FINANCIAL TRENDS & FORECAST

Budget Year 2014-15

GENERAL FUND

FINANCE DEPARTMENT

Stewart Taylor, Finance Director
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Updated: January 29, 2014

TABLE OF CONTENTS

Subject	Page Number

Introduction .....

Section I: Financial Indicators

Revenue Indicators

1. Total Revenues per Capita.....1
2. Property Tax Annual Percent Change 2
3. Property Tax as a Percent of Total Revenues.....3
4. Compression Annual Percent Change.....4
5. Franchise Fees/Privilege Taxes Annual Percent Change.....5
6. Franchise Fees/Privilege Taxes as a Percent of Total Revenues 6
7. Intergovernmental Revenues Annual Percent Change.....7
8. Intergovernmental Revenues as a Percent of Total Revenues 8

Expenditure Indicators

1. Total Expenditures per Capita 9
2. Employees per 1,000 Population 10
3. Personnel Services Annual Percent Change.....11
4. Personnel Services as a Percent of Total Expenditures 12
5. Materials and Services Annual Percent Change.....13
6. Materials and Services as a Percent of Total Expenditures 14
7. Net Bonded Debt per $1,000 of Assessed Value 15
8. Net General Obligation Debt Per Capita 16

Operating Position and Economic Indicators

1. Ending Balance as a Percent of Total Expenditures 17
2. Annual Percentage Change in Market Value 18
3. Annual Percentage Change in Assessed Value.....19
4. Assessed Value as a Percent of Market Value 20

Section II: Five-Year Forecast

General Fund Forecast 21

Section III: Operating Funds (not included in the General Fund)

1. Parks & Recreation Fund 22
2. Building Inspection Fund 23
3. Airport Fund 24
4. Ambulance Fund.....25
5. Public Transit Fund 26
6. Public Safety Levy Fund 27
7. Street Fund 28
8. Sewer Fund.....29
9. Water Fund.....30
10. Central Services Fund 31
11. Public Works Services Fund.....32

INTRODUCTION

The following report is intended to provide a snapshot of the financial health of the General Fund and other operating funds as of January 2014. The report is divided into three sections. Section I presents historical trends in the General Fund for several key financial indicators. It is based on the International City/County Management Association (ICMA) model called the Financial Trends Monitoring System. Section II is a five-year forecast of revenues and expenditures in the General Fund that builds upon the trends identified by the financial indicators. Both the financial indicators and the forecast are based on the best information available in January 2014. It should be expected that a comparable report in January 2015 would show different trends and a different forecast based on changes during the coming year. Section III presents actual historical trends of revenues, expenditures, and fund balance for other operating funds in the City. It also presents key issues that could impact the future financial position of each fund.

Financial Indicators

The financial indicators are based on actual historical data and present comparisons of key indicators of financial health. The trends are described as favorable, unfavorable, or mixed depending on the direction of the trend and the implications to the General Fund. Each indicator includes a description of a "warning trend" that over time would have negative impacts on the fund. None of the trends is intended to be conclusive or considered in isolation of the other trends. Each should be considered as an indicator of over-all fiscal health.

Financial Forecast

The financial forecast presents an estimate of current revenues, current expenditures, and fund balance for year end June 30, 2014, and for the next five years. The forecast included with this report shows staff's estimate of year to year changes based on the actual experience over the past five years and consideration of current economic conditions.

Section III of the forecast presents historical trends for operating funds outside of the General Fund.

Comments

This report is intended to be a tool for the Budget Committee to use in considering the proposed budget for Fiscal Year 2014-2015. It would be helpful for committee members to comment on the content of the financial indicators and the forecast. If there are changes you would like to see or additional indicators that would be helpful to include, please pass those suggestions along. Also, if you have ideas of how to improve the forecast, please share those as well.

Finance will prepare a new report in January of each year that will include financial indicators based upon previous years' actual data and a new five-year forecast. The focus will continue to be upon the General Fund since the General Fund directly reflects overall financial health and establishes the tone for consideration of all funds and service levels.

Respectfully Submitted,

Stewart Taylor
Finance Director

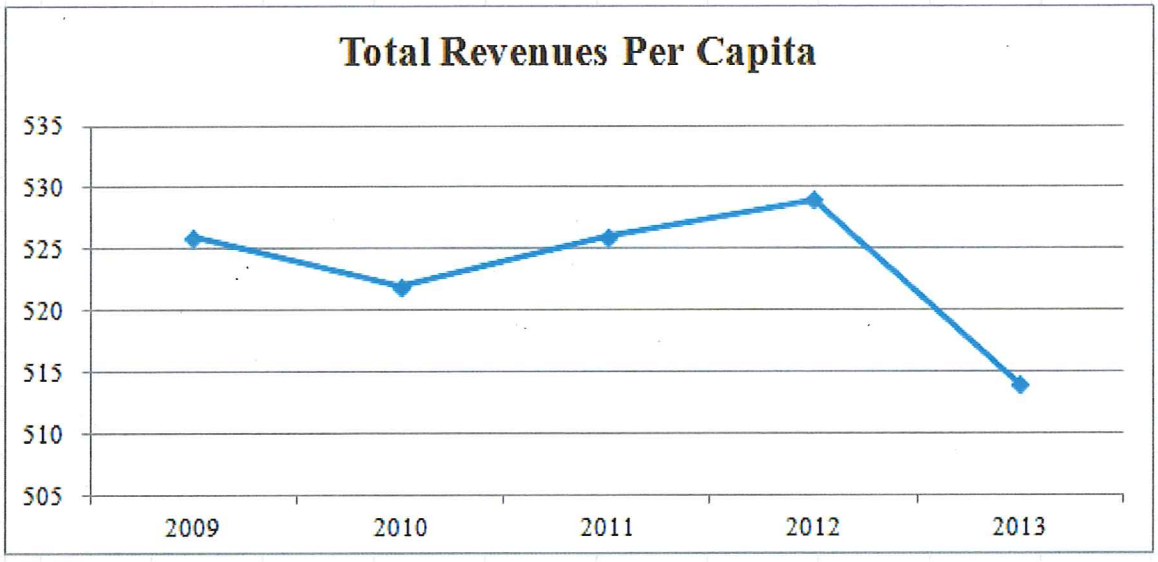
Mike Murzynsky
Senior Accountant

Anne Baker
Senior Accountant

REVENUE INDICATOR NUMBER 1

Total Revenues per Capita

Warning Trend: *decreasing revenues per capita*



Total Revenues Per Capita

Fiscal Year Ended	Population	Annual Percent Change	Percent Change since 2008	Total Revenues	Total Revenues per Capita	Annual Percent Change	Percent Change since 2,008
2009	48,770	2.74%	2.74%	25,664,811	526	-1.87%	-1.87%
2010	49,165	0.81%	3.57%	25,676,988	522	-0.76%	-2.61%
2011	50,250	2.21%	5.86%	26,415,987	526	0.77%	-1.87%
2012	50,518	0.53%	6.42%	26,747,307	529	0.57%	-1.31%
2013	50,710	0.38%	6.83%	26,084,184	514	-2.84%	-4.10%

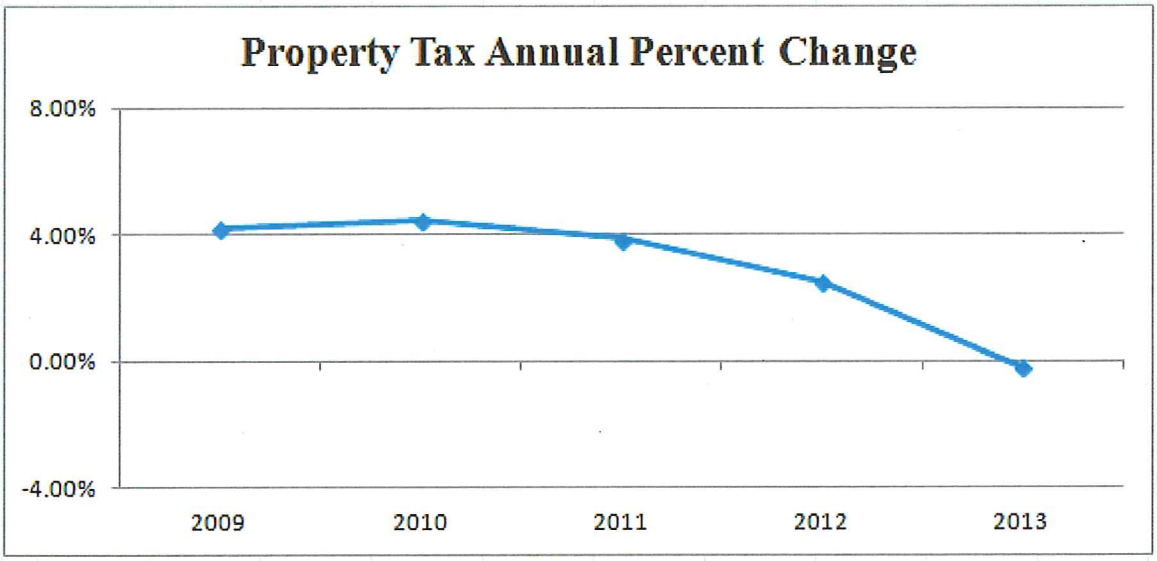
Comments

The drop in 2013 reflects a decrease in total revenues from 2012 and a fairly flat growth in population. A continued downward trend could hinder maintaining levels of service for current and future population growth.

REVENUE INDICATOR NUMBER 2

Property Tax Annual Percent Change

Warning Trend: *decreasing property tax annual percent change*



Property Tax Annual Percent Change

Fiscal Year Ended	Property Tax Revenues	Annual Percent Change	Percent Change since 2008	Total Revenues including P.Safety Transfers	Prop.Tax Revenues as a Percent of Total Revenues
2009	14,577,623	4.20%	4.20%	25,664,811	56.80%
2010	15,223,744	4.43%	8.82%	25,676,988	59.29%
2011	15,811,249	3.86%	13.02%	26,415,987	59.85%
2012	16,204,830	2.49%	15.84%	26,747,307	60.58%
2013	16,174,909	-0.18%	15.62%	26,084,184	62.01%

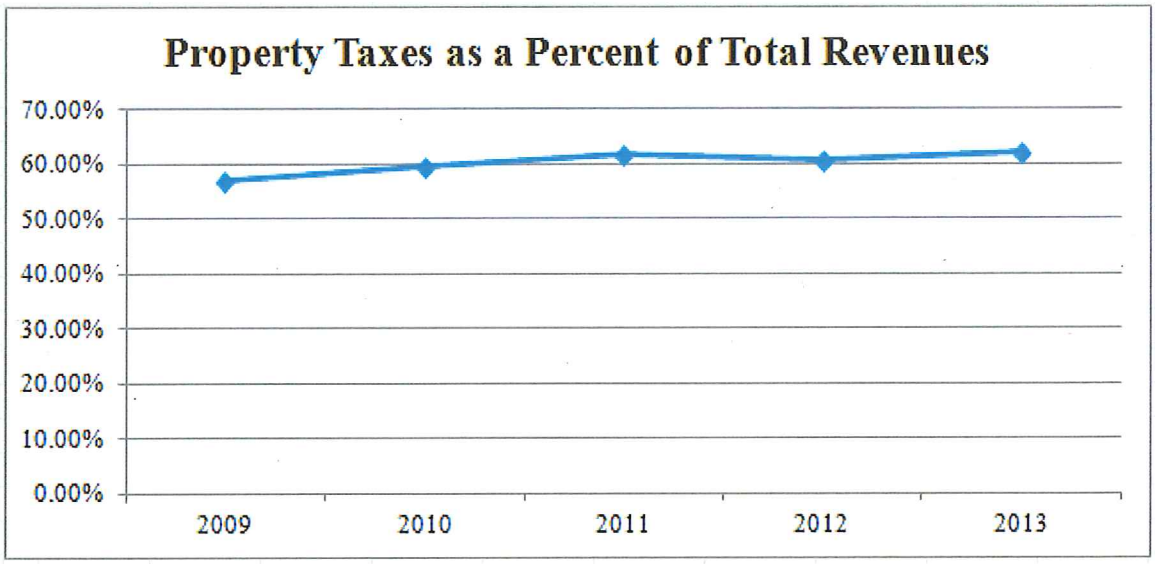
Comments

The downward trend reflects a fairly dramatic slowdown in the property tax rate of growth. Property tax revenues actually decreased in 2013 from 2012. The slower growth can be attributed to decreasing assessed valuations and compression. Preliminary estimates are that the rate of growth in 2014 will increase to 2%.

