



**TOWN OF MILLIKEN
TOWN BOARD
AGENDA MEMORANDUM**

To: Mayor Tokunaga and Board of Trustees	Meeting Date:
From: Jennifer Nash, Director of Finance & Accounting	Wednesday, October 14, 2015
Via: Kent Brown, Town Administrator	

Agenda Item #	Action:	Discussion:	Information:
	X		
Agenda Title: Acknowledgement of Receipt by the Town Board of the 2016 Proposed Budget			
Attachments:			

PURPOSE

To acknowledge the receipt of the 2016 Proposed Budget.

BACKGROUND

The State of Colorado requires that the Board acknowledge receipt of a proposed budget for the upcoming year by October 15. The proposed 2016 budget presented to the Board is an overview of the Town's revenue and expenditures.

The State also requires two (2) Public hearings before the budget can be adopted. This year, those hearings will be held at the two regular sessions in November. At the conclusion of those hearings, the budget will be set for adoption by the Town Board in December. Unless there are complications, the Town Board will adopt the 2016 Budget at the regular session on December 9.

The Town Board and Staff will continue reviewing and discussing the 2016 budget with additional Budget Work Sessions prior to and possibly in between the Public Hearing dates. The additional budget work sessions currently scheduled include October 19, October 26 and November 2. In addition, the work session before the next regular meeting on October 28 will be dedicated to discussion of the 2016 budget.

BUDGET IMPLICATIONS

There are no budget implications with acknowledging receipt of the 2016 budget.

STAFF RECOMMENDATION

Staff recommends that the Board acknowledge the receipt of the proposed 2016 Budget.

POSSIBLE MOTION

“I move to acknowledge the receipt of the proposed 2016 Budget”

**Town of Milliken
Colorado**

**Proposed
2016 ANNUAL BUDGET**

**Presented to:
Town of Milliken
Board of Trustees**

Milt Tokunaga, Mayor
Linda Measner, Mayor Pro Tem
Linda Beck
LeRon Ehrlich
Jordan Jemiola
Ken Kidd
Lois Ann Onorato

Town of Milliken 2016 Budget Message

TO: MAYOR AND MEMBERS OF TOWN BOARD

We hereby submit, for your review and consideration, the proposed Operating and Capital Budget for all funds for the fiscal year beginning January 1, 2016.

The Budget represents one of the most important documents presented to the Town Board. It is designed to reflect the goals and objectives of the Board and establishes an action, operational and financial plan for the achievement of those goals and the delivery of Town's essential services. This Budget has been prepared to provide a comprehensive overview of all Town funds and services, and to give residents a better understanding of the Town's operating programs. In today's economic climate, every business and governmental organization functions with a unique set of challenges and circumstances based on its past decisions, current financial conditions, and the expectations established by their customers and constituents. We believe this budget proposal reflects the same well-planned, fiscally responsible approach to meeting these challenges that has served the Town well for many years.

Although we are considered to be well into an economic recovery from the Great Recession, it continues to be slow-going and fragile, with the exception of the oil and gas industry, which remains an important part of the Northern Colorado and Milliken economy. However, there is still a need to remain cautious and prudent as we strive to maintain and improve service performance, while investing in the growth and development of the Town in order to diversify its revenues and property tax base. Accordingly, the 2016 Budget continues the tradition of emphasizing a professional and conservative fiscal approach to serving the citizens of Milliken, while being mindful of its needs for the future.

The Town residents deserve and insist on quality municipal services provided in a productive, friendly, and efficient manner at the lowest possible costs. Our citizens also need to feel confident that the Town is effectively planning for the future to ensure the highest quality of life possible for the community. To meet this challenge, your Town Staff and Department Directors have approached the budget process with thoughtfulness, professionalism, and a sincere desire to meet the current and future needs of the Town.

Milliken, like many other municipalities in Colorado, is committed to providing excellent service, maintaining the integrity of our infrastructure and property values, and responsively attending to road repairs, public safety needs and expectations for the provision of quality community amenities. We are also committed to maintaining a healthy financial position so that we can be prepared for unexpected contingencies and maintain superior credit ratings for our bonds. We continue to emphasize cost control, cost avoidance, protection of infrastructure investments, increasing productivity through continuous process improvements, growing our tax base through development, and diversifying our revenues to protect our financial condition. At the same time we are paying attention to our human capital, our staff, and investing in them because the quality and stability of staff dictates the quality and effectiveness of the service we provide.

In order to provide you, and other readers, a meaningful context to guide your review of the 2016 Budget, we offer the following background and highlights:

Town of Milliken
2016 Budget Message

GOALS FOR 2016 BUDGET

The proposed Budget is designed to achieve the following objectives:

- Support the Pursuit of Board Goals and Objectives.
- Improve Service Levels and Provide the Staffing Required to Achieve Them.
- Estimate 2016 Revenues in Accordance with Current Economic Trends.
- Maintain Adequate Fund Balances to Protect the Town's Finances and Commitments.
- Invest in the Community to Improve the Quality of Life for Milliken Citizens.
- Invest in Community Infrastructure and Amenities to Help Diversify Future Revenues Sources.
- Prepare a Transparent Budget in a Format that Can Be Adequately Understood and Discussed.

BUDGET PROCESS AND BASIS

The Town Budget

The Town provides a wide variety of services to 6,091 residents as per the 2014 census estimate. Municipal services are financed through a variety of taxes, fees, charges for service, and intergovernmental assistance. In order to plan for the delivery of effective services and efficiently manage the revenues which support those services, the Town adopts a budget, or financial plan. Direction for the budget comes from many distinct sources. State law provides the basic legal requirements and timelines for the process. Board Goals and public input provide the policy direction to respond to the needs of the community, and Town Staff brings its professionalism and expertise in assessing the Town's needs in accordance with these directives. The fiscal year of the Town is the calendar year. The Town is required by statute to adopt and appropriate a budget on an annual basis. The Town uses the modified accrual accounting method for all funds except proprietary funds, which use the accrual method used by private business.

Budget Process

The intent of the annual budget process is to provide an opportunity to reflect on the level and effectiveness of providing for the present and future needs of the Town and then generate a sound financial and operational plan to serve the residents of the community. As a statutory Town, the Town of Milliken follows the State established time limits pertaining to the adoption of the budget.

During the development of the budget, various department managers are called upon to provide their experience and expertise in planning for, and meeting, the operational needs of the Town. In addition, the Town Board provides guidance during preparation through goal-setting meetings it convenes focusing on its objectives for the current year and beyond. Revenue projections for the coming year are compiled to estimate the resources available to provide for the Town. As the majority of Town revenues currently come from property taxes, the statutory limits on this revenue source are an important component of resource allocations. The Town Staff then works to integrate the needs of required operational service levels, the immediate goals adopted by the Board, and the future investments required to fulfill the long-term visions adopted by the Board. The Town Administrator's budget recommendation is submitted to Town Board before October 15th. The recommended budget is made available for public inspection at this time. At least two public hearings are held during the months of October and November (for the 2016 budget it will be in November) before the final adoption of the budget. The budget for the ensuing budget term and the annual appropriation ordinance is adopted no later than December 14th.

