

001 General Fund

The General Fund supports many of the core city services. These services include police, parks and recreation, traffic management, road maintenance, housing initiatives, economic development, land use and environmental regulation, and animal services. The general government also provides operating subsidies to Star Metro, the city's transit system, Hilaman Golf Course, and the regional transportation planning agency; and contributes tax increment transfers to the Downtown and Frenchtown community redevelopment agencies.

The General Fund appropriation for fiscal year 2008 is \$134,507,004. This is a decrease of \$91,802 below the approved fiscal year 2007 budget, it is approximately \$3.5 million less than initially projected for the fiscal year, and about \$3.0 million less based on current taxable values at the 3.7 millage rate. The primary factor for this reduced budget is the recently enacted state legislation HB 1 B, Property Tax Reduction and Reform, which mandates the rollback of property tax millage rates. Under the bill, the City is also required to implement a 7% reduction, which yields a millage rate of 3.1686.

The tax legislation also provides for a general referendum in January 2008 on the constitutional amendment affecting the valuation of homestead exemptions. While the impact of the amendment is speculative at the present time, it is recognized that annual tax revenues over the next five years will be less than collected in fiscal year 2008. Because of this, the projected budgets for fiscal years 2009-2012 are reflecting deficits.

To adjust for these impacts, the fiscal year 2008 budget reflects the following personnel restructuring, program elimination or reduction, and fee increases:

- Eliminating 17.5 positions,
- Deferring hiring on 24 positions until January 31, 2008 pending the outcome of the general referendum,
- Limiting general employee merit raises to 2.7%, or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2.0% for employees who earn an annual salary of \$50,000 or greater.
- Reducing the General Government Capital Project Account (GG/CPA) transfer for capital projects from \$2,000,000 to \$794,500 by deferring projects or substituting alternate funding,
- Reducing the General Fund contribution to StarMetro by \$80,000,
- Reducing internal service fund allocations by modifying employee programs offered by Human Resources and Equity and Workforce Development, eliminating the City Hall Copy Center, reducing computer maintenance contracts, reduced funding for upgrades to PeopleSoft, and decreasing the parts inventory,
- Decreasing public outreach programs through the elimination of the printed version of CityScope and the WCOT Winter Festival production,
- Reducing donations to the economic development organizations by 10%,
- Decreasing contingency funding from \$100,000 to \$50,000,
- Implementing fee increases for the Lafayette Summer Camp staged over fiscal years 2008 and 2009 and for the summer playground program effective fiscal year 2008,
- Increasing Tennis program fees by 10% in FY08 to generate an additional \$8,000 in revenue, and 10% in FY09 to generate an additional \$16,000,
- Closing the Hilaman pool,
- Deleting one day time security guard in City Hall,
- Privatizing street resurfacing,
- Increasing lot mowing fees for \$2,000 in revenue,
- Eliminating the CRA interest payment and the refund to the Deficiencies Fund for the Danfoss Turbocor repayment,
- Eliminating one-half of the DARE program funding, while returning five sworn officers to patrol duties in the Police Department, and
- Reducing staff and programs in charter and appointed officials' departments.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

001 General Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	73,286,659	73,712,616	76,282,755	78,783,986	81,026,970	83,340,347	85,673,715
Operating	8,166,326	9,014,224	12,221,379	12,911,493	13,310,934	13,557,918	13,607,441
Other Services & Charges	2,175,414	2,235,190	2,451,646	2,501,646	2,501,646	2,501,646	2,501,646
Capital Outlay	435,899	413,346	294,100	244,100	244,100	244,100	244,100
Allocated Accounts	17,623,525	18,285,738	18,529,876	19,292,324	19,979,193	20,821,475	21,402,451
Utilities and Other Expenses	4,602,727	4,701,230	4,142,811	4,558,579	4,659,959	4,761,319	4,825,181
Transfers	13,883,385	14,110,547	11,579,151	11,884,534	12,622,588	13,724,838	15,685,967
Contributions to Operations	7,475,313	8,517,236	9,005,286	9,164,535	9,457,051	9,531,244	9,731,588
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Taxes & Franchise Fees	50,121,456	57,740,763	59,207,291	54,168,851	56,518,613	58,673,155	60,922,133
Licenses & Permits	6,057,576	4,298,081	4,437,321	4,676,116	4,784,900	4,869,976	4,955,771
Intergovernmental Revenue	16,469,904	16,655,184	16,795,722	17,134,992	17,547,569	17,967,915	18,407,331
Charges for Services	6,872,013	7,114,437	7,605,669	7,791,105	7,937,570	8,087,437	8,242,163
Fines & Forfeitures	1,329,181	1,248,500	1,323,500	1,337,500	1,351,745	1,366,239	1,380,987
Other Revenues	10,814,624	11,010,253	11,446,960	11,738,015	12,040,593	12,342,333	12,704,714
Other Sources	35,984,494	32,922,909	33,690,541	34,644,815	35,709,952	36,859,459	37,727,300
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>127,649,248</u>	<u>130,990,127</u>	<u>134,507,004</u>	<u>139,341,197</u>	<u>143,802,441</u>	<u>148,482,887</u>	<u>153,672,089</u>
Fund Total Revenue	<u>127,649,248</u>	<u>130,990,127</u>	<u>134,507,004</u>	<u>131,491,394</u>	<u>135,890,942</u>	<u>140,166,514</u>	<u>144,340,399</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>-7,849,803</u>	<u>-7,911,499</u>	<u>-8,316,373</u>	<u>-9,331,690</u>

Fund Expenditures

Expenditure projections are developed by eight major categories. Historically, personnel costs represent the fund's largest direct expenditure and account for a significant percentage of the Allocated Accounts category. The next largest expenditure category is Transfers, which includes the general government capital projects account and debt service.

The Personnel Services category, budgeted at \$76.3 million, supports the 1,154.62 FTE positions that implement general government services and programs. Seventeen and one-half positions have been eliminated and the hiring of another twenty-four vacant positions is deferred until January 31, 2008.

Assumptions for personnel services are as follows: salaries for general employees are adjusted for a 2.21% merit salary enhancement in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the current cost of other post employee benefits for retirees is budgeted on a cash basis, while a portion of the present value of other post employment benefits for current employees is budgeted.

Operating expenditures are generally held at the fiscal year 2007 appropriation levels. Exceptions are made for contractual service agreements with escalation clauses. One significant increase is the budgeting of \$1.34 million to partially fund a liability for post employee benefits as required under GASB No. 45. As part of the cost containment efforts in response to property tax reform, program reductions include closing the Hilaman Pool, reducing public outreach programs in the Communications department, deleting one day time security guard, and, privatizing street resurfacing.

001 General Fund

In the Other Services and Charges category, both donations to outside agencies and the contingency set aside have been reduced from the fiscal year 2007 levels. The contingency set aside is decreased from \$100,000 to \$50,000. Following the annual review of non-collectible accounts, funding for bad debt is equal to last year's appropriation.

The Capital Outlay category provides funding for fixed assets that have a value of \$750 or more and have a useful life of more than one year. Typical expenditures include the purchase of new vehicles, heavy equipment, and computers not covered in the Fleet and Information Systems and Services (ISS) allocations. In fiscal year 2008, the major expenses are related to replacement equipment for park maintenance, street maintenance, and new equipment for the homeland security unit in the Police Department.

Allocated accounts budget for internal services that are driven primarily by personnel expenditures. In keeping with the general reduction strategies, select employee programs (Benefits Bandstand venue, Rewards and Recognition, Wellness Program, Senior Management Training, and Tuition Reimbursement) offered by Human Resources and Equity and Workforce Development are being modified or eliminated. The City Hall copy center will be eliminated and in Fleet the inventory of on-hand parts is being reduced. Additionally, contracts for computer software upgrades and hardware maintenance are being adjusted in Accounting and ISS.

The Utilities and Other Expenditures category reflects the city's costs for electricity and other utilities. Electric rates will increase by 10.6% in fiscal year 2008 and sewer rates will increase by 12.2%. A rate study is proposed for the water utility and it is anticipated that water and sewer rates will change during the year.