REVENUE INDICATOR NUMBER 3

Property Taxes as a Percent of Total Revenues

Warning Trend: *increasing property taxes as a percent of total revenues*



Property Taxes as a Percent of Total Revenues

Fiscal Year Ended	Property Tax Revenues	Annual Percent Change	Percent Change since 2008	Total Revenues including P.Safety Transfers	Prop.Tax Revenues as a Percent of Total Revenues
2009	14,577,623	4.20%	4.20%	25,664,811	56.80%
2010	15,223,744	4.43%	8.82%	25,676,988	59.29%
2011	16,309,078	7.13%	16.58%	26,415,987	61.74%
2012	16,204,832	-0.64%	15.84%	26,747,307	60.58%
2013	16,174,909	-0.18%	15.62%	26,084,184	62.01%

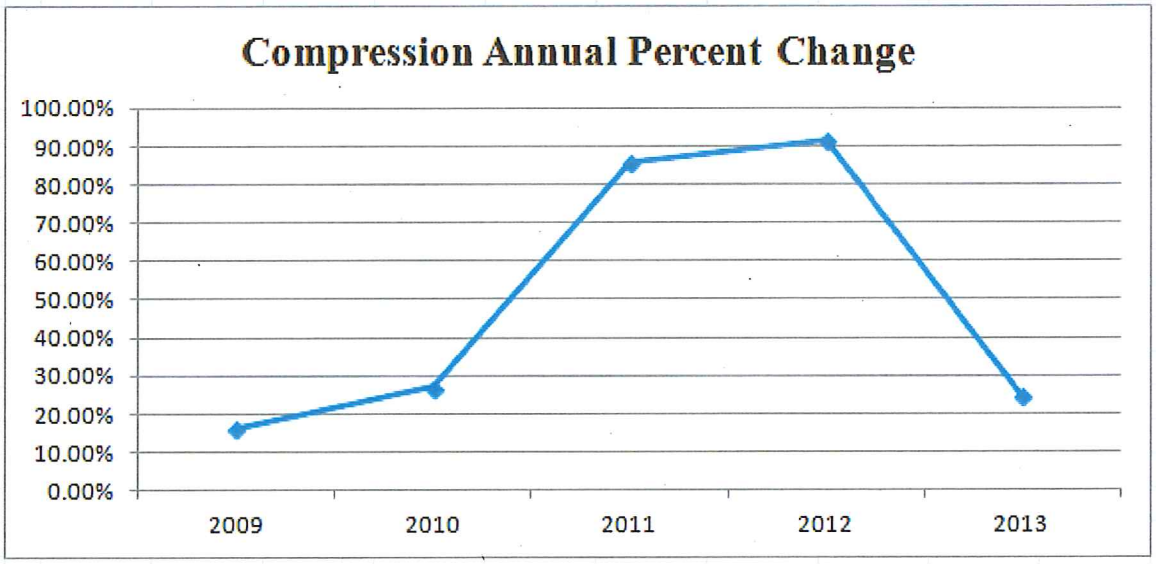
Comments

The stable percent of total revenues reflects little change in the relative importance of the single largest revenue source in the General Fund.

REVENUE INDICATOR NUMBER 4

COMPRESSION ANNUAL PERCENT CHANGE

Warning Trend: *increasing compression annual percent change*



Compression Annual Percent Change

Fiscal Year Ended	Property Tax Lost to Compression	Annual Percent Change	Percent Change since 2008
2009	159,926	16.30%	16.30%
2010	203,310	27.13%	247.85%
2011	377,717	85.78%	374.67%
2012	723,206	91.47%	625.91%
2013	901,070	24.59%	755.25%

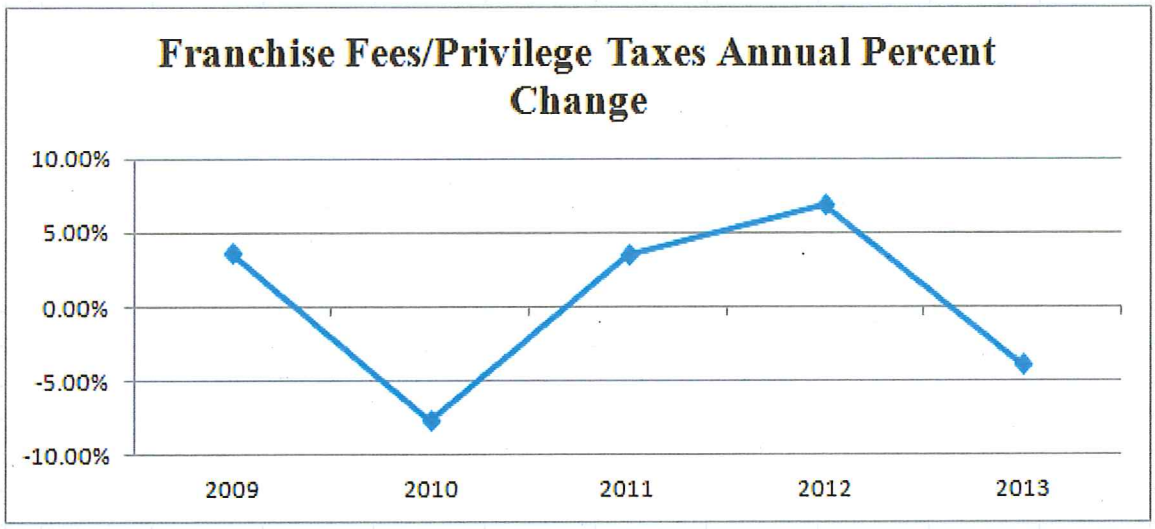
Comments

The increases in compression have been very difficult to estimate, especially in years 2011 and 2012. Increases in compression directly impact revenues available in the General Fund from the public safety levy.

REVENUE INDICATOR NUMBER 5

Franchise Fees/Privilege Taxes Annual Percent Change

Warning Trend: *decreasing annual percent change*



Franchise Fees/Privilege Taxes Annual Percent Change

Fiscal Year Ended	Franchise Fees & Privilege Taxes	Annual Percent Change	Percent Change since 2008	Total Revenues including P.Safety Transfers	F.Fees & P.Taxes as a Percent of Total Revenues
2009	3,957,164	3.67%	3.67%	25,664,811	15.42%
2010	3,652,696	-7.69%	-4.31%	25,676,988	14.23%
2011	3,780,048	3.49%	-0.97%	26,415,987	14.31%
2012	4,040,628	6.89%	5.86%	26,747,307	15.11%
2013	3,884,787	-3.86%	1.77%	26,084,184	14.89%

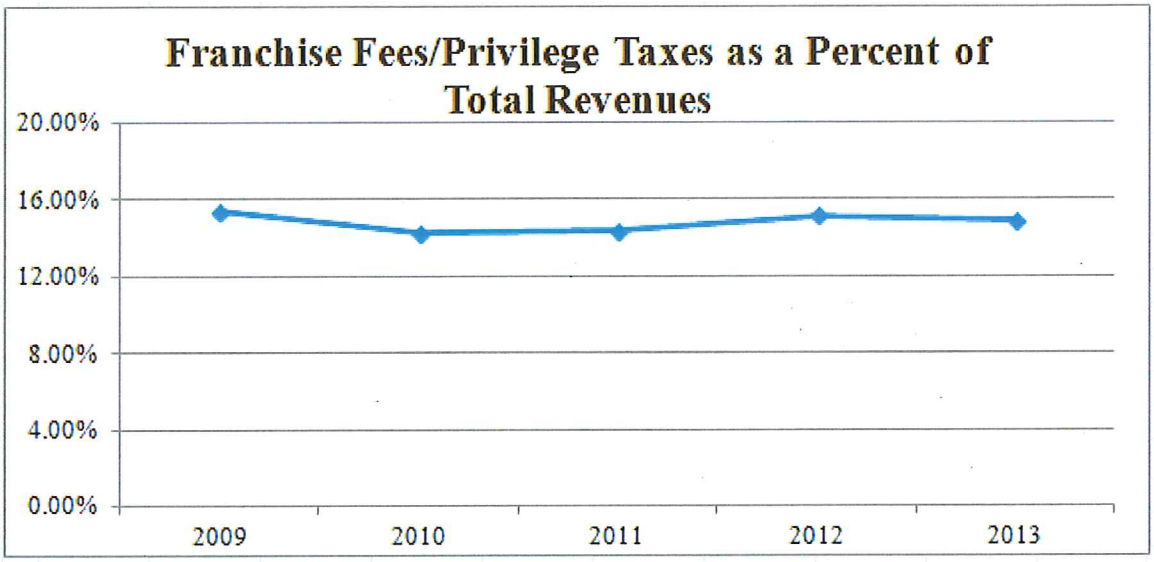
Comments

2010 and 2013 reflect actual decreases in franchise fee revenues from the previous year. The drop can be attributed to a reduction in natural gas prices combined with a mild winter and cool summer. Franchise fees and privilege taxes are the second largest revenue source in the General Fund.

REVENUE INDICATOR NUMBER 6

Franchise Fees/Privilege Taxes as a Percent of Total Revenues

Warning Trend: *decreasing franchise fees/privilege taxes as a percent of total revenues*



Franchise Fees/Privilege Taxes as a Percent of Total Revenues

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2010	3,652,696	-7.69%	-4.31%	25,676,988	14.23%
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2012	4,040,628	6.89%	5.86%	26,747,307	15.11%
2013	3,884,787	-3.86%	1.77%	26,084,184	14.89%

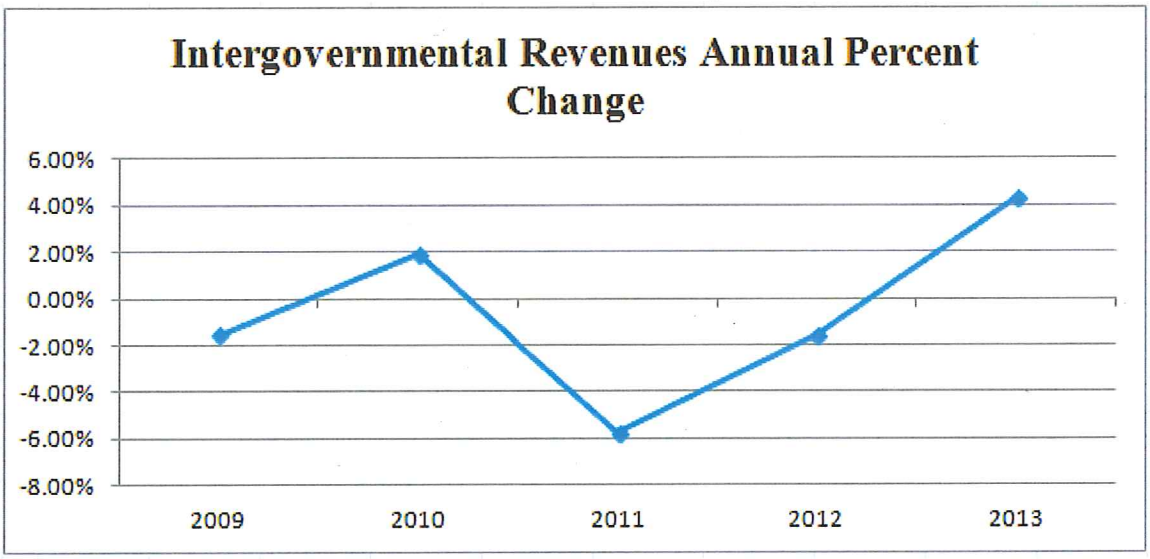
Comments

The generally stable percent of total revenues reflects little relative change in the second largest revenue source in the General Fund. A decrease in the trend would suggest a greater reliance on the property tax.

