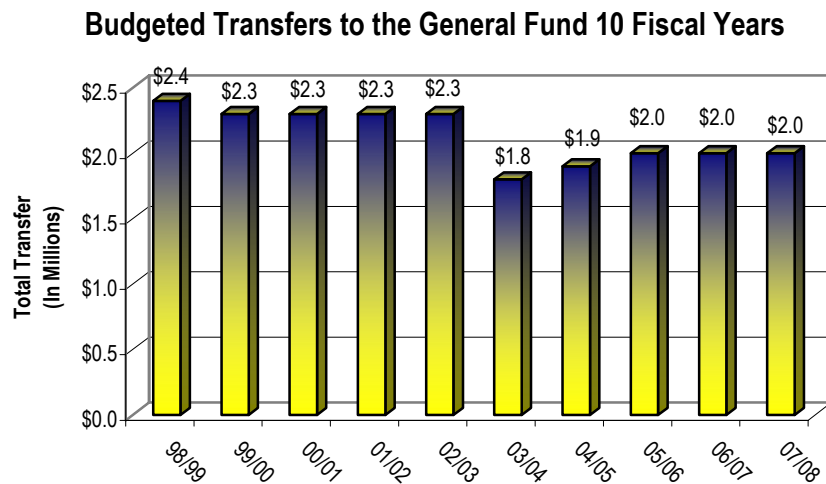


## General Fund Expenditure Observations

City Departments continue to aggressively control costs; however, this has not reduced the dependency of the General Fund departments on the Enterprise Funds transfer. Due to little or no increase in tax rates for the last 10 fiscal years, the City has been forced to rely on the usage of enterprise funding. A concerted effort has been put forth to reduce the General Fund dependency on these transfers. While the transfers have not been reduced in amount over the last three fiscal years, the ability to operate without increasing them is a step in the right direction. (The decrease in FY 2003/2004 is a result of the creation of General Fund cost distributions. The enterprise fund transfers were decreased by the amount that was identified and accounted for through the cost distributions.)



In Fiscal Year 2007/2008, the City saw no significant increases in expenditures. All categories of spending remained relatively unchanged from FY 2006/2007. Total expenditures decreased by over \$1 million due to capturing grant related expenditures in special revenue funds.

## Governmental Funds Expenditure Summary

	FY04/05 Actual	FY05/06 Actual	FY 06/07 Amended	FY 06/07 Projected	Council Approved
<b>0010 General Fund</b>					
Personal Services	\$ 5,280,489	\$ 5,517,279	\$ 6,703,329	\$ 6,285,478	\$ 6,756,345
Supplies	205,505	514,283	316,120	373,694	330,275
Other Services & Charges	2,564,114	1,874,781	2,949,560	2,388,261	2,059,993
Other Objects	(70,888)	(273,256)	(1,162,390)	(848,998)	(1,026,163)
Capital Outlay	28,845	1,182,732	1,330,602	1,303,706	286,500
Total General Fund	<u>\$ 8,008,065</u>	<u>\$ 8,815,819</u>	<u>\$ 10,137,221</u>	<u>\$ 9,502,141</u>	<u>\$ 8,406,950</u>
<b>0017 Federal Grants</b>					
Supplies	\$ -	\$ -	\$ -	\$ -	\$ 13,076
Other Services & Charges	-	-	-	-	113,984
Total Federal Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,060</u>
<b>0018 State &amp; Local Grants</b>					
Other Services & Charges	\$ -	\$ -	\$ -	\$ -	\$ 155,557
Total State & Local Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,557</u>
<b>0020 State Accommodations Tax</b>					
Other Services & Charges	\$ 47,146	\$ 41,007	\$ 56,100	\$ 35,743	\$ 56,100
Other Objects	26,958	28,090	27,750	1,101	27,750
Total State Accommodations Tax	<u>\$ 74,104</u>	<u>\$ 69,097</u>	<u>\$ 83,850</u>	<u>\$ 36,844</u>	<u>\$ 83,850</u>
<b>0022 Local Hospitality/ATax</b>					
Personal Services	\$ -	\$ 6,243	\$ 11,000	\$ 11,000	\$ 211,793
Supplies	-	-	-	-	8,425
Other Services & Charges	201,817	261,985	79,070	103,165	192,990
Other Objects	346,000	351,322	436,610	436,610	114,540
Capital Outlay	92,620	16,654	706,153	170,300	522,647
Total Local Hospitality/ATax	<u>\$ 640,437</u>	<u>\$ 636,204</u>	<u>\$ 1,232,833</u>	<u>\$ 721,075</u>	<u>\$ 1,050,395</u>
<b>0060 Comm Dev-Old Prog Income</b>					
Other Objects	\$ -	\$ -	\$ 3,122	\$ -	\$ 3,122
Total Comm Dev-Old Prog Income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,122</u>	<u>\$ -</u>	<u>\$ 3,122</u>

