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# MEMORANDUM

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**DATE:** April 20, 2006  
**TO:** City Council Members  
**FROM:** Jennifer Bruno, Policy Analyst  
**RE:** Multi-year Extension of Historical Data

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In connection with the 2005 budget, the Council adopted a legislative intent statement asking the Administration to update the three-year baseline projection of revenue and expenditures for fiscal years 2006-2008. The attached transmittal and spreadsheet serves as a discussion tool, and not as an actual projection of revenues and expenditures.

## **KEY POINTS**

- A. The Administration has prepared a spreadsheet (see attached administration transmittal) projecting revenues and expenditures from FY 2007 to FY 2009, using historical trend information from the “*actual*” revenues and expenditures from FY 2000 through FY 2005. The Fiscal Year 2006 column is the adopted budget from this year (note: the “*actual*” revenues and expenditures for Fiscal Year 2006 would be incomplete, as Fiscal Year 2006 is not yet over, and would have therefore altered the rest of the “historical” data).
- B. Fiscal Year 2007 to Fiscal Year 2009 are then projected from the 2006 adopted budget numbers, using the historical growth percentages.
- C. The spreadsheet shows the following overall historical trends:
  - 1. General Fund Revenue has grown by an average of 2.8% over the last six fiscal years, as have general fund expenditures.
  - 2. Sales tax revenue has grown by an average of 1.7%. However, between Fiscal Years 2004 and 2005, sales tax revenue grew by 8%. So it is useful to note, though the model uses 1.7% as the number by to calculate growth in future years, should the current “trend” continue, the *actual* growth percentage could be much higher.
  - 3. Construction and Building Permits revenue has grown by an average of 4.8% per year. However, between Fiscal Years 2003 and 2005, construction and building permits revenues grew by 64% (growth was 52% between 2004 and 2005). Therefore, though the model uses 4.8% as the number by which to calculate growth in future years, the actual growth percentage could be significantly higher.
  - 4. Because of the Winter Olympics in Fiscal Year 2002, the data was anomalous in many of the categories due to these “one-time” experiences in revenues. In some cases the mathematical percentage was altered to exclude this year (discussed in the methodology section below).

- D. The City is required to balance expenses and revenues each fiscal year. This model is intended to investigate what the situation would be, if all factors were to remain the same, and the growth in revenues and expenditures continued at the same mathematical rate, with no budget “intervention.” Overall, the model shows a steady decrease in the mathematically-derived “deficit,” from Fiscal Year 2007 to 2009 (roughly \$400,000 per year), though there is an initial increase in this “deficit” (\$1.7 million) from this current year’s adopted budget to next year’s projected budget.
1. Council staff has taken the excel spreadsheet provided by the Administration and has used the percentage growths calculated, to extend this projection for an additional two years, in order to show a five year projection of the “trends.”
  2. This further extension shows that the mathematically-derived deficit, continues to shrink - in Fiscal Year 2011, Council Staff calculates this to be just under \$700,000.

## **METHODOLOGY**

In most instances, the numbers in each category for Fiscal Years 2007 through 2009 were projected using the mathematically-derived “average percentage change” (“compound annual growth rate,” or CAGR) from Fiscal Years 2000 to 2005. CAGR takes the percentage change between each year, and then averages out those results. This reduces the effects of “extreme” years.

1. This average percentage growth was then applied to the actual budget from Fiscal Year 2006, to derive the numbers for Fiscal Year 2007. The same percentage was then applied to Fiscal Year 2007 to derive the numbers for Fiscal Year 2008, and so on.
2. In some categories however, extraordinary events or changes significantly altered the “trend” of data, and so those years were excluded in calculating the CAGR.
  - a. For example, the “Other Revenue” category was shifted to a three year history of data instead of a six year history of data, in order to exclude the aberrant year of the Olympics in Fiscal Year 2002.
  - b. The “Court Fines” category - also treated in this manner to adjust for the creation of the City’s Justice Court.
  - c. The “Interest Income” category - even though mathematically the average growth has been *negative* 8% (historically from FY 2000 to 2005, revenue has decreased year to year), the City’s Treasurer has indicated that this revenue is only as predictable as interest rates go up and down nationally (the last few years have seen a downward trend in nationwide rates), and feels that a 1% *growth* in revenue over the next 3-5 years, is a very conservative estimate of where this interest income will be. This number was therefore substituted for the mathematically-derived -8% number.
  - d. The remainder of these “exceptions” to the general rule for this model, are denoted with asterisks at the bottom of the page, matched with the corresponding number of asterisks at the category’s row label.
3. The Administration has taken this approach in order to arrive at a percentage that might more accurately reflect the possible future “trend” in a given category.