REVENUE INDICATOR NUMBER 7

Intergovernmental Revenues Annual Percent Change

Warning Trend: *decreasing intergovernmental revenues*



Intergovernmental Revenues Annual Percent Change

Fiscal Year Ended	Inter-governmental Revenues	Annual Percent Change	Percent Change since 2008	Total Revenues including P.Safety Transfers	Intergovt Revenues as a Percent of Total Revenues
2009	2,785,321	-1.54%	-1.54%	25,664,811	10.85%
2010	2,838,080	1.89%	0.32%	25,676,988	11.05%
2011	2,674,270	-5.77%	-5.47%	26,415,987	10.12%
2012	2,631,296	-1.61%	-6.99%	26,747,307	9.84%
2013	2,745,230	4.33%	-2.96%	26,084,184	10.52%

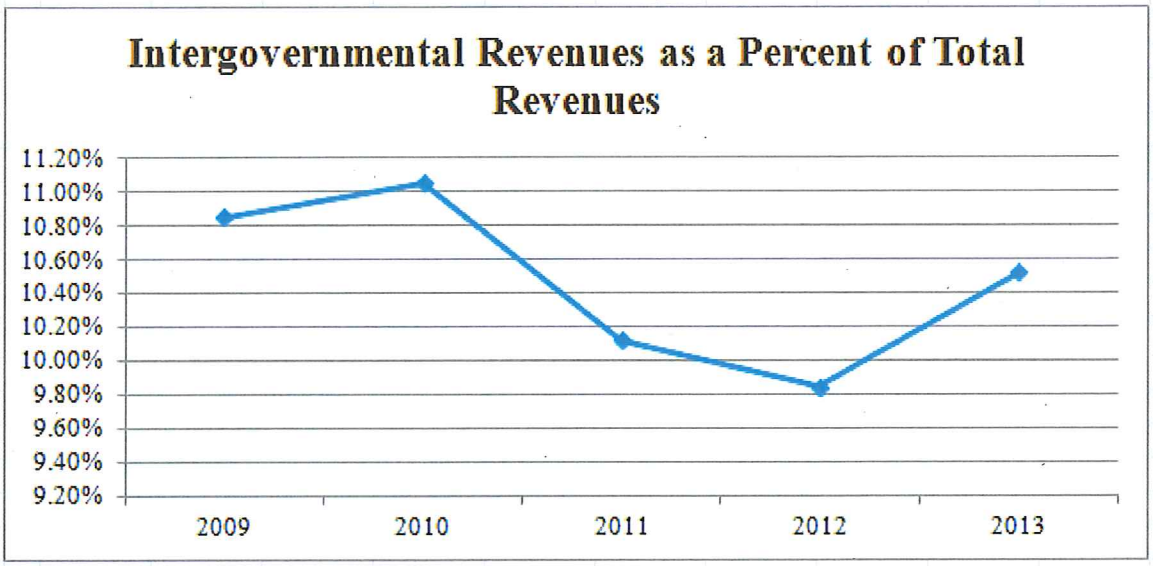
Comments

The trend reflects volatility in the growth of intergovernmental revenues. Some intergovernmental revenues such as state shared revenues grow at a fairly consistent rate. Others, such as Conflagration Response Reimbursement, grants, and payments from fire protection districts have much more variability.

REVENUE INDICATOR NUMBER 8

Intergovernmental Revenues as a Percent of Total Revenues

Warning Trend: *decreasing intergovernmental revenues as a percent of total revenues*



Intergovernmental Revenues as a Percent of Total Revenues

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2012	2,631,296	-1.61%	-6.99%	26,747,307	9.84%
2013	2,745,230	4.33%	-2.96%	26,084,184	10.52%

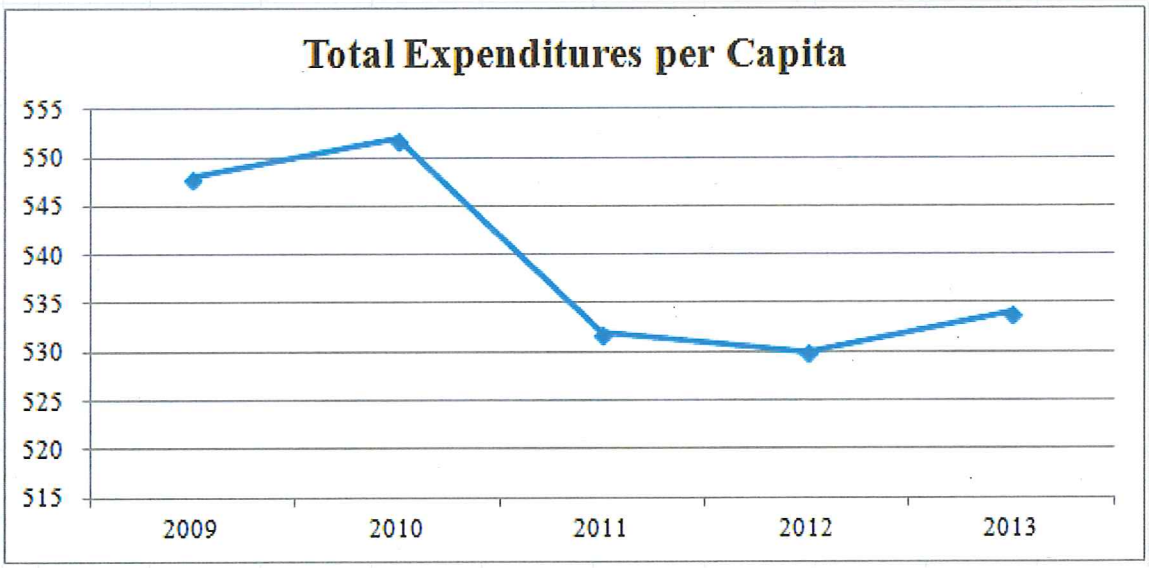
Comments

The variability in intergovernmental revenues results in a greater reliance on property tax revenues and franchise fees/privilege taxes to maintain stable funding in the General Fund.

EXPENDITURE INDICATOR NUMBER 1

Total Expenditures per Capita

Warning Trend: *increasing expenditures per capita*



Total Expenditures per Capita			
Fiscal Year Ended	Total Expends	Population	Total Expends per Capita
2009	26,712,497	48,770	548
2010	27,145,253	49,165	552
2011	26,745,619	50,250	532
2012	26,771,685	50,518	530
2013	27,060,749	50,710	534

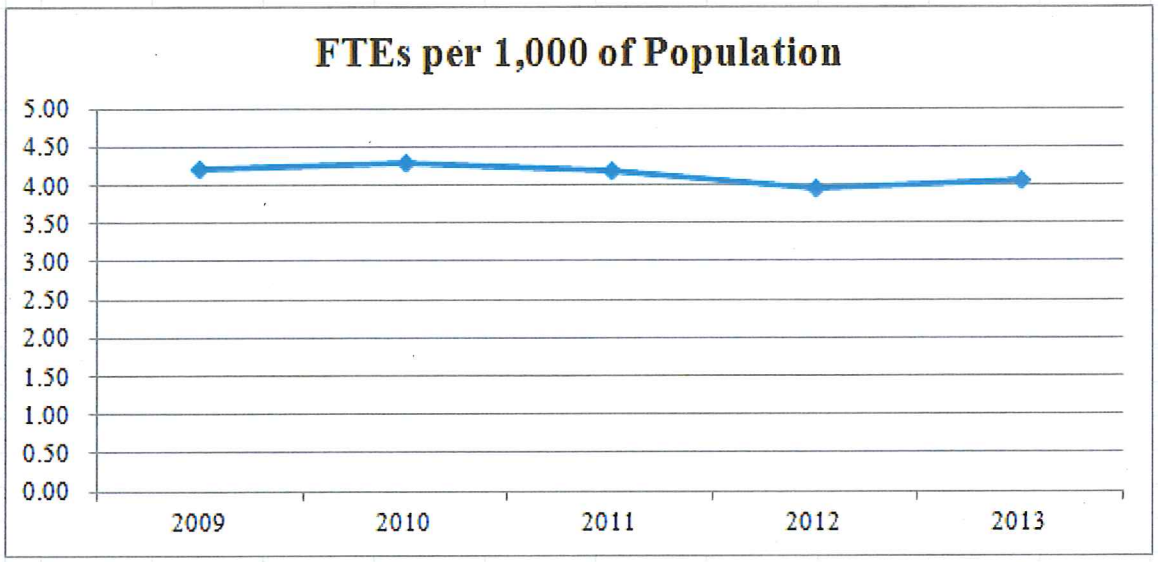
Comments

The fairly dramatic change from 2010 to 2011 reflects deliberate steps to keep costs within available revenues.

EXPENDITURE INDICATOR NUMBER 2

FTE's per 1,000 of Population

Warning Trend: *increasing employees per 1,000 population*



FTE's per 1,000 of Population

Fiscal Year Ended	Population	FTE	FTEs per 1,000 of Population
2009	48,770	205.61	4.22
2010	49,165	211.11	4.29
2011	50,250	210.71	4.19
2012	50,518	200.13	3.96
2013	50,710	205.88	4.06

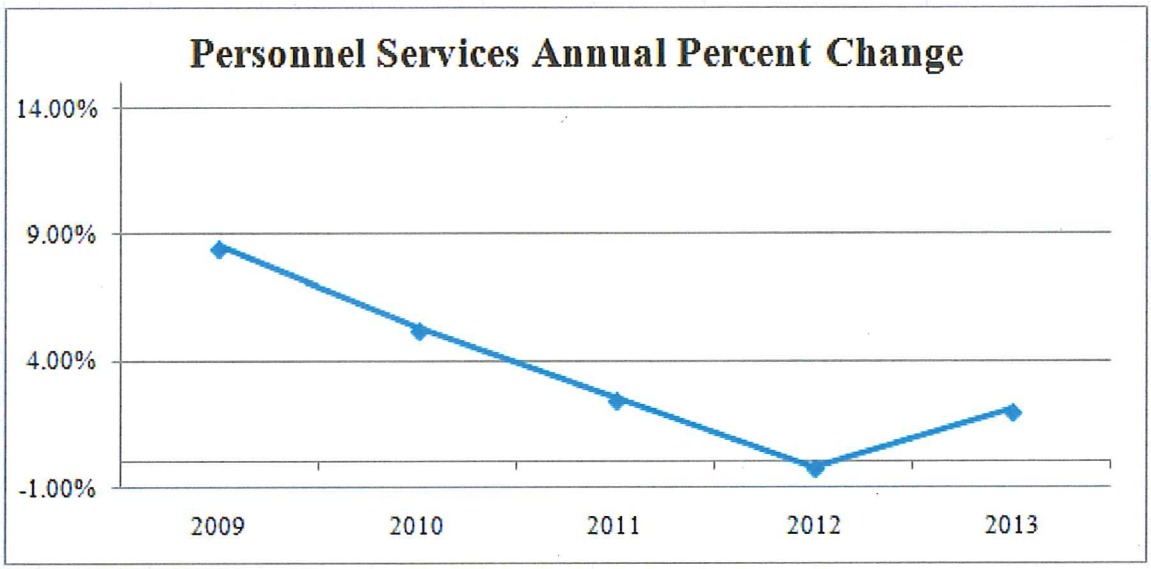
Comments

The very flat trend reflects a close relationship between the number of FTEs and growth in the population. Changes in FTE per thousand population could reflect changes in service levels or increasingly limited resources.