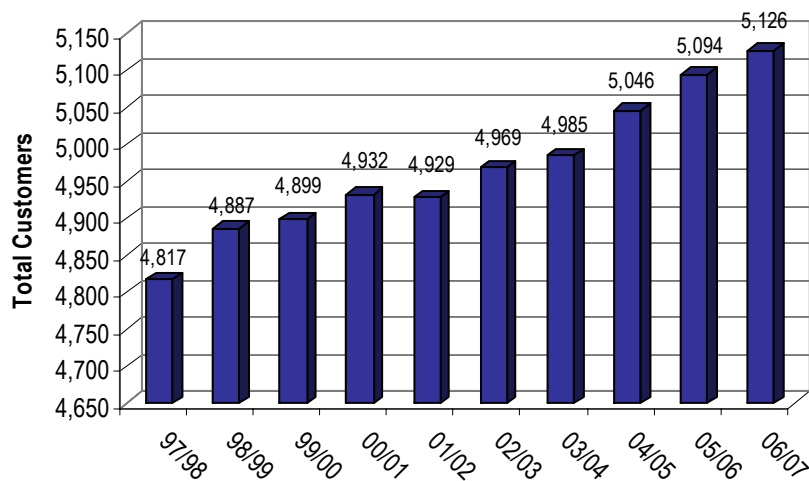
## Governmental Funds Expenditure Summary (continued)

	FY04/05 Actual	FY05/06 Actual	FY 06/07 Amended	FY 06/07 Projected	Council Approved
<b>0063 Comm Dev-West End Rehab</b>					
Other Objects	\$ -	\$ -	\$ 6,509	\$ -	\$ 7,399
Total Comm Dev-West End Rehab	\$ -	\$ -	\$ 6,509	\$ -	\$ 7,399
<b>0086 Seized &amp; Forfeited</b>					
Supplies	\$ 5,231	\$ 15,679	\$ 7,000	\$ 7,000	\$ 10,000
Other Services & Charges	9,031	7,917	12,700	13,700	12,700
Other Objects	-	-	-	-	4,467
Capital Outlay	-	43,561	19,182	19,182	20,000
Total Seized & Forfeited	\$ 14,262	\$ 67,157	\$ 38,882	\$ 39,882	\$ 47,167

## Proprietary Funds Expense Observations

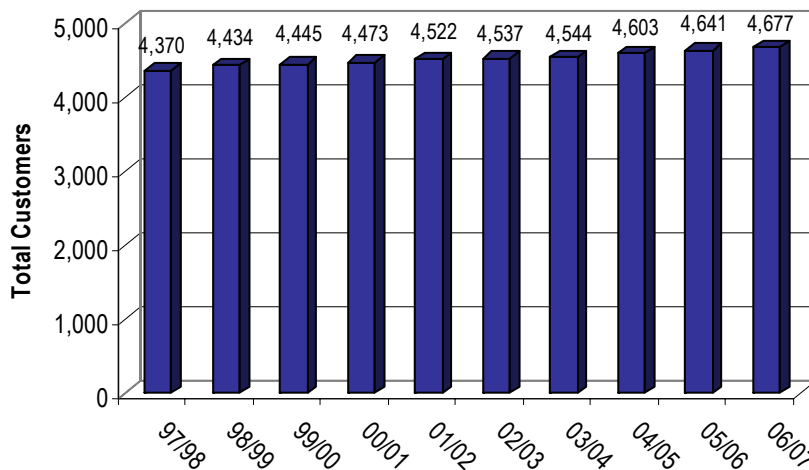
In the electric system, there are several factors that have had an obvious impact on expenses. The most predominate factor is the rising cost of fuel, which increases our cost of purchased power. Another factor driving increased expenses is customer growth. Additional expenses are generated in the provision of electric service to new customers, particularly commercial and industrial customers. Providing service to several underground subdivisions which will be under construction in the next couple of years will require higher than normal capital expenses.

**Number of Customers-Electric System-10 Fiscal Years**



Growth in water customers continued to be small but steady in FY 2006/2007. This is projected to continue as the City continues to expand its water system to accommodate growth for new customers within the existing City limits, and for customers associated with newly developed areas. The upcoming South Island Project will provide approximately 195 new customers. With these customers will come the associated costs of supplying more water.

