



**AUBURN**

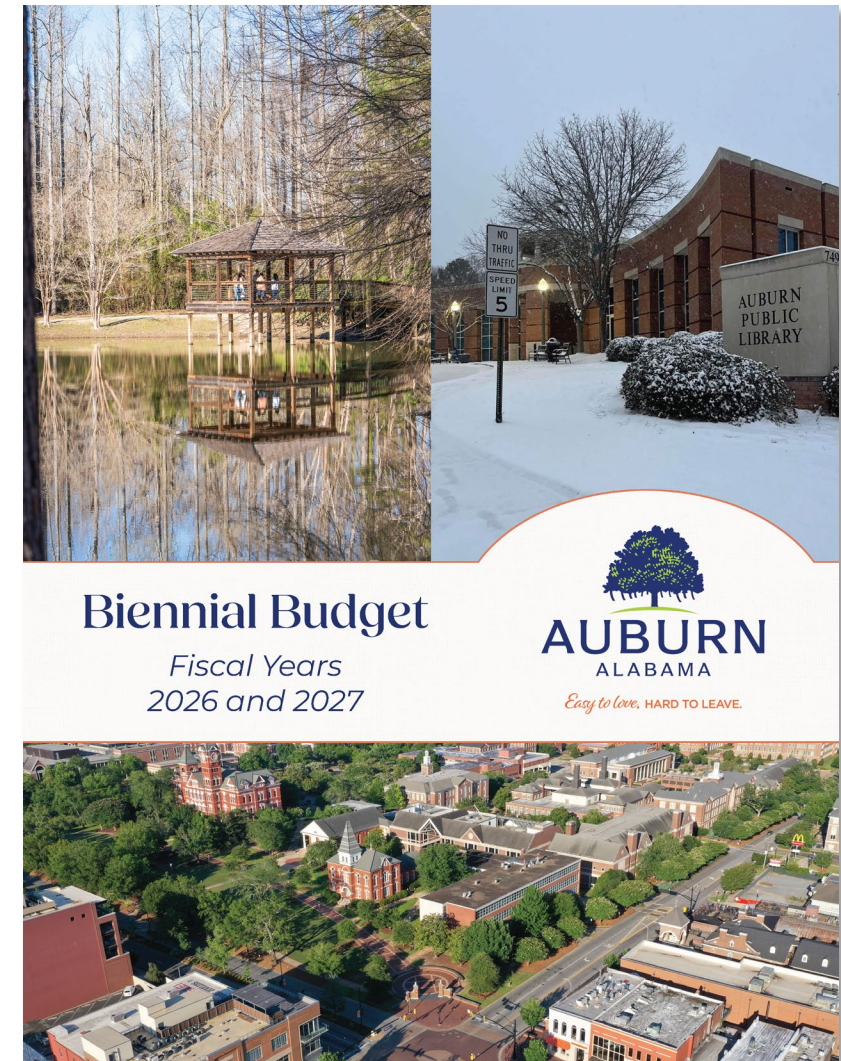
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## Fiscal Years 2026 and 2027 Budget Workshops



# Agenda – Day 1

- Budget Overview – City Manager
- Government Financial Reporting Overview – Finance Director/Treasurer
- *Break*
- Financial Overview – Finance Director/Treasurer
- Questions



# Agenda – Day 2

## Capital Projects (CIP) and Capital Outlay

- Development Services Business Unit
- Break
- Public Services Business Unit
- Public Safety Services Business Unit
- Questions



# Agenda – Day 3

## Departmental Presentations

- Judicial
- Public Works
- Environmental Services
- Library
- *Break*
- Parks & Recreation
- Water Resource Management
- Community Services
- Questions



# Agenda - Day 4

## Departmental Presentations

- Engineering Services
- Planning
- Inspection Services
- Economic Development
- *Break*
- Fire
- Police
- Questions

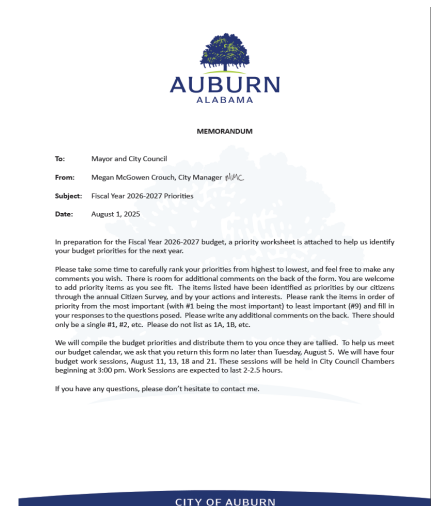
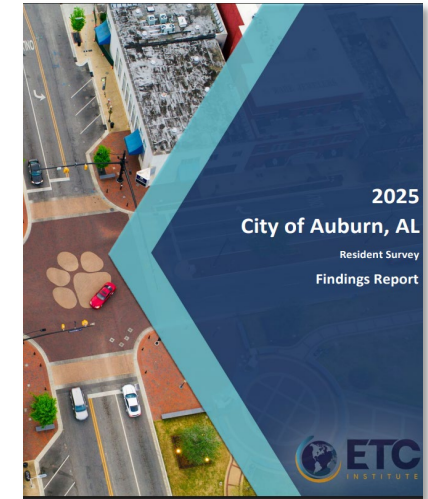




# Budget Process Overview

# Budget Process Overview

- What's in your Budget Packet?
  - Budget Message
  - Financial Overview
  - Capital Outlay
  - Capital Projects
  - Council Priorities
  - Outside Agencies
- Process
  - Background
  - General Process
  - Budget Requests
  - Budget Proposal/Work Sessions (August 11, 13, 18, 21)
  - Budget Ordinance (First Reading - September 2)



# Budget Process Overview

## Thank you to our Budget Development Team

- Allison Edge – Finance Director/Treasurer
- Heidi Lowery – Accounting and Financial Reporting Manager
- Steven Kranz – Budget and Strategic Planning Manager
- Walt Austin – Budget and Management Analyst
- Erika Sprouse – Principal Accountant
- Michelle Wall – HR Business Partner Manager

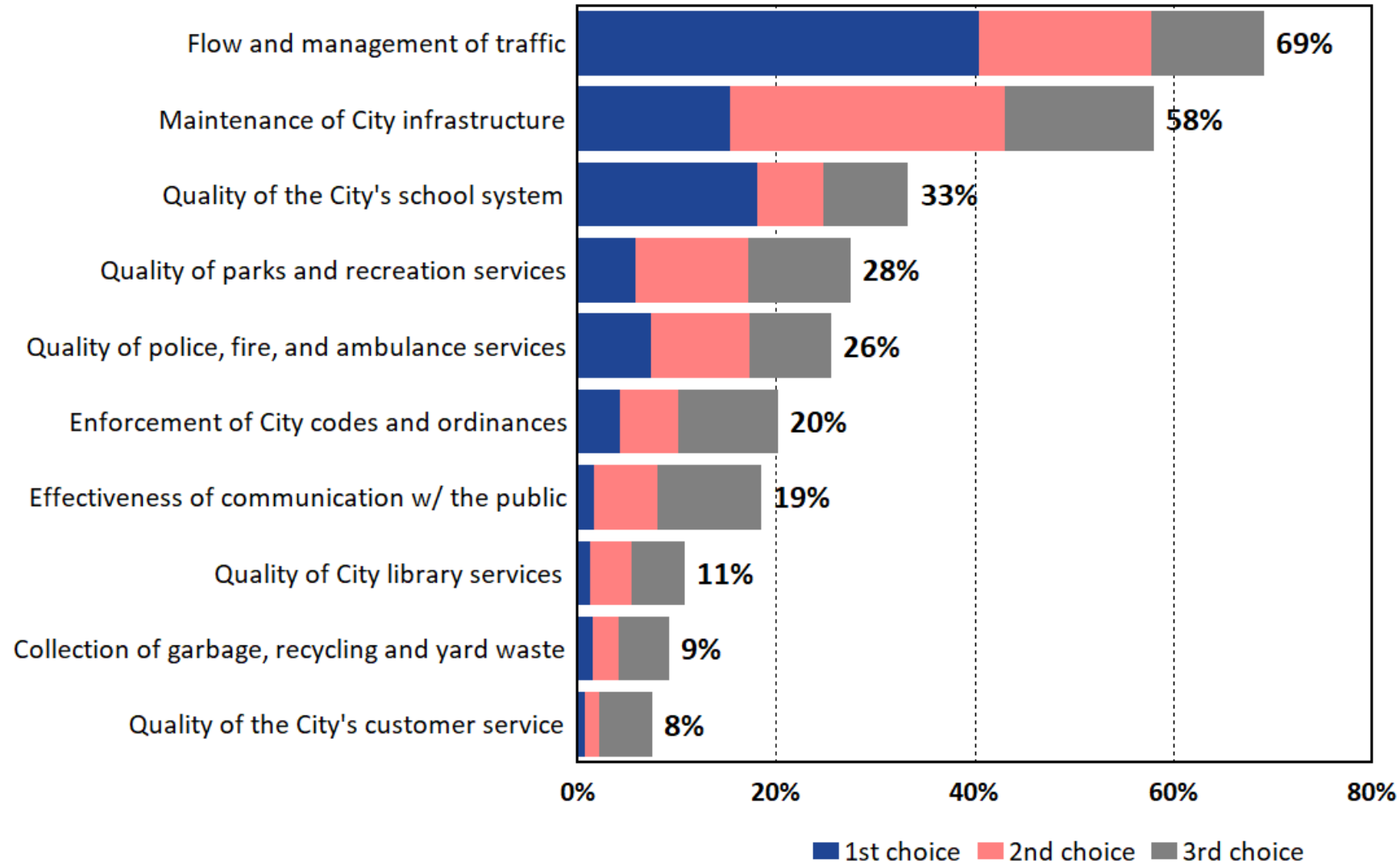




# Citizens/City Council Budget Priorities

## Q2. Major Categories of City Services That Should Receive the Most Emphasis Over the Next Two Years

by percentage of residents surveyed who selected the item as one of their top three choices



# City Council Priority Rankings

Council Rankings	Anders	Taylor	Griswold	Witten	Adams	Moreman	Parsons	Coblentz	Dawson	Average	Overall Priority
Traffic Flow Improvements	5	1	1	3	1	2	1	5	2	2.3	1
School funding	2	4	2	5	3	1	2	2	3	2.7	2
Public Safety Facilities and Equipment	1	9	3	6	2	3	3	1	1	3.2	3
Industrial development	3	5	7	2	4	6	5	3	5	4.4	4
Street maintenance and resurfacing	7	2	4	7	5	5	4	6	4	4.9	5
Commercial development	4	7	5	1	6	7	6	4	6	5.1	6
Richland Park	6	3	8	4	7	4	8	7	8	6.1	7
Greenways	9	8	6	8	9	9	7	9	7	8.0	8
Duck Samford Park	8	6	9	9	8	8	9	8	9	8.2	9