EXPENDITURE INDICATOR NUMBER 3

Personnel Services Annual Percent Change

Warning Trend: *increasing personnel services annual percent change*



Personnel Services Annual Percent Change

Fiscal Year Ended	Personnel Services	Annual Percent Change	Percent Change since 2008
2009	18,840,097	8.55%	8.55%
2010	19,838,223	5.30%	14.31%
2011	20,341,561	2.54%	17.21%
2012	20,303,004	-0.19%	16.98%
2013	20,719,132	2.05%	19.38%

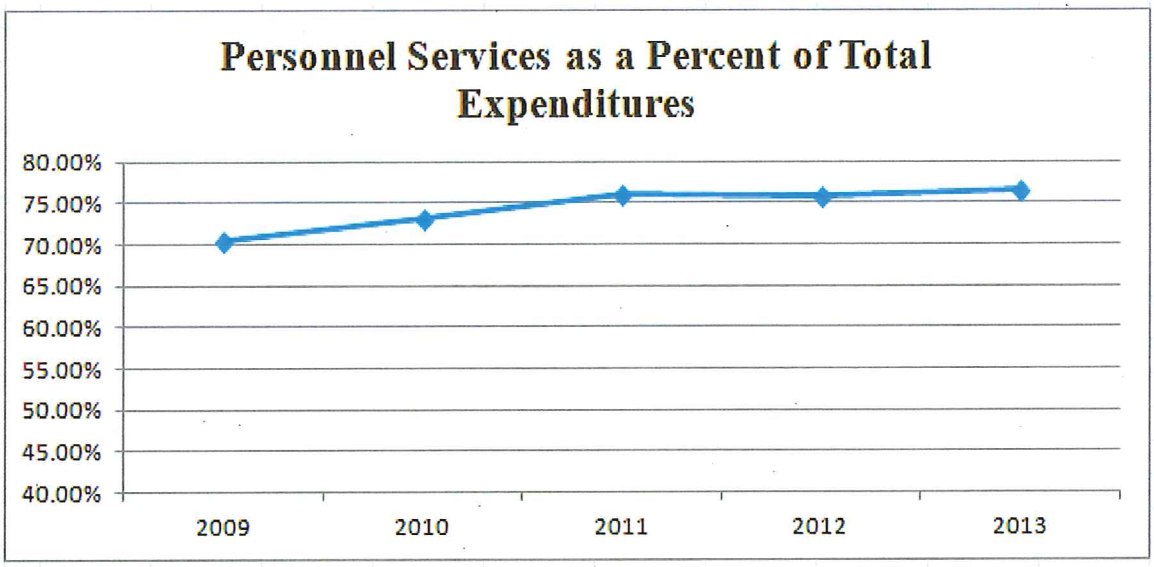
Comments

The trend reflects changes in the rate of growth for FTEs, temporary employees, overtime, and benefit costs. The reductions in the rate of growth correspond with the reductions in the growth of revenues.

EXPENDITURE INDICATOR NUMBER 4

Personnel Services as a Percent of Total Expenditures

Warning Trend: *increasing personnel services as a percent of total expenditures*



Personnel Services as a Percent of Total Expenditures

Fiscal Year Ended	Personnel Services	Total Expenditures	Personnel Services as a Percent of Total Expenditures
2009	18,840,097	26,712,497	70.53%
2010	19,838,223	27,145,253	73.08%
2011	20,341,561	26,745,619	76.06%
2012	20,303,004	26,771,685	75.84%
2013	20,719,132	27,060,749	76.57%

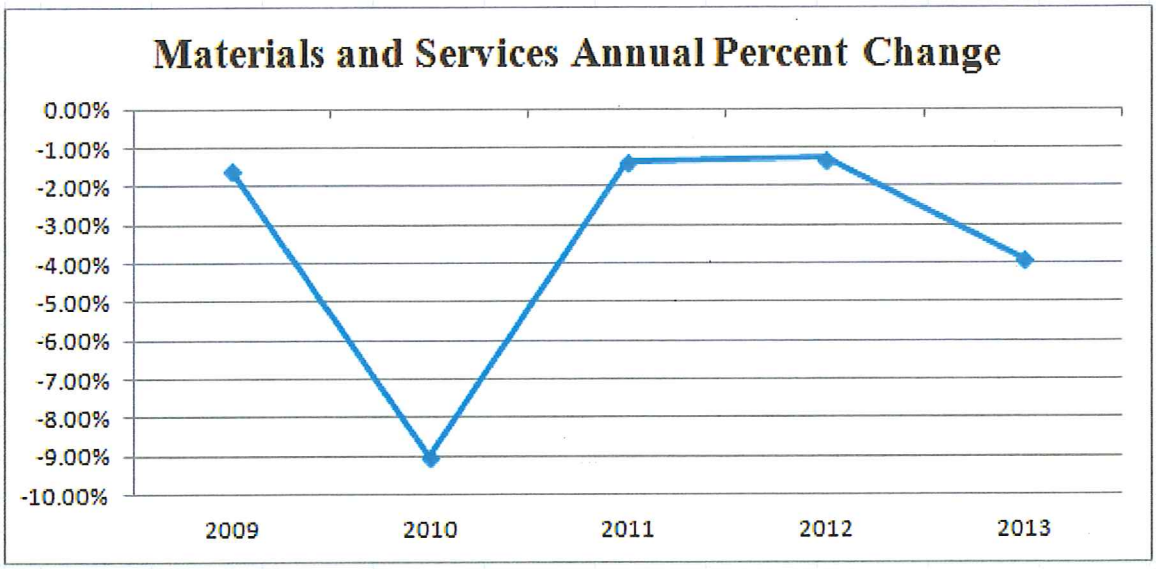
Comments

The stable trend reflects a close relationship between personnel services and total expenditures. It also reflects that Personnel Services is a large component of General Fund expenditures. Changes in FTE, cost of living, health insurance, PERS, and other wage and salary variables have a large impact on overall costs.

EXPENDITURE INDICATOR NUMBER 5

Materials and Services Annual Percent Change

Warning Trend: *increasing materials and services annual percent change*



Materials and Services Annual Percent Change

Fiscal Year Ended	Materials & Services	Annual Percent Change	Percent Change since 2008
2009	6,376,207	-1.56%	-1.56%
2010	5,801,078	-9.02%	-10.44%
2011	5,723,159	-1.34%	-11.65%
2012	5,649,368	-1.29%	-12.79%
2013	5,428,358	-3.91%	-16.20%

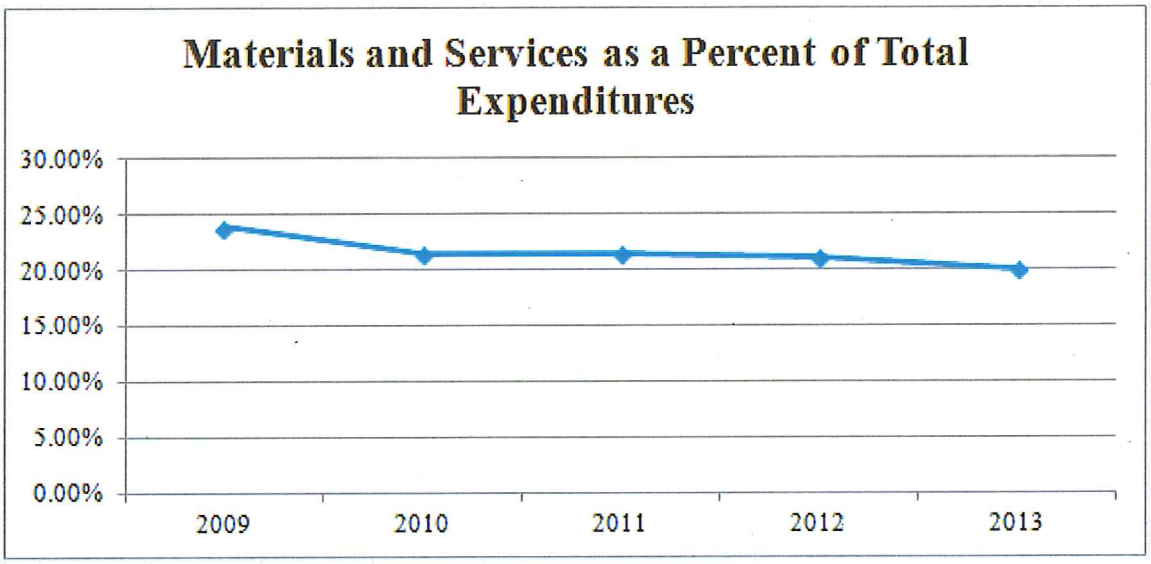
Comments

This trend dramatically changed in 2010 largely due to deferrals of contributions to equipment replacement. The continued reductions through 2013 reflect additional changes made to keep expenditures in line with slower growth in revenues.

EXPENDITURE INDICATOR NUMBER 6

Materials and Services as a Percent of Total Expenditures

Warning Trend: *increasing materials and services as a percent of total expenditures*



Materials and Services as a Percent of Total Expenditures

Fiscal Year Ended	Materials & Services	Total Expends	Materials & Services as a Percent of Total Expends
2009	6,376,207	26,712,497	23.87%
2010	5,801,078	27,145,253	21.37%
2011	5,723,159	26,745,619	21.40%
2012	5,649,368	26,771,685	21.10%
2013	5,428,358	27,060,749	20.06%

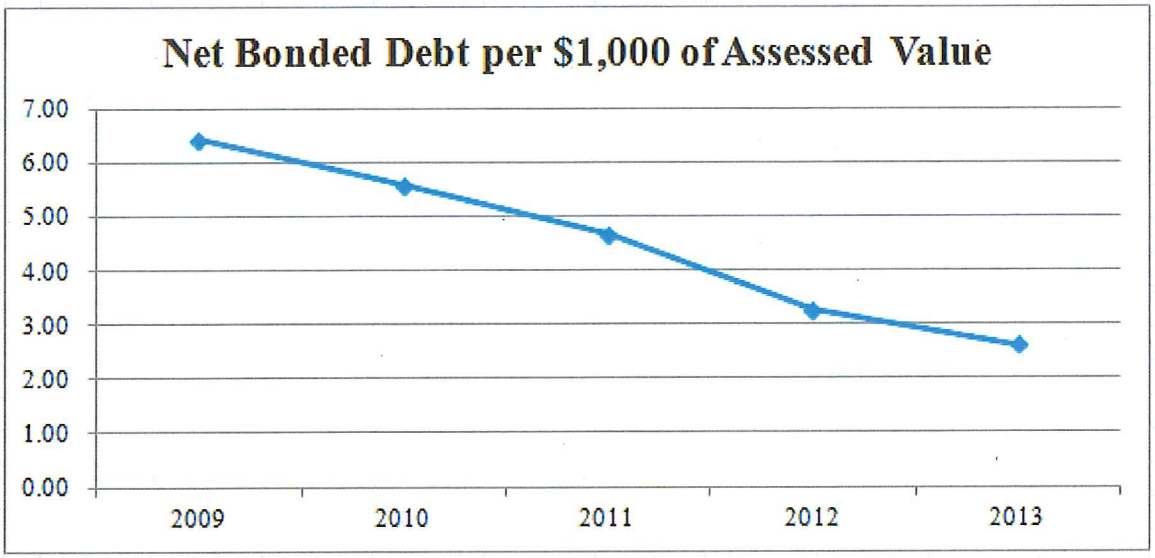
Comments

The generally stable trend reflects fairly consistent growth in materials and services as a percent of total expenditures.

