budget Message



October 15, 2018

Dear City Councilmembers,

I am pleased to submit for your consideration the 2019 proposed annual budget for the City of Milton. Proposed 2019 appropriations compared to budgeted 2018 appropriations (as amended) are as follows:

Fund	2018 Amended Budget	2019 Proposed Budget	Increase (Decrease)	% Change
General Fund	4,079,764	4,569,640	489,876	12%
Special Revenue Funds:				
Street Fund	362,865	367,136	4,271	1%
Rainy Day Fund	-	-	-	-
Asset Replacement & Capital Reserve Fund	65,000	70,000	5,000	8%
Drug Seizure Fund	22,000	10,000	(12,000)	-55%
Criminal Justice Fund	2,857,374	2,957,209	99,835	3%
Community Events Fund	22,075	23,424	1,349	6%
Reserve Officer's Fund	1,000	-	(1,000)	-100%
Real Estate Excise Tax 1 Fund	383,000	175,000	(208,000)	-54%
Real Estate Excise Tax 2 Fund	290,200	185,000	(105,200)	-36%
Traffic Impact Fee Fund	-	75,000	75,000	-
Parks Impact Fee Fund	-	-	-	-
Capital Projects Fund:				
Capital Improvement Fund	1,303,536	1,275,336	(28,200)	-2%
Enterprise Funds:				
Electric Utility Fund	5,488,908	5,482,401	(6,507)	0%
Electric Capital Improvement Fund	1,780,000	750,000	(1,030,000)	-58%
Electric Utility Asset Replacement Fund	360,000	330,000	(30,000)	-8%
Water Utility Fund	2,483,389	2,516,836	33,447	1%
Water Capital Improvement Fund	1,498,000	1,173,000	(325,000)	-22%
Water Utility Asset Replacement Fund	200,000	227,000	27,000	14%
Stormwater Operations Fund	1,363,512	1,180,091	(183,421)	-13%
Stormwater Capital Improvement Fund	1,450,000	1,465,000	15,000	1%
Stormwater Asset Replacement Fund	100,000	72,000	(28,000)	-28%
Internal Service Funds:				
Vehicle Repair & Maintenance Fund	266,225	261,103	(5,121)	-2%
Information Technology Fund	265,541	224,698	(40,843)	-15%
Total Expenditures and Other Uses	24,642,389	23,389,874	(1,252,516)	-5%

The total proposed budget is five percent lower than last year's primarily due to decreases in proposed expenditures for capital projects. The increase in the General Fund budget includes \$200,000 to fully fund the Rainy Day fund at ten percent of 2019 budgeted General Fund expenditures and \$87,668 to begin ongoing funding of the general government Asset Replacement & Capital Reserve Fund. The remaining increase is due to cost of living increases, rising medical premiums, improved cost allocation methodologies and the addition of a Deputy Clerk position. Expenditure increases in other operating funds have been kept as low as possible and are largely limited to salary and benefit increases associated with existing staff. The 2019 budget does not propose any additional employees, beyond those approved via budget amendment in 2018.

Improving the quality of life for the Citizens of Milton is one of my top priorities. The 2019 budget includes \$50,000 towards playground equipment as well as \$4,800 for Community Programs such as Senior and Youth activities. The Trailhead Improvement project will take place, adding sidewalks for safe walking to and from the Interurban Trail. In 2019 you can also look for a new City website, as well as improvements to our Council Chambers and Milton Activity Center.

Estimated 2019 resources compared to 2018 budgeted resources are as follows:

Fund	2018 Amended Budget	2019 Proposed Budget	Increase (Decrease)	% Change
General Fund	4,172,321	4,383,387	211,066	5%
Special Revenue Funds:				
Street Fund	356,227	367,000	10,773	3%
Rainy Day Fund	3,000	203,700	200,700	6690%
Asset Replacement & Capital Reserve Fund	38,385	127,204	88,818	231%
Drug Seizure Fund	13,000	10,000	(3,000)	-23%
Criminal Justice Fund	2,859,002	2,957,850	98,848	3%
Community Events Fund	19,100	23,424	4,324	23%
Reserve Officer's Fund	-	-	-	-
Real Estate Excise Tax 1 Fund	135,600	151,650	16,050	12%
Real Estate Excise Tax 2 Fund	135,500	150,740	15,240	11%
Traffic Impact Fee Fund	30,100	60,450	30,350	101%
Parks Impact Fee Fund	5,025	10,450	5,425	108%
Capital Projects Fund:				
Capital Improvement Fund	1,210,503	1,140,003	(70,500)	-6%
Enterprise Funds:				
Electric Utility Fund	4,931,370	4,722,500	(208,870)	-4%
Electric Capital Improvement Fund	339,366	352,650	13,284	4%
Electric Utility Asset Replacement Fund	139,871	141,450	1,579	1%
Water Utility Fund	2,232,578	2,272,350	39,772	2%
Water Capital Improvement Fund	187,633	255,000	67,367	36%
Water Utility Asset Replacement Fund	65,414	68,700	3,286	5%
Stormwater Operations Fund	1,001,750	1,004,700	2,950	0%
Stormwater Capital Improvement Fund	1,179,681	854,900	(324,781)	-28%
Stormwater Asset Replacement Fund	30,148	30,150	3	0%
Internal Service Funds:				
Vehicle Repair & Maintenance Fund	268,300	265,000	(3,300)	-1%
Information Technology Fund	260,938	224,698	(36,240)	-14%
Total Revenues and Other Resources	19,614,813	19,777,956	163,143	1%

Revenue projections are conservative. Where increases are projected they have only been increased to amounts equivalent to actual projected revenue for 2018, based on actuals received to date. The exception is a three percent increase in property tax revenues based on known levy calculations and new construction values. Significant revenue increases were recognized in sales taxes, permits and plan review revenues in 2018. The 2019 budget assumes increases over the 2018 budget but no increase over 2018 actuals.

Sincerely,

Shanna Styron Sherrell, Mayor

City of Milton, 1000 Laurel Street, Milton, WA 98354 - 253-922-8733 - cityofmilton.net

Mayor Shanna Styron Sherrell

Police Chief/Public Safety Administrator Tony Hernandez
Director of Public Works Mark Howlett

Finance Director Tara Dunford
City Clerk/HR Generalist Trisha Summers

Elected Officials

Term Expires:

Shanna Styron-Sherrell

Mayor

December 31, 2021

Steve Whitaker
Susan JF Johnson
Bryan Ott
Mary Tompkins
Todd Morton
Mark Hutson
Bob Whalen

Councilmember – Position 1
Councilmember – Position 2
Councilmember – Position 3
Councilmember – Position 4
Councilmember – Position 5
Councilmember – Position 6
Councilmember – Position 7

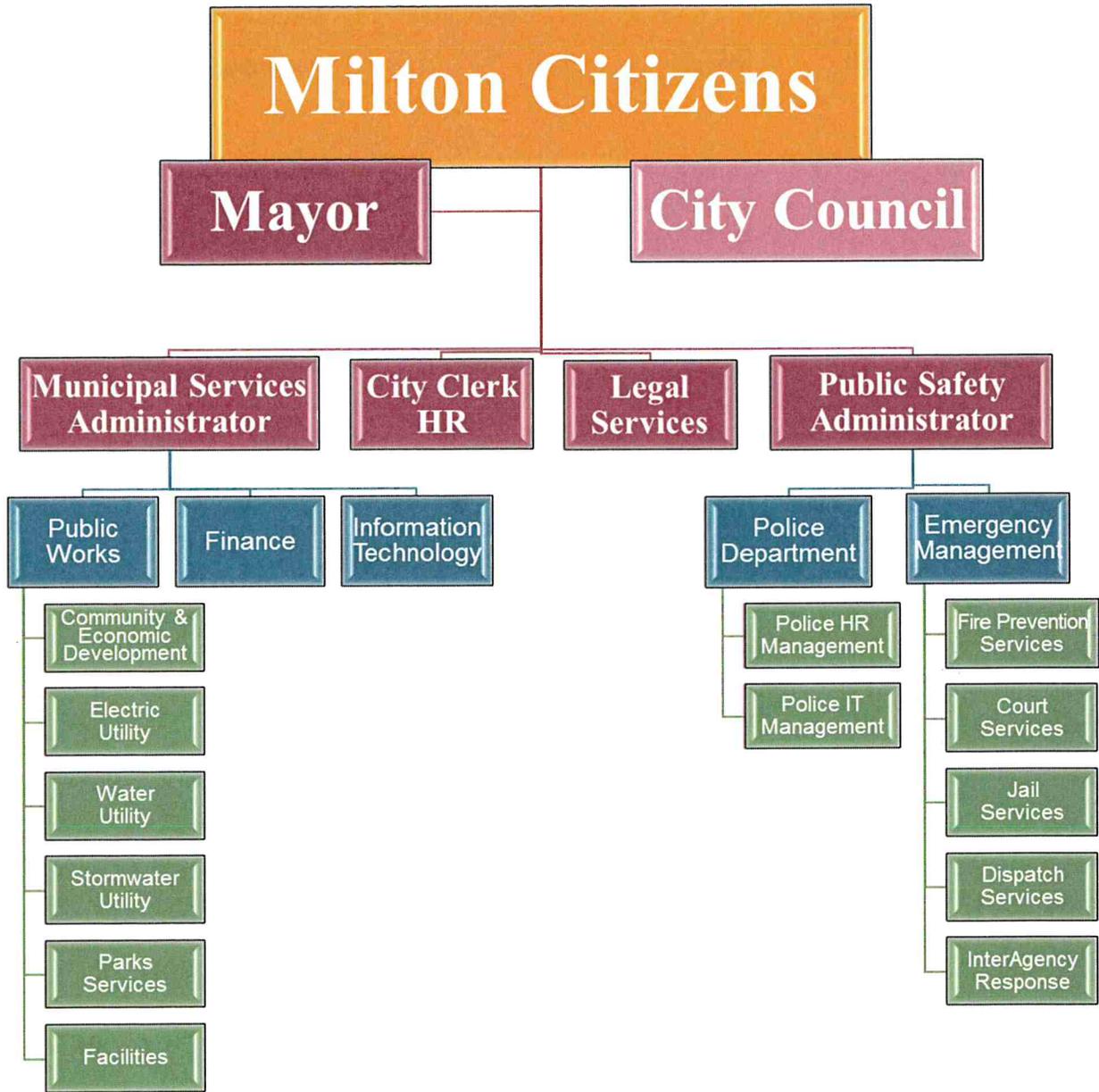
December 31, 2021
December 31, 2021
December 31, 2021
December 31, 2019
December 31, 2021
December 31, 2019
December 31, 2019

Administrative Staff

Tony Hernandez
Mark Howlett
Tara Dunford
Trisha Summers

Police Chief/Public Safety Administrator
Public Works Director
Finance Director
City Clerk

Organization Chart



Budget Development Process

The budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides policy direction by the City Council to the staff and community.

The budget serves four functions:

It is a Policy Document

The budget functions as a policy document in that the decisions made within the budget will reflect the general principles or plans that guide the actions taken for the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of the City staff.

It is an Operational Guide

The budget of the City reflects its operation. Activities of each City department or program have been planned, formalized and described in the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

It is a Link with the General Public

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the City, the purposes of those activities, future implications, and the direct relationship to citizens.

It is a Legally Required Financial Planning Tool

Preparing and adopting a budget is a state law requirement of all cities as stated in Title 35A of the Revised Code of Washington (RCW). The budget must be adopted as a balanced budget and must be in place prior to the beginning of the City's fiscal year. The budget is the legal authority to expend public funds and controls those expenditures by limiting the amount of appropriation at the fund level. The revenues of the City are estimated, along with available cash carry-forward, to determine funds available.

The City of Milton operates on a calendar year basis. The City utilizes an incremental budgeting approach that assumes, for most functions of government, that the current year's budget is indicative of the base required for the following year. Any increases are incremental and based on need defined by budget policies, emerging issues, Council goals and available resources.

Budget Calendar

September 24 – preliminary estimates due from directors

October 15 – preliminary budget presentation to Council

November 5 – public hearing on revenue sources, first reading on tax levy

November 13 – budget presentation, updated preliminary budget (if needed)

November 19 – second reading on tax levy, first reading/public hearing of final budget

December 3 – second public hearing/adopt final budget

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, expenditures are monitored by the Finance Department and department directors to ensure that funds are within the approved budget. As required by RCW 35A.33.140, the Finance Director provides the City Council with quarterly reports to keep them current with the City's financial condition.

The Mayor is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, position titles, salary ranges or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a fund, it may do so by ordinance adopted by Council.

Budget Principles

General Principles

- Department directors have primary responsibility for formulating budget proposals in line with City Council and Mayor directions, and for implementing them once they are approved.
- The Finance Department is responsible for coordinating the overall preparation and administration of the City's budget. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.
- The Finance Department assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.
- Interfund charges will be based on recovery of costs associated with providing those services.
- Budget adjustments requiring City Council approval will occur through the ordinance process at the fund level prior to the end of the fiscal year.
- The City's budget presentation will be directed at displaying the City's services plan in a Council/Citizen friendly format.

Minimum Fund Balances

- **Enterprise Funds** – the targeted budgeted ending fund balance for utility operations funds shall equal at least 25 percent of budgeted operating expenditures.
- **General Fund** – the targeted budgeted ending fund balance for the general fund shall equal at least eight percent of budgeted operating expenditures.
- **Rainy Day Fund** – budgeted ending fund balance for the rainy day fund shall equal at least 10 percent of budgeted operating expenditures of the General Fund. Use of the rainy day fund shall be approved by Council through the budget process for temporary, unanticipated, one-time expenditures. If the balance in the rainy day fund falls below the 10 percent target the balance should be increased by at least one percent per year until the 10 percent target is met again.

Capital Asset Replacement and Improvement Funds

- **Enterprise Funds** – seven percent of the monthly charges for electric, water and stormwater shall be transferred into the related capital improvement funds and three percent of the same monthly charges shall be transferred into the related asset replacement funds.

- **General Government** – two percent of general fund operating revenues shall be transferred into the asset replacement fund for funding necessary replacement and/or acquisition of assets for general fund departments and funds supported by the general fund, including streets, parks, police and facilities.

Basis of Accounting

- Annual appropriated budgets are adopted for all funds on the cash basis of accounting.
- Budgets are adopted at the fund level that constitutes legal authority for expenditures. Annual appropriations lapse at the end of the fiscal period.
- **The General Fund** is the primary fund of the City. It accounts for all financial resources except those required or elected to be accounted for in another fund.

- **Special Revenue Funds** account for revenue sources that are legally restricted or designated to finance certain activities. Special revenue funds include the following:

- | | |
|---|--------------------------------|
| *Street Fund | *Rainy Day Fund |
| *Asset Replacement & Capital Reserve Fund | *Drug Seizure Fund |
| *Criminal Justice Fund | *Community Events Fund |
| *Reserve Officer’s Fund | *Real Estate Excise Tax 1 Fund |
| *Real Estate Excise Tax 2 Fund | *Traffic Impact Fee Fund |
| *Parks Impact Fee Fund | |

- **Capital Projects Funds** account for financial resources which are designated for the acquisition or construction of general government capital projects. The city maintains one capital project fund:

- *Capital Improvement Fund

- **Enterprise Funds** account for operations that provide goods or services to the general public and are supported primarily by user charges. Enterprise funds include the following:

- | | |
|--|---------------------------------------|
| *Electric Utility Operations Fund | *Electric Capital Improvement Fund |
| *Electric Utility Asset Replacement Fund | *Water Utility Operations Fund |
| *Water Capital Improvement Fund | *Water Utility Asset Replacement Fund |
| *Stormwater Operations Fund | *Stormwater Capital Fund |
| *Stormwater Asset Replacement Fund | |

- **Internal Service Funds** account for operations that provide goods or services to other departments or funds of the City. The two internal service funds are:

- | | |
|------------------------------------|------------------------------|
| *Vehicle Repair & Maintenance Fund | *Information Technology Fund |
|------------------------------------|------------------------------|

City-wide Budget Summary

Fund	Projected Beginning Fund Balance	Revenues & Other Resources	Expenditures & Other Uses	Net Increase (Decrease) In Fund Balance	Projected Ending Fund Balance
General Fund	622,325	4,383,387	4,569,640	(186,253)	436,072
Special Revenue Funds:					
Street Fund	4,697	367,000	367,136	(136)	4,561
Rainy Day Fund	266,259	203,700	-	203,700	469,959
Asset Replacement & Capital Improvement Fund	499,818	127,204	70,000	57,204	557,022
Drug Seizure Fund	41,260	10,000	10,000	-	41,260
Criminal Justice Fund	5,862	2,957,850	2,957,209	641	6,503
Community Events Fund	6,731	23,424	23,424	-	6,731
Reserve Officer's Fund	2,063	-	-	-	2,063
Real Estate Excise Tax 1 Fund	25,231	151,650	175,000	(23,350)	1,881
Real Estate Excise Tax 2 Fund	53,280	150,740	185,000	(34,260)	19,020
Traffic Impact Fee Fund	159,084	60,450	75,000	(14,550)	144,534
Parks Impact Fee Fund	53,872	10,450	-	10,450	64,322
Capital Projects Fund:					
Capital Improvement Fund	399,602	1,140,003	1,275,336	(135,333)	264,269
Enterprise Funds:					
Electric Utility Fund	866,568	4,722,500	5,482,401	(759,901)	106,667
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Electric Utility Asset Replacement Fund	599,743	141,450	330,000	(188,550)	411,193
Water Utility Fund	1,202,400	2,272,350	2,516,836	(244,486)	957,914
Water Capital Improvement Fund	1,681,830	255,000	1,173,000	(918,000)	763,830
Water Utility Asset Replacement Fund	360,511	68,700	227,000	(158,300)	202,211
Stormwater Operations Fund	496,596	1,004,700	1,180,091	(175,391)	321,205
Stormwater Capital Improvement Fund	881,431	854,900	1,465,000	(610,100)	271,331
Stormwater Asset Replacement Fund	146,889	30,150	72,000	(41,850)	105,039
Internal Service Funds:					
Vehicle Repair & Maintenance Fund	535	265,000	261,103	3,897	4,432
Information Technology Fund	67,616	224,698	224,698	-	67,616
TOTAL	10,754,141	19,777,956	23,389,874	(3,611,918)	7,142,223

- The 2019 budget presumes service levels that are consistent with those provided in 2018.
- The full-time equivalent employee count remains unchanged from the amended 2018 budget.
- Employee salaries and benefits budgets include the following changes:
 - Cost of living (COLA) 3.3% increase
 - Medical (Regence) 3.3% increase
 - Medical (Kaiser) 7.3% increase
 - Medical (Police/LEOFF) 15% increase
- The 2019 budget re-defines and fully funds the Rainy Day Fund at 10% of budgeted General Fund expenditures.
- The 2019 budget establishes a funding strategy for future general governmental capital needs.

