

City of Torrington

FY 17 Budget Overview

Highlights in the proposed FY17 Budget

- Total budget decreased by \$3,747,134 or 11.07%
- Total operating budget was reduced by \$1,038,474 or 5.22%
- Capital & equipment budget was reduced by \$2,708,660 or 25%
- Personnel costs decreased by \$134,737 due to reduction in workers compensation premium, reduction in over-time, and reduction in seasonal employee hours
- No COLA or merit increases for full-time, part-time and seasonal personnel
- Health Insurance costs will remain the same in FY17, but will be reviewed in December of this year
- General Fund revenues are projected to decline \$1.2 million in FY17

Highlights in the proposed FY17 Budget

- Suspended chip sealing program for FY17 saving \$112,500
- Deferred \$18.9 Million in Capital and Equipment projects
- General Fund budgets were reduced \$1.6 million
- Proposed adding Street Light Charge of \$1 per customer per month to assist with cost of replacing street lights
- Total Cash balances for all funds for the fiscal year ending June 30, 2017 are projected to be at \$5,735,916. Funds falling short of their target cash reserve balances are the General Fund, Electric Fund, and Sanitation Fund.
- Recycling services were added to the Sanitation budget this year beginning January 1, 2017 the City is expecting to take over the current recycling service provided by DSI.

Policy Changes & Personnel

- Propose change to Drug Testing Policy to accommodate Worker's Compensation requirements for 5% base rate reduction. Saves the City about \$5,000 per year in Worker's Comp Premiums.
- Propose change to Travel Policy adding language on reimbursement of meals setting maximum limit of \$50 per day. Clarified other language in regards to detailed receipts and added failure to comply language.
- Propose change to Sick Leave Policy removing item number 5 in regards to donation of sick time to another employee and adding new Sick Leave Bank Policy.
- Propose New Sick Leave Bank Policy which allows employees to participate in Sick Leave Bank which is available to employees who have exhausted accrued paid leave to cover catastrophic illness due to a serious health condition.

Policy Changes & Personnel (Cont.)

- On-Call compensation annual increase was reviewed by City Council and it was recommended to leave On-Call compensation at its current rate of \$125 per week. Savings to FY17 Budget is \$9,960.
- The 0.5% COLA for FY17 for full-time employees will not be given this fiscal year saving the budget \$25,000.
- One employee advanced in paygrade to a new position costing about \$2,853.
- Meter department will be given on-call pay for one week per month to cover call-outs for utility re-connection. The cost for this change is \$1,905.
- Part-time and seasonal employees will not be receiving an increase in wage for fiscal year 2017 saving approximately \$3,500.

General Fund FY15 – FY17

	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
Total General Fund Revenue	\$8,785,477	\$8,098,895	\$6,929,389	-\$1,169,505	-14.44%
Mayor & Council	\$476,850	\$390,572	\$360,022	-\$30,550	-7.82%
Municipal Law	\$225,344	\$210,875	\$201,763	-\$9,113	-4.32%
City Clerk	\$834,898	\$902,157	\$873,908	-\$28,249	-3.13%
Maintenance	\$88,494	\$90,892	\$85,353	-\$5,539	-6.09%
Lincoln Community Complex	\$359,318	\$338,764	\$284,420	-\$54,344	-16.04%
Police Department	\$2,360,992	\$2,195,939	\$2,166,240	-\$29,700	-1.35%
Fire Department	\$545,346	\$199,702	\$187,202	-\$12,500	-6.26%
Engineering	\$516,473	\$514,718	\$433,346	-\$81,372	-15.81%
Streets & Alleys	\$1,183,592	\$1,293,111	\$803,329	-\$489,783	-37.88%
Storm Drain Maintenance	\$92,250	\$276,354	\$374,771	\$98,417	35.61%
Vehicle Maintenance	\$253,913	\$258,153	\$233,564	-\$24,589	-9.53%
Parks & Recreations	\$439,624	\$430,050	\$371,450	-\$58,600	-13.63%
Community Projects	\$147,236	\$175,236	\$121,800	-\$53,436	-30.49%
Museum	\$120,832	\$136,513	\$134,502	-\$2,011	-1.47%
Industrial Park	\$37,300	\$513,318	\$155,797	-\$357,521	-69.65%
General Fund Special Construction Proj	\$1,719,073	\$667,344	\$158,580	-\$508,764	-76.24%
Total General Fund Expenditures	\$9,401,534	\$8,593,699	\$6,946,047	-\$1,647,652	-19.17%
Net General Fund Income	-\$616,057	-\$494,804	-\$16,658		