# City Council Priority Rankings Matrix

Council Rankings	Anders	Taylor	Griswold	Witten	Adams	Moreman	Parsons	Coblentz	Dawson	Average	Overall Priority
Traffic Flow Improvements	5	1	1	3	1	2	1	5	2	2.3	1
School funding	2	4	2	5	3	1	2	2	3	2.7	2
Public Safety Facilities and Equipment	1	9	3	6	2	3	3	1	1	3.2	3
Industrial development	3	5	7	2	4	6	5	3	5	4.4	4
Street maintenance and resurfacing	7	2	4	7	5	5	4	6	4	4.9	5
Commercial development	4	7	5	1	6	7	6	4	6	5.1	6
Richland Park	6	3	8	4	7	4	8	7	8	6.1	7
Greenways	9	8	6	8	9	9	7	9	7	8.0	8
Duck Samford Park	8	6	9	9	8	8	9	8	9	8.2	9



# City Council Traffic Flow Priority Rankings

Council Traffic Flow Priority Rankings	Anders	Taylor	Griswold	Witten	Adams	Moreman	Parsons*	Coblentz	Dawson	Average	Overall Priority
North Donahue Widening - Shug Jordan Pkwy to Sougahatchee Creek	2	9	2	2	3	6	n/a	2	1	3.4	1
North Donahue Widening - Farmville Intersection	1	8	1	1	7	5	n/a	3	2	3.5	2
North Dean Rd and Opelika Rd - Intersection Improvements	3	7	11	8	1	1	n/a	6	4	5.1	3
East University Dr and Opelika Rd - northbound double left turn lanes	7	4	9	9	2	2	n/a	5	8	5.8	4
North College St and Drake Ave - Turn Lanes	11	1	4	6	11	4	n/a	8	3	6.0	5
Moore's Mill Widening - Grove Hill Rd to Bent Brooke	10	10	3	10	8	3	n/a	1	5	6.3	6
East University Dr Widening- E Glenn Ave to Annaloe Dr (turn lanes, etc.)	6	5	8	11	4	8	n/a	4	7	6.6	7
North Dean Rd Extension - East University Dr to 280	4	6	7	3	5	10	n/a	11	11	7.1	8
Outer Loop Road - Richland Rd to Mrs. James Rd	8	3	5	4	9	11	n/a	9	9	7.3	9
Shelton Mill Rd and East University Dr - Intersection Improvements	5	11	10	7	6	7	n/a	7	6	7.4	10
Outer Loop Road - AL Hwy 14 to Richland Rd	9	2	6	5	10	9	n/a	10	10	7.6	11

\*Councilman Parsons did not submit a priority for traffic flow improvements as he did not feel he had enough data to provide adequate input



# 2025 City Council Priority Rankings - Comments

- **Traffic Flow Improvements**
  - Imperative (Griswold)
  - Would probably rank higher but feel the first 4 (public safety, schools, industrial development, commercial development) should be steady priorities for every budget (Coblentz)
  - Don't have enough data to prioritize traffic flow (in the additional provided list). Certainly, we should be plugging away at outer loop development. (Parsons)
  - Are we limited by contractor availability? Additional funding resources? (Adams)
  - Seems to be a lot of accidents at Shelton Mill Road & East University Drive (Adams)



# 2025 City Council Priority Rankings - Comments

- **School Funding**
  - Remain as is (Griswold)
  - Can this funding be offset by other sources? (Adams)
- **Public Safety Facilities and Equipment**
  - Perhaps a precinct on South College (Griswold)
  - Fully support whatever is needed (Coblentz)
  - Will this contemplate a second police precinct? (Adams)
  - Currently a high level of service...Maintain (Adams)
  - Public Safety should always be first. Keeping the crime rate trending down is essential for every other area of the city to be successful (Dawson)



# 2025 City Council Priority Rankings - Comments

- **Industrial Development**
  - Keep them coming; excited about expansions and new business (Coblentz)
  - Research Park emphasize, technology park emphasize (Adams)
- **Commercial Development**
  - Focus on vacant, overpriced downtown space; safeguard Toomer's Drugs somehow (Griswold)
  - Continue to pursue a Costco (Coblentz)
  - Fill vacant buildings and continue revitalizing Opelika Road (Adams)
  - Keep a movie theater in Auburn (Adams)
  - Would be in favor of City purchasing land to ensure CDD property develops to support City/ideal offerings. (Witten)



# 2025 City Council Priority Rankings - Comments

- **Richland Park**
  - Both Duck Samford & Richland need to happen (Coblentz)
  - Needed. Will this require traffic improvements? (Adams)
- **Greenways**
  - Lean on university to help complete connectivity to campus (Adams)
- **Duck Samford Park**
  - Should land come available, prioritize acquiring even if we can't build yet. (Adams)
  - If opportunity materializes, I would support purchase of additional property. (Witten)



# 2025 City Council Priority Rankings - Comments

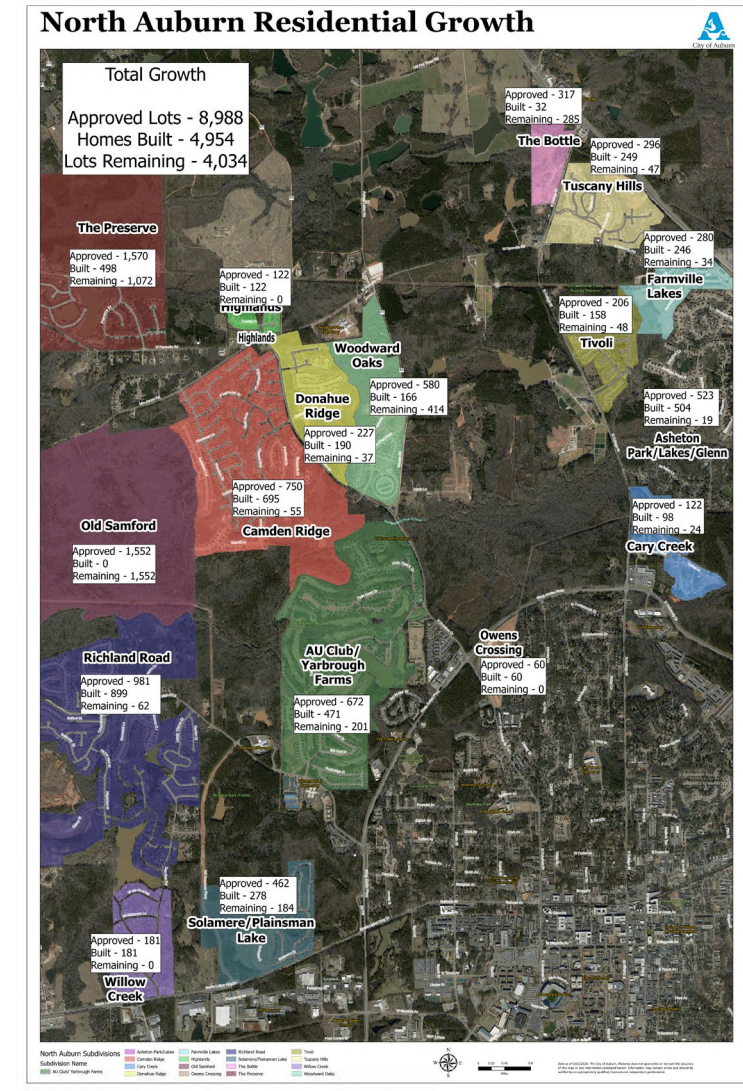
## General Comments

- City of Auburn and City of Opelika have an obligation to provide connectivity to cyclists for a multiuse path between the golf course and the airport, enabling safe travel between the cities. This project's delay is terrible. (Parsons)
- For commercial development (Adams)
  - Are our funds matched with federal programs/do those exist?
  - Diversity in dining genres.
  - Priorities for business – 1. Local 2. State 3. Regional 4. National
- I would like to see how 2040 begins to align with priorities. (Witten)
- Without revenue, we cannot address other priorities. This is why I continue to list Industrial and Commercial Development high. (Witten)
- And overhaul of zoning ordinance is also a key priority. (Witten)



# An Environment Shaped by Growth

- Auburn's population is currently 83,757, and increase of 55.7% since 2010
- City Limits
  - 1980: ±27.3 square miles (17,472 acres)
  - 2025: ±65.7 square miles (42,018 acres)
- In FY2024
  - 271 acres were annexed into the City Limits
  - 717 lots created
  - 661 single family homes permitted
  - 39 commercial units permitted
- Accelerated growth along North Donahue, Farmville Road, and Richland Road
  - 185% population increase from 2010 - 2024





# Budget Proposal Overview

# FY2026/27 Budget Proposal Overview

- **Proposed General Fund Budget**
  - FY26 \$173.8 million
  - FY27 \$168.1 million
- **Proposed All Budgeted Funds**
  - FY26 \$311.4 million
  - FY27 \$420.8 million
- **General Fund Expenditures**
  - 1.6% increase from FY25 to FY26
  - -3.3% decrease from FY26 to FY27



# FY2026/27 Budget Proposal Overview

- Capital Outlay – Page 28
- Capital Projects – Page 33
- Outside Agencies – Page 41
  - Level funded with the exception of those tied to a tax-driven formula or other contractual agreement



# FY2026/27 Budget Proposal Overview

## New Positions

- 49 New Positions Requested
- 32 New Positions Proposed
  - FY26 - 21 New Positions
  - FY27 - 11 New Positions
- Most new positions were added due to new facilities, maintenance of additional infrastructure, or additional service needs



# FY2026/27 Budget Proposal Overview

## **Fiscal Year 2026 – 21 Positions**

- Public Safety Telecommunicator Trainer – Public Safety
- Fire Marshal – Fire
- Court Referral Officer – Judicial
- Landscape and Sustainability Crew Leader – Public Works
- Landscape and Sustainability Coordinator – Public Works
- Maintenance Worker (L&S) – Public Works
- Animal Control Officer – Environmental Services
- Mechanic – Environmental Services



# FY2026/27 Budget Proposal Overview

## **Fiscal Year 2026 – 21 Positions (cont.)**

- Librarian – Library
- Library Assistant Engagement and Outreach – Library
- Library Assistant Public Services (5) – Library
- Athletic and Parks Maintenance Worker – Parks and Recreation
- Facilities Service Worker Lake Wilmore and Pearson Park – Parks and Recreation
- Utility Maintenance Worker (2) – Water Resource Management-Sewer
- Human Resources Programs Manager – Human Resources
- Business Center Coordinator – Economic Development