Historical Staffing

DEPARTMENT	POSITION	2015	2016	2017	2018	2018	2019
		<i>original</i>	<i>original</i>	<i>original</i>	<i>original</i>	<i>amended</i>	<i>proposed</i>
Executive	Municipal Services Administrator	-	-	-	-	1.00	1.00
	City Attorney	-	-	1.00	0.70	-	-
	City Clerk/HR Generalist	1.00	1.00	1.00	1.00	1.00	1.00
	Deputy City Clerk	1.00	1.00	1.00	-	0.50	0.50
Sub-Total		2.00	2.00	3.00	1.70	2.50	2.50
Finance	Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
	Accounting Supervisor	1.00	-	-	-	-	-
	Finance Tech II	-	-	-	1.00	1.00	1.00
	Finance Tech I	2.00	3.00	3.00	2.00	2.00	2.00
	Receptionist/Cashier	-	-	-	0.50	-	-
Sub-Total		4.00	4.00	4.00	4.50	4.00	4.00
Community Dev	Building Official	1.00	1.00	1.00	1.00	1.00	1.00
	Community Development Dir.	-	1.00	1.00	-	-	-
	Bld Inspector/Code Enforc	-	-	-	-	-	-
	Planner	-	-	-	0.70	-	-
	Permit Technician/Sr Admin	-	1.00	1.00	-	1.00	1.00
Sub-Total		1.00	3.00	3.00	1.70	2.00	2.00
Public Works	PW Director	1.00	-	1.00	1.00	1.00	1.00
	PW Superintendent	-	1.00	1.00	1.00	1.00	1.00
	Engineer	-	1.00	1.00	1.00	-	-
	Stormwater Compliance Inspector	1.00	1.00	1.00	1.00	1.00	1.00
	PW Admin Assistant	1.00	1.00	1.00	1.00	1.00	1.00
	Electric Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
	Electric Lineman, Lead	-	-	1.00	1.00	1.00	1.00
	Lineman	3.00	3.00	2.00	2.00	2.00	2.00
	Elec Equip Operator	1.00	1.00	1.00	1.00	1.00	1.00
	Water/Storm/Street Super	1.00	1.00	1.00	1.00	1.00	1.00
	Water Quality Specialist	1.00	1.00	1.00	1.00	1.00	1.00
	Mechanic 2	1.00	1.00	1.00	1.00	1.00	1.00
	Maint Worker 3	1.00	1.00	2.00	2.00	2.00	2.00
	Maint Worker 2	3.00	3.00	3.00	4.00	3.00	3.00
	Maint Worker 1	3.00	3.75	4.00	4.00	4.00	4.00
	Meter Tech	1.00	1.00	1.00	1.00	-	-
	Asset Management Tech 1	-	-	-	-	1.00	1.00
	Asset Management Tech 2	-	-	-	-	1.00	1.00
	PW Admin Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Sub-Total		20.00	21.75	24.00	25.00	24.00	24.00
Police	Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
	Sergeant	2.00	3.00	3.00	3.00	3.00	3.00
	Code Enforcement	1.00	1.00	1.00	1.00	1.00	1.00
	Officer	7.00	8.00	8.00	7.00	8.00	7.00
	Detective	1.00	1.00	1.00	1.00	1.00	2.00
	Police Clerk	1.00	1.00	-	-	-	-
Sub-Total		13.00	15.00	14.00	13.00	14.00	14.00
IT Dept	IT Director	-	1.00	1.00	-	-	-
	IT Systems Administrator	-	1.00	-	-	-	-
	IT System Support Specialist	-	1.00	-	-	-	-
Sub-Total		-	3.00	1.00	-	-	-
TOTAL		40.00	48.75	49.00	45.90	46.50	46.50

2019 Wage Scale

Full Time Employees	2019	IBEW Grade	STEP A	STEP B	STEP C	STEP D	STEP E
Maintenance Worker I	4.00	13	\$ 3,850	\$ 4,049	\$ 4,250	\$ 4,460	\$ 4,683
PW Field Administrative Assistant	1.00	14	\$ 4,049	\$ 4,250	\$ 4,460	\$ 4,683	\$ 4,920
Deputy City Clerk	0.50						
Finance Tech 1	2.00						
PW Administrative Assistant	1.00						
Permit Tech	1.00						
Maintenance Worker II	3.00	16	\$ 4,460	\$ 4,683	\$ 4,920	\$ 5,164	\$ 5,418
Finance Technician II	1.00	17	\$ 4,683	\$ 4,920	\$ 5,164	\$ 5,418	\$ 5,691
Mechanic	1.00						
Asset Management Tech I	1.00	18	\$ 4,920	\$ 5,164	\$ 5,417	\$ 5,691	\$ 5,976
Line Equipment Operator	1.00						
Maintenance III - Lead	2.00	19	\$ 5,164	\$ 5,417	\$ 5,691	\$ 5,976	\$ 6,275
Water Quality Specialist	1.00						
Asset Management Tech II	1.00						
Journey Electric Lineman	2.00	23	\$ 6,275	\$ 6,591	\$ 6,917	\$ 7,265	\$ 7,629
Utility Supervisor	1.00						
Building Official	1.00						
Journey Electric Lineman, Lead	1.00	24	-----	-----	-----	-----	\$ 8,009
Electric Utility Supervisor	1.00	26	\$ 7,265	\$ 7,629	\$ 8,012	\$ 8,408	\$ 8,829
Uniformed Personnel			Academy	STEP A	STEP B	STEP C	STEP D
Police Officer	7.00		\$ 5,306	\$ 5,556	\$ 5,820	\$ 6,095	\$ 6,387
Code Enforcement Officer	1.00		\$ 5,306	\$ 5,556	\$ 5,820	\$ 6,095	\$ 6,387
Police Sergeant	3.00		\$ -	\$ 7,000	\$ 7,335	\$ 7,687	\$ 8,058
Detective	2.00		\$ 5,306	\$ 5,556	\$ 5,820	\$ 6,095	\$ 6,387
Exempt Positions - Directors			2019 Salary Range				
Police Chief	1.00		\$ 95,449	-----	-----	-----	\$ 132,224
Municipal Services Administrator	1.00		\$ 95,449	-----	-----	-----	\$ 132,224
Finance Director	1.00		\$ 79,266	-----	-----	-----	\$ 110,082
City Clerk/Human Resources Generalist	1.00		\$ 70,239	-----	-----	-----	\$ 85,375
Public Works Director	1.00		\$ 79,266	-----	-----	-----	\$ 110,082
Storm Water Compliance Inspector	1.00		\$ 70,239	-----	-----	-----	\$ 86,229
P W Superintendent & Project Manager	1.00		\$ 71,717	-----	-----	-----	\$ 96,881
Part-Time Employees			Hourly Range				
Civil Service Secretary	150 hrs		\$ 16.17	-----	-----	-----	-----
Fiscal Technician 1 Pool	400 hrs		\$ 24.13	-----	-----	-----	-----
Seasonal Public Works Crew (1500 hours)	0.70		\$ 17.86	-----	-----	-----	\$ 21.87
FTE Summary			Elected Officials (Non FTE)				
Total Regular FTE's	46.50		Mayor	1	1,500	CPI-U	3.30%
Total Part-Time FTE's	0.70		Council	7	400		

Staff Allocation By Fund/Department

Budgeted full-time equivalent employee (FTE) counts by fund and department are shown below. Mayor & Executive and Finance department salaries and benefits are allocated to enterprise funds as described in the indirect cost allocation section, immediately following. All other time is charged to the appropriate function based on actual hours worked during the year. Amounts shown below are allocations used for budget purposes and may vary based on actual work assignments and activities.

Position	FTE	General Fund													
		Mayor & Executive	Finance	Central Services	Building	Planning	Culture & Recreation	Park Facilities	Street Fund	Criminal Justice	Community Events	Electric Utility	Water Utility	Stormwater Utility Fund	Vehicle Repair
Municipal Services Administrator	1.00	1.00													
City Clerk/HR Generalist	1.00	1.00													
Deputy City Clerk	0.50	0.50													
Finance Director	1.00		1.00												
Finance Tech II	1.00		1.00												
Finance Tech I	2.00		2.00												
Building Official	1.00				1.00										
Permit Technician/Sr Admin	1.00				1.00										
PW Director	1.00					0.10		0.01	0.06			0.28	0.28	0.27	
PW Superintendent	1.00				0.04			0.04	0.04			0.35	0.28	0.25	
Stormwater Compliance Inspector	1.00													1.00	
PW Admin Assistant	1.00				0.10	0.03		0.05	0.10			0.24	0.24	0.24	
Electric Supervisor	1.00										1.00				
Electric Lineman, Lead	1.00										1.00				
Lineman	2.00										2.00				
Elec Equip Operator	1.00										1.00				
Water/Storm/Street Super	1.00								0.12		0.01	0.85	0.02		
Water Quality Specialist	1.00											1.00			
Mechanic 2	1.00														1.00
Maint Worker 3	2.00			0.02				0.02	0.16			0.01	0.87	0.92	
Maint Worker 2	3.00			0.22			0.05	0.16	0.24		0.01	0.05	1.67	0.70	
Maint Worker 1	4.00			0.60			0.10	0.35	0.27		0.02	0.05	1.59	1.12	
Asset Management Tech 1	1.00			0.06				0.02			0.02	0.35	0.31	0.24	
Asset Management Tech 2	1.00										0.01	0.47	0.52		
PW Admin Assistant	1.00			0.02	0.10			0.02	0.06			0.25	0.25	0.20	0.10
Police Chief	1.00	0.27									0.73				
Sergeant	3.00										3.00				
Code Enforcement	1.00										1.00				
Police Officer	7.00										7.00				
Detective	2.00										2.00				
Totals	46.60	2.77	4.00	0.82	2.24	0.13	0.16	0.67	1.06	13.73	0.06	7.06	7.76	4.98	1.10

Indirect Cost Allocation

Indirect cost allocation is a method to determine and assign the cost of central services to the internal users of those services. Cost allocation enables the City to more accurately account for the complete cost of the services it provides.

Indirect costs include central services costs related to information technology, accounting, human resources, facilities operating and maintenance costs, and other general and administrative expenses.

Cost allocation plans share indirect costs across programs, activities, funds and departments. The term “allocation” implies that there is no precise method for charging indirect costs, however cost allocations should be designed to provide a consistent, reasonable and equitable means to allocate costs.

An indirect cost allocation plan is intended to charge restricted funds for a fair and equitable portion of central services costs. The City has two fund types that are eligible for indirect cost allocation – special revenue funds and business-type funds.

Special revenue funds must be at least partially funded by an externally restricted or internally assigned revenue source; however, the special revenue funds can be, and are, subsidized by the general fund. Therefore, there is no benefit to be had by including the special revenue funds in the indirect cost allocation plan (increasing expenditures in those funds would simply increase the amount of general fund subsidy required).

In contrast, the City’s business-type funds must be self-supporting and cannot receive general fund support in the form of subsidization or services provided at no charge. An indirect cost allocation plan is the appropriate way to charge business-type funds for services provided by the general fund. The City’s current business type funds subject to allocation are Water Operations, Electrical Operations, Stormwater Operations, Information Technology and Vehicle Repair & Maintenance. Utility capital improvement and asset replacement funds are excluded from allocation.

The indirect cost allocation plan is developed based on the principle that costs will be split between general government activities (those pertaining to the general fund and special revenue funds) and business-type activities. Business-type activities will be further allocated by fund, based on the criteria described below. General government activities will remain in the general fund.

Costs to Be Allocated

The following central services costs are subject to allocation:

- ❖ Salaries, benefits, supplies, training, equipment, etc. associated with:
 - Municipal Services Administrator
 - Public Safety Administrator/Police Chief*
 - City Clerk, Deputy City Clerk
 - Finance Department
- ❖ Building and maintenance costs:
 - City Hall

- Finance Department
 - ❖ Audit costs
 - ❖ Insurance
 - ❖ City-wide technology
 - ❖ Mayor and Council costs

*The Public Safety Administrator/Police Chief position provides services that are both administrative and public safety related. Only the administrative time, as determined through a formal time study, is subject to allocation.

Activities & Measurement Criteria

The activities on which to base allocations and the measurement criteria for those activities are identified in the following table.

ACTIVITIES <i>(tracked during 2018 time study)</i>	MEASUREMENT CRITERIA
Payroll	Full-time equivalent employees – 2018 budget
Human Resources	Full-time equivalent employees – 2018 budget
Accounts Payable	Non-salary expenses – 2018 budget
Council, Incl. Meetings/Prep/Communication	# of agenda items – 2017 actual
Payment processing	# of payments – 2017 actual
Utility billing	# of invoices – 2017 actual
Audit	Total expenses – 2018 budget
Insurance	Distribution of assets – 2018 actual
City-wide technology	Time study results + 2018 employees
Public Records	Total expenses – 2018 budget
Vehicle Maintenance & Repairs	Time study results
Budget monitoring – City Wide	Total expenses – 2018 budget
Meetings & Admin Time – City Wide	Total expenses – 2018 budget
Meetings & Admin Time - Utilities	Total expenses – 2018 budget
Meetings & Admin Time – Public Safety*	Excluded from allocation
Wellness Program	Full-time equivalent employees - 2018

Budget & Accounting Procedures

Costs allocated from the General Fund will show up on separate line items as negative expenditures. Costs allocated to business-type funds will be shown as separate expenditure line items.

The Finance Director will monitor budget to actual amounts for the costs included in the cost allocation plan. If there is a variance of greater than 15% between budgeted and annual costs, then a one-time adjustment will be made as close to the end of the year as is practical.

Salary & Benefit Allocations

Salary and benefit allocations are based on the results of formal time studies performed in 2018. Time studies are valid for three years. The existing allocations will remain valid for budget years 2019, 2020 and 2021. Time studies should be re-performed in 2021 for use in the 2022 budget.

Allocation Percentages

<u>Position</u>	<u>Criminal</u>						
	<u>General</u>	<u>Justice</u>	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>IT</u>	<u>Vehicle</u>
Council	72.03%	-	9.67%	10.19%	7.08%	1.04%	-
Mayor	72.03%	-	9.67%	10.19%	7.08%	1.04%	-
Municipal Services Administrator	24.94%	-	27.85%	16.35%	11.21%	19.13%	0.52%
Public Safety Administrator	7.93%	72.50%	9.75%	5.40%	3.70%	-	-
City Clerk	46.11%	-	22.58%	16.97%	12.29%	0.91%	1.13%
Deputy City Clerk	46.11%	-	22.58%	16.97%	12.29%	0.91%	1.13%
Finance Director	34.17%	-	30.91%	19.26%	13.56%	1.11%	0.99%
Finance Tech 2	22.69%	-	35.63%	22.20%	15.95%	2.52%	1.00%
Finance Tech 1	20.25%	-	33.64%	25.50%	19.27%	-	0.88%
Finance Tech 1 - UB	1.42%	-	41.07%	32.48%	24.96%	-	-
Fiscal Tech Pool	6.90%	-	39.87%	29.98%	22.76%	-	-

<u>Position</u>	<u>2019 Salaries</u>	<u>Salaries Allocation - 2019 Budget</u>							
		<u>General</u>	<u>Criminal Justice</u>	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>IT</u>	<u>Shop</u>	<u>Total Re-Allocated</u>
Council	33,600	24,201	-	3,249	3,423	2,378	348	-	9,399
Mayor	18,000	12,965	-	1,740	1,834	1,274	187	-	5,035
Municipal Services Administrator	103,998	25,939	-	28,960	17,004	11,661	19,898	536	78,059
Public Safety Administrator	127,972	10,146	92,780	12,474	6,913	4,733	462	464	25,046
City Clerk	75,443	34,790	-	17,035	12,805	9,275	687	851	40,653
Deputy City Clerk	26,759	12,339	-	6,042	4,542	3,290	244	302	14,419
Total Mayor & Executive	352,171	96,180	92,780	66,252	43,097	30,233	21,478	2,152	163,212
Finance Director	70,719	24,166	-	21,862	13,619	9,587	783	702	46,553
Finance Tech 2	69,691	15,816	-	24,833	15,472	11,113	1,759	698	53,875
Finance Tech 1	62,776	12,711	-	21,120	16,006	12,095	293	551	50,065
Finance Tech 1 - UB	70,465	1,003	-	28,937	22,885	17,589	26	26	69,462
Fiscal Tech Pool	9,652	666	-	3,848	2,894	2,197	25	22	8,986
Total Finance	283,303	54,363	-	100,600	70,876	52,580	2,885	2,000	228,940
Total To Be Allocated	669,074	174,744	92,780	170,101	117,396	85,191	24,711	4,152	401,551

<u>Position</u>	<u>2019 Benefits</u>	<u>Benefits Allocation - 2019 Budget</u>							
		<u>General</u>	<u>Criminal Justice</u>	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>IT</u>	<u>Shop</u>	<u>Total Re-Allocated</u>
Council	3,452	2,486	-	334	352	244	36	-	966
Mayor	1,629	1,173	-	157	166	115	17	-	456
Municipal Services Administrator	47,830	11,930	-	13,319	7,820	5,363	9,151	246	35,900
Public Safety Administrator	40,819	3,236	29,594	3,979	2,205	1,510	148	148	7,989
City Clerk	42,387	19,546	-	9,571	7,194	5,211	386	478	22,841
Deputy City Clerk	19,133	8,823	-	4,320	3,247	2,352	174	216	10,310
Total Mayor & Executive	151,798	44,709	29,594	31,347	20,633	14,551	9,876	1,088	77,496
Finance Director	15,029	5,136	-	4,646	2,894	2,037	166	149	9,893
Finance Tech 2	40,690	9,234	-	14,499	9,033	6,489	1,027	408	31,456
Finance Tech 1	36,383	7,367	-	12,241	9,276	7,010	170	319	29,016
Finance Tech 1 - UB	25,471	363	-	10,460	8,272	6,358	9	9	25,108
Fiscal Tech Pool	957	66	-	382	287	218	2	2	891
Total Finance	118,530	22,166	-	42,227	29,763	22,111	1,375	888	96,364
Total To Be Allocated	273,779	69,360	29,594	73,908	50,748	36,907	11,287	1,976	174,825

Other Operating Expenditures Cost Allocations

Non-salary costs are allocated based on blended results of time studies and on budgeted operating expenditures.

Function	Allocation Percentages				
	General	Electric	Water	Storm	Vehicle
City Council	73.06%	9.67%	10.19%	7.08%	0.00%
Mayor & Executive	52.80%	20.67%	15.12%	10.72%	0.69%
Admin & Finance	17.97%	36.22%	25.88%	19.30%	0.63%
Legal	30.15%	35.44%	19.64%	13.45%	1.32%
Other Admin/Personnel	46.19%	14.58%	20.42%	16.63%	2.18%
Central Services	41.35%	25.75%	18.68%	13.65%	0.57%

Function	Operating Budget	Allocation - 2019 Budget					Total Re-Allocated
		General	Electric	Water	Storm	Vehicle	
City Council	27,018	19,739	2,613	2,753	1,913	-	7,279
Mayor & Executive	37,060	19,568	7,660	5,603	3,973	256	17,492
Admin & Finance	104,694	18,814	37,920	27,095	20,206	660	85,880
Legal	100,000	30,150	35,440	19,640	13,450	1,320	69,850
Other Admin/Personnel	22,050	10,185	3,215	4,503	3,667	481	11,865
Central Services	193,382	79,962	49,796	36,124	26,397	1,102	113,419
Total to Be Allocated	484,204	178,417	136,644	95,718	69,605	3,818	305,785

Interfund Activity

Information Technology

Interfund charges for services in the Information Technology Fund are based on full-time equivalent employee counts. The allocation is as follows:

Function	Allocation
Mayor & Executive	16,620
Finance	18,994
Central Services	6,268
Building	7,075
Planning	1,045
Park Facilities	4,748
Street Fund	7,313
Criminal Justice Fund	66,479
Electric Operations Fund	31,625
Water Operations Fund	36,611
Stormwater Operations Fund	23,173
Vehicle Repair and Maintenance	4,748
	224,698

Vehicle Repair & Maintenance

Interfund charges for Vehicle Repair and Maintenance are based on actual costs incurred during the year and are not subject to estimates.

Interfund Rentals

Interfund rental revenue is recorded in the Electric Operations Fund to reflect the use of space by Water Utility Operations and Stormwater Utility Operations.

Interfund Transfers

Budgeted interfund transfers are as follows:

- ❖ \$200,000 from the General Fund to the Rainy Day Fund to bring the Rainy Day Fund to the targeted balance.
- ❖ \$87,668 from the General Fund to the Asset Replacement and Capital Reserve Fund. This amount represents two percent of budgeted General Fund revenues.
- ❖ \$190,000 from the General Fund to the Street Fund to subsidize Street Fund operations.

- ❖ \$2,595,000 from the General Fund to the Criminal Justice Fund to subsidize Police Department operations.
- ❖ \$70,000 from the Asset Replacement and Capital Reserve Fund to the Criminal Justice Fund for Police vehicles.
- ❖ \$7,679 from the General Fund to the Community Events Fund to cover staffing costs associated with Milton Days.
- ❖ \$35,836 from the Criminal Justice Fund to the Asset Replacement and Capital Reserve Fund. This total represents the final payments on two separate interfund loans approved in 2016.
- ❖ \$25,000 from the Street Fund to the Capital Improvement Fund for sidewalk repairs. This amount represents estimated revenues related to sidewalk in-lieu fees.
- ❖ \$100,000 from the REET 1 Fund to the Capital Improvements Fund.
- ❖ \$75,000 from the REET 1 Fund to the Stormwater Capital Fund.
- ❖ \$100,000 from the REET 2 Fund to the Capital Improvements Fund.
- ❖ \$85,000 from the REET 2 Fund to the Stormwater Capital Fund.
- ❖ \$75,000 from the Traffic Impact Fees Fund to the Capital Improvements Fund.
- ❖ \$454,000 from the Electric Operations Fund to the Electric Capital Improvement Fund (\$319,000) and the Electric Asset Replacement Fund (\$135,000).
- ❖ \$214,000 from the Water Operations Fund the Water Capital Improvement Fund (\$150,000) and the Water Asset Replacement Fund (\$64,000).
- ❖ \$97,100 from the Stormwater Operations Fund to the Stormwater Capital Improvement Fund (\$68,600) and the Stormwater Asset Replacement Fund (\$28,500).