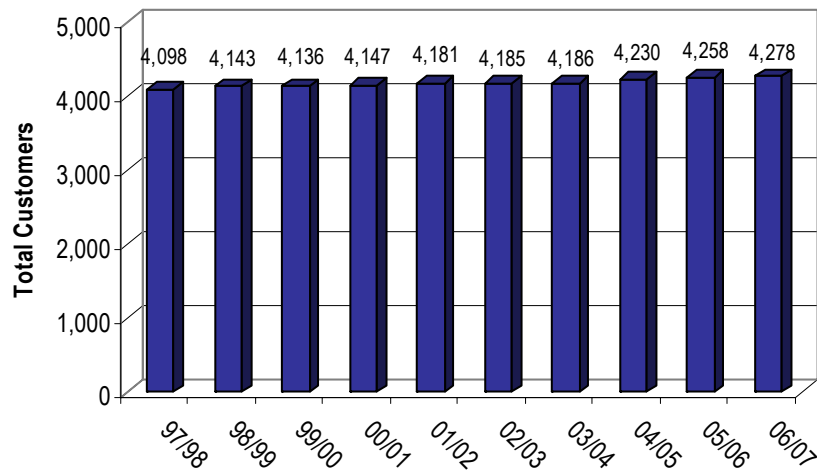
**Number of Customers-Water System-10 Fiscal Years**



## Proprietary Funds Expense Observations (continued)

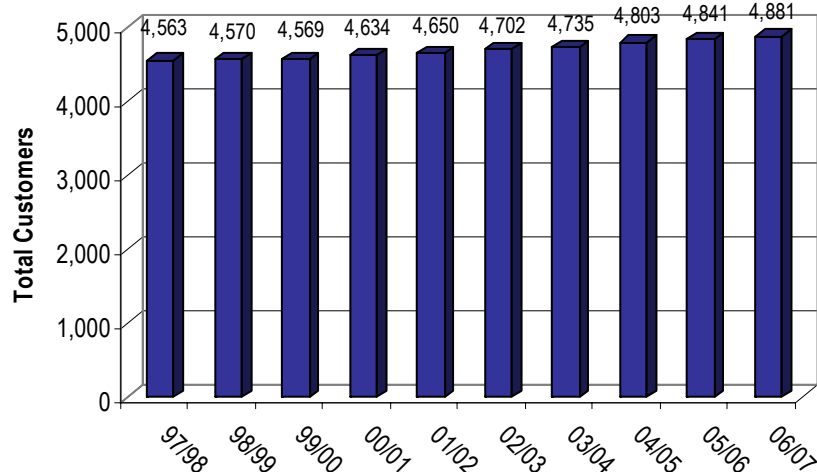
Growth in sewer customers also continued to show small but steady growth in FY 2006/2007. This is projected to continue at this same rate as development within the City limit increases. New customers will bring the associated costs of supplying more sewer service and any other additional expenditure increases are attributable to existing infrastructure replacement.

### Number of Customers-Wastewater System-10 Fiscal Years



Although new customer growth was minimal in the years following the establishment of the Stormwater System (1993), the last several years have proven to be more progressive. The major expenses in this fund are related to the start of a significant drainage project. This involves the construction of a stormwater pump station, in addition to major upgrades to portions of the existing system.

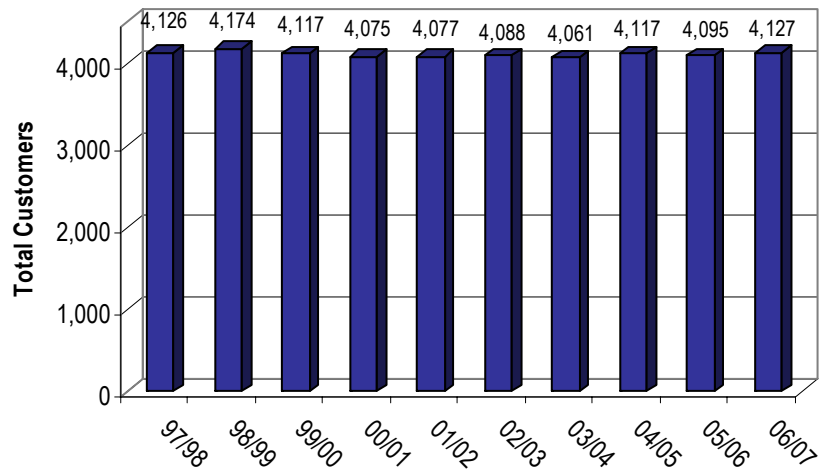
### Number of Customers-Stormwater System-10 Fiscal Years



## Proprietary Funds Expense Observations (continued)

Growth in sanitation customers has fluctuated mildly over the last 10 fiscal years, with a deviation from the mean number of customer during the last 10 years being less than 1.7%. The majority of the expenses in this fund are related to maintenance of equipment.