Town of Milliken
2016 Budget Message

MILLIKEN FACTS

- Milliken was founded in 1910 and is part of Weld County, Colorado.
- Milliken is a statutory town that has a Board/Administrator form of government.
- The Town Board consists of six (6) Trustees who are elected for 4-year terms, and a Mayor who is elected for a 4-year term.
- On November 4, 2001, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town commencing January 1, 2001, and subsequent years, notwithstanding the provisions of the TABOR Amendment, which otherwise limits the growth in Town revenue.
- In 2004, voters approved a .5% sales and use tax to fund the construction of a traffic signal at Hwy 257 and Hwy 60. In 2006, voters approved a mill levy increase to fund a new Police Station/Meeting House.
- Residential property is assessed at 7.96% of appraised value.
- Commercial property is assessed at 29% of appraised value.
- The Town/State has a combined sales tax rate of 5.4%.
- Milliken's sales tax rate is 2.5% (one of the lowest in the region), and the lowest in Weld County.

DEMOGRAPHICS

Population (2010 Census) (2014 estimate)	5,610 6,091
Median age	31.8
Average household size	3.06
Median household income	\$68,228
Median home value	\$171,400
Owner occupied homes	77.7%

TOWN ORGANIZATIONAL STRUCTURE

Town operations are organized into six departments:

Community and Economic Development
Public Works
Parks and Outdoors
Police
Finance
Administration

Each department has its own Mission Statement and primary functions, while operating as part of a team to provide the best possible service and support to the Town and its citizens.

Town of Milliken 2016 Budget Message

Community and Economic Development

Mission Statement: *“To promote economic development, quality growth, and a sense of place for the Town of Milliken.”*

- Functions:**
- Promote Economic Development
 - Promote Infrastructure Development
 - Provide Information and Data Resources
 - Review and Process Land Use Applications
 - Facilitate and Coordinate Long Range Planning
 - Building Services Oversight and Permit Processing.

Public Works

Mission Statement: *“To support and enhance a high quality of life for the Town’s residents, businesses and visitors by providing well planned, environmentally sensitive, cost effective infrastructure and services to promote public health, personal safety, transportation, economic growth and civic vitality.”*

- Functions:**
- Provide High Quality, Safe Drinking Water
 - Maintain Water Treatment Plant and Infrastructure
 - Provide a Well-maintained Wastewater Treatment Plant
 - Maintain Wastewater Infrastructure
 - Maintain 69.58 Lane Miles of Roadway Infrastructure
 - Maintain Equipment, Street Signs, Traffic Lines, Sidewalks, and Gutters
 - Snow Removal
 - Street Cleaning

Parks & Outdoors

Mission Statement: *“To acquire, develop, operate, and maintain our parks and outdoor environment which enriches the quality of life for residents and visitors alike, and preserves it for future generations.”*

- Functions:**
- Maintain Approximately 30 Acres of Parks and Park Facilities
 - Maintain Approximately 62 Acres of Open Space and Lakes
 - Maintain and Improve the 28 Acres of Right-of-Ways and Alleys
 - Weed Control
 - Manage a Tree Maintenance Program
 - Maintain Irrigation Infrastructure

Police

Mission Statement: *“Enhance the quality of life within the Town by working closely with citizens in the development and delivery of professional police services.”*

- Functions:**
- Protection of Life and the Prevention of Crime and Disorder.
 - Through Emphasis on Community Policing, Build Partnerships and Seek Proactive Approaches and Innovative Solutions to Address Crime and Other Safety Issues.
 - Work with Other Local Agencies to Evaluate and Regularly Update the Public Safety Response to Large-Scale Emergencies Through Advance Disaster Planning and Incident Command Procedures.
 - Find Innovative Ways to Involve the Police Department in the Community.

Town of Milliken 2016 Budget Message

Finance

Mission Statement: *“Protect the public interest through proper custody and accounting of public funds, help facilitate the achievement of the Town’s goals and objectives through sound financial management, timely financial reporting and to serve the public, Town Board and staff efficiently and pleasantly as valued customers.”*

- Functions:**
- Maintain Accurate Financial Records
 - Utility Billing and Payment Processing
 - Safeguarding of Assets
 - Grant Management
 - Monitor Investments and Debt
 - Collect and Record Receipts for Taxes, Licenses, Fees, etc.
 - Budget Preparation and Adherence to Budgetary Restrictions
 - Purchasing of Goods and Services
 - Payroll

Administration

Mission Statement: *“Provide prompt and courteous service to citizens, elected officials, and staff in the form of information, ordinances, resolutions, minutes, and record keeping protecting the Town’s interest through communication and public education.”*

- Functions:**
- Compile and Maintain the Records and Action of the Town Board and Planning Commission
 - Directs the Management and Maintenance of all Town Records
 - Administration of Municipal Elections
 - Notary Services
 - Liquor Licensing
 - Courts Management
 - Human Resources
 - Risk Management
 - Codify and Distribute Milliken Municipal Code and Supplements
 - Issue Business Licenses, Dog licenses, Special Events Permits

Although each department has its own functions, the culture in the Town workforce today reflects a team effort to recognize our joint responsibility to provide service and support to our constituents, while creatively approaching the need to generate new revenue and reduce costs where it is reasonable and responsible to do so. At the same time, it is critically important to recognize that the residents of Milliken have high expectations as to the services they demand and expect the Town to deliver. These standards not only relate to their immediate need for emergency response but to their needs to protect their property values through responsible planning, smart growth, and maintenance programs that make Milliken a unique community, and to provide fiscally conservative and responsible leadership. Based on conditions found throughout Weld County and around the State of Colorado, the Town finds itself in a solid financial position today because of proactive leadership by elected officials and staff in support of past and present initiatives funded by the budget process.

Town of Milliken
2016 Budget Message

TOWN FINANCIAL STRUCTURE

The Town, as do all governmental entities, accounts for its activities through the use of Funds, which are divided into two groups: Governmental Funds and Proprietary Funds. Governmental Funds are used to account for all, or most, of the Town's general activities, including the collection and disbursement of earmarked funds (Special Revenue Funds) and the Capital Projects Funds. The Town's Governmental Funds are the: General Fund, Grants Fund, Oil & Gas – 5.5% Exempt Fund, Street Fund, Capital Improvement Fund, Conservation Trust Fund, Impact Fees Fund, Debt Service Fund, KMB Fund, and Milliken Housing Authority Fund. Below are some of the highlights of the activities and proposals included in each fund in this proposed Budget for 2016. Proprietary Funds are used to account for activities for which a fee is charged, which provides the primary source of revenue for the fund. The funds operate much like a private business and record financial transactions on the accrual basis. The Town's Proprietary Funds are: Water Fund, Sewer Fund, and Trash Collection Fund.