General Fund – 001 Summary

	2017 Actual	2018 Budget	2018 Projected	2019 Budget	Change - 2018 Budget to 2019	
					Dollars	Percentage
Beginning Fund Balance	214,557	130,470	189,858	622,325		
Revenues & Other Sources						
Property Tax	1,133,648	1,309,000	1,309,000	1,340,000	31,000	2%
Sales Tax	932,096	924,261	1,111,861	1,115,000	190,739	21%
Utility Tax	1,089,300	1,101,273	1,081,685	1,104,088	2,815	0%
Other Taxes	27,991	27,235	32,013	32,299	5,064	19%
Licenses & Permits	159,165	219,251	301,820	247,900	28,649	13%
State Generated Revenues	96,652	94,450	86,399	56,000	(38,450)	-41%
Charges for Services	174,547	132,250	178,006	152,200	19,950	15%
Fines & Forfeitures	106,543	110,800	99,059	102,700	(8,100)	-7%
Miscellaneous Revenues	89,720	81,500	124,558	74,500	(7,000)	-9%
Other & Non-Revenues	212,387	172,300	145,056	158,700	(13,600)	-8%
Total Revenues & Other Sources	4,022,049	4,172,321	4,469,457	4,383,387	211,066	5%
Expenditures & Other Uses						
City Council	18,508	23,339	15,993	46,427	23,088	99%
Mayor & Executive	91,529	69,914	75,024	160,456	90,542	130%
Judicial/Municipal Court	278,270	288,000	277,177	297,000	9,000	3%
Legal Services	22,670	46,517	60,527	30,150	(16,367)	-35%
Finance	79,419	95,242	104,184	95,343	100	0%
Other Admin & Personnel	9,199	22,812	11,596	10,185	(12,627)	-55%
Central Services	146,430	140,336	142,605	79,963	(60,372)	-43%
Building	163,488	249,243	262,992	351,907	102,664	41%
Planning	166,027	146,300	122,133	70,799	(75,501)	-52%
Culture & Recreational	14,542	24,270	14,461	31,900	7,630	31%
Park Facilities	118,798	144,472	151,379	159,863	15,391	11%
Other & Non-Expenditures	179,869	156,900	126,499	155,300	(1,600)	-1%
Transfers	2,758,000	2,672,420	2,672,420	3,080,347	407,927	15%
Total Expenditures & Other Uses	4,046,748	4,079,764	4,036,990	4,569,640	489,876	12%
Net Change in Fund Balance	(24,699)	92,557	432,467	(186,253)		
Ending Fund Balance	189,858	223,027	622,325	436,072		
Fund Balance as % of Expenditures	5%	5%	15%	10%		

- The decrease in fund balance includes a transfer of \$200,000 to the Rainy Day Fund. This is a significant one-time transfer to bring the balance in the Rainy Day fund to the target of 10% of General Fund expenditures. Even after this transfer the General Fund ending balance will remain well above the eight percent target.
- Overall, expenditures are 12% higher than budgeted in 2018, however, without the transfer to the Rainy Day fund the increase is only seven percent.
- Detailed expenditures by department are shown in the following sections.

General Fund Revenue Detail

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Taxes</i>					
311 10 00 001	Property Tax - Pierce	985,781	1,147,000	1,147,000	1,175,000
311 10 01 001	Property Tax - King	147,867	162,000	162,000	165,000
311 10 02 001	Parks Levy - King	2,004	1,800	1,800	1,800
313 11 00 001	Local Sales Tax	866,895	870,000	1,042,609	1,045,000
313 17 10 001	Zoo/Park Sales Tax	65,201	54,261	69,252	70,000
313 31 00 000	Hotel/Motel Tax	2,162	2,300	5,116	5,000
316 41 00 000	Electric Utility Tax	269,134	274,000	269,733	275,000
316 42 00 000	Water Utility Tax	205,379	191,743	196,176	200,000
316 43 00 000	Gas Utility Tax	81,039	88,231	88,989	90,324
316 44 00 000	Sewer Utility Tax	99,919	97,005	111,247	112,915
316 46 00 000	Cable TV Tax	123,417	127,352	120,008	125,885
316 47 00 000	Telephone Utility Tax	153,602	150,000	139,983	142,082
316 48 00 000	Surface Wtr Utility Tax	86,265	88,942	87,687	89,000
316 49 00 000	Solid Waste Utility Tax	70,547	84,000	67,863	68,881
316 81 00 000	Gambling Excise Tax	23,705	23,000	25,024	25,399
318 12 00 000	Parking Tax	120	135	73	100
<i>Total Taxes</i>		3,183,035	3,361,769	3,534,559	3,591,387
<i>Licenses & Permits</i>					
321 99 00 000	Master Business License	57,973	50,000	58,776	59,000
321 99 10 000	Home Occupation Permits	-	200	-	-
322 10 00 000	Building Permits	77,291	147,000	205,312	150,000
322 10 01 000	Demo Permits	-	1,000	-	-
322 10 02 000	Sign Permits	3,995	3,000	3,697	4,000
322 10 04 000	Plumbing & Mech Permits	18,706	17,000	28,347	29,000
322 10 05 000	Fire Alarm Permits	1,150	951	2,839	3,000
322 10 05 002	Fire Protection	-	-	2,683	2,700
322 90 20 000	Misc. Permits, Other Events	50	100	167	200
<i>Total Licenses & Permits</i>		159,165	219,251	301,820	247,900
<i>State Generated Revenues</i>					
333 97 08 000	FEMA Disaster Assistance Program	250	-	-	-
336 00 98 000	City-County Assistance	2,419	-	10,596	11,000
336 00 99 000	Streamlined Mitigation -State	93,983	94,450	75,803	45,000
<i>Total State Generated Revenues</i>		96,652	94,450	86,399	56,000

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Charges for Services</i>					
341 33 02 000	Warrant Costs	7,293	7,300	6,775	6,800
341 33 03 000	Def. Pros. Admin.	510	700	-	-
341 33 06 000	IT Time Pay Fee	2,013	2,200	1,327	1,500
341 62 00 000	Copies-Muni/Dist Court	10	50	-	-
341 70 00 001	Central Stores Office Supplies	7,064	6,500	1,798	-
341 81 00 000	Photocopies	470	400	393	400
342 33 00 000	Adult Probation Svcs	390	1,800	320	400
342 33 00 001	Record Check Fee	11,290	15,000	10,129	10,000
342 33 00 002	Sentence Compliance Monitoring	21,251	23,000	23,176	23,000
342 33 00 003	Conviction Fee	510	600	455	500
342 37 00 000	Booking Fees	431	600	419	500
342 40 00 000	Inspection Fees	-	100	-	-
345 81 01 000	Subdivision Fees	2,206	2,000	4,384	4,400
345 81 02 000	Variances, Conditional Use	4,179	2,000	3,715	3,700
345 81 04 000	Commercial/Indust. Development	1,209	2,000	4,836	4,800
345 81 05 000	Boundary Adjustment	458	1,000	1,221	1,200
345 81 06 000	Pre-App Meetings	5,762	2,400	7,683	7,700
345 83 10 000	Plan Review	98,570	50,000	98,984	75,000
345 83 20 000	Plan Check-Land Use	-	100	904	900
345 89 00 000	Other Plng & Development Fees	10,932	14,500	11,488	11,400
<i>Total Charges for Services</i>		174,547	132,250	178,006	152,200
<i>Fines & Forfeitures</i>					
352 30 00 000	Mandatory Ins. Admin Cost	785	1,000	549	600
353 10 00 000	Traffic Infraction Penalties	78,141	80,000	63,501	65,000
353 70 00 000	LOCAL/JIS ACCNT	94	100	213	200
354 00 00 000	Disabled Parking Penalty	797	1,000	319	400
355 20 00 000	DUI Penalties	7,888	8,200	13,617	14,000
355 80 00 000	Criminal Traffic Penalties	11,619	12,000	14,509	16,000
356 50 00 000	Investigative Fund Assessments	2,996	3,000	3,660	3,800
356 90 00 000	Other Non-Traffic Penalties	866	2,000	808	800
356 90 00 001	Criminal Non-Traffic Penalties	-	100	-	-
357 33 00 000	Public Defender Fees	1,413	1,200	1,011	1,000
359 10 00 000	Penalties	1,943	2,200	871	900
<i>Total Fines & Forfeitures</i>		106,543	110,800	99,059	102,700

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Miscellaneous Revenues</i>					
361 10 00 001	Investment Interest	611	600	1,995	2,700
361 40 01 001	Interest Local Sales	9,791	9,400	7,416	7,500
361 40 03 001	Interest-Court	5,871	6,000	5,987	6,000
362 00 00 000	Interfund Rental	52,133	53,000	52,132	-
362 00 01 000	Facility Rental	13,980	11,500	18,987	20,000
362 00 02 000	Fire Dept Lease	100	-	31,402	31,400
367 00 00 001	WCIA Grants	100	-	107	100
367 00 40 000	Donations - General	-	-	245	300
367 17 00 000	Donations - Wellness	220	-	423	500
367 76 00 000	Donations - Parks	-	-	533	500
369 10 00 001	Sale Of Scrap And Junk/ Surplus Equip	2,090	-	2,477	2,500
369 40 00 000	Judgements & Settlements	2,491	-	-	-
369 80 00 000	Cash Over/Short	144	-	(268)	-
369 91 00 000	Miscellaneous Revenue	2,190	1,000	3,123	3,000
<i>Total Miscellaneous Revenues</i>		89,720	81,500	124,558	74,500
<i>Non Revenues & Other</i>					
381 10 00 001	Interfund Loans Proceeds From 004	-	25,000	-	-
386 12 00 000	Warrant Costs Crime Victims	2,012	2,000	1,919	2,000
386 83 00 000	Legis. Assmnt	9,793	11,000	7,227	7,500
386 88 00 000	State General Fund 54 (PSEA)	1,002	1,000	1,200	1,200
386 89 00 000	Hwy Safety Acct	3,508	4,000	4,320	4,500
386 91 00 000	State General Fund 40 (PSEA)	58,334	62,000	54,563	60,000
386 92 00 000	State General Fund 50 (PSEA)	30,502	32,000	27,049	30,000
386 96 00 000	Fee Bld/Breath	124	200	-	-
386 97 00 000	Local JIS	20,512	22,000	15,621	20,000
386 99 00 000	School Safety Speeding	948	1,000	220	500
388 10 00 000	Prior Year(s) Corrections	70,019	-	-	-
389 10 00 000	Facility Rental Deposits	12,550	11,000	16,533	20,000
389 30 00 001	State Sales Tax Collected	1,006	600	768	800
389 30 01 000	Building Code Fees	288	300	503	500
389 90 00 000	Misc. Non-Revenue	1,791	200	2,213	2,200
395 10 00 000	Proceeds - Street Vacation	-	-	8,667	9,000
398 20 00 000	Insurance Recovery	-	-	4,253	500
<i>Total Non Revenues & Other</i>		212,387	172,300	145,056	158,700
Total Revenues		4,022,049	4,172,321	4,469,457	4,383,387

- Property tax is projected to increase two percent based on the 101% limit plus new construction.
- Sales tax is projected to increase significantly from the 2018 budgeted amount, however the amount budgeted in 2019 is nearly the same as 2018 projected revenue.
- Permit and plan review revenues have been conservatively budgeted. Budgeted amounts are higher than 2018 budgets but lower than 2018 projections.

General Fund - City Council

The City Council, or Legislative Department of the city, accounts for the cost of providing effective elective representation to the citizens of the City. The seven-member Council makes policy decisions for the City and is accountable to Milton citizens by determining how resources are allocated, the appropriate levels of services, and establishing goals and policies for the City.

The City Council budget for 2019 is approximately \$23,000 higher than the 2018 budget. This increase is due to the following factors: increased code publishing expenditures to allow for a complete code review and update in 2019; increased salaries and benefits costs due to updated cost allocation methods.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>City Council</i>					
511 30 41 000	Offc'l Pub/Code Publishing	5,528	7,000	1,484	20,000
511 60 10 000	Salaries and Wages	8,400	8,400	8,400	33,600
	<i>Allocated salaries</i>			-	(9,399)
511 60 20 000	Personnel Benefits	747	810	689	3,452
	<i>Allocated benefits</i>			-	(965)
511 60 31 000	Operating Supplies	163	200	205	220
511 60 41 000	Professional Services	54	500	-	-
511 60 41 001	Professional Services-IT	-	1,779	2,688	-
511 60 41 002	Advertising	2,144	1,800	1,283	1,650
511 60 43 000	Travel	867	1,600	620	3,253
511 60 49 000	Miscellaneous	244	200	-	-
511 60 49 002	Misc/Trng, Registrations	361	750	440	1,655
511 60 49 003	Misc/Outside Printing	-	300	184	240
	<i>Allocated operating expenditures</i>	-	-	-	(7,279)
<i>Total City Council</i>		18,508	23,339	15,993	46,427

Salaries, benefits and operating expenditures have been allocated to utility funds as follows:

	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>Vehicle</u>	<u>Info Tech</u>	<u>Total</u>
Salaries & Wages	3,249	3,423	2,378	-	349	9,399
Benefits	334	352	244	-	35	965
Operating Expenditures	2,613	2,753	1,913	-	-	7,279
Total Allocated	6,196	6,528	4,535	-	384	17,643

General Fund - Mayor & Executive Office

This department, which includes the Mayor, is accountable to the City Council for the operational results of the organization, effective support of elected officials in achieving their goals, fulfillment of the statutory requirements of the City, implementation of City Council policies, and providing for a communication linkage between citizens, the City Council, City departments, and other government agencies.

The Mayor & Executive 2019 budget is approximately \$91,000 higher than the 2018 budget. This increase is due to the following factors: addition of .5 FTE Deputy City Clerk at a cost of \$46,000; increase in Information Technology cost allocation (based on FTE); and a decrease in salaries and benefits allocated to other funds due to updated cost allocation methodologies.

Positions included in this department are: Mayor, Municipal Services Administrator, general governmental portion of Police Chief/Public Safety Administrator, City Clerk and Deputy City Clerk.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Mayor & Executive</i>					
513 10 10 000	Salaries and Wages	37,390	34,769	42,511	259,392
	<i>Allocated salaries</i>	-	-	-	(163,212)
513 10 20 000	Personnel Benefits	24,732	13,364	13,421	122,204
	<i>Allocated benefits</i>	-	-	-	(77,496)
513 10 31 000	Office and Operating Supplies	768	800	1,736	2,000
513 10 35 000	Small Tools & Equipment	-	500	443	600
513 10 36 000	Small Assets/IT	-	500	-	-
513 10 41 000	Other Services and Charges	6,540	1,000	2,088	2,000
513 10 41 001	Professional Services - IT	7,380	5,581	5,047	16,620
513 10 41 002	Advertising	2,658	3,000	477	230
513 10 42 000	Communication	2,209	2,400	1,969	2,400
513 10 43 000	Travel	3,756	2,000	1,236	4,790
513 10 45 000	Operating Rentals and Leases	556	800	872	800
513 10 48 000	Repairs and Maintenance	1,490	1,000	628	1,000
513 10 48 001	Vehicle Repairs and Maintenance	574	-	145	110
513 10 49 000	Miscellaneous	-	200	-	-
513 10 49 001	Misc/Dues & Memberships	1,495	1,500	2,047	2,600
513 10 49 002	Misc/Trng, Registrations	1,243	1,500	2,317	2,910
513 10 49 003	Misc/Outside Printing	740	1,000	87	1,000
	<i>Allocated operating expenditures</i>	-	-	-	(17,492)
<i>Total Mayor & Executive</i>		91,529	69,914	75,024	160,456

Salaries, benefits and operating expenditures have been allocated to utility funds as follows:

	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>Vehicle</u>	<u>Info Tech</u>	<u>Total</u>
Salaries & Wages	66,252	43,097	30,233	2,152	21,478	163,212
Benefits	31,347	20,633	14,551	1,088	9,877	77,496
Operating Expenditures	7,660	5,603	3,973	256	-	17,492
Total Allocated	105,259	69,333	48,757	3,496	31,355	258,200

General Fund - Judicial/Municipal Court

The Judicial department is used to account for expenditures of the Milton Municipal Court. The Milton Municipal Court is a court of limited jurisdiction, hearing cases involving alleged violations of City ordinances and State misdemeanor statutes, traffic and parking infractions.

The 2019 Judicial budget is 3% higher than the 2018 budget to reflect standard cost increases.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Judicial/Municipal Court</i>					
512 50 41 000	Professional Services	90,196	94,000	89,503	97,000
512 50 43 000	Judge's Travel	-	300	-	300
512 50 49 001	Misc/Dues & Memberships	400	400	-	400
512 50 49 002	Misc/Trng, Registrations	-	300	-	300
512 50 51 000	Intergov't Services	187,674	193,000	187,674	199,000
<i>Total Judicial</i>		278,270	288,000	277,177	297,000

General Fund - Legal Services

The City currently contracts for all legal services, including general legal counsel and related services. Services include advising the Council, Mayor and Directors; representing the City in litigation and preparing legislation for consideration by the Council.

The 2019 budget is less than the 2018 budget due to cost savings associated with contracting legal services rather than employing an in-house attorney.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Legal Services</i>					
515 30 10 000	Salaries & Wages	13,370	18,810	7,587	-
515 30 20 000	Benefits	4,416	8,284	1,453	-
515 30 31 001	Office Supplies	67	300	-	-
515 30 41 000	City Attorney	2,520	5,000	46,897	80,000
515 30 41 001	Professional Services-IT	-	2,223	2,224	-
515 30 41 002	Labor Attorney	855	5,000	1,040	20,000
515 30 41 003	Land Use Attorney	-	5,000	200	-
515 30 45 000	Operating Rentals And Leases	676	1,000	-	-
515 30 48 000	Repairs And Maintenance	325	300	487	-
515 30 49 001	Misc/Dues & Memberships	440	600	639	-
	<i>Allocated operating expenditures</i>	-	-	-	(69,850)
<i>Total Legal Services</i>		22,670	46,517	60,527	30,150

Operating expenditures have been allocated to utility funds as follows:

	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>Vehicle</u>	<u>Info Tech</u>	<u>Total</u>
Operating Expenditures	<u>35,440</u>	<u>19,640</u>	<u>13,450</u>	<u>1,320</u>	<u>-</u>	<u>69,850</u>
Total Allocated	<u>35,440</u>	<u>19,640</u>	<u>13,450</u>	<u>1,320</u>	<u>-</u>	<u>69,850</u>

General Fund - Finance

The Finance Department is responsible for ensuring sound financial management of all City operations, the safekeeping of City assets, budget development, financial statement preparation, debt administration and investing. Major functions include: payroll, accounts payable, utility billing and business licensing.

The Finance Department budget is relatively unchanged from 2018. The department continues to operate with four FTE and no significant cost increases are projected for 2019.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Finance</i>					
514 20 10 000	Salaries and Wages	19,674	19,130	23,337	283,303
	<i>Allocated salaries</i>			-	(228,940)
514 20 10 002	Overtime	122	1,500	4	-
514 20 20 000	Personnel Benefits	11,875	10,154	11,295	118,530
	<i>Allocated benefits</i>			-	(96,364)
514 20 31 000	Office and Operating Supplies	273	400	684	2,000
514 20 35 000	Small Tools and Equipment	64	150	148	500
514 20 41 000	Professional Services	14,690	10,500	10,500	21,000
514 20 41 001	Professional Services - IT	7,000	10,233	10,233	18,994
514 20 41 002	Advertising	-	-	605	500
514 20 42 000	Communication	1,478	1,500	1,536	6,000
514 20 43 000	Travel	1,229	850	147	1,200
514 20 45 000	Operating Rentals and Leases	278	300	307	1,200
514 20 48 000	Repairs and Maintenance	641	600	629	600
514 20 49 000	Miscellaneous	505	850	2,345	1,000
514 20 49 001	Misc/Dues & Memberships	247	200	103	200
514 20 49 002	Misc/Trng,Registrations	592	875	311	2,500
514 20 49 003	Misc/Outside Printing	355	-	-	-
514 20 51 000	Prof Services-State Auditor	8,906	18,000	22,000	24,000
514 40 51 000	Election And Voter Costs	11,491	20,000	20,000	25,000
	<i>Allocated operating expenditures</i>	-	-	-	(85,880)
<i>Total Finance</i>		79,419	95,242	104,184	95,343

Salaries, benefits and operating expenditures have been allocated to utility funds as follows:

	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>Vehicle</u>	<u>Info Tech</u>	<u>Total</u>
Salaries & Wages	100,600	70,875	52,580	2,000	2,885	228,940
Benefits	42,227	29,763	22,111	888	1,375	96,364
Operating Expenditures	37,920	27,095	20,206	660	-	85,880
Total Allocated	180,747	127,733	94,897	3,548	4,260	411,184

General Fund - Other Admin & Personnel

This department accounts for the employee wellness program and other minor personnel related items. The 2019 budget is less than 2018 due to inclusion of this department in the indirect cost allocation plan.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Other Admin & Personnel</i>					
517 30 49 000	FSA Plan Fees	550	1,000	467	1,000
517 60 49 001	Misc Exp - Dues & Memberships	6,744	7,000	5,296	7,000
517 78 20 004	Unemployment Benefits	-	12,000	3,337	12,000
517 90 31 000	Supplies - Employee Wellness	475	500	668	1,150
517 90 31 001	Employee Recognition	124	100	-	300
517 90 31 002	Office & Operating Supplies	42	-	67	-
517 90 35 000	Small Tools -Employee Wellness	-	200	-	-
517 90 41 001	Professional Services-IT	-	1,112	1,112	-
517 90 43 000	Travel - Employee Wellness	847	600	649	600
517 90 49 000	Misc Exp - Employee Wellness	418	300	-	-
	<i>Allocated operating expenditures</i>	-	-	-	(11,865)
<i>Total Other Admin & Personnel</i>		9,199	22,812	11,596	10,185

Operating expenditures have been allocated to utility funds as follows:

	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>Vehicle</u>	<u>Info Tech</u>	<u>Total</u>
Operating Expenditures	3,215	4,503	3,667	481	-	11,865
Total Allocated	3,215	4,503	3,667	481	-	11,865

General Fund - Central Services

This department accounts for support activities that benefit the entire organization, primarily facilities maintenance costs for City Hall and Finance/Administration buildings and City-wide insurance premiums. Costs are allocated to other funds based on the indirect cost plan. Facilities maintenance includes maintaining, repairing, cleaning and protecting all general property. Responsibilities include custodial, general maintenance, pest control, small repairs and coordination of significant repair projects.