Transfers include debt service, cash financing of capital projects, and services offered by Public Works to external governmental agencies. Debt service, at \$10,475,804, is based on debt for bonds issued through 2004, loans from internal sources, and the Sunshine State Governmental Finance Commission (SSGFC). Based on the Capital Improvement Plan, new debt is anticipated in 2011. Cash financing for capital projects, the GG/CPA transfer, is reduced from \$2,000,000 to \$794,500. Public Works anticipates performing services amounting to \$308,847 for external agencies in fiscal year 2008.

Contributions to Operations include coverage of operating deficits in the StarMetro and Hilaman Golf funds, pass through of tax increment funds to the Frenchtown and Downtown Community Redevelopment Agencies (CRA), and the City's pro rata share of the Capital Regional Transportation Planning Agency (CRPTA). The operating deficit for StarMetro is \$7,661,518, while the deficit for Hilaman is estimated at \$170,838. In addition to the elimination of the interest transfer to the Downtown CRA, the tax increments for both redevelopment agencies will be less than originally projected due to the millage rollback. The city's share for CRPTA is \$16,355.

Fund Revenues

Property taxes represent the largest source of General Fund revenues. As the result of phenomenal construction growth and rising property values, revenues from this source exceeded \$35 million in fiscal year 2007 and were expected to continue at a rate of 7-8% annually. However, in July 2007, the Florida Legislature enacted the Property Tax Reduction and Reform Bill, which initiated tax rollback millage impacting the Calendar Year 2007 taxes. As a result, the City is mandated to reduce its millage rate of 3.7 mill to a rate of 3.1686 mills. While this rate will yield \$34,358,883, approximately \$800,000 less than the amount received in fiscal year 2007, it is nearly \$3.0 million less than anticipated under the former millage rate. The impact of the January 2008 referendum, or Legislative action, on valuation of homestead exemptions is speculative but current estimates project further reductions of approximately \$7.8 million in fiscal year 2009.

The City-owned utilities make contributions to the General Fund from their operations. The electric contribution is set at an amount comparable to 8.3 mills of kilowatt hour (kWh) retail sales. The contribution levels for water and sewer are based on a percentage of the prior three-year average of gross system revenues from each utility. The percentage is set at 20% for water and 4.5% for sewer. A rate study will be conducted for the utilities in FY08 and it is likely that rates will increase. However, rates changes will not impact the General Fund transfers until fiscal year 2009. The solid waste contribution also is calculated at 0.75% of the prior three-year average of

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

001 General Fund

system revenues. The contribution from gas is not related to sales and is set at a fixed rate of \$2,323,000, an increase of \$23,000 from FY07. Currently, Stormwater does not make a contribution.

Intergovernmental revenue is budgeted at \$16,795,722, just 0.008% above fiscal year 2007 revenues. State revenue sharing program receipts are approximately the same as last year and lack of growth is attributed to a statewide decline in the housing industry, as a result of fewer new home starts, and dwindling repair and replacement cost from hurricanes. Federal grant proceeds also are essentially the same as fiscal year 2007 with little expectation for significant increases over the next few years.

Revenues from licenses and permits are comprised of occupational licenses and land use environmental fees (LUES). Growth Management LUES programs also are supplemented by a transfer from the Stormwater Fund, which supports two positions in that section.

Charges for Services captures those revenues that are generated by specific activities such as recreation program fees, contractual police services, planning fees, parking, animal services, public works programs, and interlocal agreements with Leon County. The interlocal agreements with the county support operations of the Tallahassee-Leon County Planning Department, the Animal Services Center, and parks and recreation programs.

Revenues of approximately \$11.4 million are projected from miscellaneous, non-operating sources. These include interest on city investments, applied expenses for the wages of city employees whose work is primarily related to capital projects, overhead allocations to other funds, lease of land, and rental of buildings.

Fines and forfeitures account for approximately \$1.3 million of the general fund. This category has experienced little growth in the past two years primarily due to implementation of Article V, which changed the distribution formula and reduced the percentage of traffic fines received by municipalities from the state. Despite local growth and increasing venues for use of downtown parking, parking fines – and to some degree revenues from parking meters and garages – have remained constant. This is largely attributed to the new parking garage on the northeast perimeter of Florida State University.

Capital Projects Operating Budget Impacts

There are no operating impacts from capital projects in fiscal year 2008. Parks and Recreation and Public Works indicate impacts in future years, but these will be reviewed during the appropriate budget year.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

001 General Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services-95 percent & 90 percent of budget	2,570,789	-15,016	0	0	0	0	0
Salaries	49,077,838	51,905,019	53,657,010	55,536,068	57,232,303	58,957,972	60,719,139
Capitalized Wages	-2,504,971	-2,646,575	-3,029,667	-3,103,141	-3,210,990	-3,296,259	-3,377,126
Salary Enhancements	0	0	1,473,490	1,656,798	1,707,595	1,759,257	1,811,943
Temporary Wages	3,898,323	3,973,538	3,850,492	3,823,102	3,825,167	3,840,375	3,840,375
Overtime	3,362,721	3,640,986	3,576,455	3,576,455	3,576,455	3,576,455	3,576,455
Capitalized Overtime	-372,728	-339,716	-348,855	-358,111	-365,711	-374,311	-384,911
Other Salary Items	819,369	841,116	918,652	918,652	918,652	918,652	918,652
Unemployment Compensation	56,789	82,688	86,822	91,163	95,721	95,721	95,721
Pension- Current	5,481,516	5,813,165	6,149,611	6,328,769	6,519,056	6,712,940	6,911,157
Pension- MAP	2,473,349	2,596,376	2,718,193	2,801,737	2,887,773	2,974,707	3,063,049
Social Security	9,926	12,997	11,912	12,269	14,968	16,382	16,874
Mandatory Medicare	670,588	685,116	643,609	662,193	682,063	702,412	722,944
Health Benefits	5,060,143	5,189,762	6,138,236	6,442,572	6,783,837	7,133,745	7,490,975
Health Benefits-Retirees	1,164,038	439,312	409,329	421,609	434,257	447,285	447,285
Flex Benefits	1,518,969	1,533,848	1,667,090	1,668,402	1,672,338	1,674,306	1,674,306
Vacancy factor of 3.5%	0	0	-1,639,624	-1,694,551	-1,746,514	-1,799,292	-1,853,123
Personnel Services	73,286,659	73,712,616	76,282,755	78,783,986	81,026,970	83,340,347	85,673,715
Advertising	160,018	181,737	163,465	163,465	163,465	163,465	163,465
Cleaning & Laundry	168,766	161,741	201,408	201,408	201,408	201,408	201,408
Reproduction	147,055	187,321	226,787	226,837	226,887	226,937	226,987
Unclassified Professional Svcs	366,337	325,618	1,613,109	2,040,262	2,069,255	2,099,250	2,130,342
System Dispatch Services	237	0	0	0	0	0	0
System Collection	-1	0	0	0	0	0	0
Building Repairs	142,129	162,524	153,008	153,008	153,008	153,008	153,008
Equipment Repairs	214,897	254,779	312,279	312,429	312,429	312,429	312,429
Medical Services	23,766	18,815	28,288	28,288	28,288	28,288	28,288
Educational Services	901	0	21,000	21,000	21,000	21,000	21,000
Engineering Services	0	0	500	500	500	500	500
Legal Services	190,114	225,200	164,904	173,068	181,477	190,138	190,138
Construction Services	0	49,150	0	0	0	0	0
Unclassified Contract Svcs	2,603,522	3,272,357	3,796,706	4,134,804	4,475,390	4,630,930	4,640,840
Computer Software	108,357	79,059	137,800	138,100	138,409	138,727	138,727
Garage Employee Parking	216,673	210,395	210,395	210,395	210,395	210,395	210,395
Telephone	195,772	146,790	259,794	259,971	260,151	260,231	260,231
Chem-Med-Lab	147,109	120,009	140,052	140,052	140,052	140,052	140,052
Food	61,120	71,841	53,007	53,007	53,007	53,007	53,007
Gasoline	1,498	5,388	9,710	10,195	10,708	10,708	10,708
Oil & Lubricants	2,603	2,435	1,200	1,200	1,200	1,200	1,200
Postage	25,880	17,189	30,463	30,463	30,463	30,463	30,463
Office Supplies	356,375	340,492	337,109	337,448	337,797	338,157	338,157
Uniforms & Clothing	180,696	285,263	260,225	260,225	260,225	260,225	260,225
Unclassified Supplies	1,695,901	1,608,063	2,118,000	2,144,600	2,158,781	2,189,286	2,193,638
Non-Capitalized Furniture	22,301	3,502	710	710	710	710	710
Vehicle- Non-Garage	0	15,139	15,139	15,139	15,139	15,139	15,139
Building Supplies	76,025	83,553	69,761	69,761	69,761	69,761	69,761
Safety Materials & Supplies	-74	0	0	0	0	0	0
Travel & Training	355,655	325,702	363,893	363,893	363,893	363,893	363,893
Journals & Books	87,900	91,213	92,618	94,058	95,541	112,369	112,369
Memberships	132,740	150,332	156,092	158,626	161,260	163,869	166,275
Certificates & Licenses	225	0	0	0	0	0	0
Rent Expense- Bldg & Ops	79,863	100,685	725,787	609,466	609,466	609,466	609,466
Rent Expense- Land	135,565	138,947	155,306	155,306	155,306	155,306	155,306
Rent Expense- Machines	127,863	181,208	159,596	159,596	159,596	159,596	159,596
Unclassified Charges	138,538	197,777	243,268	244,213	245,967	248,005	249,718
Operating	8,166,326	9,014,224	12,221,379	12,911,493	13,310,934	13,557,918	13,607,441
Donations	2,076,914	2,140,190	2,306,646	2,306,646	2,306,646	2,306,646	2,306,646
Bad Debt Expense	95,000	95,000	95,000	95,000	95,000	95,000	95,000
City Contingency	3,500	0	50,000	100,000	100,000	100,000	100,000
Other Services & Charges	2,175,414	2,235,190	2,451,646	2,501,646	2,501,646	2,501,646	2,501,646