4. The Administration used an assumption of 7.95% of general fund revenue to calculate the future funding level for Capital Improvement Projects – this was the “balancing” number that the City’s consultants identified in the recently-adopted CIP 10 Year Plan.

#### **LONG-TERM EXPENSES IMPLICATIONS**

1. The Administration’s model does not include possible long term costs that will likely need to be dealt with in the future (examples include increased retirement funding, increases in health insurance costs, having a “one stop” permit counter, City participation in various SID programs, etc.).
2. The model also does not include capital projects that are not identified in the CIP 10 Year plan (that the 7.95% funding level would therefore not “cover”).
3. Council staff has kept a very informal inventory over the year, as items have come up in various discussions, about future possible expenses that have no identified source of funding (**see Attachment A**).
4. Council staff will have a laptop and projector with an excel spreadsheet, so that the Council can “plug in” any of these expenses to see what the long-term implications to the budget might be, according to the model.
5. The Council will also be able to see what the long-term implications to the budget might be if CIP were funded at a higher or lower level than the 7.95% assumed by the Administration (staff will also be able to adjust this number “live” during the meeting).

## Attachment A

### Long Term City Costs (known and unknown)

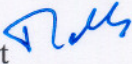
Projects	Costs	Status (note: this is Council Staff's estimation of status)
<b><u>Capital Projects</u></b>		
Light Rail Extension to Inter-modal Hub (check with RDA)	\$900,000 (CIP)	Planned but not approved
NOT IN CIP 10 YEAR PLAN - General Fund loan to Intermodal Hub fund - amount that is "uncertain" to be re-imbursed	4600000	n.a.
NOT IN CIP 10 YEAR PLAN - 500 West / 200 South intersection widening (park blocks)	\$4.5 million (RDA share possibly \$2 million)	Planned but not approved
Fleet Facility	\$23 million - in CIP 10 Year plan for \$22.1 million	Planned but not approved
Public Safety Facilities Bond	PSB/EOC - \$108.2 million Liberty PSB - \$22.5 million Fire Training Center - \$19.6 million	Unsure Unsure Unsure
Cost increase due to possible LEED ordinance (offset with long-term savings?)	estimated at up to 10% of construction cost (possibly more depending on the project)	Unsure
NOT IN CIP 10 YEAR PLAN -Future sales tax rebates for Economic Development - or CDA areas	unknown	Unsure
NOT IN CIP 10 YEAR PLAN -Utah Theater Renovation (acquisition and development)	\$42 Million (city share is unknown)	Unsure
NOT IN CIP 10 YEAR PLAN -Daylight-ing City Creek		
900 South Corridor	Phase I - \$1.9 million, Phase II - \$6.8 million	Unsure
Folsom Trailway	Phase I - \$3.1 million, Phase II - \$2.8 million	Unsure
Re-configure rail line at Grant Tower (City share "left" to fund)	\$9.8 million (\$4 million already from fund balance) - RDA eligible for \$3.1 million	Planned but not approved
NOT IN CIP 10 YEAR PLAN - Pioneer Park Renovation	\$1.9 million (Stage 2 of Phase I)	Unsure
	\$1.7 million (Stage 3 of Phase I)	Unsure