The overall 2019 budget is lower than the 2018 budget due to inclusion of this department in the cost allocation plan.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Central Services</i>					
518 30 10 000	Salaries and Wages - Facilities	48,450	36,603	44,065	63,863
518 30 10 002	Overtime	103	-	288	4,197
518 30 10 003	Temp/Seasonal Staff	-	1,499	-	-
518 30 20 000	Personnel Benefits	17,819	17,437	13,069	27,296
518 30 20 002	Uniforms	567	575	508	575
518 30 31 000	Operating Supplies	5,456	4,000	7,669	7,000
518 30 32 000	Operating Supplies/Fuel	324	120	101	130
518 30 35 000	Small Tools and Equipment	438	1,000	2,192	2,500
518 30 41 000	Professional Services	1,911	3,500	5,415	10,000
518 30 41 001	Professional Services - IT	3,347	4,893	4,893	6,268
518 30 42 000	Communication	844	890	773	1,000
518 30 43 000	Travel	-	100	16	100
518 30 45 000	Operating Rentals and Leases	228	325	152	250
518 30 47 000	Public Utility Service	1,495	3,400	3,115	3,500
518 30 48 000	Repairs & Maintenance	1,742	2,000	913	2,000
518 30 48 001	Vehicle R&M	2,311	1,000	257	1,000
518 30 48 002	Building Repair & Maint	8,512	10,000	10,000	10,000
518 30 49 002	Misc/Training, Registration	84	-	68	50
518 50 31 000	Office Supplies - Central Stores	10,329	10,000	80	-
518 50 35 000	Small Tools and Equipment	397	500	-	500
518 50 45 000	Operating Leases	2,320	2,300	2,388	2,400
518 50 49 001	Misc/Dues & Memberships	6,006	7,000	7,332	10,000
518 80 41 000	Prof Svcs -	123	-	43	-
518 80 42 000	Communications - Citywide	-	-	263	250
519 00 46 000	Insurance - Risk Management	33,623	33,194	39,004	40,503
	<i>Allocated operating expenditures</i>	-	-	-	(113,419)
<i>Total Central Services</i>		146,430	140,336	142,605	79,963

Operating expenditures have been allocated to utility funds as follows:

	<u>Electric</u>	<u>Water</u>	<u>Storm</u>	<u>Vehicle</u>	<u>Info Tech</u>	<u>Total</u>
Operating Expenditures	49,796	36,124	26,397	1,102	-	113,419
Total Allocated	49,796	36,124	26,397	1,102	-	113,419

General Fund - Building

This department represents the cost of providing building services for the city, including building plan reviews, permits and building/construction inspections. The Building department is responsible for the City's land use and construction code compliance services. Building staff reviews building permit applications and issues building permits pursuant to the International Building Code (IBC). This department is also responsible for providing information and direction to the public, builders, architects and engineers related to buildings including mechanical, plumbing, electrical, and general construction, and related to the site including environmental and fire safety. Staff is also responsible for reviewing and inspecting developments to ensure they conform with all applicable codes.

For the past several years this group was staffed by one full-time Building Official with assistance from the Public Works Administrative Assistant. With the recent hiring of a new permit technician this group will be poised to more-efficiently manage the City's permit and inspection processes. This group is generally reactive in nature, meaning that their level of work is directly related to the quantity and quality of permits submitted. With the recent improvements in the economy this group has seen a vast increase in the amount of permit applications. This is reflected in the increased revenue in the permit fee funds. However, this increase has also resulted in an increase of outside professional services required to adequately respond to these applications.

The increase in salaries and benefits shown below is primarily due to re-classifying the part-time Planner position into a Permit Technician position. The Planner position was included in the Planning budget in 2018, while the Permit Technician is included in the Building budget in 2019.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Building</i>					
558 50 10 000	Salaries and Wages	98,287	114,524	125,813	172,170
558 50 10 002	Overtime	3,929	2,100	10,649	5,000
558 50 20 000	Personnel Benefits	39,625	55,740	53,408	95,037
558 50 20 002	Uniforms	-	200	-	200
558 50 31 000	Office and Operating Supplies	307	500	620	600
558 50 32 000	Fuel	267	500	443	1,000
558 50 35 000	Small Tools and Equipment	-	500	-	500
558 50 41 000	Professional Services	8,896	60,263	49,267	60,000
558 50 41 001	Professional Services - IT	5,535	8,091	16,804	7,075
558 50 41 002	Advertising	720	-	-	-
558 50 42 000	Communications	1,287	1,300	1,307	1,500
558 50 43 000	Travel	175	1,200	1,193	1,200
558 50 45 000	Operating Rentals and Leases	326	175	155	175
558 50 47 000	Public Utility Services	792	1,000	893	1,000
558 50 48 000	Repairs and Maintenance	178	175	131	200
558 50 48 001	Vehicle Repairs & Maintenance	-	1,000	839	1,000
558 50 49 000	Miscellaneous	1,948	500	264	-
558 50 49 001	Misc/Dues & Memberships	238	225	127	250
558 50 49 002	Misc/Trng, Registrations	979	1,250	1,080	5,000
<i>Total Building</i>		163,488	249,243	262,992	351,907

General Fund - Planning

This department is responsible for the City's land use and construction code compliance services. With the improvements in the economy we have seen an increase in the need for these services. For the past few years we have had a contract with AHBL for senior planning services, which provided for a senior planner to be on-site one day a week. This effort will continue in 2019.

This group is also responsible for the development and administration of long-range plans to achieve the growth and development of the City as well as the State Growth Management Act. This Division works in conjunction with the Planning Commission, the City Council and Administration, and is dedicated primarily to drafting public land use policy, compliance, and inter-jurisdictional planning efforts

The planning group is also responsible for preparing and publishing all legal notices required for land use related permits. These notices are typically provided via newspaper and household mailings to fulfill various notification requirements.

The 2019 budget is significantly lower than the 2018 budget due to reclassification of the part-time Planner position into a Permit Technician position, which is accounted for in the Building department in 2019.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Planning</i>					
558 60 10 000	Salaries And Wages	54,793	42,151	30,047	12,423
558 60 20 000	Personnel Benefits	28,601	23,385	8,717	5,631
558 60 31 000	Operating Supplies	410	300	423	500
558 60 32 000	Fuel	38	100	-	100
558 60 35 000	Small Tools and Equipment	-	500	352	500
558 60 36 000	Small Assets/IT	-	300	-	-
558 60 41 000	Professional Services	66,881	60,000	56,768	40,000
558 60 41 001	Professional Services - IT	6,554	12,264	16,020	1,045
558 60 41 002	Advertising	4,084	2,300	4,321	5,000
558 60 42 000	Communication	745	850	700	750
558 60 43 000	Travel	205	300	140	300
558 60 45 000	Operating Rentals and Leases	164	150	155	150
558 60 47 000	Public Utilities	630	750	723	750
558 60 48 000	Repairs and Maintenance	178	150	131	150
558 60 49 000	Miscellaneous	34	100	-	-
558 60 49 001	Misc/Dues & Memberships	2,587	2,600	3,247	500
558 60 49 002	Misc/Trng, Registrations	35	100	127	3,000
558 60 49 003	Misc/Outside Printing	89	-	264	-
Total Planning		166,027	146,300	122,133	70,799

General Fund - Culture & Recreational Facilities

This department is used to account for expenditures related to the maintenance and operation of the Milton Activity Center and Community Building.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Culture & Recreational Facilities</i>					
575 50 10 000	Salaries & Wages	430	5,000	456	6,000
575 50 10 005	On call pay	707	-	-	-
575 50 20 000	Personnel Benefits -	1,062	2,500	824	2,500
575 50 31 000	Supplies -	-	700	161	3,800
575 50 42 000	Communication -	43	400	7	1,000
575 50 44 002	Taxes On Bldg Rentals	180	200	320	-
575 50 47 000	Public Utilities Services - CB	1,208	1,270	3,323	4,000
575 50 47 002	Public Utilities Services - AC	9,759	12,000	8,552	8,000
575 50 48 000	Repair & Maint - CB	78	1,000	27	1,000
575 50 48 002	Repair & Maint - AC	-	-	-	5,000
575 50 49 000	Misc/Other Exp - CB	329	400	32	-
575 50 49 002	Misc/Other Exp - AC	745	800	760	600
<i>Total Culture & Recreational Facilities</i>		14,542	24,270	14,461	31,900

General Fund - Park Facilities

The Park Facilities department accounts for costs to maintain the city's parks, trails, and open spaces. Work includes specific maintenance and repair of the 2.5 miles of the Interurban Trail, in addition to all other public spaces within the City. Maintaining parks is labor intensive and requires funding for appropriate equipment maintenance and repair. In 2018 the mowing of the parks was outsourced to a private company. This has freed up Parks staff to focus on maintenance and other high-priority issues. This outsourcing has also reduced the level of maintenance needed for our mowers and other equipment.

The Parks Division provides information and support to the Parks Board, an advisory commission to the City Council. The City does not have any staff dedicated full-time to parks. Staff is shared with the stormwater and facilities groups. All work performed by this group is prioritized to address safety and high community use areas.

This group also assists with the coordination of annual special events such as Milton Days, the Fall Craft Bazaar and the Holiday Tree Lighting.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Park Facilities</i>					
576 80 10 000	Salaries and Wages	47,028	25,603	47,377	43,881
576 80 10 002	Overtime and Other Wages	104	-	28	2,493
576 80 10 003	Temp/Seasonal	1,802	5,995	-	5,000
576 80 20 000	Personnel Benefits	14,995	13,542	22,856	20,491
576 80 20 002	Uniforms	625	700	509	700
576 80 20 003	Seasonal Benefits	237	-	-	-
576 80 31 000	Operating Supplies	5,450	8,000	3,047	6,000
576 80 32 000	Fuel	955	750	1,129	1,200
576 80 35 000	Small Tools and Equipment	718	1,000	55	1,000
576 80 35 001	Machinery & Equipment	-	25,000	-	2,000
576 80 41 000	Professional Services	257	-	177	250
576 80 41 001	Professional Services - IT	3,750	5,482	5,481	4,748
576 80 42 000	Communication	878	200	817	1,000
576 80 43 000	Travel	-	-	943	1,000
576 80 45 000	Operating Rentals and Leases	2,196	2,000	2,013	2,000
576 80 47 000	Public Utility Service	15,020	25,600	17,507	18,000
576 80 48 000	Repair & Maintenance	3,999	9,500	32,083	45,000
576 80 48 001	Equipment Repair & Maintenance	18,214	20,000	17,188	4,000
576 80 49 000	Misc/Other Expense	62	100	100	100
576 80 49 002	Misc/Trng, Registrations	2,512	1,000	68	1,000
<i>Total Park Facilities</i>		118,798	144,472	151,379	159,863

General Fund - Miscellaneous & Non-Operating Expenditures

These accounts are for miscellaneous items that are not related to the City's primary functions, including environmental efforts related to the assessment and remediation of nuisances and disbursement of pass-thru funds which are offset by other non-operating revenues.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Protective Inspections, Conservation and Nuisance Control</i>					
524 60 00 000	Enforcement Of Codes & Regs	2,239	7,000	916	1,000
553 60 51 000	Noxious Weed Assessment	547	600	187	200
554 90 51 000	Storm Water Assessment	-	-	751	500
554 90 52 000	Conserv Dist Assessment	-	-	511	500
<i>Total Protective Inspections, Conservation and Nuisance Control</i>		2,787	7,600	2,364	2,200
 <i>Non Expenditures</i>					
581 20 00 001	Interfund Loan-Principal	24,788	-	-	-
586 12 00 000	Crime Victims Comp Fund	2,012	2,000	1,920	2,000
586 83 00 000	Trauma/Auto Theft/Brain Injury	9,793	11,000	7,227	7,500
586 88 00 000	State General Fund 54 (PSEA)	1,002	1,000	1,200	1,200
586 89 00 000	Death Investigation Account	3,508	4,000	4,320	4,500
586 91 00 000	State General Fund 40 (PSEA)	58,334	62,000	54,563	60,000
586 92 00 000	State General Fund 50 (PSEA)	30,502	32,000	27,049	30,000
586 96 00 000	Lab Blood/Breath	124	200	-	-
586 97 00 000	JIS	20,512	22,000	15,621	20,000
586 99 00 000	School Zone Safety	912	1,000	220	500
588 10 00 000	Prior Year Correction	4,011	-	(1,257)	-
589 10 00 000	Refund Facility Deposit	11,800	11,000	13,933	20,000
589 30 00 000	Sales Tax Paid To State Gen	1,006	600	-	800
589 30 01 000	Building Code Fee	279	300	352	500
589 90 00 000	Misc Non-Expenditure	2,638	200	2,629	2,600
589 90 00 999	Payroll Clearing	5,640	2,000	(3,643)	3,500
592 21 82 001	Interfund Loan-Interest	222	-	-	-
<i>Total Non Expenditures</i>		177,082	149,300	124,135	153,100

General Fund - Transfers

Transfers are used to show General Fund support of other funds. The most significant operating subsidies are provided to the Criminal Justice fund (107) for Police Department operations and to the Street fund (101) for street maintenance. Starting in 2019, transfers to the Events fund are budgeted in order to cover the costs of salaries/benefits associated with staff time spent on Milton Days.

The 2019 budget provides for a one-time transfer to the Rainy Day fund to bring the balance in the fund up to 10 percent of 2019 general fund operating expenditures. The 2019 budget also establishes funding for future general government asset replacement/capital projects in an amount equal to two percent of general fund revenue.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Transfers</i>					
597 01 07 001	Transfer to Fund 107	2,543,000	2,500,420	2,500,420	2,595,000
	Transfer to Events	-	-	-	7,679
	Transfer to Rainy Day	-	-	-	200,000
	Transfer to Asset Replacement	-	-	-	87,668
597 10 10 001	Transfer to Fund 101	215,000	172,000	172,000	190,000
<i>Total Transfers</i>		2,758,000	2,672,420	2,672,420	3,080,347

Street Fund (101)

The purpose of the Street Operations and Maintenance fund is to develop, build, and maintain public infrastructure by effectively administering and managing the design, engineering, construction, environmental compliance, and maintenance of City-owned streets, transportation systems, roadway shoulders, landscape strips, sidewalks, traffic signals, and other assets.

There are five primary programs in the Street Division: Pavement Management, Street Lights, Safety, Sidewalk/Right of Way Maintenance, and Winter Sanding/Plowing. The City's street crew performs routine maintenance limited to filling potholes and minor repairs. A limited amount of asphalt patching is contracted out each year, primarily focused on patching small areas of pavement that are approaching failure and experiencing extensive cracking and settling. Current funding levels for this division are not adequate to provide for preventive pavement maintenance; only routine maintenance at the most basic level is done throughout the year. The Safety Program includes cleaning and repair of street signs, guardrails, and all other traffic control devices within the City. Street striping is performed on an annual basis and is currently contracted out to King County. Street sweeping is only performed a couple times a year, on an as-needed basis, and is contracted to outside entities. Cleaning of sidewalks, maintaining landscaping, and mowing roadway shoulders is covered under the Sidewalk/Right of Way Maintenance Program. Sanding and plowing as needed is performed by the City's street crew during inclement weather. The winter sanding and plowing program is not inclusive of all City streets, and only focuses on pre-determined primary and secondary routes through town.

Maintenance and repairs to traffic signals is currently handled by Pierce County or, on state routes, by the Washington State Department of Transportation.

Budgeting for some street-related projects are included in the Capital Improvement portion of the budget.

Financing the programs and activities of the Street Division has been very challenging over the past several years. The Street Fund receives shared monies from Washington State's Gas Tax, however, because this distribution is based on population, the City receives a minimal amount each year. Unfortunately, this distribution is not enough to cover the annual expenses that this fund experiences. To make up for the shortfall between current program revenues and current operational expenditures, the City transfers General Fund monies in to the Street Fund annually to help cover the costs.