# FY2026/27 Budget Proposal Overview

## **Fiscal Year 2027 – 11 positions**

- Firefighters (6)- Fire (Rescue Truck)
- Heavy Equipment Operator L&S - Public Works
- Mechanic - Environmental Services
- Community Programs Coordinator Special Events - Parks and Recreation
- League Sports Coordinator - Parks and Recreation
- Athletic and Parks Maintenance Worker Boykin Campus - Parks and Recreation



# FY2026/27 Budget Proposal Overview

## Employee Compensation

- 3% Cost of Living Adjustment (COLA) funded for FY26 and FY27
- Merit Raises
- Career Ladder
- Medical, Dental, CityCare (Health Clinic)
- Other benefits

## Employee Insurance Premiums

- Maintain competitive benefits packages
- Claims expenses are increasing
- Recommending an increase to the employee contribution for FY26

	FY2025	FY2026
	Current	Increase
Single	\$ 48.30	\$ 62.30
Employee + Spouse	\$ 289.80	\$ 304.29
Employee + Child	\$ 216.83	\$ 227.67
Family	\$ 352.80	\$ 370.44



# Comparative Overview of General Fund Budget

- Ending Fund Balance
  - FY26 \$84.8 million
  - FY27 \$79.5 million
- Net Ending Fund Balance Ratio
  - FY26 48.8%
  - FY27 47.3%
- Personal Services as a percentage of total expenditures & OFU minus capital projects
  - FY26 46.7%
  - FY27 47.9%
- Personal Services as a percentage of total expenditures & OFU
  - FY26 39.1%
  - FY27 42.9%

	Proposed Budget	Proposed Budget	
	FY2025	FY2026	FY2027
Beginning Fund Balances	114,326,448	104,358,414	89,483,064
Prior Period Adjustment			
Beginning Fund Balances	114,326,448	104,358,414	89,483,064
Revenues	154,386,985	157,924,502	161,789,785
Other Financing Sources (OFS)	6,745,250	1,011,250	1,017,250
Total Revenues & OFS	161,132,235	158,935,752	162,807,035
Total Available Resources	275,458,683	263,294,166	252,290,099
Expenditures			
Operating			
Departmental	85,122,751	92,637,111	97,219,742
Non-Department Operations	8,619,270	7,264,350	7,264,350
Outside Agency Support	2,548,980	2,913,317	2,936,007
Debt Service	11,582,942	10,317,854	10,011,483
Total Operating	107,873,942	113,132,632	117,431,582
Capital Outlay & Projects			
Departmental Capital Outlay	12,245,179	4,598,261	5,951,527
Department Projects	50,000	50,000	50,000
General Operations	-	-	-
Project Operations	14,717,777	28,215,709	17,452,140
Total Capital Outlay & Projects	27,012,956	32,863,970	23,453,667
Total Expenditures	134,886,899	145,996,602	140,885,249
Other Financing Uses (OFU)			
Auburn City Schools	21,890,625	22,547,500	23,224,063
Transfers	14,322,745	5,267,000	4,030,250
Total Other Financing Uses	36,213,370	27,814,500	27,254,313
Total Expenditures & Uses	171,100,269	173,811,102	168,139,562
Ending Fund Balances	104,358,414	89,483,064	84,150,537
Less: Permanent Reserve	4,629,580	4,652,728	4,675,991
Net Ending Fund Balances (NEFB)	99,728,834	84,830,336	79,474,545
Surplus/(Deficit)	(14,597,613)	(19,528,078)	(10,008,519)
NEFB as % of Exp & OFU	58.29%	48.81%	47.27%
Personal Services	63,138,416	67,945,290	72,158,618
Personal Services as % of Exp & OFU	36.90%	39.09%	42.92%
Personal Services	63,138,416	67,945,290	72,158,618
Personal Services as % of Exp & OFU minus capital projects	43.82%	46.68%	47.90%
Personal Services	63,138,416	67,945,290	72,158,618
Personal Services as % of Revenue	39.18%	42.75%	44.32%





Questions?



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# Financial Overview





# Governmental Financial Reporting Overview

# Municipal Government

## *Purpose & Environment*

Governments exist to provide services (and some goods) to constituents.

### Environmental Factors

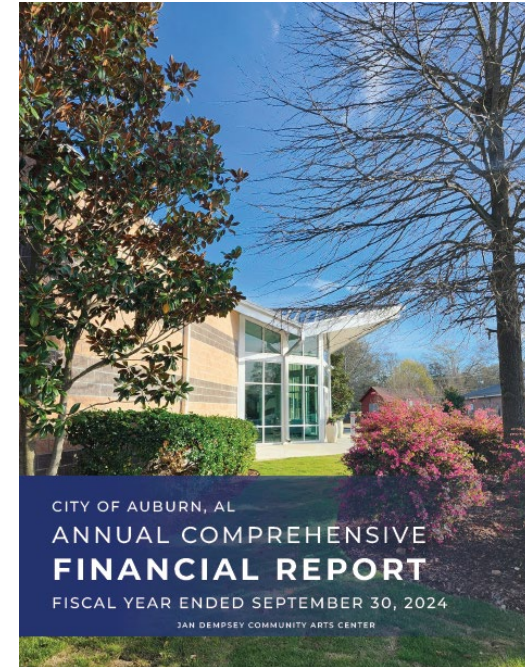
- Profit motive v. service motive
- Return on investment v. stewardship
- Appropriated budget v. financial plan

### Impact of Environmental Factors

- Measurement focus
- Fund accounting
- Budgetary reporting

### Objectives of Financial Reporting

- Are current year revenues sufficient to provide services?
- Are resources obtained and used in accordance with budget and other legal requirements?
- Are users able to assess the organizations efforts & accomplishments?



# Municipal Government

## *Fund Accounting*

### Why do governments use fund accounting?

1. To present fairly and with full disclosure the funding sources and activities in accordance with generally accepted accounting principles
2. To determine and demonstrate compliance with finance-related legal and contractual provisions

### What exactly is a fund?



... a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.<sup>1</sup>

Governments use different types of funds to account for assets held for specific activities.

# Municipal Government

## *Fund Categories*

Fund Category	Description
<b>Governmental Funds</b> <ul style="list-style-type: none"><li>➤ Current resources measurement focus</li><li>➤ Modified accrual accounting</li></ul>	Used to account for activities primarily supported by taxes, grants and similar revenue sources
<b>Proprietary Funds</b> <ul style="list-style-type: none"><li>➤ Economic resources measurement focus</li><li>➤ Accrual accounting</li></ul>	Used to account for activities that receive significant support from user fees and charges
<b>Fiduciary Funds</b> <ul style="list-style-type: none"><li>➤ Economic resources measurement focus</li><li>➤ Accrual accounting</li></ul>	Used to account for activities conducted by a government or its component units for the benefit of those outside of the government and for certain pension and OPEB arrangements

# Municipal Government

## *Fund Types – Governmental Funds*

### General Fund

- Used to account for and report all financial transactions not accounted for and reported in another fund
- Only one General Fund (three sub-funds)

### Special Revenue Funds

- Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than for debt service or capital projects
- 23 special revenue funds

### Capital Projects Funds

- Used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlay, including capital projects
- 3 capital projects funds

### Debt Service Funds

- Used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest
- 1 debt service fund

# Municipal Government

## *Fund Types – Proprietary funds*

### Enterprise Funds

- May be used to report any activity for which a fee is charged to external users for goods or services
- 2 enterprise funds

### Internal Service Funds

- May be used to report any activity for which a fee is charged to internal users for goods or services
- None

# Municipal Government

## *Types of Accounts within Funds*

### Revenues & Other Financing Sources or Operating/Nonoperating

- Taxes, Fees, Charges for Services and Transfers

### Expenditures & Other Financing Uses or Expenses (operating/nonoperating)

Type	Description
Personal Services	Salaries, benefits
Contractual Services	Utilities, training, rental of equipment
Commodities	Office supplies, computers, fuel, parts
Capital Outlay	Vehicles, heavy equipment (>\$5,000)
Projects	Facilities, roads, parks, CIP
Debt service	Principle, interest, fees
Support services	Outside agency support
Transfers	To other funds or component units (ACS)



# General Fund Revenue

# General Fund Summary

- Fund balance very healthy at the end of FY23 and FY24
- FY25 – Fund balance projected at 58.3% of expenditures and OFU
- FY26 – Fund balance projected at 48.8% of expenditures and OFU
- FY27 – Fund balance projected at 47.3% of expenditures and OFU