NOT IN CIP 10 YEAR PLAN - Renovation/Expansion of Justice Court	TBD	Unsure
NOT IN CIP 10 YEAR PLAN - Plans for development of City-owned land on 600 South between 200 and 300 East	TBD	Unsure
NOT IN CIP 10 YEAR PLAN - Northwest Senior Center minor capital improvements (while waiting for new center to be built)	TBD	Unsure
NOT IN CIP 10 YEAR PLAN - 300 South Projects (make parking permanent – beautify sidewalks)	\$1.2 Million	Unsure
NOT IN CIP 10 YEAR PLAN - 300 East Project (make parking permanent – beautify sidewalks)	<i>Information pending</i>	Unsure
<b><u>Other Non-Employee Future Costs</u></b>		
City-wide Historic Landmark Survey & Plan	\$629,830, spread over 7 years	Likely
Northwest Quadrant Planning Div - costs not covered in FY 06 budget	TBD	Planned but not approved
Animal Control Contract Increase (last year the increase was 6%) - <i>City pays any increases over CPI index for benefits, fuel costs, retirement</i>	\$52,000 (assuming 6% increase - same as last year)	Likely
Update GIS and data system in Planning Dept (current system not adequate to meet Council notification requests) - Recent audit also suggests integrating this with an Engineering GIS system update as well	<i>Information pending</i>	Likely
Impact Fee refunds for Low Income Housing	Depends on development requests	Planned but not approved
<b><u>Employee-Related Cost Increases - note: Some or all of these may be included in the Mayor's recommended budget</u></b>		
One-stop permit counter (2 positions w/ benefits and a software program - cost of program TBD)	Project Coordinator - \$70,000 Office Facilitator - \$48,000	Planned but not approved
Plans Examiner increases due to development	Information pending	Likely
Police Officer Salary Increase - overall	\$364,000 (for 1%)	Unsure
Firefighter Salary Increase - overall	\$222,000 (for 1%)	Unsure
General Overall City Employee Salary Increase (1% increase, including Police & Fire)	\$950,000	Unsure
Construction mitigation contract	\$30,000	Likely
Administrative costs associated with implementation of infill program	TBD	Likely
Ground Transportation issue regulation - in addition to new position	TBD	Likely

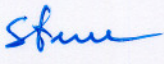
Increased deployment of speed boards - per SLCPD request - 1.5 FTE required	\$60,000	Unsure
CDBG-funded positions shifting to general fund responsibility (Police Crime Prevention Program and Mobile watch)	\$45,000	Unsure
Budget-related issues raised in Fire Dept Audit	TBD	Unsure
Budget-related issues raised in Justice Court Audit & Pending Staffing study	TBD	Unsure
Unfunded Liabilities for Leave	\$13,719,000 (FY '05 amt)	Unsure
Increase expected in retirement	\$1,272,000 (currently \$650,000 is funded yearly)	Likely
Prosecutor's Office (for CAT team support and general City demand - Particularly if the Justice Court needs to expand - additional prosecutors would be needed)	Prosecutor - \$60,000, Paralegal - \$48,000, Clerical - \$40,000	Unsure
<b><u>On-going Costs likely to increase</u></b>		
Increase Fleet Replacement cycle for optimal maintenance savings	\$1,000,000	Unsure
City participation in streelighting SIDs	Depends on SID participation/City policy	Unsure
City participation in private street conversion SIDs	Depends on SID participation/City policy	Unsure
City participation in concrete SIDs	Depends on SID participation/City policy	Unsure
O & M for Sorensen Multi-Ethnic Campus (operational costs not paid for by tenants)	\$208,000	Planned but not approved
O & M for satellite youth facilities	<i>Information pending</i>	Likely
O & M for City & County Building	<i>Information pending</i>	Likely
<b><u>Other Future Costs (not necessities – but nice)</u></b>		
Centralized Constituent Response System (such as the one in Provo)	<i>Information pending</i>	Unsure
Ability to read County tax records directly via computer (currently have to pick up physical copy every 30 days)	<i>Information pending</i>	Unsure
Increase % for the Arts - any remaining budget funds	TBD	Unsure
CIP needs identified in Master Plans that aren't planned for in 10 year CIP Plan	<i>Information pending</i>	Unsure



## COUNCIL TRANSMITTAL

**TO:** Rocky J. Fluhart   
Chief Administrative Officer

**DATE:** March 15, 2006

**FROM:** Steve Fawcett   
Deputy Director, Management Services Department

**SUBJECT:** Analysis of Historical Data and Expansion of Historical Data

**STAFF CONTACT:** Susi Kontgis, Senior Administrative Analyst, 535-6414

**DOCUMENT TYPE:** Spreadsheet of historical data expanded to include three years into the future and includes analysis and considerations made in presenting the expanded historical data into the future

**RECOMMENDATION:** The City Council, through their legislative intent statement entitled "B2. Budget Projection", asked the Administration to work with the council staff to update the three-year baseline projection of revenue and expenditures for fiscal years 2006-2008, including a listing of basic assumptions for the projection, and develop a plan for how to close any deficit reflected in the projections. We recommend that the spreadsheet be presented to the City Council for their discussion.

**BUDGET IMPACT:** There is no budget impact with this issue.

**BACKGROUND/DISCUSSION:** We worked with the Council Staff to develop the base actual data spreadsheet, discussed with them certain items to separately identify, and discussed with them modifications to the data to present it fairly.