	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>	<u>Change - 2018 Budget to 2019</u>	
					<u>Dollars</u>	<u>Percentage</u>
Beginning Fund Balance	4,042	16,932	42,685	4,697		
Revenues & Other Sources						
Licenses & Permits	11,647	1,500	2,345	2,000	500	33%
State Generated Revenues	174,742	182,727	172,155	175,000	(7,727)	-4%
Charges for Services	3,778	-	-	-	-	-
Miscellaneous Revenues	500	-	761	-	-	-
Transfers In	227,500	172,000	172,000	190,000	18,000	10%
Other & Non-Revenues	-	-	4,632	-	-	-
Total Revenues & Other Sources	418,167	356,227	351,894	367,000	10,773	3%
Expenditures & Other Uses						
Salaries	141,244	107,682	147,185	94,498	(13,184)	-12%
Benefits	37,693	55,624	57,480	38,599	(17,025)	-31%
Operating Supplies & Services	105,305	106,275	90,074	117,250	10,975	10%
Miscellaneous Expenditures	1,997	-	(549)	-	-	-
Debt Service	93,285	93,285	95,691	91,789	(1,496)	-2%
Transfers Out	-	-	-	25,000	25,000	-
Total Expenditures & Other Uses	379,523	362,865	389,882	367,136	4,271	1%
Net Change in Fund Balance	38,643	(6,638)	(37,988)	(136)		
Ending Fund Balance	42,685	10,294	4,697	4,561		

DETAIL

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 101	BFB - Unreserved	4,042	16,932	42,685	4,697
Revenues					
322 40 10 000	Street Permits	11,647	1,500	2,345	2,000
336 00 71 000	Multimodal Transportation	8,090	11,139	9,530	10,000
336 00 87 000	MVFT - City Streets	166,652	171,588	162,626	165,000
344 10 00 000	Road/Street Maintenance & Repair Charges	3,778	-	-	-
369 10 00 101	Sale Of Scrap And Junk	500	-	-	-
369 91 00 101	Misc Revenues	-	-	761	-
397 00 01 101	Contrib. From General Fund	215,000	172,000	172,000	190,000
397 01 31 101	Transfer In From REET	12,500	-	-	-
398 20 00 101	Insurance Recovery	-	-	4,632	-
Total Revenues		418,167	356,227	351,894	367,000
Expenditures					
542 30 10 000	Salaries and Wages	135,806	101,513	137,995	71,519
542 30 10 002	Overtime	3,626	4,670	7,413	2,979
542 30 10 003	Seasonal/Temp	-	1,499	-	18,000
542 30 10 005	On Call Pay	1,812	-	1,778	2,000
542 30 20 000	Personnel Benefits	36,245	54,124	55,529	36,599
542 30 20 002	Uniforms	1,447	1,500	1,951	2,000
542 30 31 000	Office and Operating Supplies	6,750	15,000	8,405	15,000
542 30 32 000	Operating Supplies/Fuel	2,003	2,000	3,645	4,000
542 30 35 000	Small Tools and Equipment	804	2,000	2,811	3,000
542 30 41 000	Professional Services	6,534	5,000	1,090	5,000
542 30 41 001	Professional Services - IT	9,163	5,724	16,862	7,313
542 30 42 000	Communication	1,646	1,700	1,713	2,000
542 30 43 000	Travel	254	300	669	1,500
542 30 45 000	Operating Rentals and Leases	9,075	7,500	8,621	8,000
542 30 47 000	Utilities	20,260	23,000	21,907	23,000
542 30 48 000	Repairs and Maintenance	14,801	14,000	4,953	10,000
542 30 48 001	Equipment Repair & Maint	11,378	13,000	6,876	10,000
542 30 48 004	Street Sign Retrofit Program	2,278	-	-	10,000
542 30 49 000	Misc/Other Exp	708	800	134	800
542 30 49 002	Misc Training/Registrations	395	300	315	3,000
542 90 41 000	Professional Services	9,932	5,000	607	2,000
542 90 41 002	Advertising	92	100	-	100
542 90 46 000	Insurance	8,719	9,701	11,399	11,837
542 90 49 001	Misc/Dues & Memb	508	300	-	300
542 90 49 002	Misc/Trng, Registrations	4	700	69	200
542 90 49 003	Misc/Outside Printing	-	150	-	200
588 10 00 101	Prior Period Adjustments	1,997	-	(549)	-
591 95 78 000	Debt Service Principal	88,121	88,121	88,121	88,121
592 95 83 001	Debt Service Interest	5,164	5,164	7,570	3,668
	Transfer out to capital improvement	-	-	-	25,000
Total Expenditures		379,523	362,865	389,882	367,136
508 80 00 101	Fund Balance-Unreserved	42,685	10,294	4,697	4,561

Rainy Day Fund (103)

The Rainy Day Fund is used to set-aside funds for future use in case of emergency or economic downturn. The target is for the ending balance to equal at least 10% of budgeted operating expenditures of the General Fund. Use of the Rainy Day fund shall be approved by Council through the budget process for temporary, unanticipated, one-time expenditures. If the balance in the Rainy Day fund falls below the 10% target, the balance should be increased by at least one percent per year until the 10 percent target is met again. The 2019 budget includes a transfer of \$200,000 from the General Fund in order to bring the balance in the Rainy Day fund to the 10 percent target.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 103	BFB - Unreserved	261,958	265,526	264,392	266,259
Revenues & Other Sources					
361 10 00 103	Investment Interest	2,973	3,000	1,867	3,700
	Transfer In - General Fund	-	-	-	200,000
Total Revenues & Other Sources		2,973	3,000	1,867	203,700
Net Change in Fund Balance		2,973	3,000	1,867	203,700
508 80 00 103	Fund Balance-Unreserved	264,932	268,526	266,259	469,959
Fund Balance as % of General Fund Expenditures		7%	7%	7%	10%

Asset Replacement & Capital Reserve Fund (004)

This fund represents amounts dedicated to the purchase of general government assets and capital projects. Funding includes a transfer from the General Fund equivalent to two percent of budgeted general fund revenues and the final payment on interfund loans established in 2016.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 004	Estimated Beginning Balance	418,391	457,649	457,862	499,818
Revenues & Other Sources					
361 10 00 004	Investment Interest	3,885	2,800	6,370	3,700
361 40 00 107	Other Interest CJ Interfund Loan	378	252	252	-
	Transfer from general fund	-	-	-	87,668
381 20 00 107	Interfund Loan Repayment CJ	35,208	35,333	35,333	35,836
Total Revenues & Other Sources		<u>39,470</u>	<u>38,385</u>	<u>41,956</u>	<u>127,204</u>
Expenditures & Other Uses					
581 10 00 001	Interfund Loan Disbursements Parks	-	25,000	-	-
581 10 00 107	Interfund Loan Disbursements CJ	-	40,000	-	-
	Transfer to CJ	-	-	-	70,000
Total Expenditures & Other Uses		<u>-</u>	<u>65,000</u>	<u>-</u>	<u>70,000</u>
Net Change in Fund Balance		39,470	(26,615)	41,956	57,204
508 80 00 004	Ending Balance	<u>457,861</u>	<u>431,034</u>	<u>499,818</u>	<u>557,022</u>

Drug Seizure Fund (105)

To ensure that criminals do not benefit financially from their illegal acts, federal law provides that profits from drug-related crimes, as well as property used to facilitate certain crimes, are subject to forfeiture to the City. These forfeitures are accounted for in the Drug Seizure Fund, and are used to offset training and equipment costs of the police department.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 105	BFB - Unreserved	186	18,448	8,357	41,260
Revenues & Other Sources					
369 30 00 000	Confiscated and Forfeited Property	8,459	13,000	32,903	10,000
Total Revenues & Other Sources		8,459	13,000	32,903	10,000
Expenditures & Other Uses					
521 80 31 000	Operating Supplies	99	-	-	-
521 80 35 001	Machinery & Equipment	-	22,000	-	10,000
521 80 49 000	Misc/Other Expenses	189	-	-	-
Total Expenditures & Other Uses		288	22,000	-	10,000
Net Change in Fund Balance		8,172	(9,000)	32,903	-
508 80 00 105	Fund Balance-Unreserved	8,357	9,448	41,260	41,260

Criminal Justice Fund (107)

The Criminal Justice Fund accounts for expenditures of the Police Department.

The Milton Police Department is dedicated to excellence as a world class public safety agency. We are committed to establishing an environment in which members of the department and community thrive. We seek to be a catalyst for positive change through persistent, personalized and cost-effective use of public safety resources. By embracing the values of pride, professionalism and integrity we remain committed to maintaining the public trust.

Administration Division: The Administration Division is staffed by both sworn officers and civilian employees. Currently the Division is comprised of 1 full time Police Administrator (Police Chief). The Assistant Chief and Police Clerk Position are currently vacant due to a lack of funding.

The Patrol Division is the backbone of the Milton Police Department, as they are available twenty-four hours a day, seven days a week. The Patrol Division has the responsibility of being the first responders to all calls for police service in the city. The Patrol Division is comprised of 3 Patrol Sergeants, 8 Patrol Officers and 1 Code Enforcement Officer.

The Detective Division investigates an array of serious offenses such as; aggravated assault, aggravated battery, stalking, kidnapping, attempted murder, homicide, arsons with injury/death, firearm offenses, traffic fatalities and missing/vulnerable persons. These cases require more time than a patrol officer can commit and may go over days or even months. Detectives are sent to specialized training that a patrol officer generalist does not have. The Detectives Division is made up of 1 full-time detective and a working Patrol Officer.

Volunteer Division: Last year volunteers provided countless hours of value added service at no cost to the Milton Police Department. This program successfully maximizes resources at the department level to enhance community relations through community participation and partnership. This Division is comprised of 6 limited commissioned Reserve Officers, 2 non-commissioned Citizen Volunteers, 1 Police Chaplain and 3 Block watch Captains.

In a bid to share resources and capabilities with nearby law enforcement agencies to protect life and property, the cities of Bonney Lake, Buckley, Dupont, Fife, Fircrest, Gig Harbor, Lakewood, Milton, Orting, Puyallup, Sumner, and the Town of Steilacoom entered into a Inter local agreement for joint cooperation. This agreement has been in place since 2005. This agreement provides a multi-agency team of investigators and support resources designed to provide quality investigative assistance to the City of Milton, such as:

- A Crime Response Unit Specialty team comprised of individual officers organized to provide quality investigative assistance for major incidents.
- Major Law Enforcement Operations Response team, which will assist in the event of an actual or suspected emergency which requires extraordinary and/or specialty expertise, or a major crime incident which demands specialty expertise, or where additional resources are needed for

effective resolution.

- Metro SWAT Team Specialty team comprised of individual officers to respond to situations which require additional or extraordinary tactical equipment or expertise.
- Civil Disturbance Team Specialty team comprised of individual officers of the Signatory Agencies organized to respond to incidents involving riots or civil unrest.
- Metro Collision Response Team Specialty team comprised of individual officers of the Signatory Agencies organized to respond to and investigate serious injury, fatality, or officer involved collisions occurring within our jurisdiction.

The Milton Police Department also has one member on the U.S. Marshals Violent Crime Task Force.

In 2017, the police department logged 18,535 calls for service.

A summary of the Criminal Justice Fund budget is provided below. Taxes are projected to increase substantially over the 2018 budget, however are not projected to increase over 2018 actuals. Salaries are projected to increase by 4% due to cost of living adjustments and step increases. Benefits are projected to rise 8% overall, due to substantial increases in medical premiums (15%).

	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>	<u>Change - 2018 Budget to 2019</u>	
					<u>Dollars</u>	<u>Percentage</u>
Beginning Fund Balance	(106,843)	4,671	16,253	5,862		
Revenues & Other Sources						
Taxes	146,408	141,000	160,229	160,000	19,000	13%
Licenses & Permits	3,547	3,900	3,233	3,500	(400)	-10%
State Generated Revenues	137,756	116,382	120,935	118,000	1,618	1%
Charges for Services	7,885	7,300	5,104	6,650	(650)	-9%
Miscellaneous	6,700	-	4,335	4,700	4,700	-
Other & Non-Revenues	296	90,000	50,000	-	(90,000)	-100%
Transfers In	2,543,000	2,500,420	2,500,420	2,665,000	164,580	7%
Total Revenues & Other Sources	2,845,592	2,859,002	2,844,256	2,957,850	98,848	3%
Expenditures & Other Uses						
Salaries	1,283,605	1,325,675	1,402,781	1,379,612	53,937	4%
Benefits	569,082	556,228	546,709	599,032	42,804	8%
Operating Supplies & Services	783,118	939,886	869,285	942,729	2,843	0%
Transfers - Debt Service & Other	86,690	35,585	35,872	35,836	251	1%
Total Expenditures & Other Uses	2,722,495	2,857,374	2,854,648	2,957,209	99,835	3%
Net Change in Fund Balance	123,096	1,628	(10,391)	641		
Ending Fund Balance	16,253	6,299	5,862	6,503		

DETAIL

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 107	BFB - Unreserved	(106,843)	4,671	16,253	5,862
Revenues					
<i>Taxes</i>					
313 71 00 000	Local Criminal Justice	146,408	141,000	160,229	160,000
<i>Licenses & Permits</i>					
322 30 00 000	Animal Permits	3,067	3,400	2,727	3,000
322 90 10 000	Alarm Permits	480	500	507	500
<i>State Generated Revenues</i>					
331 16 60 000	DOJ Bulletproof Vest	2,367	-	-	-
333 20 60 000	WSTC - Federal	992	-	-	-
334 01 10 000	State Grant - C J T C	2,280	-	-	-
334 03 50 000	Traffic Safety Commission	2,335	-	608	600
336 06 21 000	CJ-Violent Crimes/Population	2,176	2,449	2,273	2,500
336 06 26 000	CJ-Special Programs	7,896	8,374	8,224	5,200
336 06 51 000	CJ-DUI/Cities	1,166	1,200	1,168	1,200
336 06 94 000	Liquor Excise Tax	37,091	38,868	82,447	82,000
336 06 95 000	Liquor Board Profits	64,968	65,491	21,823	22,000
337 21 00 001	Other Grants - WSPC/WATPA	16,485	-	4,392	4,500
<i>Charges for Services</i>					
341 95 00 000	Legal Services	246	-	165	200
342 10 01 000	False Alarm Fees	500	-	-	-
342 36 00 000	Hsng/Mntr Prsnr	223	300	448	450
342 50 00 000	DUI Emerg Resp	6,487	7,000	4,491	6,000
347 90 00 107	Other Fees & Charges	430	-	-	-
<i>Miscellaneous Revenues</i>					
367 10 00 000	Donations - Police Department	-	-	277	300
369 10 00 107	Sale Of Scrap, Junk & Surplus Equip	5,700	-	2,400	2,400
369 30 00 107	Confiscated And Forfeited Property	-	-	1,657	2,000
369 91 00 107	Other Misc	1,000	-	-	-
<i>Non Revenues</i>					
381 10 00 107	Interfund Loans Proceeds	-	40,000	-	-
<i>Other Revenues</i>					
398 20 00 107	Insurance Recovery	296	50,000	50,000	-
	Transfer in from Asset Replacement Fund	-	-	-	70,000
397 00 10 107	Transfer IN from 001	2,543,000	2,500,420	2,500,420	2,595,000
Total Revenues		2,845,592	2,859,002	2,844,256	2,957,850

DETAIL

Account	Title	2017 Actual	2018 Budget	2018 Projected	2019 Budget
Expenditures					
<i>Law Enforcement</i>					
521 20 10 000	Salaries and Wages	1,157,060	1,196,675	1,245,889	1,259,612
521 20 10 002	Overtime	126,545	129,000	156,892	120,000
521 20 20 000	Personnel Benefits	562,152	546,228	535,059	583,632
521 20 20 002	Uniforms	6,930	10,000	11,651	15,400
521 20 31 000	Office and Operating Supplies	16,169	13,500	10,113	12,500
521 20 31 002	Public Safety Supplies	-	-	-	6,000
521 20 31 003	Emergency Response Supplies	-	-	-	5,000
521 20 31 004	Property & Evidence Supplies	101	500	-	1,000
521 20 32 000	Fuel	36,155	37,000	39,984	40,000
521 20 35 000	Small Tools and Equipment	12,828	9,000	4,856	11,500
521 20 35 001	Firearms	3,467	2,000	7,423	8,000
521 20 35 002	Equip Purchase - WASPC	17,597	-	4,903	-
521 20 35 004	Vehicle Purchase	2,090	126,000	126,000	70,000
521 20 36 000	Small Assets/IT	1,617	6,000	1,644	10,000
521 20 41 000	Professional Services	13,584	7,000	14,379	10,000
521 20 41 001	Professional Services - IT	71,048	76,071	76,856	66,479
521 20 41 002	Advertising	1,450	1,450	-	2,500
521 20 42 000	Communication	16,694	20,000	16,915	20,000
521 20 43 000	Travel	8,381	5,000	4,245	5,000
521 20 45 000	Operating Rentals and Leases	3,474	3,500	6,143	5,000
521 20 46 000	Insurance	62,691	66,875	66,830	69,400
521 20 47 000	Utilities	8,302	9,000	8,809	9,500
521 20 48 000	Repairs and Maintenance	5,377	4,000	3,407	4,500
521 20 48 001	Vehicle Repairs and Maintenance	37,956	40,000	66,876	65,000
521 20 48 002	Facility Repairs and Maintenance	1,823	4,000	827	4,000
521 20 48 004	Installation, Repair & Maintenance - Radios	-	20,000	-	20,000
521 20 49 001	Misc/Dues & Memberships	2,866	3,000	3,383	3,000
521 20 49 003	Misc/Outside Printing	62	-	264	-
521 30 31 000	Crime Prevention Supplies	170	1,000	-	8,000
521 40 49 002	Misc/Trng, Registrations	6,058	13,000	6,789	18,000
521 50 49 003	Misc/Outside Printing	1,532	4,000	83	2,500
521 50 49 004	New Hire Expenses	-	-	-	6,000
521 50 49 005	Critical Incidents Response	-	-	-	2,000
521 50 49 006	Police Reserve	-	-	-	4,000
521 50 49 007	Volunteer Program	-	-	-	2,000
521 50 49 008	Metro Services Program	-	-	-	20,000
<i>Jail Costs</i>					
523 20 31 000	Court Work Crew Supplies	-	200	-	200
523 60 41 000	Electronic Home Monitoring	1,024	2,000	-	2,000
523 60 51 000	Intergov. Jail Services	188,349	208,000	144,101	180,000
<i>Emergency Services</i>					
525 60 51 107	PC Emerg Mgmt Contract	5,631	5,700	7,599	6,500
<i>Comm/Alarms/Dispatch</i>					
528 00 51 000	Intergov't Svcs-Dispatch	224,343	214,090	210,730	200,150
<i>Nuisance Control</i>					
554 30 51 107	Animal Control	32,279	38,000	36,128	43,000
<i>Non Expenditures</i>					
581 20 00 107	Interfund Loan Principal	53,539	35,333	35,333	35,586
588 10 00 107	Prior Period Adjustments	30,544	-	(2,391)	-
589 30 00 107	Liquor Board Tax Remit	2,044	-	2,678	-
<i>Debt Service</i>					
592 21 82 107	Interfund Loan Interest	563	252	252	250
Total Expenditures		2,722,495	2,857,374	2,854,648	2,957,209
508 80 00 107 Fund Balance-Unreserved		16,253	6,299	5,862	6,503

Community Events Fund (116)

The community events fund is used to account for revenues and expenditures associated with annual Milton Days, Fall Bazaar and Tree Lighting events. Starting in 2019, salaries and benefits will be budgeted and tracked within this fund so that the actual cost of events can be better tracked. Salaries and benefits costs will be subsidized by transfers from the General Fund as needed and as approved during the budget process.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 116	BFB - Unreserved	13,057	10,777	12,393	6,731
Revenues & Other Sources					
341 70 10 000	T-Shirt Sales/Milton Days	278	-	-	-
347 90 10 000	Milton Days-Vendor Fee	6,690	6,000	4,820	5,000
347 90 20 000	Fall Bazaar-Vendor Fee	1,980	2,000	2,000	1,600
367 00 10 000	Donations - Milton Days	8,677	10,500	8,725	8,545
367 00 20 000	Donations - Fall Bazaar	570	500	500	500
367 00 30 000	Donations - Tree Lighting	-	100	100	100
	Transfer In - General Fund	-	-	-	7,679
Total Revenues & Other Sources		18,194	19,100	16,145	23,424
Expenditures & Other Uses					
573 91 10 000	Milton Days Salaries & Wages	-	-	2,539	5,095
573 91 10 002	Milton Days - Benefits	-	-	-	2,584
573 91 31 000	Milton Days - Supplies	2,009	2,500	219	2,000
573 91 32 000	Milton Days - Fuel	83	75	49	100
573 91 41 000	Milton Days - Prof Svcs	8,057	9,000	9,000	6,645
573 91 41 002	Milton Days - Advertising	907	500	-	500
573 91 45 000	Milton Days - Rentals	5,503	6,000	6,000	2,500
573 91 49 000	Milton Days - Misc Exp	513	600	600	600
573 92 31 000	Fall Bazaar - Supplies	263	300	300	300
573 92 41 000	Fall Bazaar - Prof Svcs	-	500	500	500
573 92 41 002	Fall Bazaar - Advertising	237	300	300	300
573 92 45 000	Fall Bazaar - Rentals	513	500	500	300
573 92 49 000	Fall Bazaar - Misc Exp	-	50	50	50
573 93 31 000	Tree Lighting - Supplies	771	1,500	1,500	1,300
573 93 41 000	Tree Lighting - Prof Svcs	-	200	200	600
573 93 49 000	Tree Lighting - Misc Exp	-	50	50	50
Total Expenditures & Other Uses		18,857	22,075	21,807	23,424
Net Change in Fund Balance		(664)	(2,975)	(5,662)	-
508 80 00 116	Fund Balance-Unreserved	12,393	7,802	6,731	6,731

Reserve Officer's Fund (118)

This fund was established for accepting gifts and donations on behalf of the Milton Reserve Police Officers. This fund receives donations, memorials, bequests, and other contributions made to the City by citizens and other organizations. Currently, the City of Milton funds duty weapons and ballistic vests for reserve officers. The reserve officers are responsible for all other costs associated with reserve service, including uniforms, duty belts, duty equipment and training. This fund is used to defray some of the cost incurred by the reserve officers.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 118	BFB - Unreserved	3,183	3,063	3,063	2,063
521 23 49 000	Miscellaneous Expenditures	120	1,000	1,000	-
508 80 00 118	Fund Balance-Unreserved	<u>3,063</u>	<u>2,063</u>	<u>2,063</u>	<u>2,063</u>

REET 1 Fund (130)

The real estate excise tax (REET1) is a tax on the sale of real estate, usually paid by the seller. Cities, towns, and counties use the tax to fund capital projects.

The state levies this tax at a rate of 1.28%. REET is collected by the County and distributed to the state and the appropriate local government. In 1982, cities and counties were authorized to impose an additional 0.25% to finance capital improvements (RCW 82.46.010(2)). This is commonly referred to as REET1.