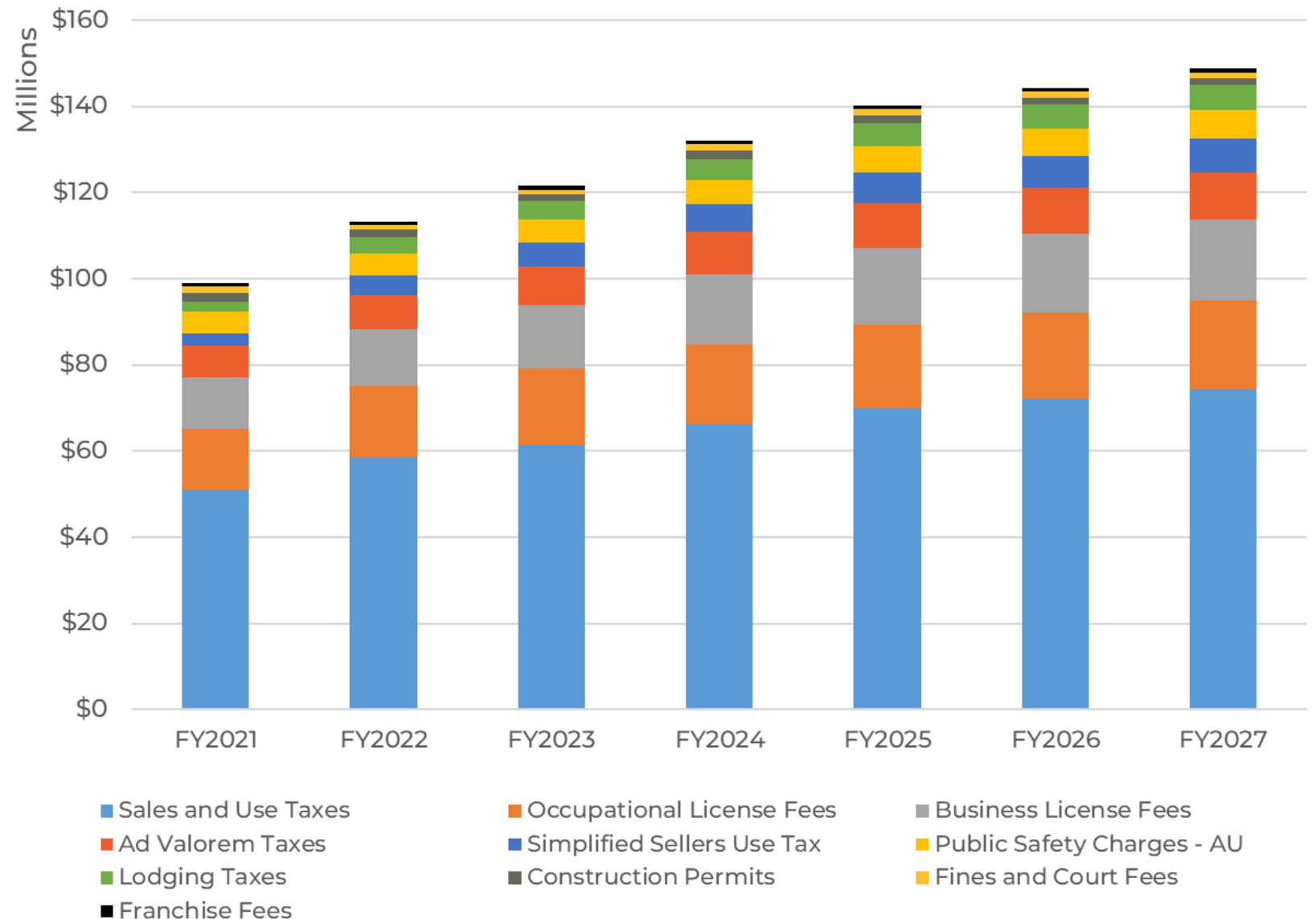
	Audited Actual		Adjusted Budget	Budget	
	FY2023	FY2024	FY2025	FY2026	FY2027
	\$	\$	\$	\$	\$
Beginning fund balance	80,745,891	94,999,379	114,326,448	104,358,414	89,483,064
Revenues	135,518,687	148,379,293	154,386,985	157,924,502	161,789,785
Other financing sources (OFS)	3,023,564	10,923,744	6,745,250	1,011,250	1,017,250
<b>Total revenues &amp; OFS</b>	<b>138,542,251</b>	<b>159,303,037</b>	<b>161,132,235</b>	<b>158,935,752</b>	<b>162,807,035</b>
Expenditures	98,472,647	110,823,149	134,886,899	145,996,602	140,885,249
Other financing uses (OFU)	25,816,116	29,152,819	36,213,370	27,814,500	27,254,313
<b>Total expenditures &amp; OFU</b>	<b>124,288,763</b>	<b>139,975,968</b>	<b>171,100,269</b>	<b>173,811,102</b>	<b>168,139,562</b>
Excess (deficit) of revenues & OFS over expenditures & OFU	14,253,487	19,327,069	(9,968,033)	(14,875,350)	(5,332,527)
Ending fund balance	94,999,379	114,326,448	104,358,414	89,483,064	84,150,537
Less: permanent reserve	4,377,272	4,525,635	4,629,580	4,652,728	4,675,991
<b>Net ending fund balance</b>	<b>90,622,107</b>	<b>109,800,813</b>	<b>99,728,834</b>	<b>84,830,336</b>	<b>79,474,545</b>
Net ending fund balance as a % of expenditures & OFU	72.9%	78.4%	58.3%	48.8%	47.3%



# Revenue Overview

## Top Ten Revenue Sources

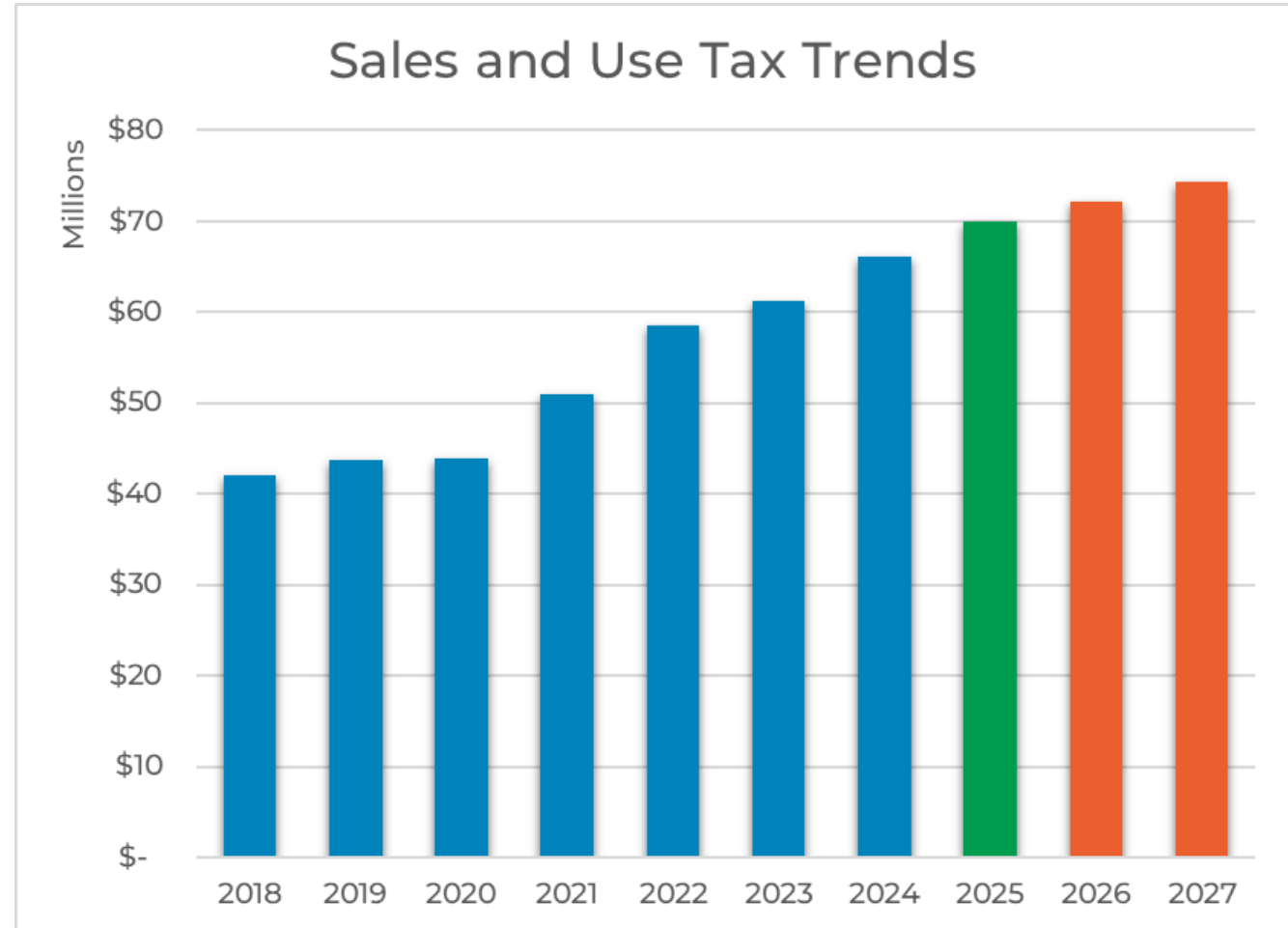
- Sales and Use Taxes
- Occupation License Fees
- Business License Fees
- Ad Valorem Taxes
- Simplified Sellers Use Tax
- Public Safety Charges – AU
- Lodging Taxes
- Construction Permits
- Fines and Court Fees
- Franchise Fees



# Sales and Use Tax

- Total sales tax is 9%  
(4% each for City and State and 1% for Lee County)
- Largest General Fund revenue source **(45–50%)**
- Increased an average of 6.9% for past 10 years<sup>^</sup>
- Heavily impacted by football season (and other AU activities) and commercial development activities
- FY25 projected to end 5.9% higher than FY24
- FY26 and 27 projected to increase 3.0% over the prior year

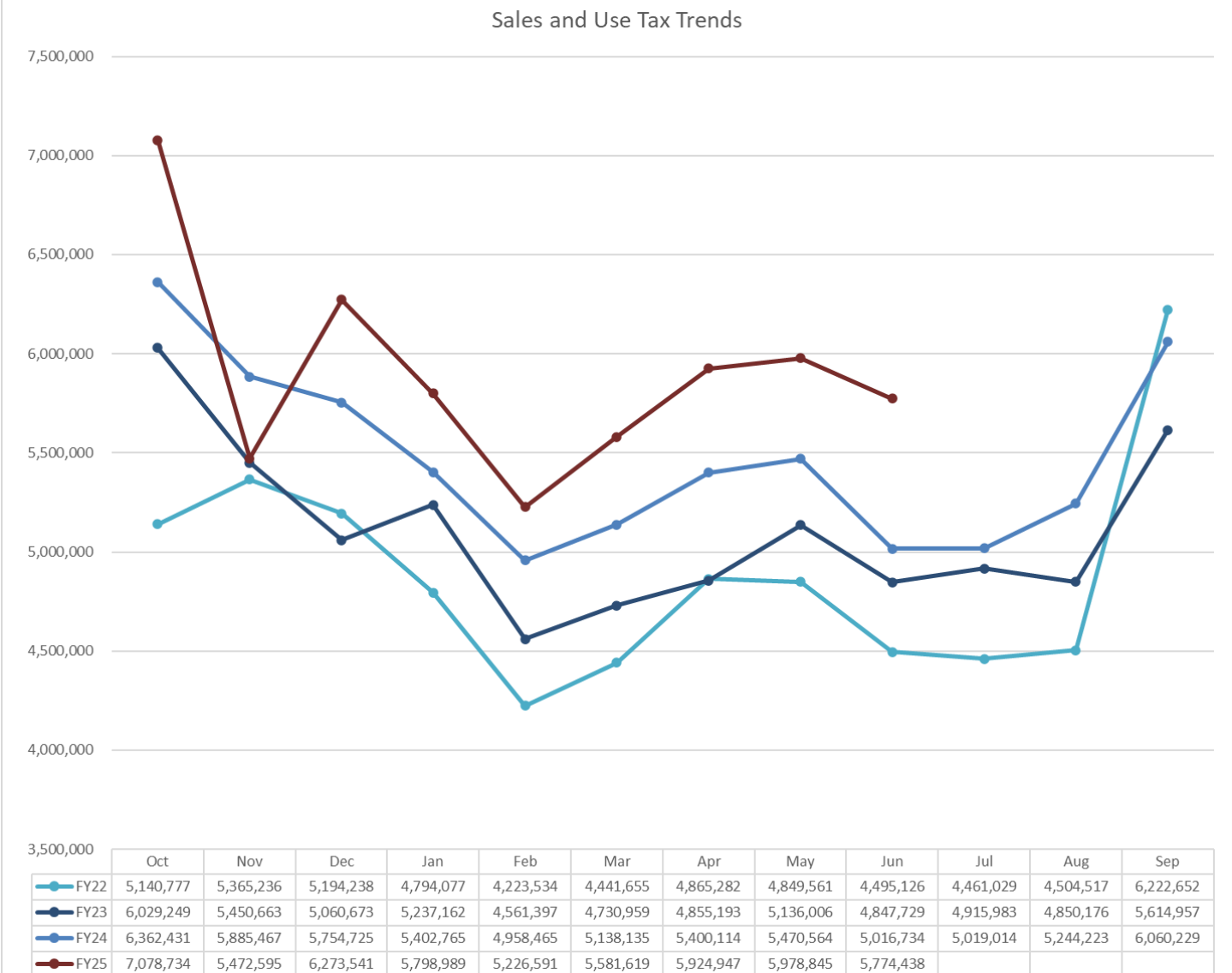
<sup>^</sup> Based on actual for fiscal 2015 through 2024