GOVERNMENTAL FUNDS

General Fund

The primary fund for the Town is the General Fund. The General Fund revenues, including transfers, are estimated to decrease slightly from \$4,441,971 in the 2015 Year-End Estimates to \$4,402,264 in 2016. General Fund expenditures are projected to increase \$303,133 from \$4,064,110 in the 2015 Year-End estimates to \$4,350,756 in 2016 which includes a transfer of \$350,000 to Capital Improvements. The result is an Operating Surplus in 2016 of \$51,508. After a set aside for 3 months of operations per Board direction, there is \$244,458 in additional funds available.

Revenues

Property Tax. The Town's Total Taxable Assessed Valuation decreased 5.3% (\$3.93 million) in 2015, virtually all of which is attributable to oil and gas properties. See the following chart with the December 2014 figures versus the August 2015 figures from Weld County for the Town of Milliken.

	Dec 2014	Aug 2015 (\$ in assessed value)
Vacant Land	1,912,280	2,285,370
Residential	22,563,320	31,052,620
Commercial	4,712,990	5,350,280
Industrial	1,963,840	2,138,070
Agricultural	592,670	722,490
Oil & Gas	40,472,710	26,916,970
State Assessed	2,515,840	2,345,600
Minerals	55,230	46,210
Exempt	7,358,670	7,321,600
 Total minus Exempt	 74,788,880	 70,857,610

This decreased the relative contribution of oil and gas properties from 54% to just under 38% of Property Tax revenues for the Town. For 2016, the constitutional limit of 5.5% in the growth of these revenues that prevents the Town from realizing all of the potential income from an increase in assessed valuation will not apply. Accordingly, the Town will not apply for an exclusion from the 5.5% revenue limitation for new oil and gas property. Thus, the proposed Mill Levy for General Operating Expenses will not change for 2016 and will stay at 28.623. General Fund property tax

Town of Milliken **2016 Budget Message**

General Fund Revenues, Property Tax, continued

revenues will decrease about \$12,000 over 2015. Based on the preliminary assessed valuations, however, the levy required for debt service will be increased from 2.421 to 2.631, increasing our total Mill Levy to 31.254, from last year's 31.044. The decrease in assessed valuation is mainly responsible for this slight increase.

Sales and Use Taxes. The Town currently imposes a 2.5% Sales Tax on all applicable sales, which is collected by the State and remitted to the Town on a monthly basis. The base Sales Tax is 2%. The additional .5% was added to pay for the bond issued to construct the traffic light at the intersection of Highways 60 and 257. This bond matures in 2023. At 2.5%, Milliken has one of the lowest sales tax rates in Weld County, with 19 of the 27 municipalities in the county having rates from 3 to 4%, two at 2.5%, and 6 with a rate of 2%. However, 3 of the 6 municipalities have a rate of 2% for just the use tax; but, they have a city sales tax between 3 to 4% for all purchases where the buyer and seller are within the city limits. The remaining 3 municipalities within Weld County with a rate of 2% for both sales and use tax are Mead, Nunn and Pierce.

In 2015, each 1% of Sales (and Use) Taxes for the Town of Milliken will generate approximately \$458,420 based on current estimates which is 7% more than what was budgeted. Based on current trends, we are projecting a 5% increase for 2016 in Sales and Use Tax revenue, which is being supported by healthy increases in Building and Vehicle Use taxes from the growth in construction activity and vehicle purchases.

Licenses and Permits. The Town issues several types of Licenses and Permits that yield about 7.1% of total General Fund Revenues for 2016. Licenses and Permit Fees are, generally speaking, fees for service and are intended to reflect the cost of administering specific activities and enforcing regulations related to those activities. Examples are Business Licenses, Soliciting Licenses, Pet Licenses, etc. The most significant of these permit fees, with respect to both revenues generated and enforcement/regulatory costs, are Building Permit Fees. These fees are directly related to building activity and have dramatically increased over the past year and are expected to increase again in 2015. For example, the Town issued just 12 building permits for new homes in 2012, which increased to 37 in 2013. There were 91 new construction permits in 2014 and are on track for approximately the same number in 2015. The opening of the townhome project, Brookstone, may affect the total numbers in 2016. Commercial and industrial projects have also increased in 2015. The budget has included 96 permits as the target number for 2016.

Charges for Services. Accounting for less than 2% of Total General Fund revenues, the primary sources of these funds are Oil and Gas Safety Inspection Fees and Vehicle Registration Fees. The remaining items include Development Fees, Abatement Charges, Facility and Park Rental Fees.

Fines and Forfeitures. Court Fines are the primary source of this revenue and represent less than 1% of all General Fund Revenues.

Intergovernmental. The major sources in this category are State Grants and the reimbursement from the school district for our School Resource Officer. The reduction in this category is due to the end of the staffing grant for the Community Engagement Specialist.

Contributions. The Town receives contributions for Beef and Bean Day and other events, in addition to an occasional general contribution.

Town of Milliken
2016 Budget Message

General Fund Revenues, continued

Flood Grants and Reimbursements. This category was created in 2013 to separately record proceeds from our insurance company for flood-related claims and the Public Assistance Grants received through FEMA. This category expired in 2015. Any future flood-related grants, and related expenditures will be recorded through the Grants Fund.

Transfers In. The General Fund receives reimbursements from the Street Fund and the Enterprise Funds (Water, Sewer, and Trash) to cover the costs of direct labor and administration related to these activities and funded out of General Fund resources. The amount of these reimbursements are calculated each year based on the payroll costs of employees performing services for these funds and any other indirect costs appropriately allocated to these activities not otherwise paid directly out of these funds.

Expenditures

Administration. Headed by the Town Administrator, this department is charged with the oversight, management, administration, and execution of Board policy, State statutes, and citizen customer service. This department includes the office and responsibilities of the Town Clerk, Human Resources, Risk Management, Finance, Accounting, Utility Billing, Communications, Information Technology, and Project Management. There are currently 7 full-time employees included in this department. The Community Engagement Specialist, grant funded through 2015 is moved to Community Development in 2016 due to the addition of the planner title and function. Also, the code enforcement officer is included in the Police Department fund for 2016. Main items that are changes for 2016 are replacement of the main file server, increased costs for a mail in election, improvements to video capabilities for Board meetings and communications firm.