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

001 General Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Building & Structures	5,200	0	0	0	0	0	0
Office Equipment	26,171	0	12,400	10,000	10,000	10,000	10,000
Computer Equipment	9,436	-236	0	0	0	0	0
Vehicle Equipment	103,865	175,676	0	0	0	0	0
Unclassified Equipment	291,227	237,906	281,700	234,100	234,100	234,100	234,100
Capital Outlay	435,899	413,346	294,100	244,100	244,100	244,100	244,100
Human Resource Expense	1,374,676	1,760,648	1,712,792	1,764,176	1,817,101	1,871,614	1,927,763
Accounting Expense	1,490,615	1,255,821	1,036,218	1,067,304	1,099,323	1,132,303	1,166,272
Purchasing Expense	959,433	816,551	766,867	789,873	813,569	837,976	863,116
Information Systems Expense	5,249,915	6,591,140	7,196,436	7,412,329	7,634,699	7,863,740	8,099,652
Risk Management Expense	2,341,304	2,665,658	2,422,239	2,495,410	2,570,777	2,648,404	2,728,361
Radio Communications Expense	324,651	457,742	468,549	482,605	497,084	511,996	527,356
Revenue Collection Expense	684,041	911,514	855,259	880,917	907,344	934,565	962,602
Utility Services Expense	909,432	63,609	130,438	134,351	138,382	142,533	146,809
Vehicle Garage Expense	3,461,720	2,917,299	3,116,937	3,210,445	3,306,758	3,405,961	3,508,140
Vehicle Replacement	827,738	845,756	824,141	1,054,913	1,194,156	1,472,382	1,472,382
Allocated Accounts	17,623,525	18,285,738	18,529,876	19,292,324	19,979,193	20,821,475	21,402,451
Utilities - Sewer	78,566	102,054	117,073	117,820	119,071	120,379	120,379
Utilities - Sanitation	126,127	196,103	160,226	160,319	160,415	160,514	160,514
Utilities - Stormwater	129,751	131,108	131,971	138,203	144,330	148,885	148,885
Utilities - Gas	191,539	215,746	219,240	222,849	225,458	226,712	226,712
Utilities - Water	204,094	211,135	204,427	207,215	209,887	212,769	212,769
Utilities - Electric	3,775,464	3,765,610	3,230,401	3,638,176	3,726,240	3,817,502	3,881,364
Utilities - Fire Services	54,530	63,143	64,539	65,063	65,624	65,624	65,624
COGS - Other	42,656	16,331	14,934	8,934	8,934	8,934	8,934
Utilities and Other Expenses	4,602,727	4,701,230	4,142,811	4,558,579	4,659,959	4,761,319	4,825,181
Debt Service Transfer	10,106,533	10,651,206	10,475,804	10,325,687	10,313,741	11,415,991	13,377,120
Inter-Fund Transfer	3,776,852	3,459,341	1,103,347	1,558,847	2,308,847	2,308,847	2,308,847
Transfers	13,883,385	14,110,547	11,579,151	11,884,534	12,622,588	13,724,838	15,685,967
Contribution to StarMetro Fund	6,119,418	6,934,172	7,661,518	7,858,847	8,159,859	8,179,923	8,326,493
Contribution to Golf Course	210,880	243,259	170,838	85,733	24,655	24,127	21,086
Contribution to CRA Frenchtown	444,672	582,516	699,489	720,474	742,088	764,351	787,282
CRA Downtown Interest Fund	583,431	503,196	0	0	0	0	0
Contribution to CRA Downtown	85,502	204,093	457,086	479,940	503,937	529,134	555,591
Transfer to MPO Fund	31,410	50,000	16,355	19,541	26,512	33,709	41,136
Contributions to Operations	7,475,313	8,517,236	9,005,286	9,164,535	9,457,051	9,531,244	9,731,588
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Ad Valorem Property Tax	30,190,596	35,425,756	34,358,883	28,481,848	30,019,867	31,445,811	32,939,487
Electricity Tax	9,108,054	10,900,000	12,808,100	13,355,200	13,889,300	14,421,700	14,986,800
Telephone Tax	63	0	0	0	0	0	0
Water Tax	1,422,674	1,534,000	1,608,816	1,762,454	1,888,929	1,954,397	2,009,953
Gas Tax	918,272	1,022,507	1,238,564	1,216,286	1,200,324	1,165,223	1,131,148
Fuel Oil Tax	3,269	8,500	3,500	3,500	3,500	3,500	3,500
Propane Tax	252,114	250,000	272,020	276,100	284,445	288,711	293,041
Communication	8,226,414	8,600,000	8,917,408	9,073,463	9,232,248	9,393,813	9,558,204
Taxes & Franchise Fees	50,121,456	57,740,763	59,207,291	54,168,851	56,518,613	58,673,155	60,922,133

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

001 General Fund

<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Occupational Licenses	1,654,237	1,791,472	1,891,472	2,100,000	2,150,000	2,200,000	2,250,000
Taxi Cab Permits	6,673	7,400	7,400	7,400	7,400	7,400	7,400
Loading Zone Permits	16,375	16,500	16,500	16,500	16,500	16,500	16,500
Building Permits	2,344,768	0	0	0	0	0	0
Environmental Permits	1,161,951	1,537,912	1,590,483	1,613,863	1,659,695	1,687,246	1,715,254
Contractor Licensing- Growth	24,438	0	0	0	0	0	0
Land Use Fees- Growth Mngmt	433,847	550,000	550,000	550,000	550,000	550,000	550,000
Environmental Analysis I	82,019	97,000	81,544	83,150	84,730	86,383	88,171
Environmental Analysis II	36,816	39,000	39,000	39,000	39,000	39,000	39,000
Concurrency Fees	287,511	248,797	253,922	259,203	270,575	276,447	282,446
Environmental Variance Funds	6,580	10,000	7,000	7,000	7,000	7,000	7,000
Internet Permitting-Growth Mgt	2,361	0	0	0	0	0	0
Licenses & Permits	6,057,576	4,298,081	4,437,321	4,676,116	4,784,900	4,869,976	4,955,771
FEMA Grant Award	251	0	0	0	0	0	0
HUD- Community Dvlpmnt Block	424,194	392,797	392,091	406,783	420,500	429,410	438,410
HUD- Home Program	126,117	110,715	109,886	114,355	117,925	120,071	122,142
FDOT Grant Revenue	0	83,481	31,850	0	0	0	0
FL Housing Fin Agncy SHIP	123,532	122,800	159,258	122,800	122,800	122,800	122,800
Southwood Golfcart Ord. Reg. Ree	0	150	0	0	0	0	0
State of FL Revenue Sharing	5,348,417	5,325,000	5,507,082	5,713,844	5,924,299	6,145,520	6,382,505
Mobile Hm License City Share	60,874	67,000	67,000	67,000	67,000	67,000	67,000
Beverage License	103,106	112,000	112,000	112,000	112,000	112,000	112,000
Florida 1/2 Cent Sales Tax	10,106,451	10,200,000	10,237,725	10,416,885	10,599,181	10,784,666	10,973,398
Leon Cnty-Transportation Pro	4,542	0	0	0	0	0	0
City Share County Occ. Licen	153,023	140,000	142,590	145,085	147,624	150,208	152,836
Payment in Lieu of Taxes	19,397	101,241	36,240	36,240	36,240	36,240	36,240
Intergovernmental Revenue	16,469,904	16,655,184	16,795,722	17,134,992	17,547,569	17,967,915	18,407,331