# Sales and Use Tax

## Collections by Month

- October, November and December heavily affected by Auburn University’s football schedule
- January reflects the Christmas shopping season
- Winter/Spring impacted by the success of Auburn’s basketball season
- June through August have historically been the lowest months for collections

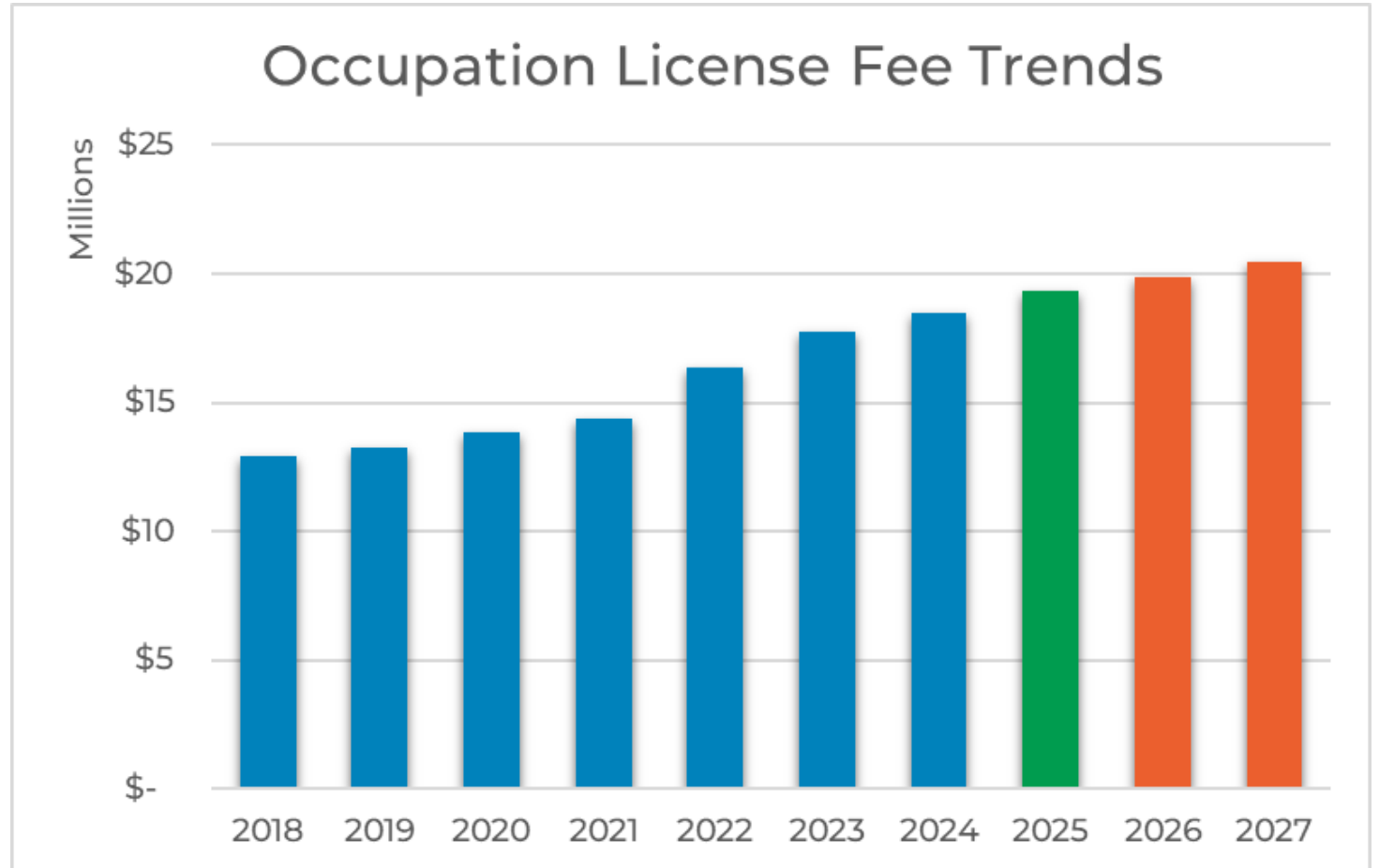


Graph of Monthly Sales and Use Tax Trends

# Occupation License

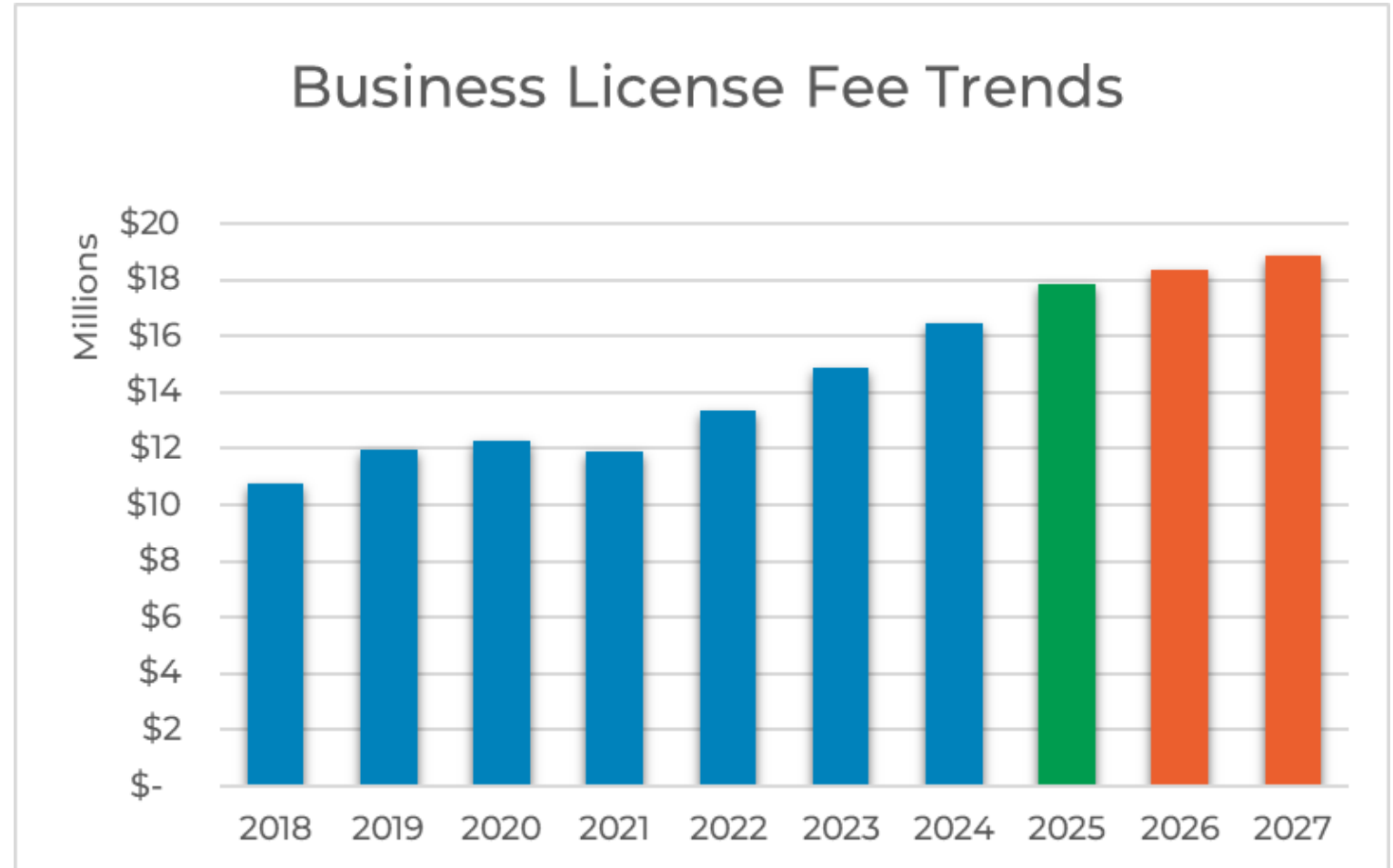
- 1% fee on gross wages of all individuals working within the City
- Second largest General Fund revenue source (12-13%)
- Increased an average of 6.2% for past 10 years<sup>^</sup>
- FY25 projected to be 4.5% higher than FY24
- FY26 and 27 projected to increase 3.0% over the prior year

<sup>^</sup> Based on actual for fiscal 2015 through 2024



# Business License

- Includes four revenue sources
  - General business licenses
  - Residential rental licenses
  - Commercial rental licenses
  - Contractor's licenses
- Third largest General Fund revenue source (11-12%)
- Increased an average of 7.0% for past 10 years<sup>^</sup>
- FY25 projected to be 8.6% higher than FY24
- FY26 and 27 projected to increase 2.8% over the prior year