EXPENDITURE INDICATOR NUMBER 7

Net Bonded Debt per $1,000 of Assessed Value

Warning Trend: *increasing net bonded debt per $1,000 of assessed value*



Net Bonded Debt per $1,000 of Assessed Value

Fiscal Year Ended	Net Bonded Debt	Assessed Value	Net Bonded Debt per $1,000 of Assessed Value
2009	19,041,948	2,955,953,046	6.44
2010	17,171,894	3,080,261,259	5.57
2011	14,890,715	3,197,043,335	4.66
2012	10,616,295	3,266,101,486	3.25
2013	8,907,206	3,398,584,772	2.62

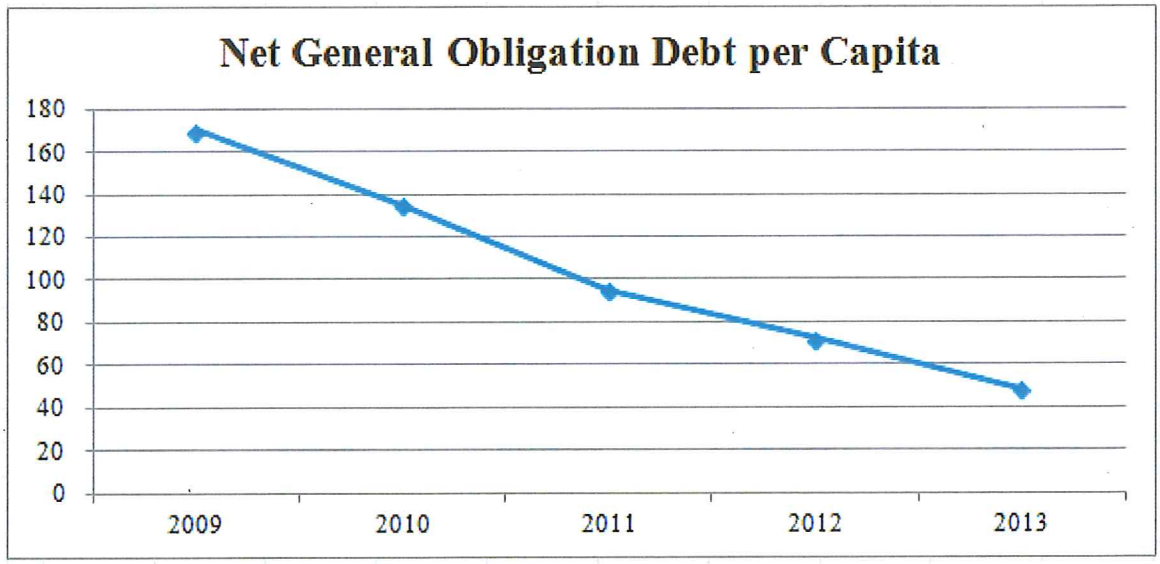
Comments

The favorable trend reflects a steady decrease in the bonded debt burden. Bonded debt consists of the 2007 General Obligation Bonds, 2004 General Revenue Bonds, and the 2002 Limited Tax Pension Obligations.

EXPENDITURE INDICATOR NUMBER 8

Net General Obligation Debt per Capita

Warning Trend: *increasing general obligation debt per capita*



Net General Obligation Debt per Capita

Fiscal Year Ended	Net General Obligation Debt	Population	Net G.O. Debt per Capita
2009	8,292,029	48,770	170
2010	6,636,023	49,165	135
2011	4,756,270	50,250	95
2012	3,614,522	50,518	72
2013	2,425,662	50,710	48

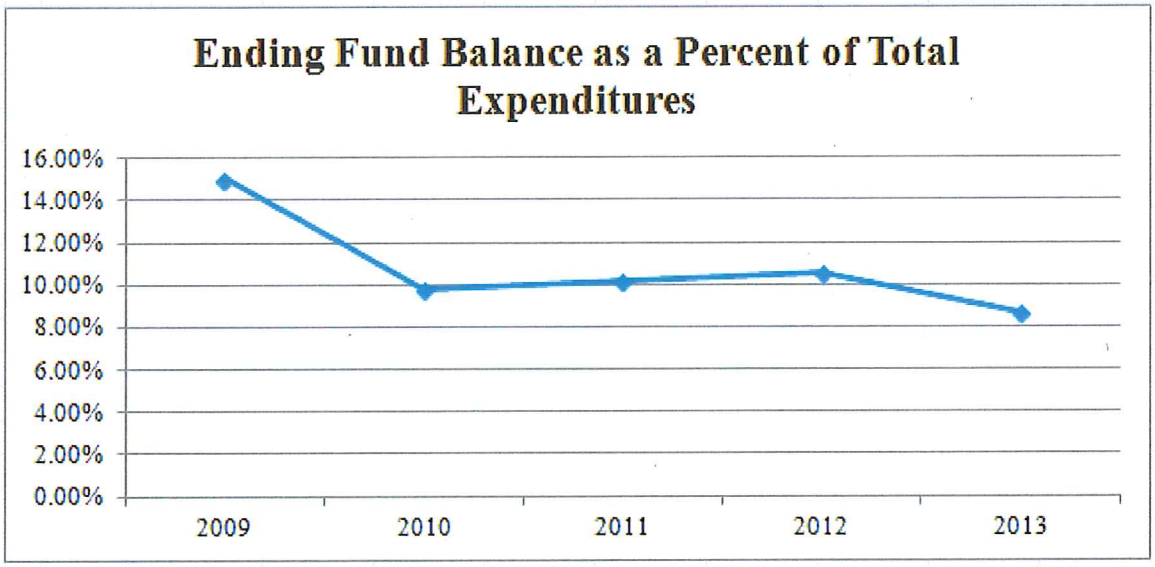
Comments

The favorable trend reflects a decreasing general obligation debt per capita. Final maturity on the General Obligation Bonds is June 2015.

OPERATING POSITION AND ECONOMIC INDICATOR NUMBER 1

Ending Fund Balance as a Percent of Total Expenditures

Warning Trend: *decreasing fund balance as a percent of total expenditures*



Ending Fund Balance as a Percent of Total Expenditures

Fiscal Year Ended	Ending Fund Balance	Annual Percent Change	Percent Change since 2008	Total Expenditures	Ending Fund Balance as a Percent of Expends
2009	4,023,052	-19.07%	-19.07%	26,712,497	15.06%
2010	2,654,786	-34.01%	-46.60%	27,145,253	9.78%
2011	2,715,154	2.27%	-45.38%	26,745,619	10.15%
2012	2,821,976	3.93%	-43.23%	26,771,685	10.54%
2013	2,346,616	-16.84%	-52.80%	27,060,749	8.67%

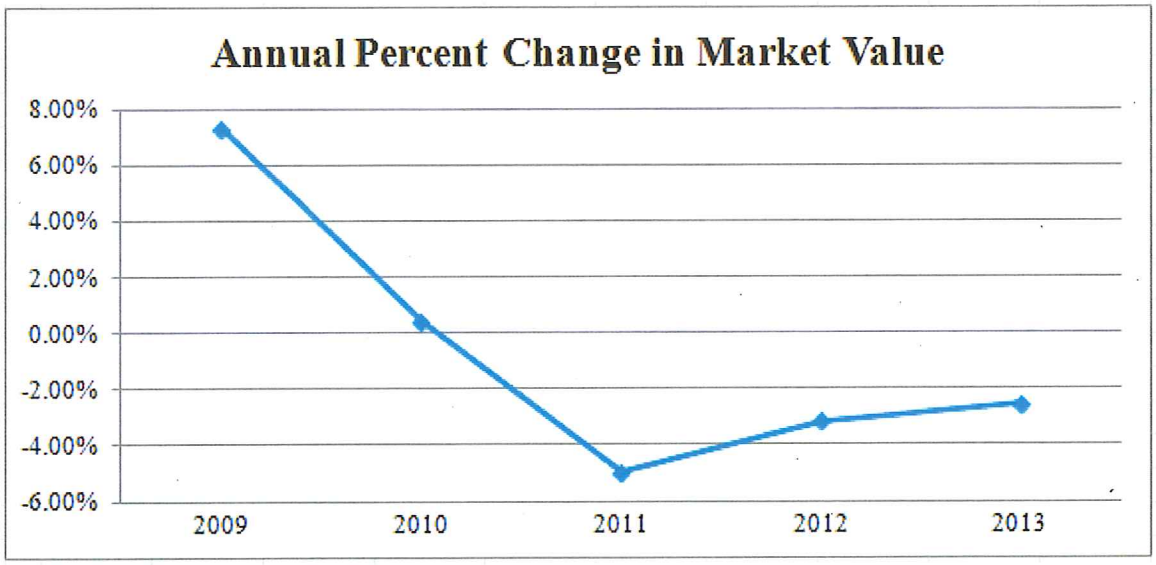
Comments

The negative trend reflects use of fund balance to meet current obligations. The Financial Policies adopted by the City Council set a minimum fund balance of 5%.

OPERATING POSITION AND ECONOMIC INDICATOR — NUMBER 2

Annual Percent Change in Market Value

Warning Trend: *decreasing annual percent change in market value*



Annual Percentage Change in Market Value

Fiscal Year Ended	Market Value	Annual Percent Change	Percent Change since 2008
2009	4,251,663,141	7.37%	7.37%
2010	4,269,360,748	0.42%	7.82%
2011	4,057,592,167	-4.96%	2.47%
2012	3,929,652,978	-3.15%	-0.76%
2013	3,830,304,806	-2.53%	-3.27%

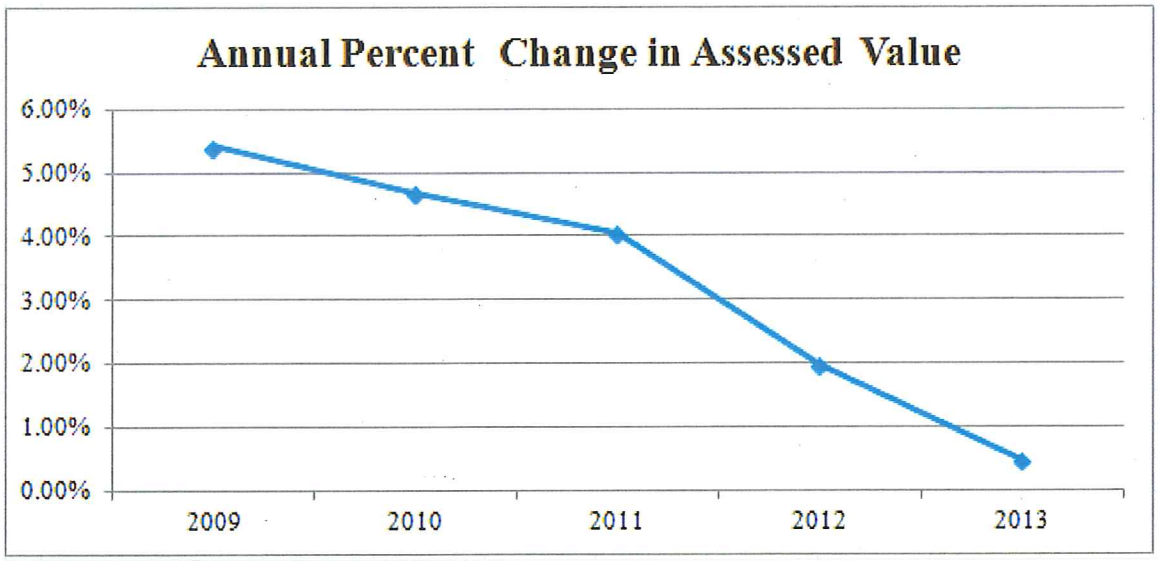
Comments

The dramatic decline reflects the economic downturn. The total market value actually declined in 2011, 2012, and 2013. However, the increase in the rate of annual percent change in 2012 and 2013 suggests that values may be stabilizing.