REET 1 funding can be utilized to fund capital projects that are listed in the capital facilities plan element of the City's comprehensive plan. Capital projects are defined as those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities, judicial facilities and river flood control projects.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 130	BFB - Unreserved	219,240	261,077	260,921	25,231
Revenues & Other Sources					
318 34 01 000	REET1 - Pierce	122,761	120,000	134,222	135,000
318 34 02 000	REET1 - King	13,704	15,000	10,759	13,000
361 10 00 130	Investment Interest	1,466	600	2,330	3,650
Total Revenues & Other Sources		137,931	135,600	147,310	151,650
Expenditures & Other Uses					
597 03 10 130	Contrib to Capital Projects	96,250	233,000	233,000	100,000
597 04 07 130	Contrib To Stormwater Cap	-	150,000	150,000	75,000
Total Expenditures & Other Uses		96,250	383,000	383,000	175,000
Net Change in Fund Balance		41,681	(247,400)	(235,690)	(23,350)
508 80 00 130	Fund Balance-Unreserved	<u>260,921</u>	<u>13,677</u>	<u>25,231</u>	<u>1,881</u>

REET 2 Fund (131)

The real estate excise tax (REET2) is a tax on the sale of real estate, usually paid by the seller. Cities, towns, and counties use the tax to fund capital projects.

In 1990, the Legislature authorized cities to impose an additional 0.25% to finance capital projects specified in the capital facilities element of a comprehensive plan. This is commonly referred to as REET2.

For this 0.25% of the real estate excise tax, "capital project" is defined as public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. Acquisition of land for is a permitted use of REET 2 receipts for street, water, and sewer projects.

Under limited circumstances, REET 2 funds may be used for those capital projects that qualify as REET 1 projects, including acquisition of land for parks, recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities, judicial facilities, and river flood control projects. There are limits placed on the amount that is allowed to be expended for these purposes.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 130	BFB - Unreserved	215,145	208,598	195,942	53,280
Revenues & Other Sources					
318 34 01 000	REET2 - Pierce	122,505	120,000	134,469	135,000
318 34 02 000	REET2 - King	13,704	15,000	10,759	13,000
361 10 00 130	Investment Interest	1,463	500	2,311	2,740
Total Revenues & Other Sources		137,672	135,500	147,538	150,740
Expenditures & Other Uses					
597 01 01 131	Transfer Out - Streets	12,500	-	-	
597 03 10 131	Transfer Out - Capital Projects	144,375	140,200	140,200	100,000
597 04 07 131	Transfers-Out - Stormwater Cap	-	150,000	150,000	85,000
Total Expenditures & Other Uses		156,875	290,200	290,200	185,000
Net Change in Fund Balance		(19,203)	(154,700)	(142,662)	(34,260)
508 80 00 130	Fund Balance-Unreserved	195,942	53,898	53,280	19,020

Traffic Impact Fees Fund (140)

State law requires that under the Growth Management Act cities plan for projected growth and have the infrastructure in place to support that growth. Transportation impact fees are paid by developers and expanding businesses to help cover the cost of road improvements that increase traffic capacity. Money from the fees is tied directly to the size and type of the development and the anticipated increase in traffic associated with the project.

This fund was created for the purpose of identifying transportation system impact mitigation revenue sources and expenditures.

Transportation impact fees are charged only for new construction or changes in land use that create a need for transportation capacity improvements.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 140	BFB - Unreserved	36,552	56,138	33,521	159,084
Revenues & Other Sources					
345 85 00 000	Transportation Impact Fees	136,966	30,000	125,403	60,000
361 10 00 140	Investment Interest	3	100	159	450
Total Revenues & Other Sources		136,969	30,100	125,563	60,450
Expenditures & Other Uses					
597 03 10 140	Transfers-Out - Capital Projects	140,000	-	-	75,000
Total Expenditures & Other Uses		140,000	-	-	75,000
Net Change in Fund Balance		(3,031)	30,100	125,563	(14,550)
508 80 00 140	Fund Balance-Unreserved	33,521	86,238	159,084	144,534

Parks Impact Fees Fund (150)

The Growth Management Act requires cities to plan and provide parks and recreation facilities that are adequate to accommodate growth. Cities are authorized to impose an impact fee on development activity as part of the financing for such facilities. By charging impact fees, cities can collect a revenue stream to help ensure park facilities are adequate to meet the demands of future growth.

The City adopted an Ordinance in 2016 that created the City of Milton’s Park Impact Fee program. This program was anticipated in the City’s Parks, Recreation, and Open Space Element of the Comprehensive Plan.

A park impact fee is a one-time payment by new residential development to pay for capital costs of facilities needed to support the new development. Park impact fees are charged during the building permitting process and used to fund projects to maintain levels of service of our park system. The intent is to share the financial responsibility of providing for recreation facilities, such as new parks, open space and recreation facilities that support future growth with the development that grows our population and economy.

The fee is proportionate to the size of the development, or change in use. More potential residents, customers, or visitors result in higher fees. Park impact fees can only be used for “system improvements” included in an adopted six-year Capital Improvement Plan (CIP), and that are improvements reasonably related to and benefit the new development. Impact fee rates must be adjusted to account for other revenues that the development pays.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 150	Beginning Balance	-	9,300	32,550	53,872
Revenues & Other Sources					
345 85 00 150	Park Impact Fees	32,550	5,000	21,257	10,000
361 10 00 150	Investment Interest	-	25	65	450
Total Revenues & Other Sources		32,550	5,025	21,322	10,450
508 80 00 150	Ending Balance	32,550	14,325	53,872	64,322

Capital Improvement Fund (310)

This fund supports the City of Milton's transportation projects and other projects linked with various State and Federal funding programs. Excise taxes from real estate sales are transferred into this fund for the funding of street capital improvements as permitted by state law. Many of the projects are dependent upon the acquisition of outside grants, potential formation of local improvement districts (LIDs), and transportation system mitigation revenue.

2019 projects are as follows:

City Hall Retrofit \$80,000

This budget item is for the continued improvements to the City Hall complex. In 2018 the City took back control of a portion of the Fire Station. In 2019 it is planned to complete work on the upgrades to the fire station and City Hall complex to modernize and improve the appearance and performance of the facilities.

Trailhead Improvements \$405,000

This budget item is for Interurban Sidewalk and Parking lot access project along Kent Street adjacent to the Interurban Trail. The City was successful in receiving 100 percent of the funding from the State Transportation Budget.

Playground Equipment \$50,000

This budget item is for the continued repair and replacement of playground equipment at the City of Milton's parks to ensure safety compliance and usability.

Miscellaneous Sidewalks \$75,000

This budget item is for replacement and repair of failing sidewalk sections at various locations throughout the City.

Miscellaneous Street Overlays \$120,000

This budget item is for repair and overlay of asphalt road sections at various locations throughout the City.

Miscellaneous Striping and Markings \$15,000

This budget item is for the City's line striping and raised pavement markings. This is part of an annual program to keep our pavement marking up to current standards at various locations throughout the City.

TIB Yuma Street Overlay \$480,336

The City was successful in receiving a grant from the Washington State Transportation Improvement Board for overlay of Yuma Street between Freeman Road on the west and 87th Avenue Ct on the east.

West Milton Ballfield Improvements \$50,000

The West Milton Ballfields have continued to sink due to poor soil conditions. The sinking, as well as other factors has resulted in failure of the irrigation system and straining of the electrical system for field lights. A large amount of fill dirt was recently installed and in 2019 it is anticipated that we will construct a new irrigation system and upgrade the electrical system.

<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
308 80 00 310	BFB - Unreserved	(106,102)	180,048	200,002	399,602
Revenues & Other Sources					
334 00 10 067	Legislative Grant - ADA Triangle Park	48,808	-	-	-
334 00 10 084	Legislative Grant - Activity Center Roof	62,220	-	-	-
334 00 10 104	Interurban Trail - Legislative Grant	-	405,000	-	405,000
334 00 10 106	Police Compound - Legislative Grant	36,860	-	-	-
334 03 80 141	TIB Yuma Street Overlay	-	432,303	-	432,203
361 10 00 310	Investment Earnings	-	-	-	2,800
368 10 00 082	Special Assessments - Capital	161,738	-	-	-
397 01 30 310	Transfer in REET Improvements	96,250	233,000	233,000	100,000
397 01 31 310	Transfer in REET Projects	144,375	140,200	140,200	100,000
	Transfer in Street	-	-	-	25,000
397 01 40 310	Transfer In Traffic Impact Fees	140,000	-	-	75,000
Total Revenues & Other Sources		690,250	1,210,503	373,200	1,140,003
Expenditures & Other Uses					
594 18 61 143	City Hall Retrofit	-	85,000	85,000	80,000
594 75 62 119	Community Bldg New Roof	-	10,000	-	-
594 76 62 104	Trailhead Improvements	-	405,000	-	405,000
594 76 63 109	ADA Parking Project At Parks	2,754	-	-	-
594 76 65 118	Playground Equipment	-	20,000	-	50,000
594 76 10 118	Project - Salaries & Wages	-	6,000	-	-
594 76 20 118	Project - Personnel Benefits	-	3,000	-	-
594 80 65 120	Asset Management System	-	35,000	-	-
595 30 63 082	Milton Way Ped Improv	341,483	-	60,000	-
595 42 63 107	Street Sign Retrofit	9,701	20,000	2,500	-
595 42 10 107	Project - Salaries & Wages	9,075	10,000	100	-
595 42 20 107	Project- Personnel Benefits	3,176	5,000	-	-
595 42 63 121	Misc Sidewalks	11,529	75,000	-	75,000
595 42 10 121	Project - Salaries & Wages	4,000	6,000	1,000	-
595 42 20 121	Project - Personnel Benefits	1,351	3,000	-	-
595 42 63 122	Misc Street Overlay	-	116,200	20,000	120,000
595 42 10 122	Project - Salaries & Wages	857	-	-	-
595 42 20 122	Project - Personnel Benefits	220	-	-	-
595 42 63 136	Misc Striping & Markings	-	15,000	-	15,000
595 42 10 136	Project - Salaries & Wages	-	6,000	-	-
595 42 20 136	Project - Personnel Benefits	-	3,000	-	-
595 42 63 141	TIB Yuma Street Overlay	-	480,336	5,000	480,336
	West Milton Ballfield Improvements	-	-	-	50,000
Total Expenditures & Other Uses		384,146	1,303,536	173,600	1,275,336
Net Change in Fund Balance		306,104	(93,033)	199,600	(135,333)
508 80 00 310	Fund Balance-Unreserved	<u>200,002</u>	<u>87,015</u>	<u>399,602</u>	<u>264,269</u>

Electric Utility Fund (401)

The Electric Utility is a division of the Public Works Department and has been established to provide a safe and reliable electric system to the citizens of Milton including a capital improvement and a maintenance program serving city customers. The Electric Utility is an enterprise fund that operates like a business.

Electricity is provided to the City by the Bonneville Power Administration and is delivered to the City at the Surprise Lake Substation located along Fife Way. Revenue to this fund is primarily through the sale of electricity to our customers. Other larger revenue sources include pole attachment rentals to other utilities; conservation incentives from the Bonneville Power Administration and repayment of an interfund loan from the Criminal Justice Fund.

Expenditures from this fund are for administrative and maintenance/operations of the utility. Funds are transferred out of this fund into the Electric Capital Project Fund and the Electric Asset Replacement Fund. The Administrative portion of the fund includes monthly customer billing, planning, coordination with BPA and participation in other electric related organizations. The Operations and Maintenance portion of the fund includes regular maintenance and repair of poles, transformers, vaults, and distribution lines as well as tree trimming and removal.

This fund should have an ending fund balance of 25% of expenditures, however prior budgets have significantly reduced fund balance. The 2019 budget adjusts projected revenues to be in line with 2017 and 2018 actuals and does not allow for any increase in operating expenditures. Results of a rate study, currently in progress, will be used to evaluate options for bringing future revenues in line with expenditures and replenishing the fund balance to targeted levels.

	2017 Actual	2018 Budget	2018 Projected	2019 Budget	Change - 2018 Budget to 2019 Budget	
					Dollars	Percentage
Beginning Fund Balance	1,428,527	1,255,642	1,146,018	866,568		
Revenues & Other Sources						
Licenses & Permits	1,522	1,000	1,923	1,500	500	50%
Charges for Services	4,371,399	4,695,370	4,468,113	4,530,000	(165,370)	-4%
Fines & Forfeitures	44,110	35,000	46,126	40,000	5,000	14%
Miscellaneous Revenues	110,668	200,000	162,967	151,000	(49,000)	-25%
Other & Non-Revenues	43,119	-	23,256	-	-	-
Total Revenues & Other Sources	4,570,818	4,931,370	4,702,385	4,722,500	(208,870)	-4%
Expenditures & Other Uses						
Salaries	676,965	723,944	605,163	830,377	106,433	15%
Benefits	298,540	333,746	255,463	361,655	27,909	8%
Supplies & Services	3,430,426	3,964,981	3,671,773	3,836,369	(128,613)	-3%
Miscellaneous	12,140	-	(2,181)	-	-	-
Transfers	435,256	466,237	451,617	454,000	(12,237)	-3%
Total Expenditures & Other Uses	4,853,327	5,488,908	4,981,835	5,482,401	(6,507)	0%
Net Change in Fund Balance	(282,509)	(557,539)	(279,450)	(759,901)		
Ending Fund Balance	1,146,019	698,103	866,568	106,667		
Fund Balance as % of Expenditures	24%	13%	17%	2%		

DETAIL

<u>Fund Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
401 308 80 00 401	BFB - Unreserved	1,428,527	1,255,642	1,146,018	866,568
Revenues					
401 322 12 00 000	Electrical Permits	1,522	1,000	1,923	1,500
401 343 30 00 000	Electric Sales	4,330,254	4,662,370	4,428,290	4,500,000
401 343 30 30 000	LABOR	2,663	-	8,078	-
401 343 30 35 000	Pole Rental Agreements	25,048	30,000	24,206	25,000
401 343 30 40 000	Sale Of Parts	6,477	-	-	-
401 343 39 00 000	Connection Charges	6,958	3,000	7,539	5,000
401 359 31 00 000	Penalties	44,110	35,000	46,126	40,000
401 361 10 00 401	Investment Earnings	15,503	10,000	17,093	16,000
401 361 40 00 401	Interfund Loan Interest	407	-	-	-
401 362 00 00 401	Interfund Rentals	37,784	30,000	30,000	30,000
401 367 01 00 000	BPA Incentive	24,996	150,000	78,734	80,000
401 369 10 00 401	Sale Of Scrap	14,287	-	-	-
401 369 40 00 401	Judgments And Settlements	2,364	-	-	-
401 369 91 00 401	Misc Revenue	15,326	10,000	37,140	25,000
401 381 20 00 000	Interfund Loan Repayment	43,119	-	-	-
401 389 20 00 401	Insurance Recovery	-	-	23,256	-
Total Revenues		<u>4,570,818</u>	<u>4,931,370</u>	<u>4,702,385</u>	<u>4,722,500</u>

DETAIL

<u>Fund Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
Expenditures					
<i>Administration</i>					
401 533 10 10 000	Salaries and Wages	149,398	125,148	198,381	94,288
401 533 10 10 002	Overtime	523	1,500	9	-
	<i>Allocated Salaries</i>	-	-	-	170,100
401 533 10 20 000	Personnel Benefits	61,805	53,068	64,203	41,447
	<i>Allocated Benefits</i>	-	-	-	73,908
401 533 10 31 000	Office and Operating Supplies	1,846	2,500	2,366	2,500
401 533 10 32 000	Fuel	33	-	82	150
401 533 10 35 000	Small Tools and Equipment	307	1,000	127	1,000
401 533 10 36 000	Small Assets/IT	-	1,000	-	1,000
401 533 10 41 000	Professional Services	75,509	75,000	61,822	65,000
401 533 10 41 001	Professional Services - IT	15,012	18,694	34,743	31,625
401 533 10 41 002	Advertising	2,335	750	279	750
401 533 10 42 000	Communications	8,934	9,000	8,743	9,000
401 533 10 43 000	Travel	760	2,500	1,104	2,500
401 533 10 44 001	Utility Tax	262,399	274,000	271,977	275,000
401 533 10 44 002	Elect Excise Tax	168,219	180,592	174,638	180,000
401 533 10 45 000	Operating Rentals and Leases	1,838	2,000	1,901	2,000
401 533 10 46 000	Insurance	36,732	31,400	36,896	38,300
401 533 10 48 000	Repairs and Maintenance	3,178	4,000	2,287	4,000
401 533 10 49 000	Misc/Other Exp	1,348	1,000	-	1,000
401 533 10 49 001	Misc/Dues & Memberships	7,422	5,000	9,146	6,000
401 533 10 49 002	Misc/Trng, Registrations	545	2,500	1,749	2,500
401 533 10 49 003	Misc/Outside Printing	20,382	25,000	16,797	18,000
401 533 10 51 000	Audit Expenses	6,325	6,800	6,800	-
	<i>Allocated overhead expenses</i>	-	-	-	136,644

DETAIL

<u>Fund Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Operations</i>					
401 533 50 10 000	Salaries and Wages	477,311	535,836	345,549	508,761
401 533 50 10 002	Overtime	22,881	33,460	36,281	32,228
401 533 50 10 005	On Call Pay	26,851	28,000	24,945	25,000
401 533 50 20 000	Personnel Benefits	229,034	267,678	183,185	237,300
401 533 50 20 002	Uniforms	7,701	13,000	8,074	9,000
401 533 50 31 000	Operating Supplies	64,027	80,000	58,893	60,000
401 533 50 32 000	Fuel	9,643	10,000	7,829	8,000
401 533 50 33 000	BPA-Electricity for Resale	2,602,233	2,900,000	2,775,720	2,800,000
401 533 50 33 006	BPA Reimbursement/Incentives	1,906	150,000	69,219	80,000
401 533 50 34 000	Supplies for Resale,etc	-	5,000	-	-
401 533 50 35 000	Small Tools and Equipment	11,865	15,000	9,300	10,000
401 533 50 35 001	Machinery and Equipment	2,895	10,000	1,978	2,500
401 533 50 36 000	Small Assets/IT	-	4,000	-	4,000
401 533 50 41 000	Professional Services	15,714	30,000	10,407	12,000
401 533 50 41 001	Professional Services - IT	11,875	18,695	25,551	-
401 533 50 41 002	Advertising	-	250	-	250
401 533 50 42 000	Communication	2,729	3,000	4,099	5,000
401 533 50 43 000	Travel	303	3,300	2,817	4,000
401 533 50 45 000	Operating Rentals And Leases	18,141	20,000	17,499	-
401 533 50 47 000	Public Utility Services	14,363	15,000	29,487	30,000
401 533 50 48 000	Repairs and Maintenance	6,923	10,000	1,930	2,500
401 533 50 48 001	Vehicle R&M	47,107	30,000	16,725	20,000
401 533 50 48 002	Building R & M	749	5,000	374	5,000
401 533 50 49 000	Misc/Other Exp	163	1,000	-	1,000
401 533 50 49 001	Misc/Dues & Memberships	4,041	5,000	-	5,000
401 533 50 49 002	Misc/Trng, Registrations	2,622	7,000	8,369	10,000
401 533 50 49 003	Misc/Outside Printing	6	-	118	150
401 588 10 00 401	Prior Period Adjustments	12,140	-	(2,181)	-
401 597 40 20 401	Transfers-Out - Capital Improvements	304,679	326,366	316,131	319,000
401 597 40 90 401	Transfers-Out - Asset Replacement	130,577	139,871	135,485	135,000
Total Expenditures		4,853,327	5,488,908	4,981,835	5,482,401
401 508 80 00 401	Fund Balance-Unreserved	1,146,019	698,103	866,568	106,667

Electric Capital Improvement Fund (402)

This fund was created to separate capital improvements from regular administration, maintenance and operations activities. The intent is to have the resources available when needs arise. Each year seven percent of the revenue from monthly electric charges is contributed to this fund to provide for capital improvements.

2019 projects include the following:

Comp Plan Update/Rate Study \$50,000

As part of operating our utilities like a business the City must review our electric rates to ensure our funding structure is adequate to support the continued operational viability of our electric utility. This budget item is for consultant services to complete the update our comprehensive plan and recommend a revised electric rate structure that will ensure the sustainability of our utility.

Miscellaneous Cable Replacement \$350,000

This budget item is for the purchase of electrical cable as needed to replace aging and failing segments of electrical cable at various locations throughout the City.

Pole Replacement Project \$100,000

This budget item is for the purchase and installation of electrical poles as needed to replace aging and failing poles at various locations throughout the City.

Tree Trimming \$100,000

This budget item is to provide funding for the trimming of trees to reduce outages caused by wind storms. This is part of the Electric Utility's effort to continue to provide a reliable electric system.

Meter Replacement Project \$55,000

This budget item is for the equipment and staff time for the Electric Department's continued effort to implement a totally automated meter reader and control system.

27th Avenue Cable Rebuild \$10,000

Currently 27th Avenue contains one continuous electrical circuit. This limits the City's ability to provide localized power outages without de-energizing the entire street. This project will install equipment that will provide the City with the ability to limit outages to a smaller area.