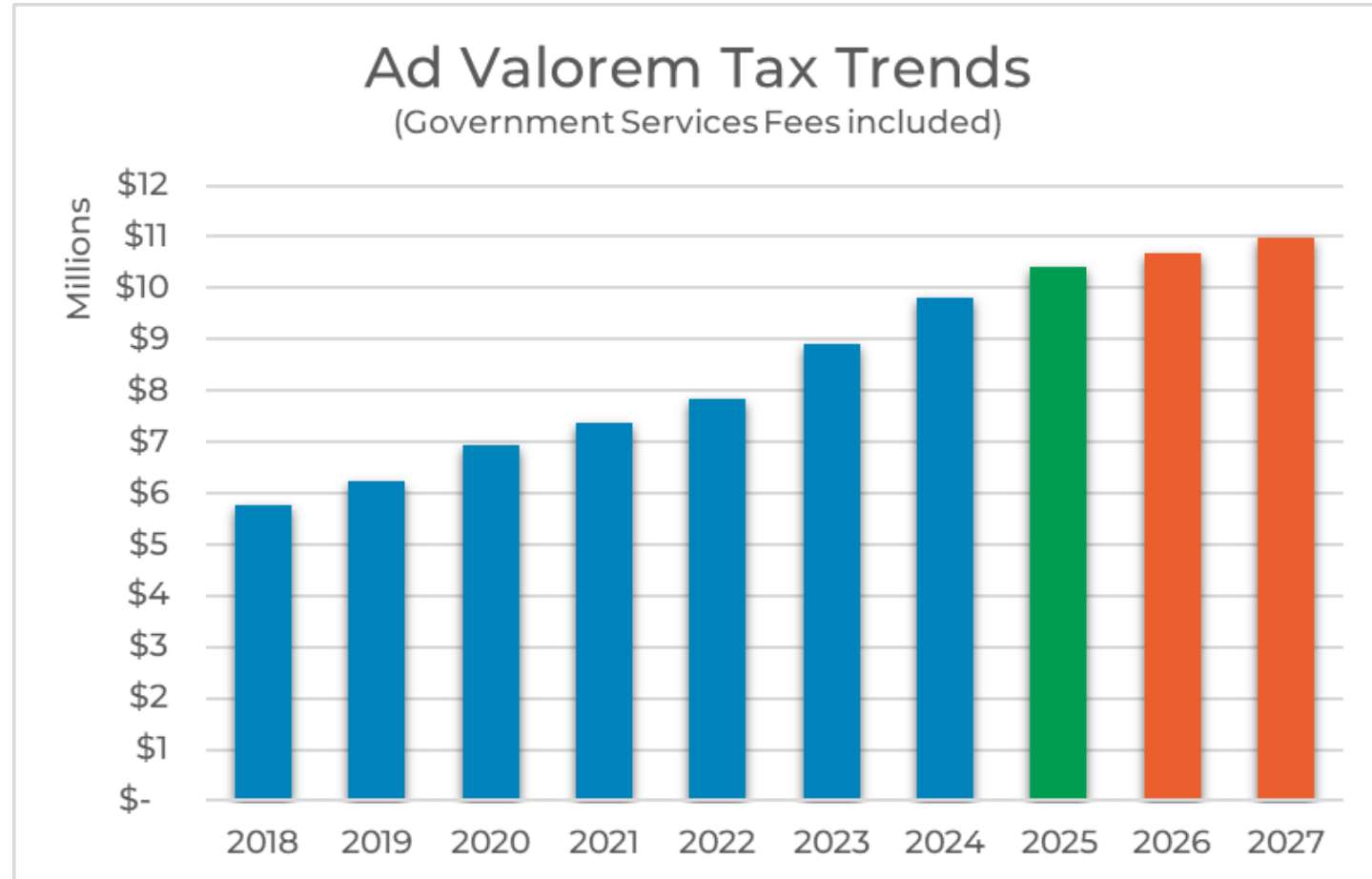


<sup>^</sup> Based on actual for fiscal 2015 through 2024

# Ad Valorem Taxes (Property Taxes)

- Includes real property, motor vehicle personal property and government services fees
- Fourth largest General Fund revenue source **(6-7%)**
- 5 mills for the General Fund
- Generally, the most stable of the top revenue sources (Assessed value growth cap effects)
- Increased an average of 7.9% for past 10 years<sup>^</sup>
- FY25 projected to be 6.0% higher than FY24
- FY26 and 27 projected to increase 2.7% over the prior year

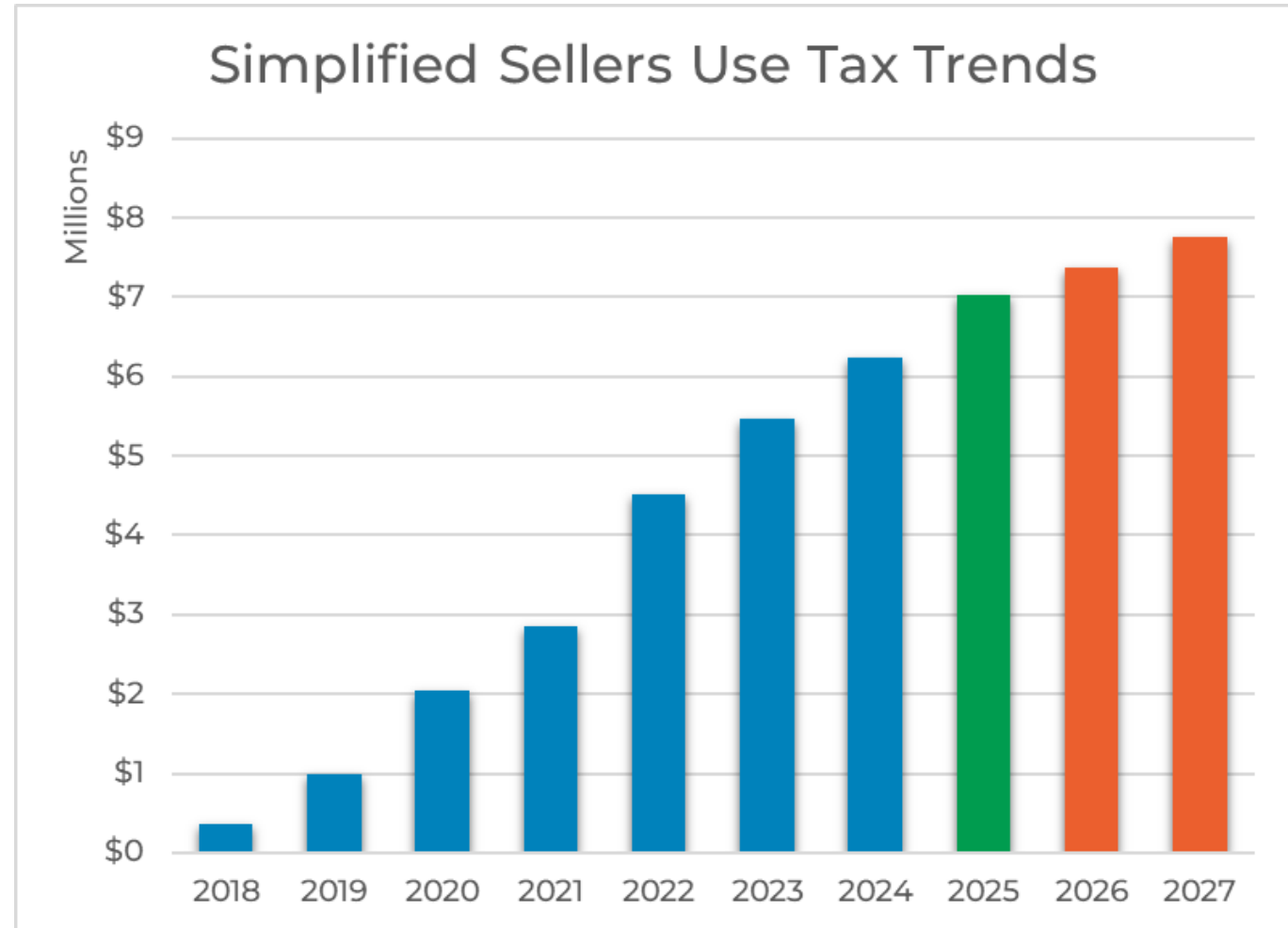
<sup>^</sup> Based on actual for fiscal 2015 through 2024



# Simplified Sellers Use Tax

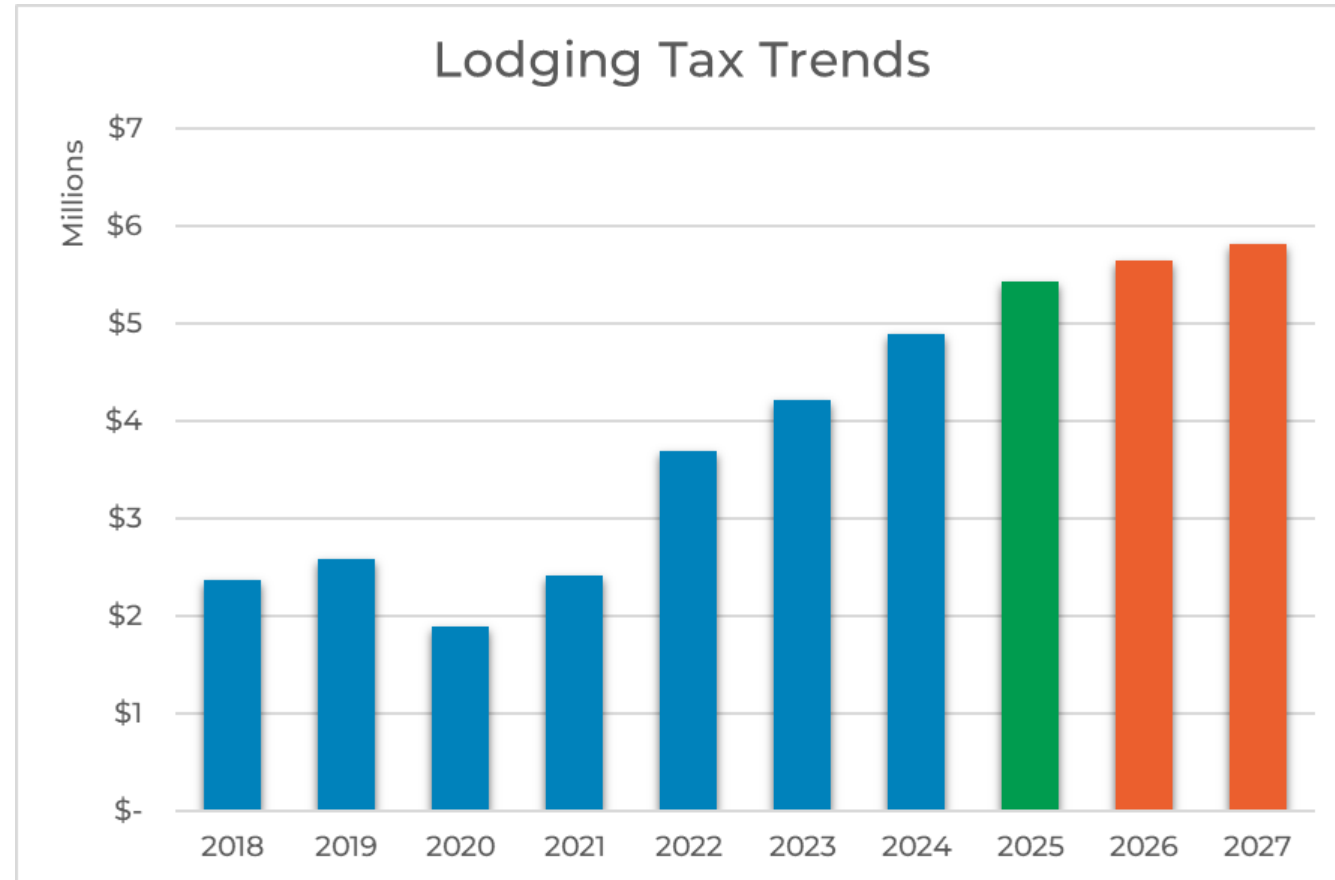
## Act No. 2015-448, as amended

- An 8% tax collected, reported and remitted by remote sellers for sales delivered into the state
- Calculation:
  - 50% - State
  - 50% - Cities (60%) and Counties (40%)
  - Distributed by population
- Updated population per the 2020 Census
- Fifth largest General Fund revenue source (4-5%)
- FY25 projected to be 12.7% higher than FY24
- FY26 and 27 projected to increase 5.0% over the immediate prior year