Municipal Court. The Town is statutorily required to operate and maintain a Municipal Court for the adjudication of local offenses and ordinance violations. In 2010, Milliken made the visionary decision to expand the role of the Municipal Court with the Community Court concept and received grant support to implement a new approach to community justice, which has distinguished the Town on a national basis. While the Court adjudicates traditional cases, it has also successfully encouraged defendants to participate in a more holistic restorative approach to justice that has proven to be one of the Town's more effective initiatives in community outreach and participation with members of the community who are not traditionally well-represented or served. The community services provided by Community Court staff make a significant contribution to creating a spirit of inclusiveness and support for Milliken's citizens. There are currently 1.5 salaried employees in this department. The judge and attorney are paid on a contractual basis. No major changes for 2016.

Community Development. Planning, Land Use and Development oversight and administration, Building Permit issuance and administration, Building Code Enforcement, and Economic Development represent the majority of responsibilities and activities in this department. This past year has also seen a significant increase in grant funding, which has been developed through this department. In 2015, there are 2 full time employees in this department, in 2016 there will be 3 full time employees with the addition of the position grant specialist/planner. The department also oversees items related to the Building Official, who is under contract. One other change is funds set aside for contract work for GIS programs.

Town of Milliken
2016 Budget Message

General Fund Expenditures, continued

Public Safety. With an emphasis on Community Policing, our Police Department is responsible for the protection of our citizens, their property, and the general order of the Town. Our department also takes the lead in Emergency Management. This department is now fully staffed with 10 employees. We will need to consider adding an officer in the next couple years in addition to Lt. Handel returning. Major changes for 2016 include the addition of the Community Service officer within this department, vehicle purchase/lease, radio equipment, replacement of 2 radars and 2 tasers and a speed zone sign. In addition, where applicable funds were increased for personnel to address discrepancies with neighboring departments.

Public Works and Facilities Maintenance. The Public Works Department has responsibility for providing quality water and sewer services to our citizens, and maintaining and improving our roads for the health, safety and well-being of our citizens and visitors. In addition, this department maintains Town buildings and facilities (other than Parks). This department currently has 5 employees many of whom are partially funded with transfers (reimbursements) from the Streets Fund and the Water and Sewer Funds. Items of note for 2016 include mobile service for work order (computer software/hardware) and additional training funds budgeted.

Parks. Quality of life and the environment lead the priorities of the Parks Department, responsible for the care and maintenance of our parks, Open Space and right-of-ways in the Town. This department currently has 4 employees. One of the recommendations for 2016 is funds set aside to contract out the mowing of certain park/open space areas. This would allow Town employees to focus on the remaining parks mowing, irrigation and the higher maintenance/higher use park areas. The balance of personnel resources versus the number of parks/facilities/irrigation systems and the total acreage is uneven. Taking a step to contract out certain areas may address this imbalance. Also, there is a great possibility for a Weld County grant over the next couple years to address the Russian Olive trees on the Martinez Hahn property. A potential cost that could have been at least ten times as much may cost the Town only \$5,000 to partner with Weld County.

Festivals and Programs. This “department” houses the expenses for Beef ‘N Bean Day, the Festival of Lights, Halloween, Easter, and the other smaller events held throughout the year.

Capital Transfers/Fund Balance. The Board’s desire to continue investing General Fund Surplus Operating Funds in Capital Improvements is reflected in this line item. \$826,925 will be transferred in 2015 for major projects currently underway. These include Parks Capital Improvement Projects including Lola Park, Dog Park, Mountain View Park and Ada Park, a portion of the Town Hall parking lot project, the materials facility at Public Works, grain elevator improvements, sidewalk gap analysis (Quintene project) and some other minor items completed in 2015. The Board has authorized the Minimum Target Reserve at three months with an additional reserve for the first year commitment (\$200,000) to support funding for a Field House and Soccer Fields being constructed by the Thompson Rivers Parks and Recreation Department (TRPR). In addition to the budgeted operating surplus of \$51,508, this budget recommends \$350,000 transferred for Capital Investments. There also remains a reserve in the Fund Balance for a sewer project (Frank Farms) committed in a prior year that will be installed in the future.

Town of Milliken
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Special Revenue - Grants Fund

The Town has been extremely fortunate to have been awarded a number of grants, many coming as a direct result of the Flood of 2013. This is in addition to the Great Outdoors Colorado (GOCO) grant received for the reconstruction of the Hillsboro Skate Park, completed in 2014. As a result, over \$2 million in projects have been, or will be, completed during the period 2013-2016, including:

Downtown Design	Housing Needs Assessment
Hillsboro Skate Park	Major Sewer Line Reconstruction
Stormwater Master Plan	Tourism Marketing Grant
Milliken Comprehensive Plan Update	Sidewalk Gap Analysis

and significant trail construction, including the Milliken portion of the Milliken-Johnstown Trail. When the Josephine Storm Water project is awarded, it will also be identified in this fund. The Town has also received funding to support the employment of our Community Engagement Specialist for 2 years, ending in 2015.

Oil & Gas 5.5% Exempt Fund

This fund was established to segregate those monies received by the Town through its application for exemption from the revenue limitations for first year oil and gas wells. The Board has approved the application for 2015, which has been submitted and should result in revenues of \$93,868. The receipt of these revenues is conditional upon their application to the impact the oil and gas industry has on the Town and, thus, the Board has again elected to send 100% of these funds to the Streets Fund for road maintenance. However, due to other factors, this will not be applicable or an option in 2016.

Street Fund

Intergovernmental. The Town receives tax revenues from the State of Colorado and Weld County for the specific purpose of funding road projects.

HUTF. The Town receives a portion of the revenues received by the state's Highway Users Tax Fund (HUTF). By far, the largest source of revenue for this fund is the motor fuel tax levied on each gallon of fuel purchased in the state. Municipalities receive their allocation of these funds based on the weighted combination of (1) the number of registered vehicles in the municipality (80%) and (2) the relative number of miles of used and maintained roads within the municipality (20%). The Town reports the road miles each year for inclusion in this calculation.

Weld County Road and Bridge Tax. This tax is levied by Weld County and divided between the county (approximately 3/4) and the local municipalities (1/4), based on the relative tax revenues collected by each municipality. The Town receives most of these revenues prior to June, as the oil and gas companies usually pay 100% of their taxes in April, rather than in two payments like most residential property owners.

Transfers In. As noted above, 100% of the property taxes received by the Oil & Gas Tax Exempt Fund are transferred into the Street Fund to finance road maintenance and repairs. In 2016, there will be no taxes received in the Tax Exempt Fund (unless other circumstances change – if it does, the request will be to continue transferring those funds to the street fund). This is a major reason that the proposed sales tax increase includes allocating half of the proceeds to streets and street maintenance. The funding sources for this fund are not keeping pace with increased costs or come close to adequately addressing one of the basic services of the Town.

Town of Milliken
2016 Budget Message

Street Fund, Intergovernmental, continued

In addition to the ongoing repair and maintenance of our roads, including snow plowing and removal, these funds are applied to major maintenance and repair items, such as crack sealing, chip and slurry sealing, milling and filling, and other items related to our long-term road maintenance plan. In accordance with that plan, 2015 completed the following projects:

Mill and Fill – Broad Street. Broad Street from east of Josephine to Quintene was completed.