- General fund operating budgets were reduced by \$283,000 or 4.4%
- Departments with the most significant decreases in operating budget are highlighted

General Fund Deferred Items:

Department	Project Description	Amount
Streets & Alleys	22 nd Ave. Rehab	\$195,175
	Goose Parking Lot Rehab	\$165,000
	Loader	\$225,000
	1 Ton Flatbed	\$31,297
Storm Drains	Line Storm Sewer Main Street	\$130,000
	Storm Water Management Plan	\$64,980
Parks & Recreation	Jirdon Parking Lot Improvements	\$147,310
	Mower	\$26,670
	Relocate Park Maintenance Shop	\$460,313
Vehicle Maintenance	Replace 2 travel vehicles	\$40,000
Lincoln Community Com	Exterior Improvements	\$81,000

Water Fund FY15 – FY17

	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
Total Water Fund Revenue	\$2,353,744	\$2,226,103	\$2,657,016	\$430,913	19.36%
Power & Pump	\$531,530	\$388,435	\$379,435	-\$9,000	-2.32%
Metering	\$176,144	\$158,650	\$146,464	-\$12,186	-7.68%
Distribution & Administration	\$1,406,669	\$1,319,902	\$1,470,785	\$150,883	11.43%
Water Fund Projects in Progress	\$1,547,600	\$476,350	\$808,148	\$331,798	69.65%
Total Water Fund Expenditures	\$3,661,943	\$2,343,338	\$2,804,832	\$461,495	19.69%
Net Water Fund Income	-\$1,308,199	-\$117,235	-\$147,816		

Deferred Capital Projects:

- 22nd Ave Water Line Replacement \$135,942
- Air Compressor \$26,000
- Public Works Shop Addition \$718,250
- Public works shop design postponed to January 2017 \$45,000

Wastewater Fund FY15 – FY17

	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
Total Sewer Fund Revenue	\$1,582,452	\$3,122,918	\$3,240,170	\$117,252	3.75%
Sewer Fund Expenses	\$1,225,240	\$1,240,553	\$1,164,897	-\$75,656	-6.10%
Sewer Fund Special Construction	\$869,255	\$3,014,458	\$2,849,207	-\$165,251	-5.48%
Total Sewer Fund Expenditures	\$2,094,495	\$4,255,011	\$4,014,104	-\$240,907	-5.66%
Net Sewer Fund Income	-\$512,043	-\$1,132,093	-\$773,934		

Deferred Capital Projects:

- 22nd Ave Sewer Line Replacement \$572,538
- Camera Transporter \$30,000
- Headwork Improvements second half \$2,030,187
- New Wastewater Treatment Plant first half \$4,500,000

Electric Fund FY15 – FY17

	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
Total Electric Fund Revenue	\$10,609,361	\$11,544,008	\$10,671,410		-7.56%
Purchasing	\$217,228	\$163,532	\$150,769	-\$12,763	-7.80%
Director of Utilities, Services, & Safety	\$7,175	\$0	\$0	\$0	0.00%
Metering	\$232,744	\$185,698	\$161,926	-\$23,772	-12.80%
Production - Wholesale Power	\$7,176,893	\$7,258,352	\$6,792,512	-\$465,840	-6.42%
Distribution	\$2,955,040	\$2,843,917	\$2,779,745	-\$64,172	-2.26%
Special Projects	\$2,374,430	\$2,187,101	\$2,121,055	-\$66,046	-3.02%
Total Electric Fund Expenditures	\$12,963,510	\$12,638,600	\$12,006,008	-\$632,592	-5.01%
Net Electric Fund Income	-\$2,354,149	-\$1,094,592	-\$1,334,598		

Deferred Capital Projects:

- Building Improvements \$67,467
- Re-conductor Survey \$25,000
- Digger Truck \$150,000
- Used Power Line Puller \$35,000

Sanitation Fund FY15 – FY17

		Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
	Total Sanitation Fund Revenue	\$2,299,424	\$1,582,719	\$1,442,500	-\$140,219	-8.86%
Sanitation Collection		\$1,384,554	\$1,362,676	\$1,017,734	-\$344,942	-25.31%
Sanitation Disposal		\$1,746,226	\$1,083,306	\$1,069,037	-\$14,269	-1.32%
	Total Sanitation Fund Expenditures	\$3,130,780	\$2,445,982	\$2,086,771	-\$359,211	-14.69%
	Net Sanitation Fund Income	-\$831,356	-\$863,264	-\$644,271		-25.37%

Deferred Capital Projects:

- Recycling Building \$648,000
- Used Compactor \$275,000
- LIDAR Photography \$2,500

Airport – Golf – Pool Funds

FY15 – FY17

	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
Total Airport Fund Revenue	\$508,390	\$1,478,834	\$333,100	-\$1,145,734	-77.48%
Total Airport Fund Expenditures	\$608,693	\$1,673,128	\$422,885	-\$1,250,243	-74.72%
Net Airport Fund Income	-\$100,303	-\$194,294	-\$89,785		-53.79%
Total Golf Course Fund Revenue	\$261,591	\$230,000	\$227,000	-\$3,000	-1.30%
Total Golf Course Expenditures	\$681,909	\$683,826	\$649,868	-\$33,958	-4.97%
Net Golf Course Fund Income	-\$420,318	-\$453,826	-\$422,868		-6.82%
Total Swimming Pool Fund Revenue	\$31,000	\$30,000	\$29,000	-\$1,000	-3.33%
Total Swimming Pool Expenditures	\$250,904	\$224,677	\$215,851	-\$8,826	-3.93%
Net Swimming Pool Fund Income	-\$219,904	-\$194,677	-\$186,851		-4.02%

- Airport operating budget was reduced by \$106,549 or 29%
- Golf Fund operating budget was reduced by \$34,508 or 5%
- Swimming Pool operating budget was reduced by \$8,826 or 3.9%

Ambulance – Cemetery Funds

FY15 – FY17

	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
Total Ambulance Fund Revenue	\$380,000	\$510,000	\$520,000	\$10,000	1.96%
Total Ambulance Fund Expenditures	\$538,614	\$689,211	\$682,981	-\$6,229	-0.90%
Net Ambulance Fund Income	-\$158,614	-\$179,211	-\$162,981		-9.06%
Total Cemetery Fund Revenue	\$45,000	\$45,000	\$50,000	\$5,000	11.11%
Total Cemetery Fund Expenditures	\$342,151	\$297,620	\$268,611	-\$29,009	-9.75%
Net Cemetery Fund Income	-\$297,151	-\$252,620	-\$218,611		-13.46%

- Ambulance operating budget was reduced by 1%
- Cemetery operating budget was reduced by 9.75%