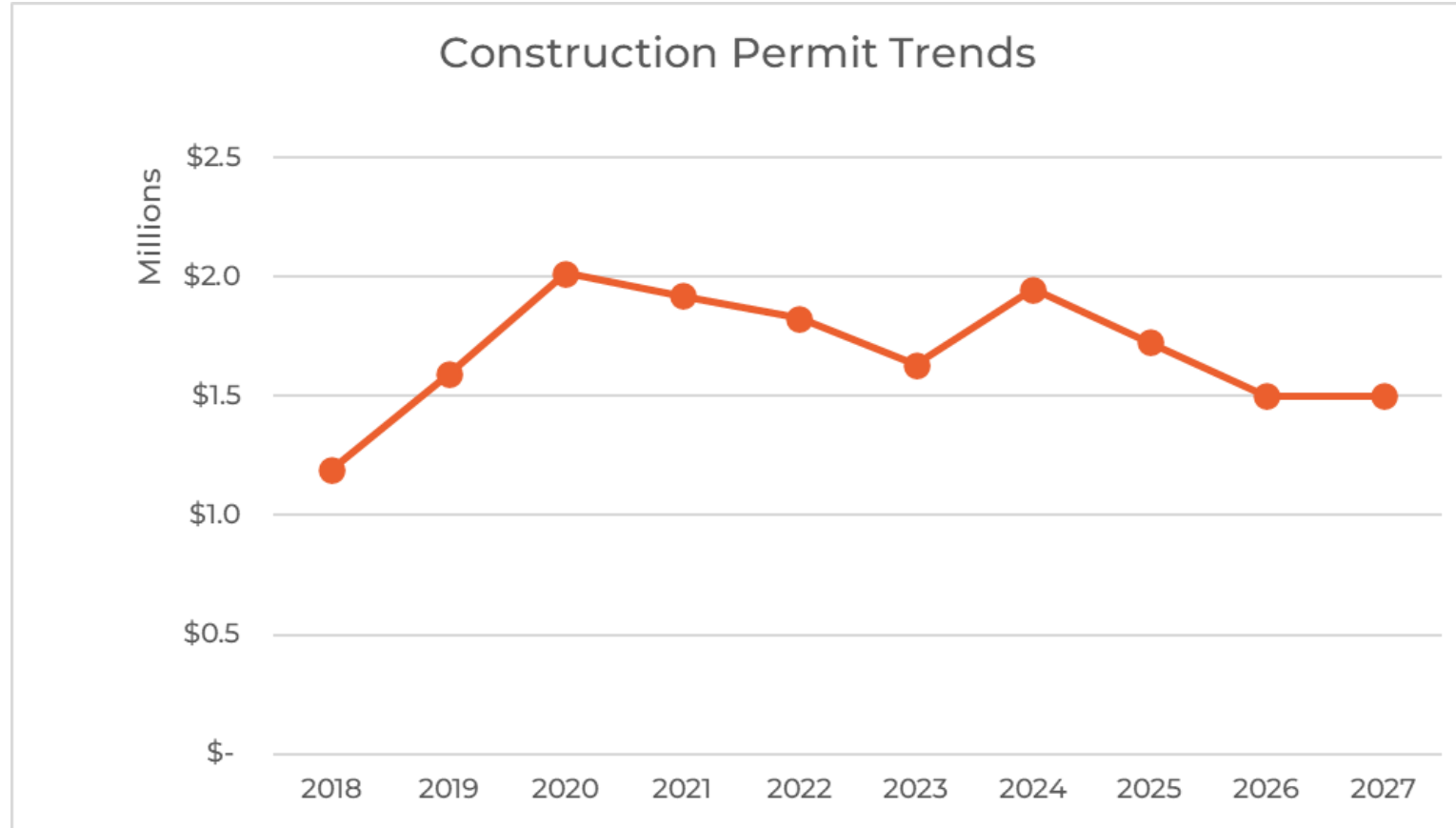
# Lodging Taxes

- Total lodging tax is 13%
  - 7% - City of Auburn
  - 4% - State of Alabama
  - 2% - County (levied by County, collected and administered by Tourism Bureau)
- Seventh largest revenue source for the General Fund (3-4%)
- 1/7 of lodging tax remitted to AO Tourism monthly
- FY25 projected to be 11.2% higher than FY24
- FY26 projected to increase 4.0% over FY25
- FY27 projected to increase 3.0% over FY26



# Construction Permits

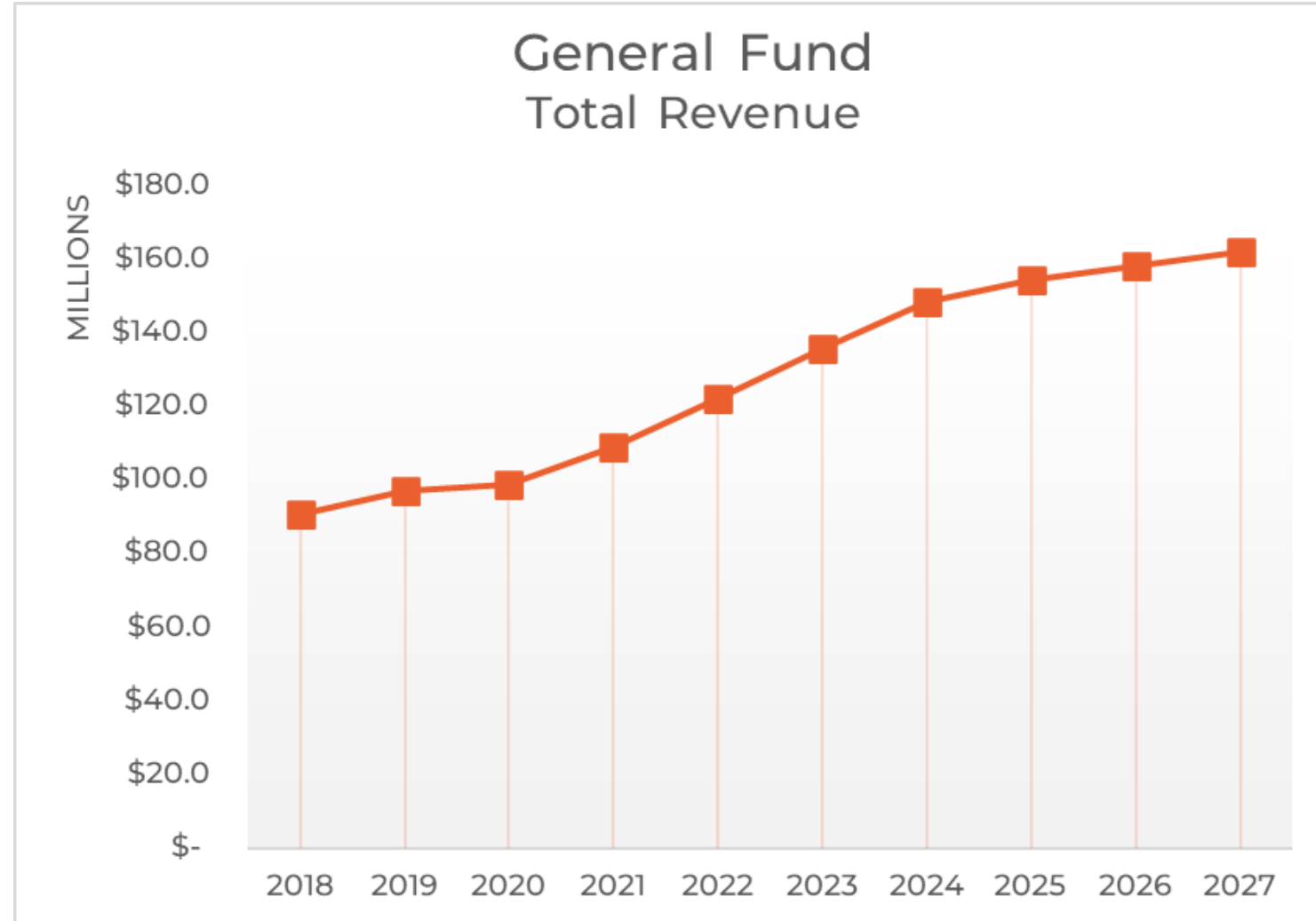
- Eighth largest source of revenue for the General Fund (~1%)
- Volatile revenue source driven by development
- Average revenue of \$1.6 million over past 10 years
- FY25 projected to be 11.4% less than FY24
- FY26 and 27 projected to \$1.5 million based on average above



# Total Revenue

- Average increase of 7.6% over past 10 years<sup>^</sup>
- FY25 projected to be 4.0% higher than FY24
- FY26 projected to increase 2.3% over FY25
- FY27 projected to increase 2.4% over FY26