OPERATING POSITION AND ECONOMIC INDICATOR — NUMBER 3

Annual Percent Change in Assessed Value

Warning Trend: *decreasing annual percent change in assessed value*



Annual Percentage Change in Assessed Value

Fiscal Year Ended	Assessed Value	Annual Percent Change	Percent Change since 2008
2009	3,028,692,315	5.41%	5.41%
2010	3,170,419,070	4.68%	10.35%
2011	3,298,608,206	4.04%	14.81%
2012	3,363,926,082	1.98%	17.08%
2013	3,379,730,288	0.47%	17.63%

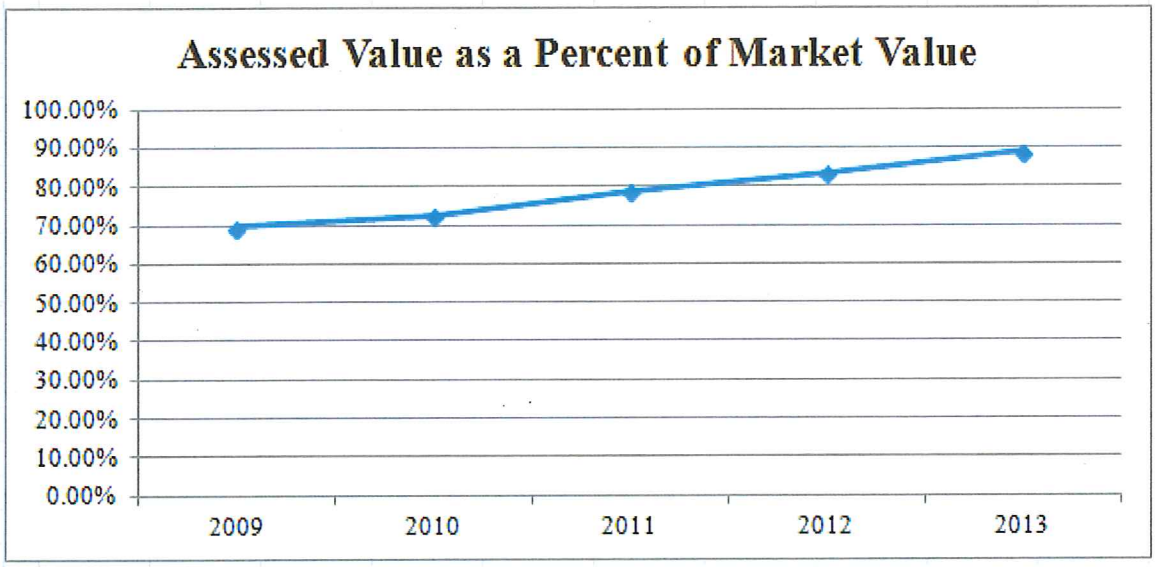
Comments

The steady decline reflects the economic downturn. The actual assessed value has not decreased but the rate of growth has slowed dramatically. Preliminary estimates for 2014 are that growth will increase to around two percent.

OPERATING POSITION AND ECONOMIC INDICATOR NUMBER 4

Assessed Value as a Percent of Market Value

Warning Trend: *increasing assessed value as a percent of market value*



Assessed Value as a Percent of Market Value

Fiscal Year Ended	Assessed Value	Market Value	Assessed Value as a Percent of Market Value
2009	2,955,953,046	4,251,663,141	69.52%
2010	3,080,261,259	4,269,360,748	72.15%
2011	3,197,043,335	4,057,592,167	78.79%
2012	3,266,101,486	3,929,652,978	83.11%
2013	3,398,584,772	3,830,304,806	88.73%

Comments

The trend reflects assessed value increasing at a faster rate than market value. The increases in 2011, 2012, and 2013 reflect a narrowing of the gap between assessed value and market value. Preliminary estimates for 2014 indicate that the narrow gap will continue to create significant revenue loss due to compression.

General Fund Forecast
2014-2015 through 2018-2019

Budget Parameters	Actual 2012-2013	Estimated 2013-2014	Projected 2014-2015		Projected 2015-2016		Projected 2016-2017		Projected 2017-2018		Projected 2018-2019	
PT Increase	0.16%	2.46%	2.78%		3.00%		3.50%		3.50%		4.00%	
PT Increase PSL	-7.57%	16.09%	(1.66%)		2.00%		2.00%		3.00%		3.50%	
Exp Inc	-0.05%	5.75%	5.00%		2.00%		2.00%		2.00%		3.00%	
Exp Inc PSL	-21.36%	22.02%	5.00%		2.00%		2.00%		2.00%		3.00%	
Contingency	4.63%	4.99%	5.00%		5.00%		6.00%		6.00%		6.00%	
				$ Change		$ Change		$ Change		$ Change		$ Change
Current Resources	24,200,273	24,769,490	25,186,500	417,010	25,846,300	659,800	26,604,100	757,800	27,386,900	782,800	28,286,600	899,700
Transfers In	2,385,104	2,580,500	2,391,900	(188,600)	2,472,100	80,200	2,539,800	67,700	2,610,500	70,700	2,694,000	83,500
Beginning Balance	2,684,656	2,213,145	2,264,200	51,055	2,466,000	201,800	2,595,500	129,500	2,899,600	304,100	3,217,500	317,900
Designated Beg Bal	137,319	133,470	146,900	13,430	160,300	13,400	173,700	13,400	187,100	13,400	200,500	13,400
Total Resources	29,407,352	29,696,605	29,989,500		30,944,700		31,913,100		33,084,100		34,398,600	
Expenditures	27,060,743	27,285,500	28,729,900	1,444,400	29,349,500	619,600	30,184,700	835,200	31,064,000	879,300	32,277,200	1,213,200
Contingency	1,211,200	1,253,700	1,259,600	5,900	1,292,300	32,700	1,596,200	303,900	1,643,200	47,000	1,697,200	54,000
Total Expenditures	28,271,943	28,539,200	29,989,500		30,641,800		31,780,900		32,707,200		33,974,400	
Resources - Expenditures	1,135,409	1,157,405	In Balance		302,900		132,200		376,900		424,200	

2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
No HP Refund	PERS (biennial increase)	PERS (no change)	PERS (biennial increase)	PERS (no change)
No 2004 Debt Pmt	Health Insurance	Health Insurance	Health Insurance	Health Insurance
PERS (no change)	Contracted COLAs	Contracted COLAs	Contracted COLAs	Contracted COLAs
Health Insurance	Compression	Compression	Compression	Compression
Contracted COLAs				
Compression				

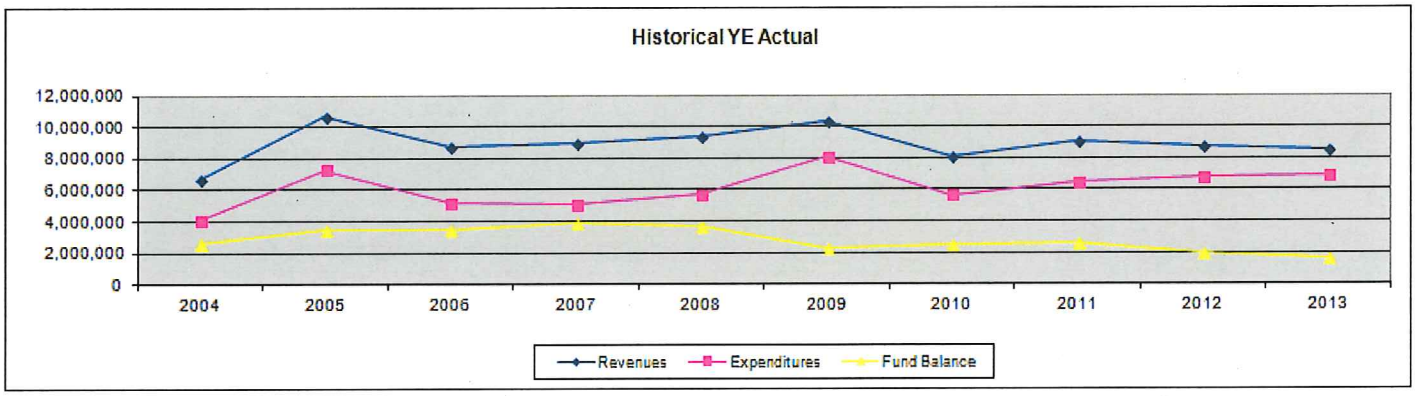
OPERATING FUNDS NUMBER 1

Parks & Recreation Fund

Historical Actual

Historical Ten Year YE Actual
202 Parks and Recreation Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	6,697,366	10,681,420	8,699,470	8,985,002	9,412,068	10,310,978	8,133,345	9,099,483	8,740,363	8,557,176
Expenditures	4,084,068	7,258,075	5,193,050	5,077,910	5,692,618	8,050,055	5,634,808	6,462,921	6,768,696	6,873,931
Fund Balance	2,613,298	3,423,345	3,506,420	3,907,092	3,719,450	2,260,923	2,498,537	2,636,562	1,971,667	1,683,245



Comments

- In the new fiscal year, expenditures in basic operating programs will remain flat.
- Overall spending on capital projects has been suspended or deferred due to a decline in grants, Parks SDCs, and other project resources.

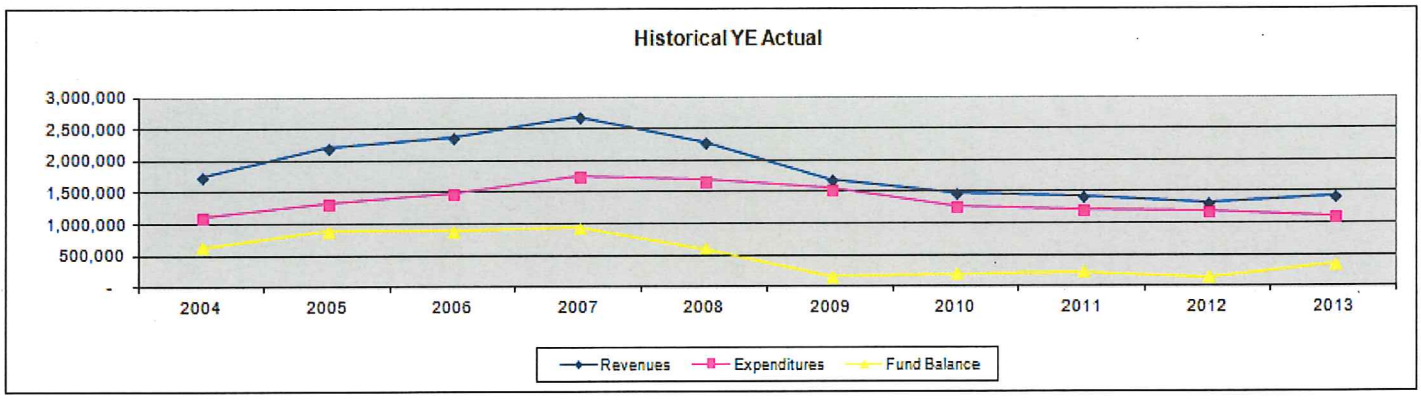
OPERATING FUNDS NUMBER 2

Building Inspection Fund

Historical Actual

Historical Ten Year YE Actual
204 Building Inspection Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	1,741,652	2,217,515	2,376,716	2,694,401	2,296,429	1,709,306	1,480,054	1,437,800	1,326,418	1,439,718
Expenditures	1,110,437	1,333,590	1,479,962	1,755,729	1,688,036	1,552,243	1,278,900	1,205,181	1,180,461	1,098,212
Fund Balance	631,215	883,925	896,754	938,672	608,393	157,063	201,154	232,619	145,957	341,506



Comments

- Revenues are variable with market conditions. Fund balances are to cover seasonal cycles. No fee increases are planned for FY 2015. However, fee schedules will be evaluated for potential changes in FY 2016.
- Fund balances are closely monitored. Fund balances were depleted due to the economic downturn. However an improved economy and careful management have allowed a small balance to build.