Crack Sealing. We have allocated \$64,000 for 40,000 lbs. of material for crack sealing with an emphasis on the Mad Russian and Colony Point subdivisions.

Infrared Patching. We have budgeted \$16,500 for another 200 of these effective patches for 2016 on an as-needed basis when we review our specific needs in the spring and summer.

WCR 19 Reserve. Weld County notified us that they are anticipating a reconstruction project on WCR 19 in 2015, a portion of which is Town-owned. Although the original estimate was over \$100,000, the final estimate from Weld County was just under \$42,000. Project has not been completed as of September 30, 2015. However, there was a significant benefit to the citizens of Milliken to collaborate on this project with Weld County.

Bridge Deck – WCR 25. When this bridge was assessed after the flood of 2013, it was noted that the deck of this bridge needs to be re-surfaced, and \$25,000 was budgeted in 2015. After inspection by additional entities, there is reconsideration due to significantly increased cost. This will be a major project (at some point).

For 2016, because of the minimal amount of funds unless the sales tax increase passes,

Stabilize Soil/Road Base Project. Will be analyzing possible project to address gravel roads that are Milliken's responsibility – ash/concrete mix that would significantly enhance road base.

Other Street Project. Remaining funds would be used for annual street project. In addition, if sales tax passes a portion of the additional sales tax revenues would be used for this annual project.

Capital Improvement Fund

The Proposed Budget includes a number of major projects related to the improvement of Downtown and significantly upgrading a number of Parks in accordance with our Parks Capital Improvement Program. In accordance with the presentation to the Board, design work is in process of completion for the reconstruction of the Town Hall parking lot. The project will be bid before the end of 2015 and will be constructed in the first part of 2016. With the funds originally budgeted for the Downtown Design and the Town Hall parking lot, a portion is set aside in 2015 revised budget and the remainder is reallocated in 2016. The remainder of the \$535,000 that was dedicated to both projects will be allocated to sidewalks downtown and other items for the Downtown Design Project in 2016.

These budget recommendations includes an additional \$100,000 for sidewalks/trail connections identified in the Gap Analysis report that was funded by a Kaiser Permanente Grant. The next steps in the Parks Capital Improvements Plan include Centennial Park and addressing Fireman's Park. These would continue to significantly address the Town Board's strategic plan objective of improving the appearance of Milliken. In 2015, Town staff assisted in the completion of a number of major improvements in Lola Park, added improvements to Dog Park, Mountain View Park and Ada Park in accordance with the Board's expressed priorities to improve Milliken Parks for our residents. These projects are funded substantially through transfers from the General Fund.

Town of Milliken **2016 Budget Message**

Conservation Trust Fund

Conservation Trust Funds are the portion of Lottery Proceeds constitutionally mandated to be distributed directly to local governments, based on population, for acquiring and maintaining parks, open space and recreational facilities. The Town receives distribution quarterly. The Proposed 2016 Budget does not include any transfer currently. There is approximately \$28,000 to transfer if necessary. Previously, these funds would be transferred to the Capital Improvement Fund to support the projects in that fund.

Impact Fees Fund

The Town assesses Impact Fees on new development and construction within the Town to help fund the cost of providing the services and infrastructure affected by the new development. The Town currently assesses Impact Fees for:

Park Development	Drainage
Trails and Open Space	Police Infrastructure
Public Facilities Infrastructure	Administration Infrastructure
Streets	Centennial Farms Irrigation Line

In 2012, the Impact Fees Fund had a substantial deficit balance, which was remedied by a Board-appropriated transfer of \$180,000 from the General Fund, putting the Fund back on track to finance future projects. The current and projected increase in construction activity has fueled significant growth in the fund's available resources, all of which are earmarked for the specific types of projects for which the fees were collected. The proposed 2016 Budget transfers \$25,000 of these funds to the Grant Fund to pay for the engineering of the Josephine (or HMGP) storm water project. The proposed 2016 Budget also transfers \$90,000 to the Street Fund. Finally, there is \$48,000 transferred from Park Impact Fees and \$28,000 of Open space and Trails Impact fees transferred to the Capital Improvement Fund for Park Capital Projects and a portion of the Gap Analysis Projects identified. Additional funds remain available to appropriate for projects yet to be identified and prioritized by the Board.

Debt Service Fund

These funds are restricted for debt service payments. A ½ penny sales tax is dedicated to the Hwy 60 & 257 traffic light bond and 2.631 Mills in property tax revenue is dedicated to the police building bonds. This Mill Levy is an increase from 2.421 mills the previous year, as this year's assessed valuations decreased and the rate to generate the same amount of revenue to meet the amortization schedule for this debt needs to be raised slightly.

The Town has experienced a steady increase in the Fund Balance of this fund as the result of receiving Sales and Use Taxes in excess of the debt service requirements for the bond issued for the traffic light at Highways 60 and 257. Staff is recommending that a thorough analysis of this fund balance be conducted, as the Town appears to have an opportunity to accelerate payments on the Traffic Light Bonds, and staff will be making a future recommendation as to how to proceed on this effort once the analysis is complete.

KMB Fund

This fund has been established to segregate funding for the Keep Milliken Beautiful organization which is an affiliate of Keep America Beautiful. This fund is grant and donation driven.

Town of Milliken **2016 Budget Message**

Milliken Housing Authority Fund

This fund is considered a component unit of the Town, which is overseen by the Milliken Housing Authority. The limited funds available are utilized on an as-needed basis and the operation of the Dove Valley Housing Development is managed by the Loveland Housing Authority. Included in the 2016 Budget proposal is \$20,000 as requested by the Housing Authority for the site specific housing study. Full documentation for the request will be included in the backup materials for that fund.

PROPRIETARY FUNDS

Water Fund

The Water Fund has had numerous changes through 2015.

- 1) The notice of violation and subsequent actions in 2015 which forced the shutdown of the reverse osmosis plant, the negotiations with Central Weld and the City of Greeley for additional water treatment, and investigation through engineering, water sampling, and other parties for alternatives have had a significant effect on the budget.
- 2) In addition, the change in priority from the Water Master Plan in order to obtain and construct a water tank on the south end of the water system to better handle a larger continuous supply from Central Weld was an expense authorized by the Board midway through 2015; but, not anticipated in the original budget.
- 3) The award of the Mineral & Energy Impact Grant for the East Water Line Loop was one of the largest grant awards received by the Town of Milliken and equals approximately the same amount as the cost of the water tank.
- 4) Both the bypass line project and the water line loop will be constructed in 2016 even though both were originally included in the 2015 budget.
- 5) The refresh well that will be a significant addition to the non potable water system will be completed in 2015; however, the construction cost was significantly higher (over twice the amount) than anticipated because of the requirement by the State of Colorado that only certain state registered well construction outfits could bid on the project.