The Administration does not propose that this spreadsheet represents future budgets, and hence will not propose a plan to close any deficits that may be indicated by the assumptions. It is worthy noting, however, that our options each year to balance budget requests and mandated budgetary increases remain constant; cut excess expenses or increase efficiency, reduce service levels, keep revenue sources consistent with inflationary or allowable limits, add new sources of revenue, or increase taxes.

The spreadsheet presented merely uses historical data to predict, if all conditions remained "normal" and consistent, what the impact might be. Further, specific analysis and adjustments have been made to eliminate historical expenditure anomalies to allow an expansion of historical data that would resemble more closely the "normal" past.

**PUBLIC PROCESS:** There is no formal public process necessary to discuss this issue.



# Extension of Historical Data

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	CAGR (Average Annual Growth Rate)	ASSUMED GROWTH RATE	FY 2006	FY 2007	FY 2008	FY 2009
<b>General Fund Revenue</b>												
Property Taxes	\$ 46,425,909	\$ 48,699,276	\$ 51,068,822	\$ 51,967,777	\$ 55,357,948	\$ 55,710,040	3.1%	3.1%	\$ 55,192,592	\$ 56,903,562	\$ 58,667,573	\$ 60,486,268
GO Bonds - actual payments required per schedules	\$ 6,469,621	\$ 6,871,433	\$ 6,639,633	\$ 6,814,421	\$ 6,948,836	\$ 7,817,956	3.2%		\$ 7,794,057	\$ 7,778,256	\$ 7,753,963	\$ 7,732,006
Sales Taxes	\$ 38,587,890	\$ 40,585,757	\$ 43,613,754	\$ 39,910,981	\$ 39,583,619	\$ 42,756,404	1.7%	1.7%	\$ 42,575,979	\$ 43,310,148	\$ 44,056,977	\$ 44,816,683
Utility Franchise Taxes	\$ 16,425,265	\$ 19,431,762	\$ 20,832,247	\$ 20,555,563	\$ 21,532,494	\$ 23,194,441	5.9%	5.9%	\$ 22,956,972	\$ 24,316,059	\$ 25,755,606	\$ 27,280,377
Payment in Lieu of Taxes	\$ 556,635	\$ 691,700	\$ 875,885	\$ 941,310	\$ 936,536	\$ 944,868	9.2%	9.2%	\$ 1,030,580	\$ 1,125,594	\$ 1,229,368	\$ 1,342,709
Business & Regulatory Licenses	\$ 4,942,684	\$ 5,326,512	\$ 5,968,749	\$ 5,430,021	\$ 5,539,637	\$ 5,505,103	1.8%	1.8%	\$ 5,528,338	\$ 5,628,530	\$ 5,730,539	\$ 5,834,396
Construction & Building Permits	\$ 4,644,974	\$ 6,347,323	\$ 4,394,633	\$ 3,751,279	\$ 4,052,495	\$ 6,145,380	4.8%	4.8%	\$ 4,641,477	\$ 4,863,144	\$ 5,095,397	\$ 5,338,742
Intergovernmental (grants & reimbursements)	\$ 3,418,302	\$ 3,315,168	\$ 3,599,574	\$ 3,705,064	\$ 4,254,847	\$ 4,367,263	4.2%	4.2%	\$ 4,427,960	\$ 4,612,505	\$ 4,804,741	\$ 5,004,989
Fees & Charges for Services*	\$ 3,734,443	\$ 3,689,370	\$ 6,053,380	\$ 3,940,897	\$ 3,653,700	\$ 3,551,386	-0.8%	-3.4%	\$ 3,127,960	\$ 3,021,311	\$ 2,918,299	\$ 2,818,798
Court Fines (parking & court)**	\$ 5,888,101	\$ 7,021,176	\$ 6,258,381	\$ 8,718,709	\$ 9,438,428	\$ 9,324,984	8.0%	2.3%	\$ 8,949,300	\$ 9,152,106	\$ 9,359,508	\$ 9,571,610
Parking Meter Collections	\$ 1,231,249	\$ 1,257,162	\$ 1,170,511	\$ 1,160,062	\$ 1,196,843	\$ 1,288,059	0.8%	0.8%	\$ 1,493,000	\$ 1,504,266	\$ 1,515,618	\$ 1,527,055
Interest Income***	\$ 3,830,144	\$ 2,655,237	\$ 4,324,059	\$ 1,667,460	\$ 1,327,124	\$ 2,329,996	-8.0%	1.0%	\$ 2,235,575	\$ 2,257,931	\$ 2,280,510	\$ 2,303,315