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

001 General Fund

<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Planning Fees- Rezoning	48,899	59,000	140,000	140,000	140,000	140,000	140,000
Co Share of Co Employees	204,021	160,000	146,132	150,516	155,031	159,682	164,473
Co Contrib w/o Co Empl	627,026	650,000	704,954	726,103	747,886	770,322	793,432
Leon Co Rent and O&M	31,547	31,674	30,265	30,284	30,284	30,284	30,284
Leon County Rent/Planning	15,652	0	0	0	0	0	0
Legal Fees-Blueprint	33,675	0	0	0	0	0	0
Police Protection	1	0	0	0	0	0	0
Police Sec FSU/FAMU Football	115,750	154,250	154,250	154,250	154,250	154,250	154,250
Police - Fingerprint Fees	16,520	13,000	13,000	13,000	13,000	13,000	13,000
Other Miscellaneous Revenue	0	2,000	2,000	2,000	2,000	2,000	2,000
Parking Meter Receipts	326,983	260,000	275,000	275,000	275,000	275,000	275,000
Parking Lot Proceeds	90,740	70,356	97,500	97,500	97,500	97,500	97,500
DIA Garage Revenue	637,346	650,000	650,000	650,000	650,000	650,000	650,000
Capital Commons Garage	354,169	370,000	407,720	415,752	423,651	431,913	440,336
Lot Mowing & Clearing	6,480	7,150	9,000	9,000	9,000	9,000	9,000
Install New Signals-Developer	0	4,200	0	0	0	0	0
Traffic Signal Control Maint	61,620	62,160	62,160	63,164	64,151	65,184	66,237
FDOT ROW Maintenance Contrac	614,599	623,200	641,144	641,144	641,144	641,144	641,144
Leon County Street Sweeping	42,450	25,000	0	0	0	0	0
Concurrency Counts - PW	52,968	39,726	52,968	52,968	52,968	52,968	52,968
Leon County Traffic Systems	10,000	0	0	0	0	0	0
FSU Traffic Service - PW	15,016	17,500	17,500	17,500	17,500	17,500	17,500
FSU-Maint of Traffic Signals	7,647	5,481	7,308	7,740	7,956	8,172	8,424
FDOT-Maint of Traffic Signal	217,242	226,465	224,000	231,000	238,000	245,000	252,200
Gadsden Cty-Maint of Traff S	2,919	2,434	2,508	2,580	2,652	2,724	2,809
Animal Shelter Operations	9,007	0	0	0	0	0	0
Animal Shelter- Adoptions	113,453	120,000	200,000	202,500	205,000	207,500	210,000
Animal Shelter- ARV	3,720	4,700	3,569	3,639	3,708	3,781	3,859
Animal Shelter- Bite Boardin	3,506	6,600	5,000	5,000	5,000	5,000	5,000
Animal Shelter- Board	14,791	16,700	16,650	16,978	17,301	17,638	18,003
Animal Shelter- Forfeited De	0	10,250	0	0	0	0	0
Animal Shelter- City Impound	11,000	15,000	12,000	12,236	12,469	12,712	12,975
Animal Shelter- Miscellaneou	3,861	3,400	4,000	4,000	4,000	4,000	4,000
Animal Shelter- County Board	15,322	16,000	15,290	15,591	15,887	16,197	16,533
Animal Shelter- Co Ticket	0	6,600	5,000	5,000	5,000	5,000	5,000
Cnty Animal Services Contract	341,709	349,474	453,362	466,963	480,972	495,401	510,263
Animal Shelter-Vet Fees Repaid	2,745	3,500	3,500	3,500	3,500	3,500	3,500
Animal Shelter - Altering Fees	3,051	3,600	3,600	3,600	3,600	3,600	3,600
Out of County Drop Off	0	725	600	600	600	600	600
Internal Vet Services	0	25,000	17,092	23,000	24,000	25,000	26,000
Miscellaneous Recreation Fee	862,894	1,050,000	1,138,800	1,203,245	1,236,663	1,271,084	1,306,538
Park Concessions	35,451	35,597	38,371	39,127	39,870	40,648	41,489
Oven Park Rental	70,359	74,383	76,155	76,155	76,155	76,155	76,155
Brokaw McDougal House	44,200	41,014	45,000	45,000	45,000	45,000	45,000
Soccer Field Rental	62,259	73,174	73,174	73,174	73,174	73,174	73,174
Misc Rec Fees-Enterprise Proj.	0	6,400	5,000	5,000	5,000	5,000	5,000
Gaither Green Fees	110,133	110,879	112,635	114,380	117,654	119,668	121,521
Gaither Pro Shop Revenues	11,548	12,500	12,500	12,500	12,500	12,500	12,500
Gaither Concessions	12,385	11,000	12,000	12,000	12,000	12,000	12,000
Gaither Golf Cart Fees	73,168	70,600	71,963	73,380	74,774	76,233	77,811
Hilaman Improvement Surcharg	57	0	0	0	0	0	0
Swimming Pool Revenues	326,594	330,000	357,904	357,904	357,904	357,904	357,904
Area Tallahassee Aquatic Clu	14,799	-120	0	0	0	0	0
Online registrations-misc. P&R	5,905	51,000	0	0	0	0	0
County Contrib - Parks and R	840,000	840,000	875,700	912,917	951,716	992,164	1,034,331
Special Events	16,559	20,000	20,000	20,000	20,000	20,000	20,000
Annual Fees	32,895	36,500	35,600	36,301	36,991	37,712	38,493
Monthly Fees	2,645	2,700	2,863	2,863	2,863	2,863	2,863
Tennis Daily Fees	72,555	75,000	86,405	95,045	96,708	98,401	100,123
Special Programs	27,487	47,000	59,250	60,417	61,565	62,766	64,065
Pro Shop Contract	6,540	6,965	7,099	7,239	7,377	7,521	7,676
Lessons Contract	132,776	147,000	139,050	143,222	147,518	151,944	156,502
Restaurant Contract	1,397	1,500	1,400	1,400	1,400	1,400	1,400
Other Parks & Rec Revenues	15,097	15,000	16,341	16,341	16,341	16,341	16,341
Racquet Daily Fees	10,182	11,000	11,025	11,025	11,025	11,025	11,025