The Town has benefitted from the cooler, wetter summer this year. Even though staff purchased the authority to lease additional raw water, the Town has ended the 2015 water year without having to use the additional leased water. The majority of the difference in the operational costs relate to the additional costs for water treatment because of the shutdown of the reverse osmosis plant. The current water rates cannot sustain operational costs without the reverse osmosis plant. This can be seen even though it was a wetter year than average and only from the end of June onward was the increase in customer water usage seen.

The significant increase in capital funds available from our surge in Tap Fees and the publication of the updated Master Plan warrant special consideration of the capital projects to be funded over the next few years. Accordingly, we will be holding a separate Budget Meeting to discuss these options and have, withheld an "Infrastructure Improvements" recommendation from the Proposed Budget submitted at this point. These infrastructure improvements include the east side water line loop, the augmentation/bypass line, the final parts of the water storage tank construction, and potential response for the short term to the reverse osmosis plant situation. A detailed discussion of the composition of the Fund Balance will also be part of this meeting so that the Board can make a more informed decision about allocating these capital resources.

Town of Milliken **2016 Budget Message**

Sewer Fund

Some deferred expenses and operational savings also helped our projection for a projected surplus in 2014, which will help fund the operating deficit in 2015. When we look at a detailed Fund Balance Analysis, referred to above, it will become clearer how much is available for capital projects and where the funding is coming from. Lamp Rynearson is completing a rfp for sewer main project which will provide many more details for the capital project that was originally budgeted in 2015; but, has been delayed until 2016 to prioritize locations within the system. As for operations, the major items in 2016 are the sewer camera, SCADA upgrades and a pump rebuild in the headworks building which is estimated at \$31,000. Also, the apparent increase in biosolids removal over a suppressed cost in 2014 from a diversion of sewage into the ponds during equipment repairs. It is worth noting, however, that we have successfully begun diverting the Town's biosolids for beneficial use through composting without incurring a substantial increase in costs.

Trash Collection Fund

This fund is designed primarily as a pass-through fund, as the charges are directly related to the fees charged by the Town's solid waste disposal contractor (currently, Waste Management), plus a small administrative charge, which is reimbursed to the General Fund. Charges are projected to increase approximately 2.75%, which is consistent with the contractual allowance of the Waste Management contract.

Strategic Planning Goals

The budget, as presented, represents as best as possible some strides to reach the goals as set by the Town Board in its strategic planning session at the end of August. *From the summary report of that session –* “The Town Board was asked to take a few minutes to jot down their vision of Milliken in 2025. It was discussed that the town can only do so much, and that the job of the town is to “create community conditions” that enable the town to achieve the vision.

The discussion progressed to deeper discussions that framed particular issues and identified a few action items.

1. Although it is not as high a priority for the town, there was significant discussion about how Milliken might create an **identity** that puts them on the map and encouraged community development. The group discussed types of **events** that could be held in the town, and decided that it is their role to help facilitate such events, not take the lead. The Board prefers to nurture the interests of Milliken residents.
2. In terms of **development**, the Board discussed the current realities, and the future possibilities. A key question is how much risk the Board is willing to take to encourage certain types of development. They discussed encouraging places for people to create and grow their small businesses, and the type of infrastructure investments that might be necessary to make it possible for private investment to occur. Specific action items are:
 - Streamline internal processes to facilitate development.
 - Develop and maintain relationships with land owners, developers and other jurisdictions.
 - Set a time for a Board discussion on annexation possibilities.

Town of Milliken
2016 Budget Message

3. The Board discussed the importance of the town's **appearance** and how they should be taking advantages of it's assets, particularly the bluffs and the river valleys. Several action items emerged:
 - Look at current codes and architectural standards to see if they are working in opposition to the Board's desires
 - Consider a "theme" for the town, and changing the mentality from a "HOA cookie cutter" to allowing more variety to create more character. Further discussion is needed on this point.
 - Consider a larger investment by the town in key corridors.
 - Make sure the town is well connected – trails and wide sidewalks to encourage walking
4. **Business attraction** was another area that generated quite a bit of discussion. The Board had several items that they would like to address:
 - Staff is asked to bring back to the Board situations where the town might be able to encourage development by "shrinking the gap".
 - Continue to invest in Walt, and in communications
 - Work with the big developer to encourage commercial development to happen now, rather than waiting.
 - Change the mentality and perhaps codes to not let parking lots drive decision making.
5. The Board discussed the major **infrastructure** projects that are required in the town. They requested the following:
 - Staff should "triage" the many infrastructure projects and develop plans and funding structures to address the issues. These plans must include ongoing maintenance as well as the capital investment.
 - Develop a 5 – 10 year CIP.
 - Develop a plan for sewer infrastructure investments and maintenance.
 - A plan for implementing the requirements of the Stormwater Master Plan."

Where these action steps can be identified with a budgetary item, this budget recommendation has included those items. There will be a continuing conversation with staff and Board members on processes and proposals to best meet the remaining action items.

Working Document

The budget, as presented, represents the Town's financial plan to maintain and improve existing services, fund the goals articulated by the Town Board, and ensure adequate fund balances to maintain a strong financial position. The Budget is a working document that guides Staff and the Board in the care, custody, and management of the resources available to serve the needs of our citizens and will be amended as needed at the discretion and consideration of the Board.

Respectfully submitted,

Kent Brown
Town Administrator

Jennifer Nash
Director of Finance

**Town of Milliken
Proposed Budget 2016**

GENERAL FUND	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
Beginning Fund Balance	\$ 1,883,529	\$ 2,181,703	\$ 2,181,703	\$ 1,732,639
Revenues				
Taxes & Fees	3,221,513	3,401,230	3,445,911	3,513,064
Licenses & Permits	246,393	263,900	263,870	315,600
Charges for Services	81,861	81,950	78,400	79,400
Fines & Forfeitures	48,500	41,000	41,000	41,000
Intergovernmental	77,264	78,000	76,500	25,500
Earnings on Investment	5,736	5,250	4,300	4,300
Miscellaneous Revenue	66,481	8,900	7,500	4,400
Contributions	19,295	13,000	11,804	13,000
Flood Grants and Reimbursements	131,071	-	76,686	-
Transfers In	406,000	436,000	436,000	406,000
Total Operating Revenues	4,304,114	4,329,230	4,441,971	4,402,264
Expenditures				
Administration	798,323	987,999	989,531	909,382
Municipal Court	97,252	129,739	129,319	128,036
Community Development	380,407	435,294	424,707	535,713
Public Safety	887,004	892,090	883,221	1,081,932
Town Board	82,671	105,578	94,400	129,202
Public Works & Facilities Maint.	656,790	752,778	772,133	722,708
Parks	429,307	513,239	510,639	499,521
Festivals and Programs	66,350	260,300	260,160	268,012
Flood Recovery Costs	109,837	-	-	-
Transfers Out	116,500	-	-	76,250
Total Operating Expenditures	3,624,440	4,077,017	4,064,110	4,350,756
Excess (Deficiency) of Revenues and Other Sources over Expenditures	679,674	252,213	377,861	51,508
Capital Investment - Transfers Out	(381,500)	(826,925)	(826,925)	(350,000)
Ending Fund Balance	\$ 2,181,703	\$ 1,606,991	\$ 1,732,639	\$ 1,434,147
Minimum Target Reserve	1,812,220	1,019,254	1,016,028	1,087,689
Franks (2014-2015-\$102K)	102,000	102,000	102,000	102,000
Available Funds	\$ 267,483	\$ 485,737	\$ 614,611	\$ 244,458