Other Revenue*	\$ 1,963,406	\$ (119,787)	\$ 4,257,238	\$ 500,996	\$ 565,657	\$ 439,310	-22.1%	-4.3%	\$ 444,563	\$ 425,512	\$ 407,278	\$ 389,825
Interfund Reimbursement	\$ 6,657,690	\$ 6,760,988	\$ 9,052,607	\$ 8,057,285	\$ 8,158,137	\$ 8,689,335	4.5%	4.5%	\$ 9,204,605	\$ 9,622,376	\$ 10,059,108	\$ 10,515,662
Transfers****	\$ 2,752,402	\$ 2,242,671	\$ 2,693,353	\$ 3,493,569	\$ 1,484,541	\$ 1,628,762	4.7%	4.7%	\$ 1,950,300	\$ 2,042,839	\$ 2,139,769	\$ 2,241,298
Proceeds from sale of property	\$ 283,022	\$ 293,134	\$ 302,925	\$ 330,117	\$ 418,167	\$ 393,044	5.6%	5.6%	\$ 297,100	\$ 313,814	\$ 331,469	\$ 350,117
<b>Total (listed) General Fund Revenue</b>	<b>\$ 147,811,747</b>	<b>\$ 155,168,936</b>	<b>\$ 171,636,898</b>	<b>\$ 160,946,272</b>	<b>\$ 164,449,010</b>	<b>\$ 174,086,331</b>	<b>2.8%</b>	<b>2.8%</b>	<b>\$ 171,850,358</b>	<b>\$ 176,877,955</b>	<b>\$ 182,105,722</b>	<b>\$ 187,553,851</b>
<b>General Fund Expenditures</b>												
Police Department Total Expenditures	\$ 39,278,135	\$ 39,741,627	\$ 43,241,596	\$ 41,935,168	\$ 43,159,179	\$ 45,025,921			\$ 47,128,460	\$ 48,212,298	\$ 49,321,132	\$ 50,455,541
Personal Services (Salaries, Wages, Benefits)	\$ 35,121,869	\$ 35,677,857	\$ 38,795,411	\$ 37,496,663	\$ 38,905,823	\$ 40,159,110	2.3%	2.3%	\$ 42,389,493	\$ 43,347,025	\$ 44,326,187	\$ 45,327,467
Other	\$ 4,156,266	\$ 4,063,770	\$ 4,446,185	\$ 4,438,505	\$ 4,253,356	\$ 4,866,811	2.7%	2.7%	\$ 4,738,967	\$ 4,865,273	\$ 4,994,945	\$ 5,128,074
Community Development Total*	\$ 9,097,069	\$ 9,258,563	\$ 9,561,119	\$ 9,420,690	\$ 8,338,648	\$ 7,543,527			\$ 8,331,182	\$ 8,419,331	\$ 8,508,803	\$ 8,599,614
Personal Services (Salaries, Wages, Benefits)	\$ 6,956,829	\$ 7,076,984	\$ 7,412,525	\$ 7,335,139	\$ 6,378,749	\$ 6,513,335	1.3%	1.3%	\$ 7,174,596	\$ 7,270,206	\$ 7,367,090	\$ 7,465,265
Other	\$ 2,140,240	\$ 2,181,579	\$ 2,148,594	\$ 2,085,551	\$ 1,959,899	\$ 1,030,192	-0.6%	-0.6%	\$ 1,156,586	\$ 1,149,126	\$ 1,141,713	\$ 1,134,349
Public Services Total	\$ 28,344,120	\$ 27,701,774	\$ 30,715,954	\$ 31,548,746	\$ 33,694,411	\$ 32,777,230			\$ 34,609,623	\$ 35,462,881	\$ 36,338,930	\$ 37,238,412
Personal Services (Salaries, Wages, Benefits)	\$ 16,726,227	\$ 16,557,118	\$ 18,523,750	\$ 19,040,457	\$ 20,403,338	\$ 20,014,867	3.0%	3.0%	\$ 21,050,404	\$ 21,689,667	\$ 22,348,344	\$ 23,027,023
Other	\$ 11,617,893	\$ 11,144,656	\$ 12,192,204	\$ 12,508,289	\$ 13,291,073	\$ 12,762,363	1.6%	1.6%	\$ 13,559,219	\$ 13,773,214	\$ 13,990,586	\$ 14,211,389
Fire Department	\$ 23,769,872	\$ 25,277,137	\$ 27,080,441	\$ 26,129,274	\$ 27,019,532	\$ 27,426,028			\$ 28,696,411	\$ 29,389,352	\$ 30,099,031	\$ 30,825,853
Personal Services (Salaries, Wages, Benefits)	\$ 21,705,074	\$ 22,953,900	\$ 24,606,614	\$ 23,884,838	\$ 24,673,709	\$ 25,024,565	2.4%	2.4%	\$ 25,904,395	\$ 26,526,157	\$ 27,162,842	\$ 27,814,809
Other	\$ 2,064,798	\$ 2,323,237	\$ 2,473,827	\$ 2,244,436	\$ 2,345,823	\$ 2,401,463	2.5%	2.5%	\$ 2,792,016	\$ 2,863,195	\$ 2,936,189	\$ 3,011,044
Management Services Total Expenditures**	\$ 6,152,190	\$ 7,329,621	\$ 13,299,539	\$ 8,790,514	\$ 8,889,878	\$ 9,264,606			\$ 9,634,521	\$ 10,127,715	\$ 10,652,795	\$ 11,211,800