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

001 General Fund

<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Aerobics Daily Fees	6,802	7,200	7,362	7,362	7,362	7,362	7,362
Pre-employment testing fees	21,891	23,000	23,000	23,000	23,000	23,000	23,000
Charges for Services	6,872,013	7,114,437	7,605,669	7,791,105	7,937,570	8,087,437	8,242,163
Traffic Fines	819,523	775,000	800,000	814,000	828,245	842,739	857,487
Parking Violations	495,885	450,000	500,000	500,000	500,000	500,000	500,000
Other Citations	100	0	0	0	0	0	0
Police False Alarm	13,673	13,000	13,000	13,000	13,000	13,000	13,000
NCS Collection Agency Remit	0	10,500	10,500	10,500	10,500	10,500	10,500
Fines & Forfeitures	1,329,181	1,248,500	1,323,500	1,337,500	1,351,745	1,366,239	1,380,987
Interest	595,697	500,000	500,000	500,000	500,000	500,000	500,000
Lincoln Center Rent	50,792	49,100	58,398	62,286	63,617	65,004	66,326
Lease of Land	2,051	2,000	2,000	2,000	2,000	2,000	2,000
Smith-Williams Center Rent	19,847	0	9,359	9,359	9,359	9,359	9,359
Rental of Land & Buildings	563,627	943,924	620,409	624,482	634,129	634,129	685,817
Renaissance O & M - County	0	0	220,469	220,469	220,469	220,469	220,469
Sale of Surplus	60,629	137,500	100,000	100,000	100,000	100,000	100,000
City Contibution	250	0	0	0	0	0	0
Discounts Earned	78	0	0	0	0	0	0
Other Miscellaneous Revenue	469,664	500,000	500,000	500,000	500,000	500,000	500,000
Cobra Payments	1,417	1,200	1,200	1,200	1,200	1,200	1,200
Growth Mgmnt from Stormwater	127,640	133,384	135,834	139,949	144,201	148,585	153,108
Growth Management from Water	95,119	0	0	0	0	0	0
Growth Management from Sewer	72,288	0	0	0	0	0	0
Overhead Allocation	5,747,813	6,243,145	6,621,291	6,819,930	7,024,528	7,235,264	7,452,322
Trsfr Unappr FB	130,000	0	0	0	0	0	0
Trans from Fund Bal - Encumb	499,660	0	0	0	0	0	0
Capitalized Overhead	2,378,052	2,500,000	2,678,000	2,758,340	2,841,090	2,926,323	3,014,113
Other Revenues	10,814,624	11,010,253	11,446,960	11,738,015	12,040,593	12,342,333	12,704,714
Transfer from Spec Proj Fund	-2,257	0	0	0	0	0	0
Transfer from LEF Fund State	50,000	50,000	83,552	50,000	50,000	50,000	50,000
Transfer from Second Dollar	100,000	125,000	125,000	125,000	125,000	125,000	125,000
Transfer from LEF Fund - Fed	8,600	30,000	30,000	30,000	30,000	30,000	30,000
Transfer From Gas Tax Constr	204,260	204,260	204,260	204,260	204,260	204,260	204,260
Transfer From Deficiencies Fd	3,649,075	0	0	0	0	0	0
Rickards Scholarship Fund	0	21,000	21,000	21,000	21,000	21,000	21,000
Contribution From Electric Fd	22,185,758	22,600,900	22,893,832	23,319,294	23,827,662	24,202,642	24,520,732
Contribution From Gas Fund	2,300,000	2,300,000	2,323,000	2,323,000	2,323,000	2,323,000	2,323,000
Contribution From Water Fund	5,567,038	5,578,089	5,811,993	6,156,462	6,494,790	6,980,580	7,345,172
Contribution From Sewer Fund	1,785,358	1,877,404	2,059,263	2,276,398	2,493,667	2,781,332	2,965,136
Contrib from Solid Waste Fun	136,662	136,256	138,641	139,401	140,573	141,645	143,000
Other Sources	35,984,494	32,922,909	33,690,541	34,644,815	35,709,952	36,859,459	37,727,300
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	127,649,248	130,990,127	134,507,004	139,341,197	143,802,441	148,482,887	153,672,089
Fund Total Revenue	127,649,248	130,990,127	134,507,004	131,491,394	135,890,942	140,166,514	144,340,399
Fund Balance	0	0	0	-7,849,803	-7,911,499	-8,316,373	-9,331,690

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

115 Donations Operating Fund

To account for donations given to the City on-behalf of Police Department programs, Tallahassee-Leon County Animal Service Center, and the Change for Change program.

<u>Expenditures</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Operating	35,051	41,088	52,694	52,694	52,694	52,694	52,694
Transfers	38,131	4,500	0	0	0	0	0
<u>Revenues</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Charges for Services	467	0	0	0	0	0	0
Other Revenues	72,706	45,588	52,694	52,694	52,694	52,694	52,694
Other Sources	9	0	0	0	0	0	0
<u>Fund Summary</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	73,182	45,588	52,694	52,694	52,694	52,694	52,694
Fund Total Revenue	73,182	45,588	52,694	52,694	52,694	52,694	52,694
Fund Balance	0	0	0	0	0	0	0

Fund Expenditures

Funds are appropriated by the Change for Change and Child Safety Seat programs.

Fund Revenues

Funds are obtained through donations to the Police Department, Animal Service Center, and Change for Change program.

Capital Projects Operating Budget Impacts

There are no capital projects.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

115 Donations Operating Fund

<u>Expenditures</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Unclassified Supplies	1,000	0	6,000	6,000	6,000	6,000	6,000
Unclassified Charges	34,051	41,088	46,694	46,694	46,694	46,694	46,694
Operating	35,051	41,088	52,694	52,694	52,694	52,694	52,694
Inter-Fund Transfer	38,131	4,500	0	0	0	0	0
Transfers	38,131	4,500	0	0	0	0	0
<u>Revenues</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Animal Shelter- Donations	467	0	0	0	0	0	0
Charges for Services	467	0	0	0	0	0	0
Interest	1,515	0	0	0	0	0	0
Child Safety Seat Donations	225	2,000	500	500	500	500	500
Dare Donations	8,710	2,800	5,000	5,000	5,000	5,000	5,000
Victim Advocates	200	1,000	500	500	500	500	500
Canine Donations	0	300	0	0	0	0	0
Animal Service Ctr Donation	33,584	0	0	0	0	0	0
Change For Change Donations	28,472	39,488	46,694	46,694	46,694	46,694	46,694
Other Revenues	72,706	45,588	52,694	52,694	52,694	52,694	52,694
TransfromDonationsProjectFund	9	0	0	0	0	0	0
Other Sources	9	0	0	0	0	0	0
<u>Fund Summary</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	73,182	45,588	52,694	52,694	52,694	52,694	52,694
Fund Total Revenue	73,182	45,588	52,694	52,694	52,694	52,694	52,694
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

120 Building Inspection Fund

During the 2005 Florida Legislative session, a law was passed which restricted local governments' ability to use building code fee revenues for non-related activities. Provisions of the law state that all fees, fines or investment earnings related to the collection and enforcement of the state's building code should be used solely for carrying out local government building code responsibilities. Local governments must use recognized management, accounting, and oversight practices to ensure that these fees, fines, and investment earnings are maintained and allocated or used solely for the purposes of building code enforcement activities. The law also states that when providing a schedule of fees, all annual revenues derived from those fees cannot exceed the costs of allowable activities and all fees must be consistently charged.

To comply with the law, a separate enterprise fund was established during fiscal year 2006 to account for all activities related to the enforcement of the city's building inspection regulations. Fiscal year 2007 was the first full year of operation for this fund. The Building Inspection Fund accounts for the assets, operations, maintenance, and operating financial transactions of the city's building inspection activities. The Building Inspection Fund is balanced for all five years supported by a loan from the Deficiencies Fund. The total budget for fiscal year 2008 is \$3,961,864 representing an increase of \$371,999, or 11%, from the approved 2007 budget.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	2,259,439	2,433,875	2,583,991	2,662,701	2,743,746	2,827,469	2,913,478
Operating	44,377	52,602	158,657	135,923	135,947	135,972	135,998
Capital Outlay	0	6,500	0	0	0	0	0
Allocated Accounts	107,172	820,438	1,099,940	1,111,432	1,145,478	1,180,546	1,216,665
Transfers	0	190,202	119,276	183,781	178,813	173,846	168,879
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Licenses & Permits	2,410,988	2,699,622	3,763,730	3,795,967	3,883,297	3,941,863	3,944,649
Other Revenues	0	143,833	169,953	175,052	180,303	185,712	191,284
Other Sources	0	660,162	28,181	122,818	140,384	190,258	299,087
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>2,410,988</u>	<u>3,503,617</u>	<u>3,961,864</u>	<u>4,093,837</u>	<u>4,203,984</u>	<u>4,317,833</u>	<u>4,435,020</u>
Fund Total Revenue	<u>2,410,988</u>	<u>3,503,617</u>	<u>3,961,864</u>	<u>4,093,837</u>	<u>4,203,984</u>	<u>4,317,833</u>	<u>4,435,020</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

Salary enhancements have been budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2% for employees who earn an annual salary of \$50,000 or greater in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the future liability for other post employee benefits (retiree health care) are budgeted according to an actuarial study estimating the current expense and future benefit needs.