Switchgear Rebuild \$10,000

This project involves the installation of new electrical control modules on 27th Avenue. The existing control boards are old, have reached the end of their service life and are in need of replacement to ensure continued reliability of our electrical system.

Heather Hills Primary Metering \$75,000

The Heather Hills Mobile Home property is currently being served by individual meters at each home even though the property is one lot under single ownership. This project will install one electric meter at the entrance to the park with one monthly electric bill provided to the owner.

<u>Fund Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
402 308 80 00 402	Estimated Beginning Balance	2,037,772	1,987,641	2,046,091	2,309,938
Revenues & Other Sources					
402 361 10 00 402	Investment Interest	16,462	12,000	24,900	28,650
402 367 00 00 402	System Development	5,488	1,000	9,427	5,000
402 397 40 10 402	Transfer In - Operations	304,679	326,366	316,131	319,000
Total Revenues & Other Sources		326,630	339,366	350,458	352,650
Expenditures & Other Uses					
402 594 33 60 124	Surprise Lake Substation - Design	4,928	250,000	-	-
402 594 33 61 124	Surprise Lake Substation - Prop Acq	-	850,000	-	-
402 594 33 60 125	Comp Plan Update/Rate Study	896	125,000	-	50,000
402 594 33 62 126	Misc - Cable Replacement	-	60,000	42,357	350,000
402 594 33 62 138	Pole Replacement Project	-	10,000	16,903	100,000
402 594 33 10 138	Project - Salaries & Wages	-	30,000	-	-
402 594 33 20 138	Project - Personnel Benefits	-	20,000	-	-
402 594 33 62 139	HVAC/Lighting BPA	-	150,000	-	-
402 594 33 62 142	Tree Trimming	-	100,000	-	100,000
402 594 33 63 082	Capital Expenditures - Milton Way Project	(192)	-	-	-
402 594 33 63 095	Curtailment Project	-	10,000	2,686	-
402 594 33 63 110	20th Ave Interconnect	-	125,000	-	-
402 594 33 64 123	Meter Replacement Project	272,937	50,000	-	55,000
402 594 33 10 123	Project - Salaries & Wages	4,433	-	24,593	-
402 594 33 65 120	Asset Management System	35,309	-	72	-
	27th Ave Cable Rebuild	-	-	-	10,000
	Switchgear Rebuild	-	-	-	10,000
	Heather Hills Primary Metering	-	-	-	75,000
Total Expenditures & Other Uses		318,311	1,780,000	86,611	750,000
Net Change in Fund Balance		8,319	(1,440,634)	263,847	(397,350)
402 508 80 00 402	Ending Balance	<u>2,046,091</u>	<u>547,007</u>	<u>2,309,938</u>	<u>1,912,588</u>

Electric Utility Asset Replacement Fund (409)

This fund was established to fund replacement of assets such as rolling stock, major equipment and technology upgrades. The intent is to have the resources available when needs arise. Each year three percent of service revenue will be contributed to this fund to keep funds available as needed.

<u>Fund Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
409 308 80 00 409	Estimated Beginning Balance	357,165	463,896	461,189	599,743
Revenues & Other Sources					
409 361 10 00 409	Investment Interest	1,470	-	3,069	6,450
409 397 40 10 409	Transfer In - From Operations	130,577	139,871	135,485	135,000
Total Revenues & Other Sources		132,047	139,871	138,554	141,450
Expenditures & Other Uses					
409 594 33 64 409	Asset Replacement	28,023	360,000	-	330,000
Total Expenditures & Other Uses		28,023	360,000	-	330,000
Net Change in Fund Balance		104,024	(220,129)	138,554	(188,550)
409 508 80 00 409	Ending Balance	<u>461,189</u>	<u>243,767</u>	<u>599,743</u>	<u>411,193</u>

Water Utility Fund (403)

The Water Utility is a division of the Public Works Department and has been established to provide a city-wide water service, capital improvement and maintenance program serving city customers and customers outside of the City. The Water Division's primary function is to provide, operate, and maintain a quality water supply that effectively and economically meets or exceeds all federal and state drinking water regulations for the customers, while constructing water projects for infrastructure improvements consistent with the planning and implementation of the Water System Comprehensive Plan. The Water Utility is an enterprise fund that operates like a business.

The primary source of revenue for this fund is through the sale of water to our customers. The City also receives revenue through the rental of space on our water towers to private communication companies for antennas. Expenditures from this fund are for administrative and maintenance/operations of the utility. Funds are transferred out of this fund into the Water Capital Projects Fund and the Water Asset Replacement Fund.

The Administrative portion of the fund includes monthly customer billing, planning, coordination with the Department of Health, working with hydrogeologists and legal counsel to protect the City's water sources and participation in other water related organizations.

The Operations and Maintenance portion of the fund includes regular maintenance and repair of wells, pump stations, valves, water mains, distribution lines and hydrants.

	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>	<u>Change - 2018 Budget to 2019 Budget</u>	
					<u>Dollars</u>	<u>Percentage</u>
Beginning Fund Balance	1,289,743	1,404,867	1,298,013	1,202,400		
Revenues & Other Sources						
Licenses & Permits	3,974	4,000	4,845	5,000	1,000	25%
Charges for Services	2,302,496	2,185,578	2,094,945	2,219,350	33,772	2%
Fines & Forfeitures	22,833	30,000	20,402	20,000	(10,000)	-33%
Miscellaneous Revenues	19,265	13,000	26,256	25,500	12,500	96%
Other & Non-Revenues	4,224	-	2,952	2,500	2,500	-
Total Revenues & Other Sources	2,352,791	2,232,578	2,149,399	2,272,350	39,772	2%
Expenditures & Other Uses						
Salaries	596,123	725,011	676,257	749,157	24,146	3%
Benefits	304,161	328,539	310,747	353,300	24,761	8%
Supplies & Services	1,006,125	1,019,481	853,853	1,007,029	(12,452)	-1%
Miscellaneous	14,266	-	(6,653)	-	-	-
Debt Service	195,460	197,310	197,310	193,350	(3,960)	-2%
Transfers	227,863	213,048	213,499	214,000	952	0%
Total Expenditures & Other Uses	2,343,998	2,483,389	2,245,012	2,516,836	33,447	1%
Net Change In Fund Balance	8,793	(250,811)	(95,613)	(244,486)		
Ending Fund Balance	1,298,536	1,154,055	1,202,400	957,914		
Fund Balance as % of Expenditures	55%	46%	54%	38%		

DETAIL

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
403	308 80 00 403	BFB - Unreserved	1,289,743	1,404,867	1,298,013	1,202,400
Revenues						
403	322 13 00 000	Water Permit	3,974	4,000	4,845	5,000
403	341 70 00 403	Reimbursable Materials	23	-	-	-
403	343 40 10 000	Water Sales	2,232,781	2,130,478	2,019,706	2,150,000
403	343 40 10 001	Meter Rental	508	100	175	150
403	343 40 14 000	Cert. Wtr Avail In Town	2,220	2,500	2,798	2,000
403	343 40 15 000	Cert. Wtr Avail Out Town	17,812	2,500	6,075	4,000
403	343 40 17 000	Reimbursable Personnel	450	-	-	-
403	343 40 35 000	Reservoir Antenna Rentals	18,608	30,000	43,200	43,200
403	343 49 00 000	Connection Charges	30,094	20,000	22,990	20,000
403	359 90 00 000	Penalties	22,833	30,000	20,402	20,000
403	361 10 00 403	Investment Earnings	7,821	10,000	14,194	18,000
403	362 10 00 403	Equipment And Vehicles Rentals (Short-term)	170	-	-	-
403	369 10 00 403	Sale Of Scrap	7,040	-	4,221	2,500
403	369 91 00 403	Miscellaneous Water Revenue	4,233	3,000	7,841	5,000
403	389 20 00 403	Water Permit Deposit	4,224	-	2,760	2,500
403	398 20 00 403	Insurance Recovery	-	-	192	-
Total Revenues			2,352,791	2,232,578	2,149,399	2,272,350

DETAIL

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
Expenditures						
Administration						
403	534 10 10 000	Salaries and Wages	156,832	125,385	196,601	88,696
		<i>Allocated Salaries</i>				117,396
403	534 10 20 000	Personnel Benefits	72,117	53,117	69,156	39,107
		<i>Allocated Benefits</i>				50,748
403	534 10 31 000	Office and Operating Supplies	1,838	2,500	2,338	2,500
403	534 10 32 000	Fuel	33	-	82	100
403	534 10 35 000	Small Tools and Equipment	307	1,000	173	250
403	534 10 36 000	Small Assets/IT	-	1,000	-	-
403	534 10 41 000	Professional Services	46,744	50,000	53,472	40,000
403	534 10 41 001	Professional Services - IT	9,776	14,438	40,318	36,611
403	534 10 42 000	Communication	9,168	9,300	9,249	10,000
403	534 10 43 000	Travel	774	2,000	1,104	2,000
403	534 10 44 001	Utility Tax	205,379	191,743	175,536	200,000
403	534 10 44 002	Water Excise Tax	113,433	107,142	97,049	110,000
403	534 10 45 000	Operating Rentals and Leases	1,772	1,800	1,841	1,800
403	534 10 46 000	Insurance	37,893	36,121	42,443	44,100
403	534 10 48 000	Repairs and Maintenance	3,378	3,500	2,796	3,000
403	534 10 49 001	Misc/Dues & Memberships	5,224	6,700	4,623	5,000
403	534 10 49 002	Misc/Trng, Registrations	2,043	2,500	1,848	2,000
403	534 10 49 003	Misc/Outside Printing	20,281	24,000	16,961	20,000
403	534 10 51 000	Audit Expenses	3,016	7,000	7,000	-
		<i>Allocated overhead</i>	-	-	-	95,718

DETAIL

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
<i>Operations</i>						
403	534 50 10 000	Salaries and Wages	412,670	560,479	457,466	484,275
403	534 50 10 002	Overtime	9,495	24,150	5,414	22,790
403	534 50 10 003	Temp/Seasonal	-	2,998	-	18,000
403	534 50 10 005	On Call Pay	17,126	12,000	16,776	18,000
403	534 50 20 000	Personnel Benefits	225,184	268,422	234,665	256,445
403	534 50 20 002	Uniforms	6,861	7,000	6,926	7,000
403	534 50 31 000	Office and Operating Supplies	39,390	64,000	48,595	55,000
403	534 50 32 000	Fuel	12,349	11,700	13,226	15,000
403	534 50 33 000	Water For Resale	-	-	-	-
403	534 50 35 000	Small Tools and Equipment	1,800	11,700	5,748	12,000
403	534 50 35 001	Machinery & Equipment	39,923	12,700	4,978	20,000
403	534 50 36 000	Small Assets/IT	-	1,000	-	-
403	534 50 41 000	Professional Services	6,338	20,000	5,251	10,000
403	534 50 41 001	Professional Services - IT	9,877	14,438	21,295	-
403	534 50 41 002	Advertising	36	1,500	-	500
403	534 50 41 114	Water Comp Plan Professional Services	70,985	30,000	35,673	10,000
403	534 50 42 000	Communication	2,680	3,000	3,230	7,500
403	534 50 43 000	Travel	156	3,000	2,229	6,000
403	534 50 45 000	Operating Rentals and Leases	45,305	55,000	39,708	35,000
403	534 50 47 000	Public Utility Services	2,445	5,000	7,838	9,000
403	534 50 48 000	Repairs and Maintenance	1,252	40,000	1,623	25,000
403	534 50 48 001	Equipment Repair & Maintenance	77,086	75,000	25,538	30,000
403	534 50 48 116	15th Ave Reservoir Exterior Painting	39,070	-	3,003	-
403	534 50 49 000	Misc/Other Exp	1,665	5,000	-	2,000
403	534 50 49 001	Misc/Dues & Memberships	7,014	8,000	11,546	10,000
403	534 50 49 002	Misc/Trng, Registrations	7,142	8,000	12,117	10,000
403	534 50 49 003	Misc/Outside Printing	46	100	5	100
<i>Water Quality</i>						
403	534 51 31 000	Operating Supplies	50,907	50,000	66,696	50,000
403	534 51 32 000	Fuel	541	2,500	31	2,500
403	534 51 35 000	Small Tools and Equipment	115	2,000	2,313	2,500
403	534 51 35 001	Machinery & Equipment	17,201	8,000	-	2,000
403	534 51 41 000	Professional Services	7,519	10,000	11,793	12,000
403	534 51 42 000	Communication	203	750	79	250
403	534 51 43 000	Travel	-	350	26	200
403	534 51 47 001	Public Utility Services	88,002	84,000	68,410	80,000
403	534 51 48 000	Water Utilities - Repairs & Maintenance	14,297	20,000	-	20,000
403	534 51 48 001	Repairs And Maintenance - Vehicle	-	10,000	3,927	5,000
403	534 51 49 001	Misc Dues & Memberships	554	-	-	100
403	534 51 49 002	Misc Training, Registrations	115	-	291	300
403	534 51 49 003	Printing	1,054	2,000	1,851	2,000
403	588 10 00 403	Prior Period Adjustments	13,656	-	(6,653)	-
403	589 20 00 403	Deposit Refund	610	-	-	-
403	591 34 72 000	Revenue Bond-Principal	105,000	100,000	100,000	110,000
403	592 34 83 000	Revenue Bond-Interest	90,460	97,310	97,310	83,350
403	597 40 40 403	Transfers-Out - Capital Improvements	159,504	149,133	149,450	150,000
403	597 40 50 403	Transfers-Out - Asset Replacement	68,359	63,914	64,049	64,000
Total Expenditures			2,343,998	2,483,389	2,245,012	2,516,836
403 508 80 00 403 Fund Balance-Unreserved			1,298,536	1,154,055	1,202,400	957,914

Water Utility Capital Improvement Fund (404)

This fund was created to separate capital improvements from regular administration, maintenance and operations activities. The intent is to have the resources available when needs arise. Each year seven percent of the revenue from monthly water charges is contributed to this fund to provide for capital improvements.

2019 projects are as follows:

SCADA System Upgrades - Hardware and Software \$30,000

As part of improving the City's water system it is necessary to improve how the system is monitored and controlled. SCADA, which is an acronym for Supervisory Control and Data Acquisition is a computer-based program that monitors our water system, sends alarms when needed and provides our water system operators a simpler and better method of controlling the miscellaneous valves, pumps and other equipment in our water system.

Well #10 Construction \$350,000

The City's Water Well #10 has been experiencing soil settlement for several years and it recently suffered a failure rendering it no longer useful. This budget item is to complete the well reconstruction and replacement of the well house, wiring and control equipment.

Miscellaneous Security Upgrades \$100,000

Security of water systems is a very important aspect of operating a reliable and dependable water system. This budget item will purchase and install equipment necessary to monitor and issue alarms when a security concern arises regarding our water system.

Miscellaneous Watermain Replacement \$50,000

This budget item is for repair and replacement of old and failing water pipes at various locations throughout the City.

Alder Street/26th Ave Watermain \$238,000

This budget item is for replacement of an old failing water main along 27th Avenue and Alder Street to upgrade the flow to ensure a reliable source of water for the residents that live along these streets.

Water Tank Demolition \$5,000

In 2018 the City of Milton demolished a water tank on a city-owned parcel within the city limits of Edgewood. This property is no longer useful to the City of Milton and has been declared surplus. This budget item is to complete the sale of the property.

2 MG Tank Drive Replacement \$35,000

The City of Milton's starter for the pumps Variable Speed Drives and controls the output speed of the pumps based on the demand. The drives have reached the end of their service life and need to be replaced.

Well #5 Replacement \$275,000

The existing Well #5 located at the 1-million-gallon reservoir site needs to be re-drilled in order to provide the City with a water source capable of meeting our future water demands.

Well #2 Rehabilitation \$40,000

In 2018 the Corridor Well #1 was experiencing a drop in the production rate. After removing the screen it was determined that corrosion has plugged the screen. This budget item is to investigate and, if necessary, rehabilitate the adjacent Well #2.

Surprise Lake Service Replacements \$50,000

The Surprise Lake Apartment's water service lines are reaching the end of their service life and need replacement. This budget item is to provide the funding needed for these replacements.

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
404	308 80 00 404	Estimated Beginning Balance	2,327,835	2,175,400	2,146,011	1,681,830
Revenues & Other Sources						
404	361 10 00 404	Investment Interest	21,675	18,500	41,007	30,000
404	367 00 00 404	System Development Charges	151,469	20,000	181,152	75,000
404	397 40 30 404	Transfer In From 403	159,504	149,133	149,450	150,000
Total Revenues & Other Sources			332,648	187,633	371,609	255,000
Expenditures & Other Uses						
404	594 34 60 129	SCADA System Upgrade	-	10,000	5,143	30,000
404	594 34 61 132	Water Main Flushing	18,031	75,000	1,479	-
404	594 34 10 132	Project - Salaries & Wages	476	-	219	-
404	594 34 62 100	Well #10 Construction	-	650,000	331,605	350,000
404	594 34 63 100	Well #10 Design Project	41,029	-	75,571	-
404	594 34 62 128	Water Tank Repainting/Relining	13,473	-	-	-
404	594 34 10 128	Project - Salaries & Wages	414	-	-	-
404	594 34 20 128	Project - Personnel Benefits	145	-	-	-
404	594 34 63 130	Misc Security Upgrades	-	75,000	-	100,000
404	594 34 63 131	Misc Water Main Replacements	4,031	50,000	7,947	50,000
404	594 34 63 144	Alder Street/26th Ave Watermain	-	238,000	-	238,000
404	594 34 63 144	Well #1 Rehabilitation Project	-	-	58,675	-
404	594 34 64 123	Meter Replacement	352,253	400,000	126,372	-
404	594 34 10 123	Project - Salaries & Wages	38,720	-	34,947	-
404	594 34 20 123	Project - Personnel Benefits	8,495	-	-	-
404	594 34 65 120	Asset Management System	35,309	-	72	-
404	594 34 10 120	Project - Salaries & Wages	738	-	621	-
404	594 34 20 120	Project - Personnel Benefits	258	-	-	-
404	594 34 66 127	Water Tank Demolition	1,100	-	193,138	5,000
		2 MG Tank Drive Replacement	-	-	-	35,000
		Well #5 Replacement	-	-	-	275,000
		Well #2 Rehabilitation	-	-	-	40,000
		Surprise Lake Service Replacement	-	-	-	50,000
Total Expenditures & Other Uses			514,471	1,498,000	835,790	1,173,000
Net Change in Fund Balance			(181,823)	(1,310,367)	(464,181)	(918,000)
404	508 80 00 404	Ending Balance	2,146,011	865,034	1,681,830	763,830

Water Utility Asset Replacement Fund (405)

This fund was established to fund replacement of assets such as major equipment and technology upgrades. The intent is to have the resources available when needs arise. Each year three percent of service revenue will be contributed to this fund to keep funds available as needed.

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
405	308 80 00 405	Estimated Beginning Balance	265,511	336,651	335,812	360,511
Revenues & Other Sources						
405	361 10 00 405	Investment Interest	1,942	1,500	3,357	4,700
405	397 40 30 405	Transfer In From 403	68,359	63,914	64,049	64,000
Total Revenues & Other Sources			<u>70,301</u>	<u>65,414</u>	<u>67,406</u>	<u>68,700</u>
Expenditures & Other Uses						
405	594 33 64 405	Asset Replacement	-	200,000	42,706	227,000
Total Expenditures & Other Uses			<u>-</u>	<u>200,000</u>	<u>42,706</u>	<u>227,000</u>
Net Change in Fund Balance			70,301	(134,586)	24,699	(158,300)
405	508 80 00 405	Ending Balance	<u>335,812</u>	<u>202,065</u>	<u>360,511</u>	<u>202,211</u>

Stormwater Operations Fund (406)

The Stormwater Utility is a division of the Public Works Department and has been established to provide a citywide storm drainage capital improvement and maintenance program serving the citizens of Milton. The Stormwater Utility provides, operates and maintains the stormwater system with a focus on minimizing damage from severe storms by improving flood protection and improving the quality of Stormwater runoff to meet the requirements of the Department of Ecology's National Pollutant Discharge Elimination System Phase II (NPDES) permit. The Stormwater Utility is an Enterprise Fund that operates like a business.

Revenue to this fund is primarily through the payment of monthly stormwater fees. Other revenue sources include clearing and grading permit fees and stormwater plan review fees. Expenditures from this fund are for administrative and maintenance/operations of the utility. Funds are transferred out of this fund into the Stormwater Capital Project Fund and the Stormwater Asset Replacement Fund. The Administrative portion of the fund includes monthly customer billing, planning, coordination with the Department of Ecology for our NPDES permit; and participation in other stormwater related organizations. The Operations and Maintenance portion of the fund includes cleaning catch basins, manholes and storm pipes; monitoring and cleaning of ditches, culverts, bioswales and underground detention vaults; installation of storm pipe and catch basins; and maintenance of detention ponds.