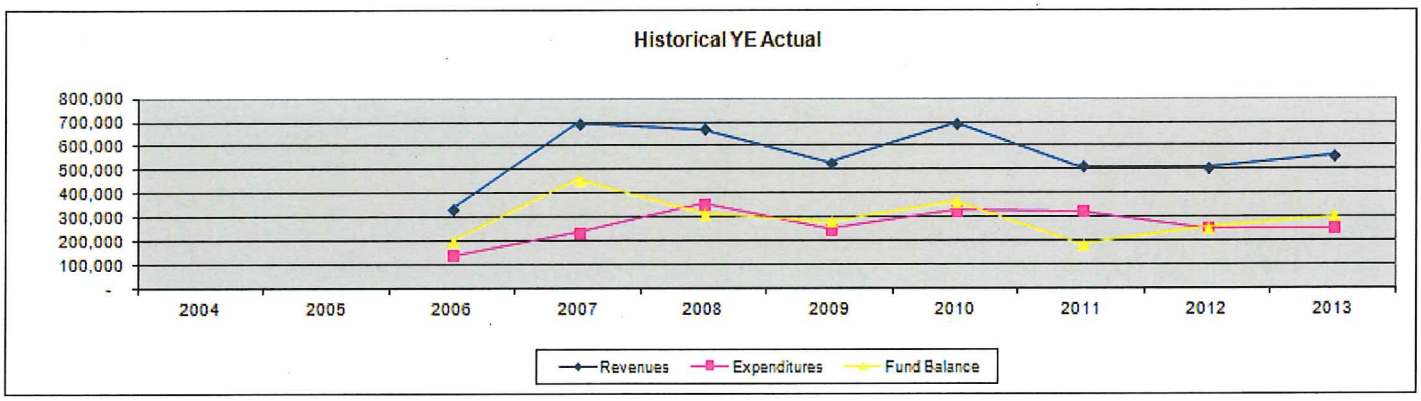
OPERATING FUNDS NUMBER 3

Airport Fund

Historical Actual

Historical Ten Year YE Actual
211 Airport Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues			336,626	694,680	670,855	532,921	695,456	512,648	512,247	559,341
Expenditures			138,035	237,225	356,307	249,969	329,389	324,816	252,784	255,582
Fund Balance			198,591	457,455	314,548	282,952	366,067	187,832	259,463	303,759



Comments

- 2007 revenues included land sale proceeds of $314,000.
- 2010 revenues included the transfer of $202,000 of equipment replacement funds.
- Transient lodging tax revenues for the airport have been approved to fund future capital project needs.
- In FY 2012 the Airport Capital Projects program was set up to separate the capital projects from the operating program.

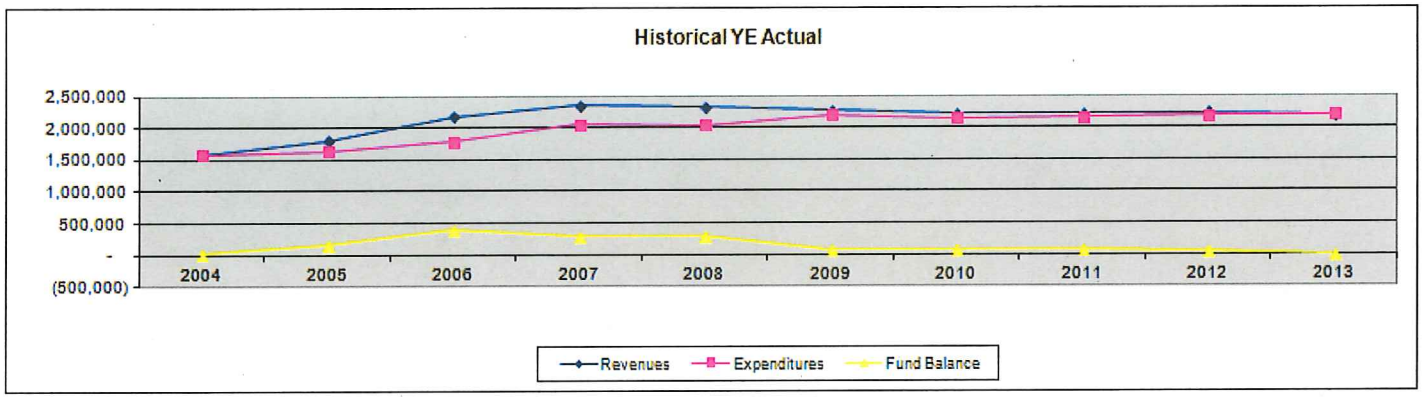
OPERATING FUNDS NUMBER 4

Ambulance Fund

Historical Actual

Historical Ten Year YE Actual
212 Ambulance Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	1,587,025	1,796,409	2,172,954	2,345,298	2,324,157	2,275,853	2,210,792	2,216,570	2,231,058	2,196,594
Expenditures	1,574,274	1,638,418	1,780,867	2,056,467	2,035,369	2,200,638	2,142,409	2,154,424	2,184,354	2,204,814
Fund Balance	12,751	157,991	392,087	288,831	288,761	75,215	68,383	62,146	46,704	(8,220)



Comments

- The Fire Department responded to over 5,400 medical calls for service in FY 2012.
- Medicare capitation limits ambulance service payments; approximately 58% of invoices are to Medicare or Medicare managed plans.
- Medicare capitation resulted in over $1.4 million in write-offs in FY 2012.
- The Fire Department received 31.6% of the total invoiced amount from Medicare and Medicare managed insurance companies.
- Collections were 89.35% of available receivables in FY 2012.
- FireMed revenue has increased by approximately 60% over the past five years.
- Federal government sequestration is slated to reduce ambulance provider payments by an additional 2%.

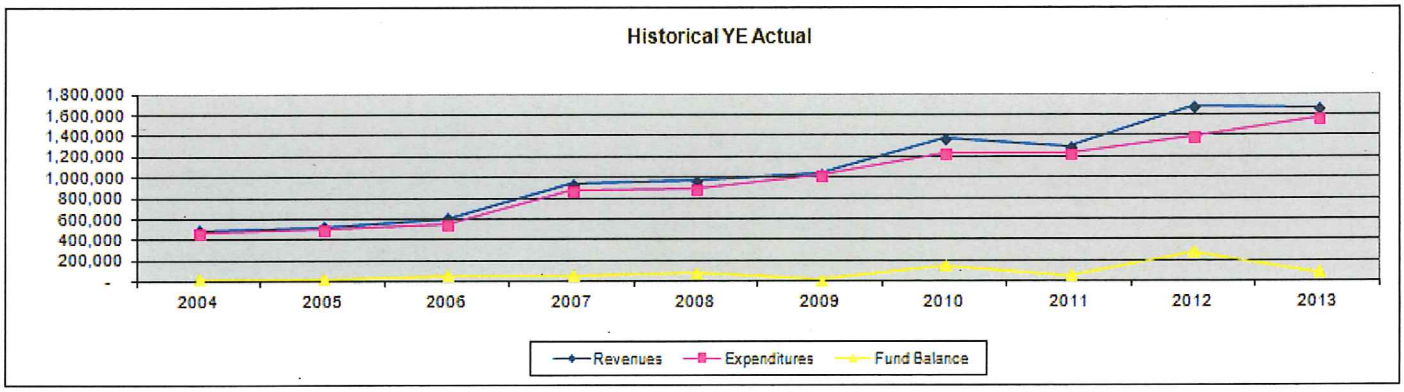
OPERATING FUNDS NUMBER 5

Public Transit Fund

Historical Actual

Historical Ten Year YE Actual
213 Public Transit Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	493,190	523,748	604,544	933,377	970,286	1,034,952	1,370,965	1,286,075	1,672,567	1,657,784
Expenditures	475,049	500,448	554,928	879,075	894,537	1,019,281	1,221,612	1,227,895	1,389,648	1,566,840
Fund Balance	18,141	23,300	49,616	54,302	75,749	15,671	149,353	58,180	282,919	90,944



Comments

- FY ending 2007 revenue and expenditure increases are due to the Paratransit program being added to the Fund.
- FY ending 2010 revenue increase was due to increased grant revenues received and Business Energy Tax Credits.
- The revenue increase in 2012 was due to increased Business Energy Tax Credits.
- Establishment of the Metropolitan Planning Organization increased anticipated federal funding in the FY 2014 budget.

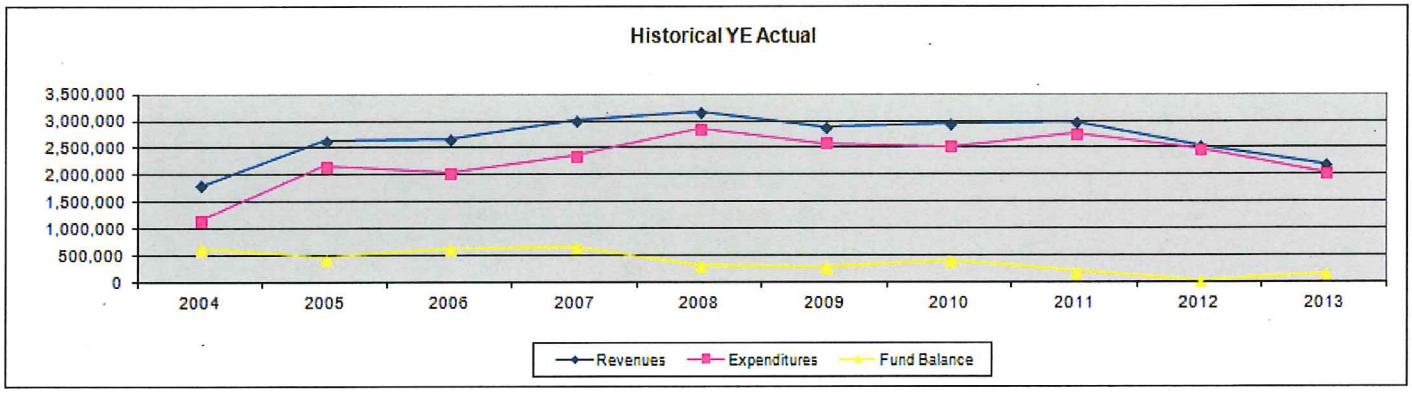
OPERATING FUNDS NUMBER 6

Public Safety Levy Fund

Historical Actual

Historical Ten Year YE Actual
215 Public Safety Levy Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	1,805,276	2,633,801	2,668,087	3,027,757	3,169,205	2,877,859	2,941,584	2,989,860	2,539,335	2,206,349
Expenditures	1,161,899	2,165,588	2,029,262	2,353,898	2,852,403	2,586,766	2,527,658	2,772,967	2,487,720	2,049,900
Fund Balance	643,377	468,213	638,825	673,859	316,802	291,093	413,926	216,893	51,615	156,449



Comments

- We are currently in the first year of the third five-year levy. Voters approved the third five-year levy at an election in May 2012. The new levy increases the rate from 95 cents to $1.15 per thousand of assessed value.
- Compression reduced revenues in the current year by over $1,200,000.
- The League of Oregon Cities has supported legislation that would allow operating levies for up to ten years and would remove the levies from compression limits.

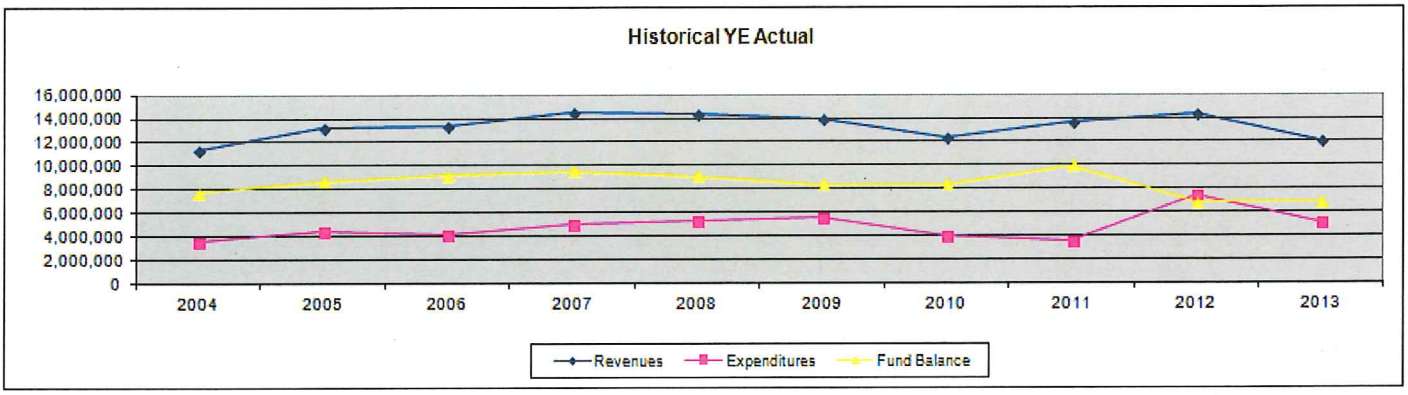
OPERATING FUNDS NUMBER 7

Street Fund

Historical Actual

Historical Ten Year YE Actual
250 Street Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	11,361,756	13,165,988	13,381,887	14,490,195	14,330,825	13,927,043	12,349,447	13,608,437	14,366,411	12,084,334
Expenditures	3,653,348	4,470,677	4,247,690	5,017,688	5,277,964	5,563,530	4,022,068	3,638,736	7,491,584	5,223,625
Fund Balance	7,708,408	8,695,311	9,134,197	9,472,507	9,052,861	8,363,513	8,327,379	9,969,701	6,874,827	6,860,709



Comments

- General Fund annual support of $260,000 went away in FY 2011-12 and future budgets.
- State Gas Tax increases went into effect on January 1, 2011, and should help offset the potential loss of General Fund support.
- The fund balance being carried forward is mainly composed of reserves for future capital projects.
- In-Lieu of Franchise Fee revenues will go down in the coming years due to debt service revenue being removed from the calculation.