Utilities and Other Expenses category costs for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. An electric rate increase was phased in from April of 2006 to FY 2008 with 3.1%, 7.4% and 10.6% increases. A sewer rate increase was phased in from April of 2006 to FY 2008 with 4.1%, 10.5% and 12.2% increases. A water rate increase of 6.2% was implemented in FY 2007.

Funding in operations and maintenance expenses in the amount of \$110,364 is budgeted in fiscal year 2008 for

120 Building Inspection Fund

associated expenses related to the department's share of the Renaissance Building operations and maintenance costs.

Reductions in expenses in the amount of \$12,495 can be attributed to a 20%, or \$2,460 reduction in the fund's travel and training expenses and a 10%, or \$1,876 reduction in the fund's vehicle replacement expenses.

No capital outlay funds have been budgeted for the entire five-year plan.

Fund Revenues

Fund revenues from licenses and permits total \$3.7 million and are derived from three major sources, building permit fees, contractor licensing, and internet-permitting fees. Additional revenues in the amount of \$169,953 have been budgeted as payments from both the water and sewer utilities for fiscal year 2008 and are estimated to increase by 3% annually for the out years. Proceeds in the amount of \$28,181 from a loan from the Deficiencies Fund is needed to balance the fund for fiscal year 2008.

Capital Projects Operating Budget Impacts

There are no capital projects associated with this fund.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

120 Building Inspection Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	1,660,516	1,688,251	1,888,182	1,937,464	1,995,588	2,055,454	2,117,118
Salary Enhancements	0	0	49,283	58,126	59,869	61,665	63,515
Temporary Wages	8,820	16,263	0	0	0	0	0
Overtime	23,097	51,581	20,000	20,000	20,000	20,000	20,000
Other Salary Items	15,960	18,140	13,960	13,960	13,960	13,960	13,960
Pension- Current	152,931	177,163	180,911	186,335	191,919	197,672	203,598
Pension- MAP	130,669	143,363	146,395	150,782	155,304	159,957	164,756
Social Security	0	5,764	0	0	0	0	0
Mandatory Medicare	22,702	25,182	25,704	26,477	27,269	28,084	28,929
Health Benefits	167,001	208,743	226,095	237,387	249,254	261,728	274,811
Health Benefits-Retirees	0	14,069	14,491	14,925	15,373	15,834	15,834
Flex Benefits	77,743	85,356	85,056	85,056	85,056	85,056	85,056
Vacancy factor of 3.5%	0	0	-66,086	-67,811	-69,846	-71,941	-74,099
Personnel Services	2,259,439	2,433,875	2,583,991	2,662,701	2,743,746	2,827,469	2,913,478
Advertising	3,121	100	3,183	3,183	3,183	3,183	3,183
Cleaning & Laundry	6,884	5,855	6,358	6,358	6,358	6,358	6,358
Unclassified Contract Svcs	195	4,391	2,601	2,625	2,649	2,674	2,700
Telephone	-567	0	0	0	0	0	0
Office Supplies	8,343	10,102	10,102	10,102	10,102	10,102	10,102
Uniforms & Clothing	-33	0	0	0	0	0	0
Unclassified Supplies	9,308	11,174	11,174	11,174	11,174	11,174	11,174
Travel & Training	12,233	16,900	9,844	9,844	9,844	9,844	9,844
Journals & Books	2,184	2,000	3,346	3,346	3,346	3,346	3,346
Memberships	2,709	2,080	1,685	1,685	1,685	1,685	1,685
Rent Expense- Bldg & Ops	0	0	110,364	87,606	87,606	87,606	87,606
Operating	44,377	52,602	158,657	135,923	135,947	135,972	135,998
Office Equipment	0	2,000	0	0	0	0	0
Computer Equipment	0	4,500	0	0	0	0	0
Capital Outlay	0	6,500	0	0	0	0	0
Human Resource Expense	0	45,051	42,281	43,549	44,856	46,202	47,588
Accounting Expense	0	15,191	12,049	12,410	12,783	13,166	13,561
Purchasing Expense	0	2,276	1,969	2,028	2,089	2,152	2,216
Information Systems Expense	0	378,849	561,772	578,625	595,984	613,863	632,279
Risk Management Expense	0	9,704	6,410	6,602	6,800	7,004	7,215
Radio Communications Expense	0	1,069	1,090	1,123	1,156	1,191	1,227
Revenue Collection Expense	0	0	8,936	9,204	9,480	9,765	10,058
Vehicle Garage Expense	89,855	65,637	58,814	60,578	62,396	64,268	66,196
Vehicle Replacement	17,317	17,317	16,884	-4,116	-3,536	-2,939	-2,324
Indirect Costs	0	285,344	389,735	401,427	413,470	425,874	438,650
Allocated Accounts	107,172	820,438	1,099,940	1,111,432	1,145,478	1,180,546	1,216,665
Debt Service Transfer	0	0	119,276	183,781	178,813	173,846	168,879
Inter-Fund Transfer	0	190,202	0	0	0	0	0
Transfers	0	190,202	119,276	183,781	178,813	173,846	168,879
Revenues	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Building Permits	2,410,988	2,674,622	3,718,730	3,750,967	3,838,297	3,896,863	3,899,649
Contractor Licensing- Growth	0	25,000	25,000	25,000	25,000	25,000	25,000
Internet Permitting-Growth Mgt	0	0	20,000	20,000	20,000	20,000	20,000
Licenses & Permits	2,410,988	2,699,622	3,763,730	3,795,967	3,883,297	3,941,863	3,944,649
Interest	0	-21,171	0	0	0	0	0
Growth Management from Water	0	93,754	96,566	99,463	102,447	105,520	108,686
Growth Management from Sewer	0	71,250	73,387	75,589	77,856	80,192	82,598
Other Revenues	0	143,833	169,953	175,052	180,303	185,712	191,284
Proceeds From Loan	0	660,162	28,181	122,818	140,384	190,258	299,087
Other Sources	0	660,162	28,181	122,818	140,384	190,258	299,087

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

120 Building Inspection Fund

<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	2,410,988	3,503,617	3,961,864	4,093,837	4,203,984	4,317,833	4,435,020
Fund Total Revenue	2,410,988	3,503,617	3,961,864	4,093,837	4,203,984	4,317,833	4,435,020
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

130 Fire Services Fund

Fire services was a general government activity that was supported by the general fund and contractual payments from Leon County prior to October 1999. In fiscal year 2000, a separate fire services fund with customer fees and assessments was established as part of an initiative to reduce reliance on the profits of the electric utility for general government services such as fire, police, and parks and recreation.

The rate structure for fire services was designed to recover operating costs, facilities maintenance, and debt service expenses for selected capital projects for a period of five years. The implementation of the fee was associated with a reduction in electric utility rates. At that time, it was assumed that Leon County would adopt a similar fee.

Fees were assessed effective October 1, 1999, for residential, commercial, industrial utility, and government customers within the corporate city limits. Leon County opted to continue the contractual payments for the five county stations and Station 15. The contract payments were approximately \$1 million less per year than the amount that would have been recovered with a county fire fee. As a result, the fire fund depleted all of its operating reserves and required a transfer in fiscal year 2004.

In January 2004, the City and County Commissions approved an agreement for the Fire Department to provide advanced life support within the incorporated city limits effective April 1, 2004. Under terms of the agreement, Leon County pays the salaries and benefits of 35 paramedic certified firefighters and one administrative position.

On March 30, 2005, the City Commission adopted new fire services rates for all residential, commercial, industrial, and governmental entities within the corporate city limits. The new rates became effective July 1, 2005.