**Town of Milliken
Proposed Budget 2016**

<u>SPECIAL REVENUE - GRANTS</u>	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
Beginning Fund Balance	\$ 57,676	\$ 231,967	\$ 231,967	\$ 257,058
<u>Revenues</u>				
Intergovernmental	660,303	1,008,515	832,985	768,750
Contributions	12,407	-	-	-
<i>Transfers In</i>	305,675	140,000	140,000	81,250
Total Operating Revenues	978,384	1,148,515	972,985	850,000
<u>Expenditures</u>				
Grant Expenditures	804,093	1,379,425	947,894	1,065,000
<i>Transfers Out</i>	-	-	-	-
Total Expenditures	804,093	1,379,425	947,894	1,065,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	174,291	(230,910)	25,091	(215,000)
Ending Fund Balance	\$ 231,967	\$ 1,057	\$ 257,058	\$ 42,058

**Town of Milliken
Proposed Budget 2016**

<u>OIL & GAS 5.5% EXEMPTION FUND</u>	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
Beginning Fund Balance	\$0	\$0	\$0	\$0
<u>Revenues</u>				
General Property Tax	142,525	101,199	101,199	0
Earnings on Investment	0	0	0	0
Total Operating Revenues	142,525	101,199	101,199	0
<u>Expenditures</u>				
Street Maintenance <i>Tran Out - Streets Fund</i>	142,525	101,199	101,199	0
Total Expenditures	142,525	101,199	101,199	0
Excess (Deficiency) of Revenues and Other Sources over Expenditures	0	0	0	0
Ending Fund Balance	\$0	\$0	\$0	\$0

**Town of Milliken
Proposed Budget 2016**

	2014	2015	2015	2016
<u>STREET FUND</u>	Actual	Amended Budget	Year-End Estimates	Amended Budget
Beginning Fund Balance	\$ 91,368	\$ 89,759	\$ 89,759	\$ 142,291
<u>Revenues</u>				
Intergovernmental	263,603	249,414	259,633	248,926
Earnings on Investment	404	200		-
Transfers In	142,525	301,199	301,199	90,000
Total Operating Revenues	406,532	550,813	560,832	338,926
<u>Expenditures</u>				
Operations	248,141	392,300	318,300	293,800
Transfers Out	160,000	190,000	190,000	160,000
Total Expenditures	408,141	582,300	508,300	453,800
Excess (Deficiency) of Revenues Over Expenditures	(1,609)	(31,487)	52,532	(114,874)
Ending Fund Balance	\$ 89,759	\$ 58,272	\$ 142,291	\$ 27,417

**Town of Milliken
Proposed Budget 2016**

	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
<u>CAPITAL IMPROVEMENT FUND</u>				
Beginning Fund Balance	\$ 358,343	\$ 306,143	\$ 306,143	\$ 371,468
<u>Revenues</u>				
Intergovernmental	25,000	-	-	-
Earnings on Investment	39	-	-	-
Miscellaneous Revenue	-	-	-	-
<i>Transfers In</i>	381,500	957,925	957,925	426,000
Total Operating Revenues	406,539	957,925	957,925	426,000
<u>Expenditures:</u>				
Capital Outlay	360,740	1,186,971	822,600	704,450
Other	3,000	-	-	-
<i>Transfers Out</i>	95,000	70,000	70,000	-
Total Expenditures	458,740	1,256,971	892,600	704,450
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(52,200)	(299,046)	65,325	(278,450)
Ending Fund Balance	\$ 306,143	\$ 7,097	\$ 371,468	\$ 93,018

**Town of Milliken
Proposed Budget 2016**

<u>CONSERVATION TRUST FUND</u>	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
Beginning Fund Balance	\$ 55,220	\$ 34,896	\$ 34,896	\$ (1,004)
<u>Revenues</u>				
Intergovernmental	28,040	30,000	30,000	30,000
Earnings on Investment	810	50	100	-
Contributions	-	-	-	-
Transfers In	-	-	-	-
Total Operating Revenues	28,851	30,050	30,100	30,000
<u>Expenditures</u>				
Other	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	49,175	66,000	66,000	-
Total Expenditures	49,175	66,000	66,000	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(20,324)	(35,950)	(35,900)	30,000
Ending Fund Balance	\$ 34,896	\$ (1,054)	\$ (1,004)	\$ 28,996

**Town of Milliken
Proposed Budget 2016**

<u>IMPACT FEES FUND</u>	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
Beginning Fund Balance	\$ 141,911	\$ 370,532	\$ 370,532	\$ 298,824
<u>Revenues</u>				
Fees	337,997	264,300	274,300	274,300
Earnings on Investment	-	-	-	-
Transfers In	-	-	-	-
Total Operating Revenues	337,997	264,300	274,300	274,300
<u>Expenditures</u>				
Capital Projects	64,376	3,000	11,008	-
Transfers Out	45,000	335,000	335,000	191,000
Total Expenditures	109,376	338,000	346,008	191,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	228,621	(73,700)	(71,708)	83,300
Ending Fund Balance	\$ 370,532	\$ 296,832	\$ 298,824	\$ 382,124