FY 2017 City wide totals

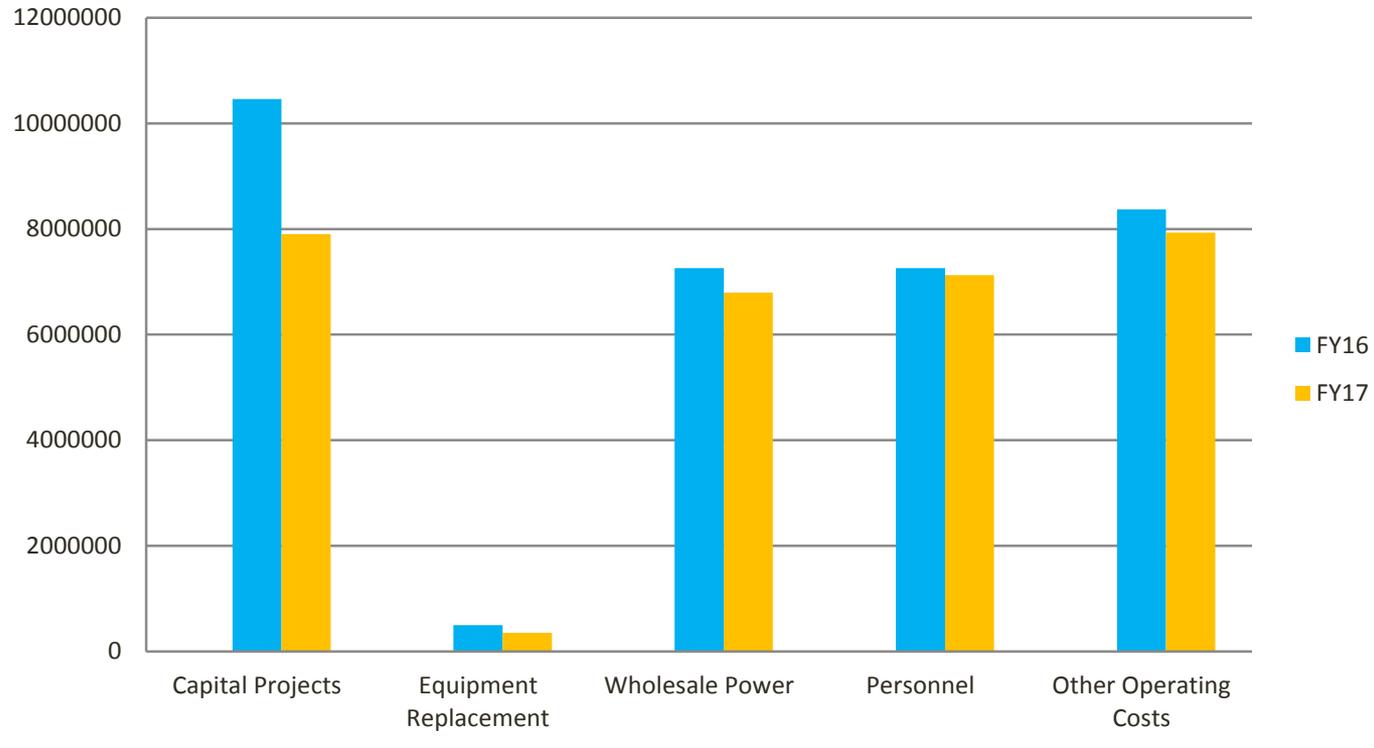
		Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	Change from previous year	% Change from previous year
	REVENUE	\$26,856,439	\$28,868,477	\$26,099,585	-\$2,768,891	-9.59%
	EXPENSES	\$33,674,532	\$33,845,092	\$30,097,958	-\$3,747,134	-11.07%
	DIFFERENCE	-\$6,818,093	-\$4,976,615	-\$3,998,373 *		

* - This number represents the amount needed from cash carryover to balance budget

Other Deferred Capital Projects:

- Cemetery – Drainage Correction \$73,514
- Swimming Pool – New Pool \$5,516,680
- Golf Equipment - \$87,495
- Golf Parking Lot Improvements - \$284,114

Budget Expenses by Category Compared to Previous Year



Category:	Budget FY16	Budget FY17	\$ Change	% Change
Capital Projects	10,462,446	7,899,825	(2,562,621)	-24.49%
Equipment Replacement	496,889	350,850	(146,039)	-29.39%
Wholesale Power	7,257,352	6,792,312	(465,040)	-6.41%
Personnel	7,259,156	7,124,418	(134,737)	-1.86%
Other Operating Costs	8,369,249	7,930,553	(438,696)	-5.24%
Total Budget Appropriations	33,845,092	30,097,958	(3,747,134)	-11.07%

Equipment Purchases for FY17

List of Equipment	Department	City Amount	Grant Amount
Patrol Vehicle	PD	6,723	33,277
Skid Loader	Streets	40,000	
Misc Recreation Equipment	Parks	3,000	
1 Ton Pick-up Extended Cab	Water	50,000	
Tamper	Water	1,800	
Booster Pump Replacement Cem #2	Water	15,000	
Pump Service Prison Liftstation	Sewer	3,500	
Utility Vehicle	Sanitation Disposal	12,000	
Trash Screens	Sanitation Disposal	30,000	
Greens Roller	Golf	12,000	
Hustler Mower	Golf	5,600	
Leaf Blower	Golf	7,950	
Type I Ambulance Carried over from FY16	Ambulance	0	130,000
Total		187,573	163,277
		Equipment Total	\$350,850