Leon County contributes an additional \$1 million annually for fire services as a result of negotiations concerning the various interlocal agreements. The interlocal agreement for the additional fire payment was approved on May 10, 2005 with an effective date of October 1, 2005. The agreement also provided a six-month extension to the contract period for fire and emergency medical services. The termination date for the agreement is June 30, 2009.

The Fire Department successfully completed the reorganization that was proposed in FY 2007. As a result, the department improved customer access to non-emergency service; achieved greater front-office efficiency; and, achieved departmental benchmarks related to its increased use of PeopleSoft. The medical quality assurance program was developed and implemented by the three medical Lieutenants whose positions were created under the reorganization. Also, the department has experienced increased command presence and supervision with the addition of the Battalion Chiefs.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

130 Fire Services Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	17,388,987	18,186,540	20,064,779	20,647,193	21,241,931	21,842,714	22,463,137
Operating	955,776	1,260,466	1,133,650	1,139,097	1,139,334	1,139,405	1,139,478
Other Services & Charges	30,856	30,856	30,856	30,856	30,856	30,856	30,856
Capital Outlay	160,617	151,400	110,400	110,400	110,400	110,400	110,400
Allocated Accounts	4,163,151	4,137,068	4,716,011	4,950,560	5,147,987	5,412,586	5,555,078
Utilities and Other Expenses	314,853	311,071	263,426	267,738	271,966	276,393	276,393
Transfers	892,641	902,710	873,044	872,991	873,202	873,023	929,720
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Licenses & Permits	332,206	320,000	320,000	320,000	320,000	320,000	320,000
Intergovernmental Revenue	223,794	30,000	30,000	30,000	30,000	30,000	30,000
Charges for Services	22,460,859	22,805,179	23,413,943	24,553,894	27,510,753	28,344,415	29,138,091
Other Revenues	-71,576	0	0	0	0	0	0
Other Sources	961,598	1,824,932	3,428,223	3,114,941	954,923	990,962	1,016,971
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	23,906,881	24,980,111	27,192,166	28,018,835	28,815,676	29,685,377	30,505,062
Fund Total Revenue	23,906,881	24,980,111	27,192,166	28,018,835	28,815,676	29,685,377	30,505,062
Fund Balance	0	0	0	0	0	0	0

Fund Expenditures

The City of Tallahassee and the International Association of Firefighters executed a collective bargaining agreement effective October 1, 2005 through September 30, 2008. Salary enhancements for covered personnel are projected at 5%, inclusive of across-the-board and step increases. Negotiations for the ensuing contract will occur in fiscal year 2008.

Assumptions for personnel services are as follows: salary enhancements for general employees are budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2.0% for employees who earn an annual salary of \$50,000 or greater in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter. Additionally, the future liability for other post employee benefits (retiree health care) is budgeted according to an actuarial study estimating the current expense and future benefit needs. Fire sworn personnel pension rates remain stable at 15.65%.

Expenses for Station 15, Bannerman Road, are split between the City and the County based on the percentage of dispatched calls. The county's share for fiscal year 2008 is 69.6%. Vehicle replacement expenses are reduced 10% in anticipation of a review of the city's fleet and a review of policies related to take home vehicles.

The cost for utilities and other expenses for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. The increase in electric rates is phased in from April 2006 to fiscal year 2008 with 3.1%, 7.4% and 10.6% increases. The increase in the sewer rate is phased in from April 2006 to fiscal year 2008 with 4.1%, 10.5% and 12.2% increases. The 6.2% water rate increase was implemented in fiscal year 2007.

Fund Revenues

Fire service fees and assessments account for \$16.8 million, or approximately 70% of operating revenues. Based on the February 2005 study of the City of Tallahassee Fire Services Funding Program, the assessment for single-family residential units is \$13.00 per month. The rate for multi-family units is \$7.00 per month. The monthly commercial rates range from \$16.50 for facilities of 2,000 square feet or less to \$825.17 for facilities

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

130 Fire Services Fund

greater than 50,000 square feet. The monthly industrial rates range from \$3.58 for facilities of 2,000 square feet or less to \$179.17 for facilities greater than 50,000 square feet.

The city receives three contractual payments from Leon County. Under the terms of the advanced life support agreement, the fiscal year 2008 payment from Leon County for the salaries and benefits of 35 firefighters with paramedic certification and one administrative position will be \$2,538,292. The amount due from the county under the general fire services agreement is \$3,099,779. An additional \$1 million is added to the general services payment per the terms of an interlocal agreement approved in May 2005. The total general service amount is adjusted by \$800,980 as an offset for the EMS contract payments. The County's pro rata share for Station 15 is \$791,318. The interlocal agreements terminate on June 30, 2009.

This budget assumes that the agreements will be renewed with revenue adjustments to alleviate the city's use of deficiencies funding to cover operating costs. Part of the reason for the projected fund shortfall is the difference between the costs of providing fire services to the unincorporated areas of Leon County and corresponding payments for services from the county. Fund balance projections show deficits in fiscal years 2008 and 2009, which will also require transfers from the deficiencies fund. Subsequently, fees for services are expected to sufficiently cover operating costs.

Other significant operating revenues include fees for airport services and plan reviews. The Aviation Fund pays 100% of the costs for operation of an on-site fire station at the Tallahassee Regional Airport. Developers of commercial and multi-family property pay fees for a life safety review of construction documents.

Capital Projects Operating Budget Impacts

There is no operating impact within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

130 Fire Services Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	12,570,810	13,086,619	12,916,956	13,444,918	13,848,240	14,263,681	14,691,571
Capitalized Wages	-22,727	-36,993	-37,819	-38,669	-39,547	-39,547	-39,547
Salary Enhancements	0	0	527,969	403,310	415,405	427,910	440,752
Firefighter Holiday Pay	0	0	843,274	874,425	900,668	913,221	926,148
Temporary Wages	62,228	7,500	7,500	7,500	7,500	7,500	7,500
Overtime	1,073,345	903,907	903,907	903,907	903,907	903,907	903,907
Capitalized Overtime	-38,429	0	0	0	0	0	0
Other Salary Items	272,973	270,554	309,243	309,243	309,243	309,243	309,243
Pension- Current	1,956,678	1,988,159	2,155,767	2,220,197	2,285,622	2,353,013	2,422,440
Pension- MAP	42,638	56,690	57,511	59,237	61,014	62,847	64,731
Mandatory Medicare	127,166	123,040	135,619	139,660	143,758	147,982	152,337
Health Benefits	1,271,230	1,500,492	1,574,406	1,653,019	1,735,675	1,822,511	1,913,609
Health Benefits-Retirees	0	181,344	563,850	563,850	563,850	563,850	563,850
Flex Benefits	73,075	105,228	106,596	106,596	106,596	106,596	106,596
Personnel Services	17,388,987	18,186,540	20,064,779	20,647,193	21,241,931	21,842,714	22,463,137
Advertising	900	1,617	1,615	1,615	1,615	1,615	1,615
Cleaning & Laundry	12,266	26,648	14,000	14,000	14,000	14,000	14,000
Reproduction	4,483	2,840	7,612	7,612	7,612	7,612	7,612
Unclassified Professional Svcs	2,400	7,100	24,990	24,990	24,990	24,990	24,990
System Collection	152	0	0	0	0	0	0
Building Repairs	-1,035	0	0	0	0	0	0
Equipment Repairs	10,531	39,197	39,647	39,647	39,647	39,647	39,647
Medical Services	77,625	84,950	67,060	67,060	67,060	67,060	67,060
Unclassified Contract Svcs	347,278	500,014	426,988	432,275	432,343	432,414	432,487
Computer Software	1,035	0	17,185	17,185	17,185	17,185	17,185
Telephone	16,182	28,618	28,712	28,712	28,712	28,712	28,712
Chem-Med-Lab	53,885	56,289	56,289	56,289	56,289	56,289	56,289
Food	1,150	611	611	611	611	611	611
Gasoline	0	3,071	0	160	329	329	329
Office Supplies	15,238	12,926	23,898	23,898	23,898	23,898	23,898
Uniforms & Clothing	103,613	130,840	127,795	127,795	127,795	127,795	127,795
Unclassified Supplies	138,399	173,350	141,024	141,024	141,024	141,024	141,024
Travel & Training	111,203	126,578	84,961	84,961	84,961	84,961	84,961
Journals & Books	5,352	10,787	15,093	15,093	15,093	15,093	15,093
Memberships	2,469	2,530	3,470	3,470	3,470	3,470	3,470
Certificates & Licenses	50	0	200	200	200	200	200
Unclassified Charges	52,600	52,500	52,500	52,500	52,500	52,500	52,500
Operating	955,776	1,260,466	1,133,650	1,139,097	1,139,334	1,139,405	1,139,478
Bad Debt Expense	30,856	30,856	30,856	30,856	30,856	30,856	30,856
Other Services & Charges	30,856	30,856	30,856	30,856	30,856	30,856	30,856
Vehicle Equipment	0	27,500	0	0	0	0	0
Unclassified Equipment	160,617	123,900	110,400	110,400	110,400	110,400	110,400
Capital Outlay	160,617	151,400	110,400	110,400	110,400	110,400	110,400
Human Resource Expense	302,734	418,026	405,318	417,478	430,002	442,902	456,189
Accounting Expense	138,987	120,844	98,255	101,203	104,239	107,366	110,587
Purchasing Expense	27,559	36,047	31,043	31,974	32,934	33,922	34,939
Information Systems Expense	919,053	1,005,145	1,171,095	1,206,228	1,242,415	1,279,687	1,318,078
Risk Management Expense	307,267	185,615	135,108	139,161	143,336	147,636	152,065
Radio Communications Expense	53,733	115,415	119,135	122,709	126,390	130,182	134,087
Revenue Collection Expense	94,362	69,064	62,817	64,702	66,643	68,642	70,701
Utility Services Expense	576,160	325,565	860,562	886,379	912,970	940,359	968,570
Vehicle Garage Expense	815,366	952,242	942,146	970,410	999,523	1,029,508	1,060,394
Vehicle Replacement	378,801	378,801	369,318	473,467	536,580	662,837	662,837
Indirect Costs	549,129	530,304	521,214	536,850	552,956	569,545	586,631
Allocated Accounts	4,163,151	4,137,068	4,716,011	4,950,560	5,147,987	5,412,586	5,555,078