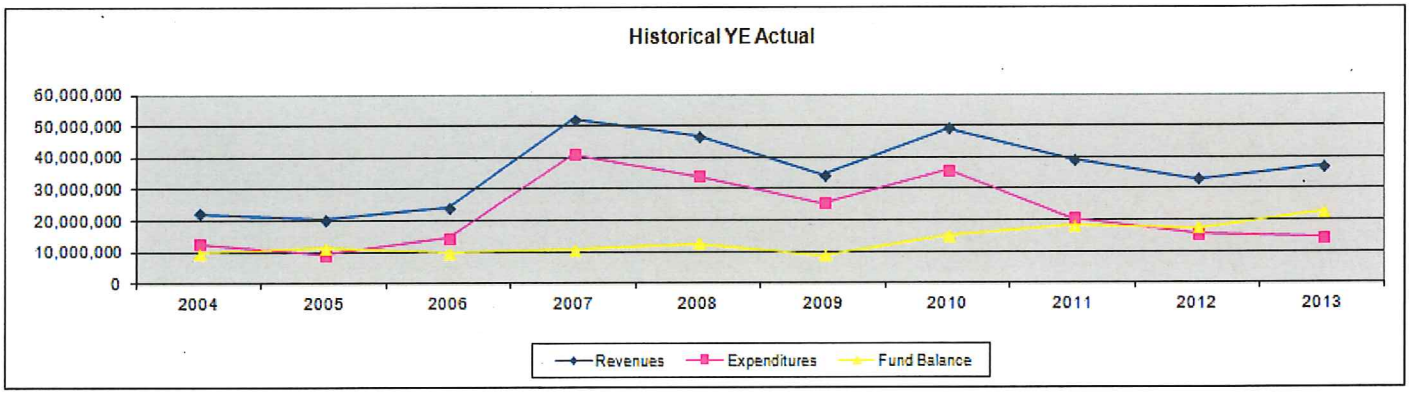
OPERATING FUNDS NUMBER 8

Sewer Fund

Historical Actual

Historical Ten Year YE Actual
601 Sewer Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	22,384,745	20,363,188	24,282,273	52,024,489	46,719,257	34,326,433	49,145,107	39,218,813	32,938,413	36,997,810
Expenditures	12,583,781	9,143,895	14,525,686	41,227,382	33,999,618	25,395,488	36,093,242	20,791,106	15,449,788	14,503,969
Fund Balance	9,800,964	11,219,293	9,756,587	10,797,107	12,719,639	8,930,945	15,099,739	18,427,707	17,488,625	22,493,841



Comments

- The fund balance carried in the Sewer Fund is largely reserves carried forward for future capital projects.
- $840,000 of settlement proceeds were used to offset a sewer rate increase in FY 2012 and to meet debt coverage requirements.
- The increase in 2007-2010 revenues/expenditures is due to the Albany-Millersburg Water Reclamation Facility, the North Albany Pump Station, and Wetlands construction projects.

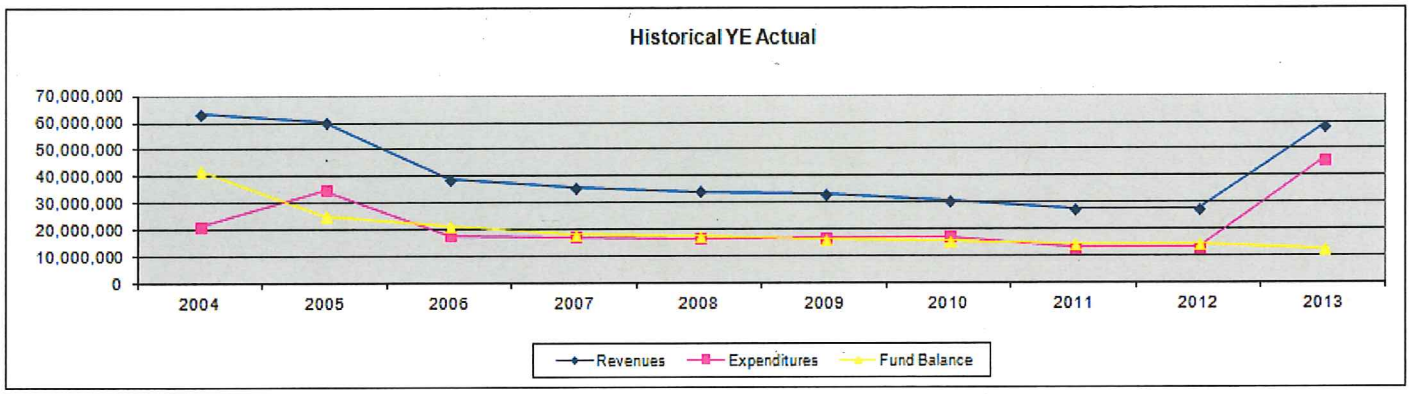
OPERATING FUNDS NUMBER 9

Water Fund

Historical Actual

Historical Ten Year YE Actual
615 Water Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	63,282,709	60,158,959	38,981,427	35,903,415	34,276,744	33,462,132	30,955,872	27,827,886	27,409,266	58,251,553
Expenditures	21,140,765	34,796,408	17,708,396	17,317,904	16,687,840	16,833,390	17,131,720	12,989,508	12,995,565	45,607,329
Fund Balance	42,141,944	25,362,551	21,273,031	18,585,511	17,588,904	16,628,742	15,775,093	14,838,378	14,413,701	12,644,224



Comments

- From 2004-2006 there were increases in revenues and expenditures due to the Albany-Millersburg Joint Water Plant construction project.
- The fund balance carried in the Water Fund is largely reserves carried forward for future capital projects.
- The large increase in revenues and expenditures in FY 2013 was due to the refinancing of the 2003 Water Bond.
- Council is annually provided a five year rate forecast.

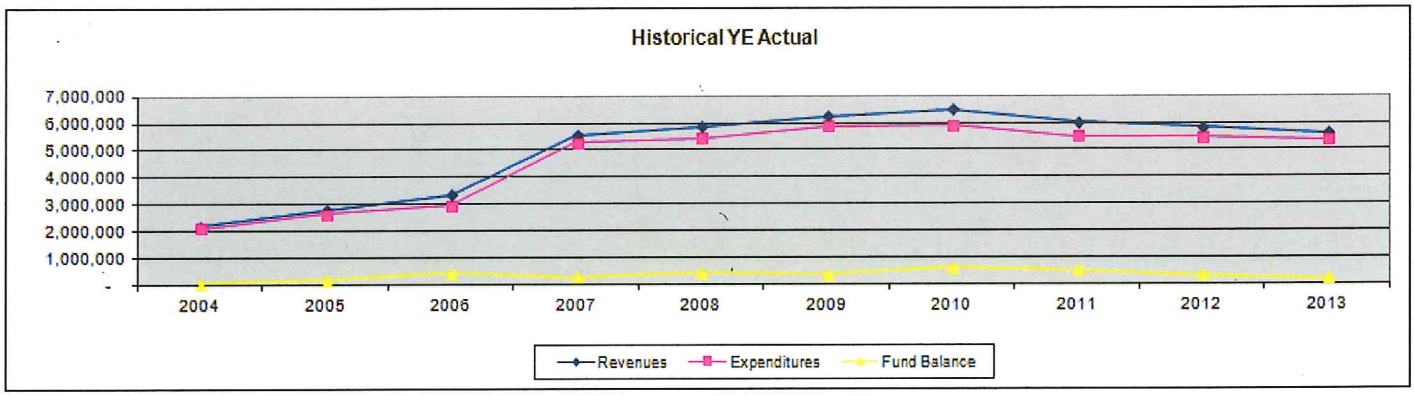
OPERATING FUNDS NUMBER 10

Central Services Fund

Historical Actual

Historical Ten Year YE Actual
701 Central Services Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues	2,176,605	2,794,999	3,367,773	5,549,821	5,876,107	6,243,520	6,494,850	6,017,309	5,826,997	5,586,259
Expenditures	2,104,853	2,617,884	2,937,175	5,267,362	5,432,915	5,874,022	5,880,365	5,480,285	5,470,926	5,360,353
Fund Balance	71,752	177,115	430,598	282,459	443,192	369,498	614,485	537,024	356,071	225,906



Comments

- The Central Services Fund includes operating budgets for the Mayor and City Council, City Manager, Finance, Human Resources, and Information Technology (IT).
- The fund has been limited to the same growth as the General Fund.
- FTEs have been reduced in the City Manager's Office, Finance, Human Resources, and IT.

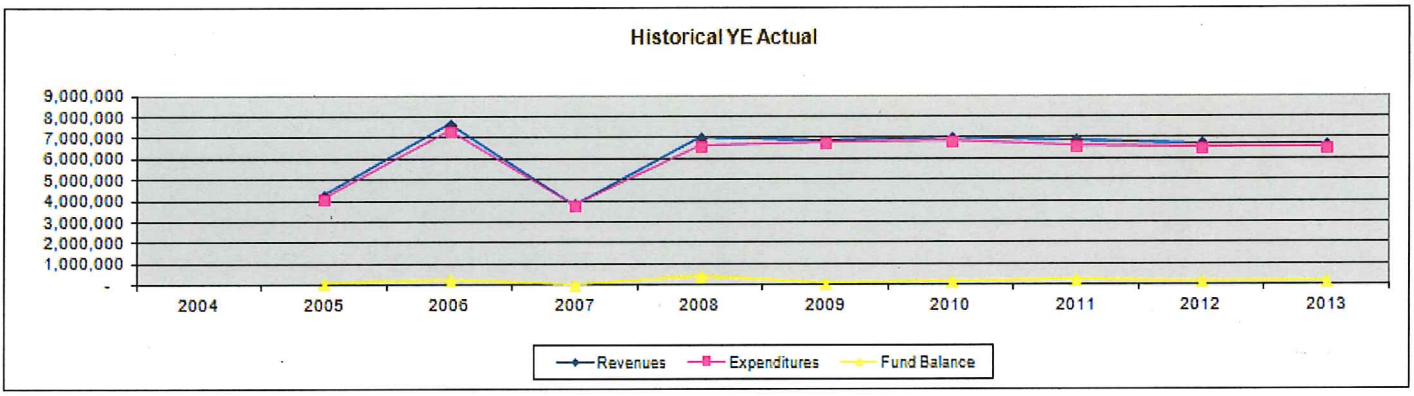
OPERATING FUNDS NUMBER 11

Public Works Services Fund

Historical Actual

Historical Ten Year YE Actual
705 Public Works Services Fund

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues		4,253,775	7,639,269	3,818,728	7,002,134	6,870,339	7,029,506	6,900,875	6,726,438	6,711,251
Expenditures		4,165,955	7,365,297	3,816,533	6,602,709	6,806,708	6,865,132	6,632,336	6,580,296	6,526,382
Fund Balance		87,820	273,972	2,195	399,425	63,631	164,374	268,539	146,142	184,869



Comments

- From 2005-2007, the fund was being formed and programs were added and dropped.
- From 2008 forward the fund has consisted of the same group of programs, as shown in the fairly consistent revenues and expenditures within the fund.