**Number of Customers-Waste Management-10 Fiscal Years**



## Proprietary Funds Expense Summary

	FY04/05 Actual	FY05/06 Actual	FY 06/07 Amended	FY 06/07 Projected	Council Approved
<b>0027 Kaminski House Museum</b>					
Personal Services	\$ 156,592	\$ 167,445	\$ 189,205	\$ 178,447	\$ -
Supplies	4,894	10,010	8,025	7,113	-
Other Services & Charges	79,995	58,572	62,365	62,109	-
Other Objects	52,022	50,807	56,993	56,107	-
Total Kaminski House Museum	<u>\$ 293,503</u>	<u>\$ 286,834</u>	<u>\$ 316,588</u>	<u>\$ 303,776</u>	<u>\$ -</u>
<b>0030 Electric Utility Fund</b>					
Personal Services	\$ 1,118,399	\$ 1,141,796	\$ 1,407,790	\$ 1,385,185	\$ 1,294,120
Supplies	7,066,468	8,064,646	7,669,230	8,278,900	8,751,700
Other Services & Charges	784,792	878,135	1,039,582	970,764	1,090,719
Other Objects	2,567,176	3,930,978	2,236,332	2,235,424	2,169,327
Capital Outlay	-	-	-	-	-
Total Electric Utility Fund	<u>\$ 11,536,835</u>	<u>\$ 14,015,555</u>	<u>\$ 12,352,934</u>	<u>\$ 12,870,273</u>	<u>\$ 13,305,866</u>
<b>0031 Water Utility Fund</b>					
Personal Services	\$ 587,489	\$ 536,747	\$ 769,670	\$ 704,688	\$ 855,106
Supplies	342,585	363,015	397,864	402,472	431,910
Other Services & Charges	746,831	900,858	1,050,969	902,919	953,139
Other Objects	385,268	436,137	384,230	424,451	322,099
Inter-Dept. Allocations	(149,654)	(143,947)	(259,456)	(238,990)	(327,268)
Capital Outlay	-	-	-	-	-
Total Water Utility Fund	<u>\$ 1,912,519</u>	<u>\$ 2,092,810</u>	<u>\$ 2,343,277</u>	<u>\$ 2,195,540</u>	<u>\$ 2,234,986</u>
<b>0032 Wastewater Fund</b>					
Personal Services	\$ 425,365	\$ 431,581	\$ 547,752	\$ 459,272	\$ 625,383
Supplies	96,135	89,120	109,800	133,446	204,690
Other Services & Charges	1,605,973	1,713,915	1,747,032	1,894,090	1,704,783
Other Objects	643,867	633,182	765,946	728,354	664,698
Inter-Dept. Allocations	124,712	119,956	215,492	215,740	272,722
Capital Outlay	-	-	-	-	-
Total Wastewater Fund	<u>\$ 2,896,052</u>	<u>\$ 2,987,754</u>	<u>\$ 3,386,022</u>	<u>\$ 3,430,902</u>	<u>\$ 3,472,276</u>
<b>0033 Stormwater Utility Fund</b>					
Personal Services	\$ 189,544	\$ 223,368	\$ 271,340	\$ 267,726	\$ 296,709
Supplies	10,635	10,253	18,700	19,000	23,050
Other Services & Charges	217,779	232,836	296,768	284,432	296,543
Other Objects	42,434	45,471	19,387	18,687	40,615
Inter-Dept. Allocations	24,942	23,991	43,098	43,147	54,555
Capital Outlay	-	-	-	-	-
Total Stormwater Utility Fund	<u>\$ 485,334</u>	<u>\$ 535,919</u>	<u>\$ 649,293</u>	<u>\$ 632,992</u>	<u>\$ 711,472</u>

## Proprietary Funds Expense Summary (continued)

	FY04/05 Actual	FY05/06 Actual	FY 06/07 Amended	FY 06/07 Projected	Council Approved
<b>0035 Waste Management Fund</b>					
Personal Services	\$ 747,471	\$ 782,166	\$ 709,135	\$ 725,863	\$ 761,299
Supplies	12,058	14,907	14,656	13,630	13,650
Other Services & Charges	488,998	517,628	514,947	500,009	557,747
Other Objects	166,837	188,112	185,804	188,576	141,256
Capital Outlay	-	-	-	-	-
Total Waste Management Fund	<u>\$ 1,415,364</u>	<u>\$ 1,502,813</u>	<u>\$ 1,424,542</u>	<u>\$ 1,428,078</u>	<u>\$ 1,473,952</u>