General Fund Projects in FY17

\$928,248

Description	Department	Total Project
Dog Pound Construction	PD	0.00
Chip Seal (No program this year)	Streets	0.00
Crack Seal	Streets	37,500.00
Curb & Gutter	Streets	45,000.00
Design Frontage Road	Streets	112,000.00
Street Improvements 24th Ave near Hillcrest	Streets	35,000.00
Salt Sand Shed	Streets	41,000.00
City Shop Detention Pond Improv.	Storm Drain	352,271.00
Painting of Softball Field Lights	Parks	24,800.00
IP Avenue Paving Project 1/2 of project Urban Systems	Industrial Park	122,097
Urban Systems - Ind Park Ave City Match	GF Const Proj	500.00
Property Development	GF Const Proj	82,680.00
Upgrade Elect Service at RV Park	GF Const Proj	16,000.00
Scenic Byways	GF Const Proj	0.00
Museum Improvements	GF Const Proj	58,400.00
West & East Valley Rd Enhancements	GF Const Proj	1,000.00

Enterprise Fund Projects in FY17 \$6,971,576

Description	Department	Total Project
Maintenance of Meters	Water	62,000.00
Water Supply Backup Plan	Water	40,000.00
Engineering of projects	Water	48,000.00
Design for Public Works Facility Shop Addition	Water	0.00
WLR - West C 19th-21st	Water	200,898.00
WLR - West C 22nd-23rd	Water	482,250.00
WLR - Hwy 26 W. A to W. B	Water	125,000.00
Engineering of projects	Sewer	60,000.00
Relocation/Rehab Hwy 26	Sewer	140,251.00
West A to West B 23rd to 25th	Sewer	221,640.00
Line W. B - 11th to 14th	Sewer	94,405.00
Line Haines to West B - 11th to 14th	Sewer	53,571.00
Line Haines to West C - 11th to 14th	Sewer	49,489.00
Headworks Improvement (Split 1/2 FY17 & 1/2 FY18)	Sewer	2,030,186.00
Wastewater Treatment Plant - Design	Sewer	259,664.00
Maintenance of Meters	Electric	45,000.00
COS Rate Case	Electric	50,000.00
Dist. Overhead Rebuilding/Maintenance	Electric	100,000.00
Dist. Maintenance of Underground	Electric	50,000.00
Dist. Conversion	Electric	100,000.00
New Substation - Cold Springs BP	Electric	2,121,055.00
Rate Study	Sanitation - Dis	25,000.00
Landfill permitting & renewal	Sanitation - Dis	161,000.00
Develop Cell #14	Sanitation - Dis	250,000.00
Relocate Taxiway A	Airport	166,667.00
Road Base	Golf	5,000.00
Swimming Pool - Design	Swimming Pool	25,500.00
EMS Needs Assessment	Ambulance	5,000.00

Closing Comments

- The State has significantly cut funding to local governments. Torrington is estimated to lose \$987,099 over the Fy16-17 biennium. If the State's financial situation does not improve, Local Governments may see additional cuts in the future.
- Sales & use tax and optional tax revenues are continuing to decline. In FY 2017, the projected revenue for Sales & use and optional tax is estimated to decline over 22% or \$433,000 over last year's budget.
- The City balanced the budget this year by deferring capital and maintenance needs, cutting personnel costs, cutting operating budgets, and looking for new revenue sources.

Closing Comments (cont.)

- 72% of the Capital and Equipment Projects in FY17 will be funded by Grants/Loans.
- Every General Fund department reduced their budget compared to last fiscal year.
- Without new revenue sources, maintenance and infrastructure will continue to erode and limit the City's ability to continue safe and reliable services including water, electricity, sewer, solid waste, public safety, streets and recreation.

Thank you!

Copies of the detailed FY17 budget may be found on City of Torrington's website www.torringtonwy.gov or may be viewed at City Hall Monday-Friday 7:00 AM – 4:00 PM.