2019 revenues are projected to increase only slightly above 2018 budgeted revenues. The 2019 expenditure budget is less than the 2018 budget due to slight decreases in the percentage of overhead costs charged to the fund, as well as a change in the methodology for calculating transfers to capital funds.

	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>	<u>Change - 2018 Budget to 2019 Budget</u>	
					<u>Dollars</u>	<u>Percentage</u>
Beginning Fund Balance	772,420	612,001	625,814	496,596		
Revenues & Other Sources						
Licenses & Permits	932	1,000	-	1,000	-	0%
Charges for Services	973,988	988,750	943,963	980,000	(8,750)	-1%
Fines & Forfeitures	9,889	-	9,732	5,000	5,000	-
Miscellaneous Revenues	18,488	12,000	21,898	18,700	6,700	56%
Total Revenues & Other Sources	1,003,297	1,001,750	975,593	1,004,700	2,950	0%
Expenditures & Other Uses						
Salaries	430,114	521,562	441,135	494,142	(27,420)	-5%
Benefits	185,203	234,938	163,320	213,871	(21,067)	-9%
Supplies & Services	349,219	411,183	326,929	374,978	(36,205)	-9%
Miscellaneous	5,206	-	(5,224)	-	-	-
Transfers	180,161	195,829	178,651	97,100	(98,729)	-50%
Total Expenditures & Other Uses	1,149,903	1,363,512	1,104,811	1,180,091	(183,421)	-13%
Net Change in Fund Balance	(146,606)	(361,762)	(129,218)	(175,391)		
Ending Fund Balance	625,814	250,239	496,596	321,205		
Fund Balance as % of Expenditures	54%	18%	45%	27%		

DETAIL

<u>Fund Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
406 308 80 00 406	BFB - Unreserved	772,420	612,001	625,814	496,596
Revenues					
406 322 10 03 000	Clear/Grade Permit	932	1,000	-	1,000
406 343 10 00 000	Storm Drainage Fees	973,210	988,250	943,963	980,000
406 343 10 30 000	LABOR	413	-	-	-
406 345 83 10 406	Plan Review	366	500	-	-
406 359 90 00 406	Penalties	9,889	-	9,732	5,000
406 361 10 00 406	Investment Earnings	6,695	3,000	9,540	8,700
406 362 00 00 406	Equipment And Vehicles Rentals (Short-term)	7,506	8,000	4,973	5,000
406 369 91 00 406	Misc Stormwater Revenue	4,287	1,000	7,385	5,000
Total Revenues		1,003,297	1,001,750	975,593	1,004,700

DETAIL

Fund Account	Title	2017 Actual	2018 Budget	2018 Projected	2019 Budget
Expenditures					
<i>Administration</i>					
406 531 10 10 000	Salaries and Wages	123,298	104,936	147,910	80,488
406 531 10 10 002	Overtime	477	1,500	7	-
	<i>Allocated Salaries</i>				85,191
406 531 10 20 000	Personnel Benefits	58,725	49,209	56,702	35,353
	<i>Allocated Benefits</i>				36,907
406 531 10 31 000	Office and Operating Supplies	1,781	1,900	2,453	2,500
406 531 10 32 000	Fuel	254	300	314	350
406 531 10 35 000	Small Tools and Minor Equip	283	1,000	504	500
406 531 10 36 000	Small Assets/IT	-	1,000	-	-
406 531 10 41 000	Professional Services	31,328	43,000	26,786	30,000
406 531 10 41 001	Professional Services - IT	8,244	12,051	23,986	23,173
406 531 10 41 002	Advertising	648	1,200	279	500
406 531 10 42 000	Communication	3,421	3,300	3,485	3,500
406 531 10 43 000	Travel	672	1,500	917	1,500
406 531 10 44 001	Utility Taxes	86,265	88,972	85,442	89,000
406 531 10 44 002	Excise Tax	14,380	15,043	14,241	15,000
406 531 10 45 000	Operating Rentals and Leases	851	1,000	898	1,000
406 531 10 46 000	Insurance	14,419	12,991	15,265	15,850
406 531 10 48 000	Repairs and Maintenance	1,133	1,000	741	1,000
406 531 10 49 000	Misc/Other Exp	-	500	-	-
406 531 10 49 001	Misc/Dues & Memberships	16,737	10,500	11,825	5,000
406 531 10 49 002	Misc/Trng, Registrations	971	2,500	1,831	2,000
406 531 10 49 003	Misc/Outside Printing	10,967	12,000	8,499	9,000
406 531 10 51 000	Audit Fees	1,478	-	-	-
	<i>Allocated overhead</i>	-	-	-	69,605
<i>Operations</i>					
406 531 30 10 000	Salaries & Wages	305,065	405,129	292,872	297,841
406 531 30 10 002	Overtime	1,276	7,000	346	12,622
406 531 30 10 003	Temp/Seasonal	-	2,998	-	18,000
406 531 30 20 000	Personnel Benefits	123,390	181,729	103,130	137,611
406 531 30 20 002	Uniforms	3,087	4,000	3,489	4,000
406 531 30 31 000	Operating Supplies	10,248	10,000	10,522	10,000
406 531 30 32 000	Fuel	7,632	7,500	8,119	2,500
406 531 30 35 000	Small Tools and Equipment	3,546	7,800	3,069	5,000
406 531 30 35 001	Machinery and Equipment	3,036	5,000	9,722	15,000
406 531 30 36 000	Small Assets/IT	-	4,000	-	-
406 531 30 41 000	Professional Services	2,670	15,000	2,090	5,000
406 531 30 41 001	Professional Services - IT	8,244	14,438	21,295	-
406 531 30 41 002	Advertising	-	500	-	500
406 531 30 42 000	Communication	2,785	2,700	2,774	3,000
406 531 30 43 000	Travel	114	2,000	1,104	2,000
406 531 30 45 000	Operating Rentals and Leases	24,142	24,000	23,114	8,000
406 531 30 47 000	Public Utility Services	11,169	12,700	12,813	13,000
406 531 30 48 000	Repairs and Maintenance	3,885	8,000	1,270	2,500
406 531 30 48 001	Vehicle Repair & Maint	71,319	65,000	28,913	30,000
406 531 30 49 000	Misc/Other Exp	217	5,000	-	-
406 531 30 49 001	Misc Dues & Memberships	235	6,288	-	-
406 531 30 49 002	Misc/Trng, Registrations	6,108	5,000	4,659	1,000
406 531 30 49 003	Misc Outside Printing	39	500	-	-
406 554 90 00 406	Environmental Services - Stormwater Permit	-	6,000	-	8,000
406 588 10 00 406	Prior Period Adjustments	5,206	-	(5,224)	-
406 597 04 07 406	Transfer to FUND 407/Capital	150,925	166,181	150,039	68,600
406 597 40 80 406	Transfers-Out -To Asset Replacement	29,236	29,648	28,611	28,500
Total Expenditures		1,149,903	1,363,512	1,104,811	1,180,091
406 508 80 00 406 Fund Balance-Unreserved		625,814	250,239	496,596	321,205

Stormwater Capital Improvement Fund (407)

This fund was created to separate capital improvements from regular administration, maintenance and operations activities. Currently, the operating fund contributes \$2.50 per unit to this fund, however the 2019 budget is based seven percent of the revenue from monthly stormwater charges, pending Council approval.

2019 projects are as follows:

Decant Facility \$1,000,000

The City was successful in receiving a grant from the Washington State Department of Ecology for the construction of a decant facility. The Decant facility will save the City money by allowing a temporary storage facility for waste material picked up by our vactor truck avoided the cost of transportation and disposal at out-of-city locations.

Taylor Street Storm Drainage Improvements (Design and Construction) \$305,000

This budget item is for pipe installation to improve storm drainage along Taylor Street between Porter Way and 15th Avenue. This is part of the City's efforts to improve the storm drainage system and minimizing local flooding.

Citywide Ditch/Culvert Projects \$75,000

This budget item is for repair and construction of ditches and culverts at various locations throughout the City.

2017 – 2019 Department of Ecology Capacity Grant \$10,000

Every two years the City receives grant money for our National Pollutant Discharge Elimination System (NPDES) compliance activities. Compliance activities could include maintenance, equipment purchase or public education and outreach programs.

Surprise Lake Outfall \$75,000

The water level in Surprise Lake is currently controlled by an outdated system that is not under the control of the City of Milton. This outfall needs reconstructing to better control the flow out of the lake and the associated water level in the lake.

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
407	308 80 00 407	BFB - Unreserved	296,062	398,348	453,624	881,431
Revenues & Other Sources						
407	334 03 10 097	Department Of Ecology - Decant Facility	56,868	646,500	36,403	610,000
407	334 03 10 098	Department Of Ecology - Emerald Street	193,504	-	22,629	-
407	334 03 10 099	Department Of Ecology - Pervious Concrete	138,605	-	-	-
407	334 03 10 101	Dept of Ecology	15,113	15,000	-	-
407	334 03 10 140	17-19 ECU Capacity Grant	-	50,000	4,493	10,000
407	337 31 02 115	King County Flood Control	35,426	-	-	-
407	361 10 00 407	Investment Earnings	2,666	2,000	6,893	6,300
407	397 01 30 407	TRF Fr REET 1	-	150,000	150,000	75,000
407	397 01 31 407	Transfer In - REET 2	-	150,000	150,000	85,000
407	397 04 06 407	TRF fr Storm Water Fund	150,925	166,181	150,039	68,600
Total Revenues & Other Sources			593,107	1,179,681	520,457	854,900
Expenditures & Other Uses						
407	594 31 61 115	Land Aquisition	14,360	-	-	-
407	594 31 63 097	Decant Facility	95,367	1,300,000	50,786	1,000,000
407	594 31 10 097	Project - Salaries & Wages	269	-	-	-
407	594 31 20 097	Project - Personnel Benefits	29	-	-	-
407	594 31 63 098	Emerald Street Bioretention/Bioswales	80,892	-	-	-
407	594 31 63 099	Pervious Concrete Parking Lots	107,084	-	25,707	-
407	594 31 63 112	Taylor St Pipe Installation (Design)	44,573	-	4,822	5,000
407	594 31 63 133	Citywide Ditch/Culvert Project	80,536	100,000	3,626	75,000
407	594 31 10 133	Project - Salaries & Wages	235	-	2,045	-
407	594 31 20 133	Project - Personnel Benefits	82	-	-	-
407	594 31 63 140	17-19 ECU Capacity Grant	-	50,000	5,664	10,000
407	594 31 65 120	Asset Management System	12,118	-	-	-
		Taylor Street Pipe Installation(Construction)	-	-	-	300,000
		Surprise Lake Outfall	-	-	-	75,000
Total Expenditures & Other Uses			435,545	1,450,000	92,650	1,465,000
Net Change in Fund Balance			157,562	(270,319)	427,807	(610,100)
407	508 80 00 407	Fund Balance-Unreserved	453,624	128,029	881,431	271,331

Stormwater Asset Replacement Fund (408)

This fund was established to fund replacement of assets such as major equipment and technology upgrades. The intent is to have the resources available when needs arise. Each year three percent of service revenue will be contributed to this fund to keep funds available as needed.

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
408	308 80 00 408	Estimated Beginning Balance	87,409	117,825	117,228	146,889
Revenues & Other Sources						
408	361 10 00 408	Investment Interest	583	500	1,049	1,650
408	397 40 60 408	Transfer In - From Operations	29,236	29,648	28,611	28,500
Total Revenues & Other Sources			29,819	30,148	29,661	30,150
Expenditures & Other Uses						
408	594 31 64 408	Asset Replacement	-	100,000	-	72,000
Total Expenditures & Other Uses			-	100,000	-	72,000
Net Change in Fund Balance			29,819	(69,853)	29,661	(41,850)
408	508 80 00 408	Ending Balance	<u>117,228</u>	<u>47,973</u>	<u>146,889</u>	<u>105,039</u>

Vehicle Repair and Maintenance Fund (501)

The Vehicle Repair and Maintenance Fund is an Internal Service Fund that was established to account for repair and maintenance of the City's fleet of vehicles, excluding the Police Department.

Revenue to this fund is collected by billing the other funds for the labor and equipment used to service the vehicles from the different departments. Expenditures are tracked by vehicle and department. Expenditures are primarily for in-house salaries, wages and benefits for the City's mechanic and parts for repairs of the fleet. Other expenditures include the services of outside mechanics for repairs for which the City does not have the equipment or specialized expertise.

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
	501 308 80 00 501	BFB - Unreserved	(1,229)	2,952	-	535
Revenues & Other Sources						
	501 344 30 00 000	Labor	162,540	174,000	110,000	130,000
	501 344 40 00 000	Parts	56,990	94,300	3,315	135,000
Total Revenues & Other Sources			219,531	268,300	113,315	265,000
Expenditures & Other Uses						
	501 548 30 10 000	Salaries & Wages	80,867	87,005	31,500	76,063
		<i>Allocated Salaries</i>				4,152
	501 548 30 10 002	Overtime	2,459	1,000	953	1,000
	501 548 30 20 000	Personnel Benefits	45,179	48,686	42,837	44,046
		<i>Allocated Benefits</i>				1,976
	501 548 30 20 002	Uniforms	1,168	2,500	1,061	1,500
	501 548 30 31 000	Office & Operating Supplies	18,504	18,000	14,402	18,000
	501 548 30 32 000	Fuel	730	1,300	434	1,500
	501 548 30 34 000	Parts	37,227	40,000	3,876	40,000
	501 548 30 35 000	Small Tools & Equipment	7,094	5,000	4,610	5,000
	501 548 30 35 001	Machinery & Equipment	-	2,000	-	2,000
	501 548 30 41 000	Professional Services	648	1,000	38	1,000
	501 548 30 41 001	Professional Services - IT	3,070	4,834	4,834	4,748
	501 548 30 42 000	Communications	1,047	900	939	1,100
	501 548 30 43 000	Travel	21	100	12	500
	501 548 30 45 000	Operating Rentals & Leases	164	200	154	200
	501 548 30 46 000	Insurance	3,566	3,600	4,230	4,400
	501 548 30 48 000	Repairs & Maintenance	14,221	50,000	2,883	50,000
	501 548 30 49 000	Miscellaneous	78	100	27	100
	501 588 10 00 501	Prior Period Adjustments	2,259	-	(10)	-
		<i>Allocated overhead</i>				3,818
Total Expenditures & Other Uses			218,302	266,225	112,781	261,103
Net Change in Fund Balance			1,229	2,075	535	3,897
	501 508 80 00 501	Fund Balance-Unreserved	-	5,028	535	4,432

Information Technology Fund (503)

The Information Technology Fund is an Internal Service Fund that was established to account for City-wide technology needs.

Revenue to this fund is collected by billing the other funds for the operating expenditures related to technology that serves the entire City. Expenditures are primarily for contracted information technology support services, software licenses and subscriptions and other professional services.

<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Projected</u>	<u>2019 Budget</u>
	503 308 80 00 503	BFB - Unreserved	8,233	43,285	61,946	67,616
Revenues & Other Sources						
	503 341 81 00 503	IT Services (External)	81,499	38,700	48,693	-
	503 341 81 01 503	IT Services (Internal)	173,078	222,238	222,238	224,698
Total Revenues & Other Sources			254,577	260,938	270,931	224,698
Expenditures & Other Uses						
	503 518 80 10 000	<i>Allocated Salaries</i>	95,888	22,130	22,975	24,711
	503 518 80 10 002	Overtime	601	-	-	-
	503 518 80 20 000	<i>Allocated Benefits</i>	34,796	9,205	7,406	11,287
	503 518 80 31 000	Office & Operating Supplies	89	500	9,279	5,000
	503 518 80 35 000	Small Tools And Minor Equipment	1,067	2,000	1,238	12,000
	503 518 80 36 001	Small Tools - IT	-	2,500	45	200
	503 518 80 36 002	Equipment - IT	5,720	58,000	17,297	10,000
	503 518 80 41 001	Professional Services - IT	37,072	98,000	145,000	80,000
	503 518 80 41 503	Professional Services	-	2,500	51	20,000
	503 518 80 42 503	Communications	1,758	1,000	1,147	-
	503 518 80 43 000	Travel	83	500	84	-
	503 518 80 45 000	Operating Rentals & Leases	-	-	22	-
	503 518 80 46 000	Insurance	6,977	1,206	1,418	1,500
	503 518 80 48 000	Repairs & Maintenance	-	1,500	10	-
	503 518 80 48 002	Repairs & Maintenance - Bldg	-	1,500	-	-
	503 518 80 49 000	Miscellaneous	118	2,000	2	-
	503 518 80 49 002	Misc/Training Registrations	19	3,000	187	-
	503 518 80 49 004	Software Licenses/Subscriptions/etc	16,471	60,000	60,000	60,000
	503 588 10 00 503	Prior Period Adjustments	204	-	(900)	-
Total Expenditures & Other Uses			200,865	265,541	265,261	224,698
Net Change in Fund Balance			53,713	(4,603)	5,670	-
	503 508 80 00 503	Ending Balance	61,946	38,682	67,616	67,616

Glossary

Appropriation – A legal authorization granted by the City Council to make expenditures and to incur obligations for a specific purpose.

Assessed Valuation – The valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes.

Authorized Positions – Employee positions, which are authorized in the adopted budget, to be filled during the year.

BARS – The Budgeting, Accounting and Reporting System for accounting prescribed by the Washington State Auditor's Office.

Bond – A long-term promise to repay a specified amount (the face amount of the bond) on a particular date (the maturity date). The most common types of bonds are general obligation revenue bonds. Bonds are primarily used to finance capital projects.

Budget – A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

Capital Improvement – Expenditures related to acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Outlay – Fixed assets that have general value of \$5,000 or more and have a useful economic lifetime of more than one year.

Capital Project – Major construction, acquisition, or renovation activities which add value to government's physical assets or significantly increase their useful life, also called capital improvements.

Capital Projects Fund – A fund created to account for all resources and expenditures used for the acquisition of capital assets except those financed by enterprise funds.

Contractual Services – Services rendered to a government by private firms, individuals, or other governmental agencies.

Debt Service – Payment of interest and principal on borrowed money according to a predetermined payment schedule.

Department – The basic unit of service responsibility, encompassing a broad mandate of related service responsibilities.

Encumbrance – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund – A type of proprietary fund in which the direct beneficiaries pay for all costs of the fund through fees.

Expense – Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Face Value – The amount of principal that must be paid at maturity for a bond issue.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization.

Full-time Equivalent Position (FTE) – A full-time or part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time person working 20 hours per week would be equivalent of 0.5 of a full-time position.

Fund – A fiscal entity with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity.

GAAP – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GASB – The Governmental Accounting Standards Board, established in 1985, is the current standard-setting board for governmental GAAP.

General Fund – The principal operating fund of the City used for general governmental operations. Taxes and fees that generally have no restriction on their use support it.

General Obligation (G.O.) Bonds – This type of bond is backed by the full faith, credit and taxing power of the government issuing it.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be identified with a specific product, function or activity.

Infrastructure – The physical assets of a government (e.g. streets, water, sewer, public buildings, and parks).

Interfund Transfers – The movement of monies between funds of the same governmental entity.

Internal Service Funds – A type of proprietary fund that accounts for the goods and services provided to other units of the city. Payment by the benefiting fund is intended to fund the costs of providing services.

LEOFF – The “Law Enforcement Officers and Fire Fighters” retirement system of the state that provides coverage for city public safety employees.

Levy – To impose taxes for the support of the governmental activities.

Levy Rate – The property tax percentage rate used in computing the property tax amount to be paid.

Long-term Debt – Debt with a maturity of more than one year after the date of issuance.

Operating Budget – The portion of the budget that pertains to daily operations that provide basic governmental services.

Ordinance – A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

PERS – “Public Employee Retirement System.” The state system for public employment retirement applicable for employees other than police officers.

Proprietary Funds – A group of funds that account for the activities of the city that are of a proprietary or business character. Also see “Enterprise Fund.”

Resolution – A special or temporary order of a legislative body—an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources – Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue – Sources of income financing the operations of government.

Revenue Bonds – Bonds sold by the city that are secured only by the revenues of a particular system.

Special Revenue Funds – General government funds for which the source of monies is dedicated to a specific purpose.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those who pay, for example, sewer service charges.

Unreserved Fund Balance – The portion of a fund’s balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges – The payment of a fee for direct receipt of a public service by the party who benefits from the service.