Personal Services (Salaries, Wages, Benefits)	\$ 4,952,512	\$ 5,329,773	\$ 6,119,364	\$ 7,002,555	\$ 7,111,211	\$ 7,176,183	0.8%	6.4%	\$ 7,781,492	\$ 8,279,507	\$ 8,809,396	\$ 9,373,197
Other	\$ 1,199,678	\$ 1,999,848	\$ 7,180,175	\$ 1,787,959	\$ 1,778,667	\$ 2,088,423	-0.3%	-0.3%	\$ 1,853,029	\$ 1,848,208	\$ 1,843,399	\$ 1,838,603
Attorney's Office	\$ 2,160,839	\$ 2,086,989	\$ 2,466,948	\$ 2,585,236	\$ 2,743,187	\$ 2,934,637			\$ 3,475,240	\$ 3,686,969	\$ 3,920,444	\$ 4,176,864
Personal Services (Salaries, Wages, Benefits)	\$ 1,714,233	\$ 1,867,496	\$ 2,084,779	\$ 2,279,531	\$ 2,489,627	\$ 2,684,049	7.8%	7.8%	\$ 3,133,383	\$ 3,376,501	\$ 3,638,483	\$ 3,920,792
Other	\$ 446,606	\$ 219,493	\$ 382,169	\$ 305,705	\$ 253,560	\$ 250,588	-9.2%	-9.2%	\$ 341,857	\$ 310,468	\$ 281,961	\$ 256,072
Mayor's Office	\$ 1,436,227	\$ 1,443,063	\$ 1,536,286	\$ 1,488,542	\$ 1,413,957	\$ 1,451,891			\$ 1,566,133	\$ 1,603,175	\$ 1,641,093	\$ 1,679,910
Personal Services (Salaries, Wages, Benefits)***	\$ 1,246,522	\$ 1,251,522	\$ 1,325,456	\$ 1,356,430	\$ 1,249,315	\$ 1,235,612	-0.1%	2.4%	\$ 1,280,456	\$ 1,311,187	\$ 1,342,655	\$ 1,374,879
Other	\$ 189,705	\$ 191,541	\$ 210,830	\$ 132,112	\$ 164,642	\$ 216,279	2.2%	2.2%	\$ 285,677	\$ 291,988	\$ 298,438	\$ 305,030
City Council Office	\$ 1,471,829	\$ 1,231,309	\$ 1,277,680	\$ 1,515,377	\$ 1,311,392	\$ 1,559,277			\$ 1,550,473	\$ 1,570,555	\$ 1,591,389	\$ 1,612,988
Personal Services (Salaries, Wages, Benefits)	\$ 931,695	\$ 960,789	\$ 958,904	\$ 1,024,358	\$ 1,061,612	\$ 1,071,381	2.4%	2.4%	\$ 1,107,311	\$ 1,133,395	\$ 1,160,093	\$ 1,187,421
Auditing and Other Consulting Expenditures	\$ 416,474	\$ 101,009	\$ 131,151	\$ 339,094	\$ 119,650	\$ 363,532	-2.2%	-2.2%	\$ 275,000	\$ 268,839	\$ 262,815	\$ 256,927
Other	\$ 123,660	\$ 169,510	\$ 187,625	\$ 151,925	\$ 130,130	\$ 124,364	0.1%	0.1%	\$ 168,162	\$ 168,321	\$ 168,481	\$ 168,640
Nondepartmental Total	\$ 29,593,463	\$ 42,485,359	\$ 36,425,385	\$ 45,586,829	\$ 38,809,158	\$ 38,645,025			\$ 37,745,614	\$ 40,969,291	\$ 42,191,936	\$ 43,469,085
Transfer to CIP - Library, Zoo, Aviary Bonds	\$ 6,469,621	\$ 6,871,433	\$ 6,639,633	\$ 6,814,421	\$ 6,948,836	\$ 7,817,956	3.2%		\$ 7,793,957	\$ 7,778,256	\$ 7,753,963	\$ 7,732,006
Transfer to CIP - on-going projects****	\$ 8,316,280	\$ 14,637,692	\$ 14,588,673	\$ 19,880,341	\$ 14,897,915	\$ 11,907,287	6.2%		\$ 11,000,017	\$ 13,443,426	\$ 13,860,965	\$ 14,295,837
Other	\$ 14,807,562	\$ 20,976,234	\$ 15,197,079	\$ 18,892,067	\$ 16,962,407	\$ 18,919,782	4.2%	4.2%	\$ 18,951,640	\$ 19,747,609	\$ 20,577,008	\$ 21,441,243
<b>Total General Fund Expenditures</b>	<b>\$ 141,303,744</b>	<b>\$ 156,555,442</b>	<b>\$ 165,604,948</b>	<b>\$ 169,000,376</b>	<b>\$ 165,379,342</b>	<b>\$ 166,628,142</b>	<b>2.8%</b>	<b>2.5%</b>	<b>\$ 172,737,657</b>	<b>\$ 179,441,568</b>	<b>\$ 184,265,555</b>	<b>\$ 189,270,067</b>
<b>Revenues less Expenditures</b>	<b>\$ 6,508,003</b>	<b>\$ (1,386,506)</b>	<b>\$ 6,031,950</b>	<b>\$ (8,054,103)</b>	<b>\$ (930,332)</b>	<b>\$ 7,458,189</b>			<b>\$ (887,299)</b>	<b>\$ (2,563,613)</b>	<b>\$ (2,159,833)</b>	<b>\$ (1,716,216)</b>