<sup>^</sup> Based on actual for fiscal 2015 through 2024

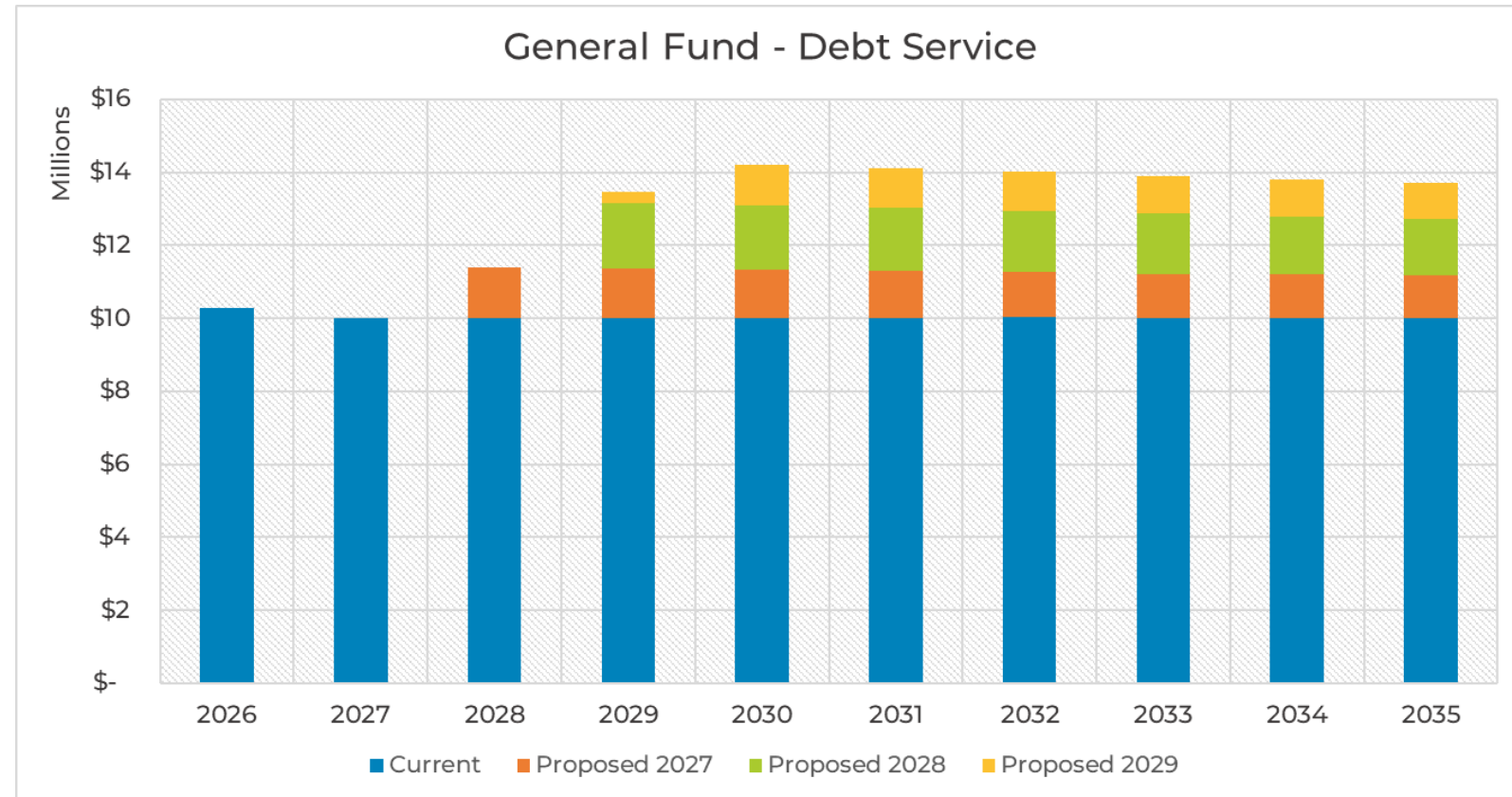




# General Fund Debt Overview

# General Fund Debt – Current and Projected

- Projected Debt
  - 2027 - \$15.2 million (N. Donahue Widening)
  - 2028 - \$20.0 million (Richland Park)
  - 2029 - \$12.6 million (Dean Rd. and Opelika Rd. Intersection and Public Safety Facilities)
- Key indicators
  - Debt service as a % of expenditures and revenues





# Enterprise Funds

## Overview of Sewer and Solid Waste Management Funds

# Sewer Fund

- Enterprise fund that accounts for the City's wastewater function
- The City's second largest fund
- Self-supporting with user charges based on water usage
- Last rate change in October 2012
- Projected net position remains healthy through FY30

	Adjusted Budget	Budget		% Increases		Projected			
	FY2025	FY2026	FY2027	Hist.	Proj.	FY2028	FY2029	FY2030	FY2031
	\$	\$	\$	%	%	\$	\$	\$	\$
Operating revenues	14,013,750	13,991,250	14,244,250	0.8%	2.0%	14,529,135	14,819,718	15,116,112	15,418,434
Operating expenses	11,539,487	12,091,000	12,027,097	6.1%	3.0%	12,387,910	12,759,547	13,142,334	13,536,604
Operating income (loss)	2,474,263	1,900,250	2,217,153			2,141,225	2,060,170	1,973,778	1,881,831
Non-operating revenues (expenses)									
Gain (loss) on disposal of assets	36,700	5,000	5,000	-6.0%	0.0%	5,000	5,000	5,000	5,000
Interest earned	625,000	363,000	156,000	95.2%	0.0%	156,000	156,000	156,000	156,000
Interest & fiscal charges	(335,671)	(391,162)	(718,734)	Amortized sched.		(944,246)	(873,309)	(805,153)	(734,383)
Total non-operating	326,029	(23,162)	(557,734)			(783,246)	(712,309)	(644,153)	(573,383)
Income before transfers & capital contributions	2,800,292	1,877,088	1,659,419			1,357,979	1,347,861	1,329,625	1,308,448
Transfers out	(76,250)	(86,250)	(86,250)	-6.2%	0.0%	(86,250)	(86,250)	(86,250)	(86,250)
Capital contributions from developers	800,000	800,000	800,000	12.0%	0.0%	800,000	800,000	800,000	800,000
Change in net position	3,524,042	2,590,838	2,373,169			2,071,729	2,061,611	2,043,375	2,022,198
Beginning net position	84,624,361	88,148,403	90,739,242			93,112,411	95,184,140	97,245,751	99,289,126
Ending net position	88,148,403	90,739,242	93,112,411			95,184,140	97,245,751	99,289,126	101,311,324

This projection is reported on the full accrual basis. Per Generally Accepted Accounting Practices (GAAP) other sources and uses of funds from capital outlays, debt issuances and debt payments (past, present, and future) are not reflected in the numbers listed above. As a reference, we have included the budgeted and projected amounts below.

Capital Outlays & Projects	5,254,635	15,696,900	12,042,800	930,000	2,930,000	930,000	930,000
Principal Debt Repayment	1,685,700	1,705,700	1,735,700	2,485,700	2,515,700	2,712,269	2,488,500

# Solid Waste Management Fund

- Enterprise fund that accounts for the City's solid waste and recycling functions
- Intended to be self-supporting with user charges
- Last rate change in October 2014
- Rates increasing as of October 1, 2025

	Adjusted Budget	Budget		% Increases		Projected			
	FY2025 \$	FY2026 \$	FY2027 \$	Hist. %	Proj. %	FY2028 \$	FY2029 \$	FY2030 \$	FY2031 \$
Operating revenues	6,000,500	8,332,300	8,498,600	2.8%	2.0%	8,668,572	8,841,943	9,018,782	9,199,158
Operating expenses	7,385,474	7,584,030	7,840,748	6.4%	3.0%	8,075,970	8,318,250	8,567,797	8,824,831
Operating income (loss)	(1,384,974)	748,270	657,852			592,602	523,694	450,985	374,327
Non-operating revenues (expenses)									
Gain (loss) on disposal of assets	5,000	5,000	5,000	-20.0%	0.0%	5,000	5,000	5,000	5,000
Interest earned	7,000	7,000	10,000	11.6%	0.0%	10,000	10,000	10,000	10,000
Total non-operating	12,000	12,000	15,000			15,000	15,000	15,000	15,000
Income before transfers & capital contributions	(1,372,974)	760,270	672,852			607,602	538,694	465,985	389,327
Transfers in	2,000,000	325,000	-	-24.5%	0.0%	-	-	-	-
Transfers out	(55,000)	(100,000)	(100,000)	-24.5%	0.0%	(100,000)	(100,000)	(100,000)	(100,000)
Change in net position	572,026	985,270	572,852			507,602	438,694	365,985	289,327
Beginning net position	1,176,584	1,748,610	2,733,880			3,306,732	3,814,334	4,253,028	4,619,013
Ending net position	1,748,610	2,733,880	3,306,732			3,814,334	4,253,028	4,619,013	4,908,340

This history is reported on the full accrual basis. Per Generally Accepted Accounting Practices (GAAP) other sources and uses of funds from capital outlays are not reflected in the numbers listed above. As a reference, we have included the budgeted and projected amounts below.

Capital Outlays & Projects	1,766,052	1,733,554	736,474			2,542,785	794,045	4,680,900	2,187,500
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# Solid Waste Management Fund

	Actuals	Proposed Budget			Projected	
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Beginning cash	1,834,326	1,173,940	790,264	1,056,980	1,860,358	680,561
<b>Cash Inflows</b>						
Collection fees	5,790,304	5,920,100	8,252,000	8,417,000	8,585,340	8,757,047
Contribution from Gen Fd Recycling Drop-Off	-	-	250,000	250,000	250,000	250,000
All other revenues	115,283	112,750	92,300	93,600	94,900	96,200
<b>Total cash inflows</b>	<b>5,905,587</b>	<b>6,032,850</b>	<b>8,594,300</b>	<b>8,760,600</b>	<b>8,930,240</b>	<b>9,103,247</b>
<b>Total resources available</b>	<b>7,739,913</b>	<b>7,206,790</b>	<b>9,384,564</b>	<b>9,817,580</b>	<b>10,790,598</b>	<b>9,783,808</b>
<b>Cash outflows</b>						
Administration	630,297	714,791	735,548	749,474	761,038	772,949
Recycling	2,472,577	2,770,589	2,890,370	3,083,377	3,247,779	3,345,213
Solid waste	2,569,614	3,020,569	3,096,587	3,188,872	3,356,439	3,457,132
Non-departmental	73,571	89,525	96,525	99,025	101,996	105,056
Transfers out	55,000	55,000	100,000	100,000	100,000	100,000
<b>Total cash outflows before capital projects</b>	<b>5,801,059</b>	<b>6,650,474</b>	<b>6,919,030</b>	<b>7,220,748</b>	<b>7,567,252</b>	<b>7,780,350</b>
Cash available after operating	1,938,854	556,316	2,465,534	2,596,832	3,223,346	2,003,458
Departmental capital outlay	764,914	1,766,052	1,733,554	736,474	2,542,785	794,045
<b>Ending cash before transfer in</b>	<b>1,173,940</b>	<b>(1,209,736)</b>	<b>731,980</b>	<b>1,860,358</b>	<b>680,561</b>	<b>1,209,413</b>
Proposed transfer in from General Fund	-	2,000,000	325,000	-	-	-
<b>Ending cash after transfer in</b>	<b>1,173,940</b>	<b>790,264</b>	<b>1,056,980</b>	<b>1,860,358</b>	<b>680,561</b>	<b>1,209,413</b>
<b>Cash reserves = 1 month operating expenses</b>	<b>483,000</b>	<b>554,000</b>	<b>577,000</b>	<b>602,000</b>	<b>631,000</b>	<b>648,000</b>



Questions?