**Town of Milliken
Proposed Budget 2016**

	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
<u>WATER FUND</u>				
Beginning Fund Equity	\$ 18,109,174	\$ 19,376,737	\$ 19,376,737	\$ 19,521,025
<u>Revenues</u>				
Charges for Services	1,281,425	1,257,000	1,359,000	1,307,000
Miscellaneous Revenue	35,223	41,500	28,000	28,000
Transfer In	-	-	-	-
Total Operating Revenues	1,316,648	1,298,500	1,387,000	1,335,000
<u>Expenses</u>				
Operations and Maintenance	648,289	805,234	1,371,565	1,541,079
Capital Outlay	-	-	-	-
Depreciation	236,361	265,000	265,000	265,000
Transfer Out	115,000	115,000	115,000	115,000
Total Operating Expenses	999,650	1,185,234	1,751,565	1,921,079
Operating Income (Loss)	316,998	113,266	(364,565)	(586,079)
<u>Non-Operating Revenues (Expenses)</u>				
Interest Income	6,824	3,950	5,500	6,000
Tap Fees	843,220	720,000	720,000	864,000
Cash-in-Lieu Fees	96,305	32,000	-	-
Grant Revenues	-	-	-	788,200
Misc. Revenues	39,403	29,980	29,980	35,976
Capital Investment Refunds	-	-	-	-
Infrastructure Improvements	-	(3,500,000)	(1,430,000)	(3,510,000)
Acquisition of Water Rights	-	(300,000)	-	-
CDPHE Penalty	-	-	(212,216)	-
Interest Expense	(35,187)	(34,411)	(34,411)	(33,526)
Total Non-Operating Revenues (Expenses)	950,564	(3,048,481)	(921,147)	(1,849,350)
Increase (Decrease) in Fund Equity	1,267,562	(2,935,215)	(1,285,712)	(2,435,429)
<u>Enterprise Adjustments to Fund Equity</u>				
Increase in Net Assets from Capital Outlay	-	3,800,000	1,430,000	3,510,000
Adjusted Increase (Decrease) in Fund Equity	1,267,562	864,785	144,288	1,074,571
Ending Fund Equity	\$ 19,376,737	\$ 20,241,522	\$ 19,521,025	\$ 20,595,596
Debt Service Principle Appropriation	\$ 17,572	\$ 18,417	\$ 18,417	\$ 19,302

**Town of Milliken
Proposed Budget 2016**

	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
<u>SEWER FUND</u>				
Beginning Fund Equity	\$ 5,557,880	\$ 6,015,208	\$ 6,015,208	\$ 6,287,223
<u>Revenues</u>				
Charges for Services	938,664	930,000	960,000	960,000
Miscellaneous Revenue	24,163	23,500	23,500	23,500
Transfer In	-	-	-	-
Total Operating Revenues	962,827	953,500	983,500	983,500
<u>Expenses</u>				
Operations and Maintenance	351,951	509,333	510,922	550,121
Capital Outlay	-	20,000	20,000	31,000
Depreciation	322,211	325,000	325,000	325,000
Transfer Out	110,000	110,000	110,000	110,000
Total Operating Expenses	784,162	964,333	965,922	1,016,121
Operating Income (Loss)	178,665	(10,833)	17,578	(32,621)
<u>Non-Operating Revenues (Expenses)</u>				
Interest Income	4,609	3,300	3,500	3,500
Tap Fees	364,500	320,000	320,000	384,000
Misc. Revenues	15,394	14,160	14,160	16,992
Infrastructure Improvements	-	(947,600)	(50,000)	(900,000)
Flood Grants and Reimbursements	-	-	-	-
Flood Recovery Costs	-	-	-	-
Interest Expense	(105,839)	(118,687)	(103,223)	(95,200)
Total Non-Operating Revenues (Expenses)	278,664	(728,827)	184,437	(590,708)
Increase (Decrease) in Fund Equity	457,328	(739,660)	202,015	(623,329)
<u>Enterprise Adjustments to Fund Equity</u>				
Increase in Net Assets from Capital Outlay	-	967,600	70,000	931,000
Adjusted Increase in Fund Equity	457,328	227,940	272,015	307,671
Ending Fund Equity	\$ 6,015,208	\$ 6,243,148	\$ 6,287,223	\$ 6,594,894
<hr/>				
Debt Service Principle Appropriation	\$ 289,700	\$ 300,603	\$ 300,603	\$ 306,068

**Town of Milliken
Proposed Budget 2016**

<u>TRASH COLLECTION FUND</u>	2014 Actual	2015 Amended Budget	2015 Year-End Estimates	2016 Proposed Budget
Beginning Fund Balance	\$ 19,093	\$ 14,897	\$ 14,897	\$ 17,016
<u>Revenues</u>				
Customer Revenues	302,448	308,764	308,764	317,255
Transfers In	-	-	-	-
Total Operating Revenues	302,448	308,764	308,764	317,255
<u>Expenditures</u>				
Operations	285,643	285,645	285,645	293,500
Miscellaneous Expenditures	-	-	-	-
Transfers Out	21,000	21,000	21,000	21,000
Total Expenditures	306,643	306,645	306,645	314,500
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(4,196)	2,119	2,119	2,755
Ending Fund Balance	\$ 14,897	\$ 17,016	\$ 17,016	\$ 19,771

**Town of Milliken
Proposed Budget 2016**

	2014	2015	2015	2016
	Actual	Amended Budget	Year-End Estimates	Proposed Budget
<u>DEBT SERVICE FUND</u>				
Beginning Fund Balance	\$ 554,172	\$ 672,552	\$ 672,552	\$ 778,078
<u>Revenues</u>				
Taxes	411,750	394,178	397,939	421,823
Earnings on Investment	1,142	750	-	-
Transfers In	-	-	-	-
Total Operating Revenues	412,893	394,928	397,939	421,823
<u>Expenditures</u>				
Debt Service				
Principal	170,000	175,000	175,000	185,000
Interest	124,213	117,413	117,413	110,300
Other	300	600	-	-
Transfers Out	-	-	-	-
Total Expenditures	294,513	293,013	292,413	295,300
Excess (Deficiency) of Revenues and Other Sources over Expenditures	118,380	101,915	105,526	126,523
Ending Fund Balance	\$ 672,552	\$ 774,467	\$ 778,078	\$ 904,601

**Town of Milliken
Proposed Budget 2016**

	2014	2015	2015	2016
<u>MILLIKEN HOUSING AUTHORITY FUND</u>	<u>Actual</u>	<u>Amended Budget</u>	<u>Year-End Estimates</u>	<u>Proposed Budget</u>
Beginning Fund Balance	\$ 1,812,943	\$ 1,823,478	\$ 1,823,478	\$ 1,832,878
<u>Revenues:</u>				
Interest Income	10,535	9,400	9,400	9,400
Transfers In	-	-	-	20,000
Total Operating Revenues	10,535	9,400	9,400	29,400
<u>Expenditures:</u>				
Operating	-	-	-	20,000
Transfers Out	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures	10,535	9,400	9,400	29,400
Ending Fund Balance	\$ 1,823,478	\$ 1,832,878	\$ 1,832,878	\$ 1,862,278

**Town of Milliken
Proposed Budget 2016**

	2014	2015	2015	2016
<u>Keep Milliken Beautiful Fund</u>	Actual	Amended Budget	Year-End Estimates	Proposed Budget
Beginning Fund Balance	\$ 2,895	\$ 2,895	\$ 2,895	\$ 2,895
Revenues				
Miscellaneous Revenue	-	-	-	-
Transfers In	-	-	-	-
Total Operating Revenues	-	-	-	-
Expenditures				
Operating	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures	-	-	-	-
Ending Fund Balance	\$ 2,895	\$ 2,895	\$ 2,895	\$ 2,895