## Some Revenue Considerations:

\*Other revenue and charges and services have been modified to extend the future revenues using a three year history rather than a six year history to adjust for the one-time revenues from the Olympics.

\*\*Court fines have also been adjusted to only look at a three year history, rather than six year history to compensate for the addition of the City's Justice Court program.

\*\*\*Interest Income changes as interest rate goes up and down - because interest rates could be on the rise in the next few years the model assumes a conservative annual 1% increase for the next five years.

\*\*\*\*Transfers uses a two year history due to changes in accounting procedures

## Some Expense Considerations:

\*Community Development looks at a four year history (2000 - 2004 because 2005 eliminated engineering and 2006 eliminated economic development

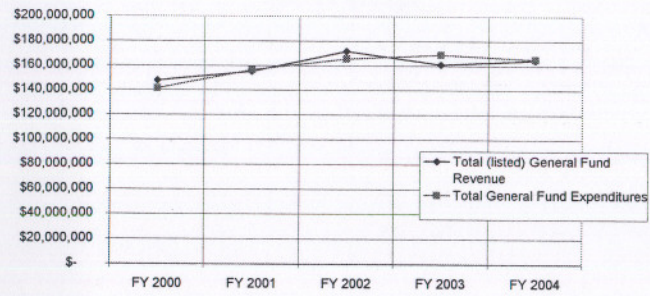
\*\*Management Services looks at a two year history (2003-2004) because the other years contain Olympic expenses and other accounting anomalies

\*\*\*Growth over past 6 years = -0.1% based on loss of staff/position; Assumed growth rate anticipates full staffing

\*\*\*\*Transfer to CIP for FYs 2007-2011 is based upon 7.95% of GF revenues minus GO Bond payments



FY 2000 - FY 2004  
Expend vs. Revenues



FY 2005 - FY 2010  
Expend vs. Revenues