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

130 Fire Services Fund

<u>Expenditures</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Utilities - Sewer	12,525	13,749	15,427	15,731	16,031	16,344	16,344
Utilities - Sanitation	9,908	7,971	7,971	7,971	7,971	7,971	7,971
Utilities - Stormwater	13,534	14,374	15,080	15,786	16,492	17,229	17,229
Utilities - Gas	48,126	53,300	39,300	39,300	39,300	39,300	39,300
Utilities - Water	13,761	14,323	14,600	14,888	15,172	15,468	15,468
Utilities - Electric	210,235	199,978	163,672	166,686	169,624	172,705	172,705
Utilities - Fire Services	6,764	7,376	7,376	7,376	7,376	7,376	7,376
Utilities and Other Expenses	314,853	311,071	263,426	267,738	271,966	276,393	276,393
Debt Service Transfer	692,641	702,710	673,044	672,991	673,202	673,023	729,720
RR&I Transfer	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Transfers	892,641	902,710	873,044	872,991	873,202	873,023	929,720
<u>Revenues</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fire Inspection Fees	332,206	320,000	320,000	320,000	320,000	320,000	320,000
Licenses & Permits	332,206	320,000	320,000	320,000	320,000	320,000	320,000
FL Dept of Community Affairs	123,891	0	0	0	0	0	0
Firefighters Supplemental Co	99,903	30,000	30,000	30,000	30,000	30,000	30,000
Intergovernmental Revenue	223,794	30,000	30,000	30,000	30,000	30,000	30,000
Fire Services - Residential	8,826,392	8,992,000	9,165,897	9,349,215	9,536,199	9,726,923	9,921,461
Fire Services - Commercial	4,697,451	4,777,930	4,810,521	4,846,504	4,882,727	4,919,194	4,955,904
Fire Services - Governmental	2,458,598	2,473,446	2,534,116	2,550,784	2,567,452	2,584,120	2,600,787
Fire Services - Industrial	245,438	240,000	240,000	240,000	240,000	240,000	240,000
Fire Services - County Contr	3,166,485	3,269,927	3,298,799	4,045,569	6,631,231	7,084,704	7,604,524
Fire Services - Station 15	720,326	706,252	791,318	815,058	839,509	864,694	890,635
Leon County EMS Payment	2,310,624	2,310,624	2,538,292	2,671,764	2,778,635	2,889,780	2,889,780
Forfeited Discounts	35,545	35,000	35,000	35,000	35,000	35,000	35,000
Charges for Services	22,460,859	22,805,179	23,413,943	24,553,894	27,510,753	28,344,415	29,138,091
Interest	-33,639	0	0	0	0	0	0
Other Miscellaneous Revenue	-40,217	0	0	0	0	0	0
Trans from Fund Bal - Encumb	2,280	0	0	0	0	0	0
Other Revenues	-71,576	0	0	0	0	0	0
XferfromFireServicesOpReserve	0	200,000	0	0	0	0	0
Transfer From Deficiencies Fd	210,143	808,932	2,534,056	2,190,627	0	0	0
Contribution From Airport Fd	751,455	816,000	894,167	924,314	954,923	990,962	1,016,971
Other Sources	961,598	1,824,932	3,428,223	3,114,941	954,923	990,962	1,016,971
<u>Fund Summary</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	23,906,881	24,980,111	27,192,166	28,018,835	28,815,676	29,685,377	30,505,062
Fund Total Revenue	23,906,881	24,980,111	27,192,166	28,018,835	28,815,676	29,685,377	30,505,062
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

400 Electric Operating Fund

The Electric Utility Department of the city's "Your Own Utilities" continues to focus on providing high quality, reliable electric service at a competitive cost that results in an appropriate financial return to the general government. The city's enterprise fund owns, operates and maintains an electric generation, transmission, and distribution system that presently supplies electric power and energy to homes and businesses in a service area consisting of approximately 221 square miles, and over 109,000 customers. Electric generation, transmission, and distribution facilities are located within Leon County and within Wakulla County. During the fiscal year ended September 30, 2006, the utility sold 2,758,293 megawatt hours (MWh) of electric energy to ultimate customers and received total operating revenues of \$337,436,000.

The current installed capacity at the Sam O. Purdom Generating Station (the "Purdom Station") is 332 megawatts (MW). The current installed capacity at the Arvah B. Hopkins Generating Station is 356 MW. The C.H. Corn Hydroelectric Plant (the "C.H. Corn Station") consists of three generating units with a total capacity of 11 MW. The 2007 peak system capability in winter is 797 MW, with a peak capability of 744 MW in summer. The Electric Utility's existing electric transmission system includes approximately 185 circuit miles of transmission lines that are operated at voltages of 230 kilovolts (kV) and 115 kV.

The 115 kV transmission network forms a 115 kV loop that extends around and through the city limits. Sixteen distribution substations, located at various sites, transform power from the transmission voltage of 115 kV to the distribution network voltage of 12.47 kV. The transmission, distribution and generation facilities are monitored and controlled remotely from the Electric Control Center via microwave system and communication lines network.

"Your Own Utilities" continues to expand its electric distribution, transmission and substation facilities to meet the system load growth and reliability requirements. The Electric Utility Department provides the engineering and design of electric substations, high voltage transmission lines and the distribution system facilities to provide service for an increasing number of customers every year. The department also provides engineering and project management for the relocation of distribution circuits for many city, county and state road construction projects.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	18,415,555	19,409,765	20,857,528	22,448,074	23,351,265	24,504,733	25,400,763
Operating	8,149,781	15,370,222	18,219,519	21,073,259	22,181,342	23,389,186	24,525,314
Fuel	223,423,612	230,243,354	230,905,000	228,096,000	224,058,000	228,258,000	227,466,000
Other Services & Charges	2,085,357	1,602,905	1,428,206	1,486,880	1,547,506	1,610,287	1,674,955
Capital Outlay	197,703	595,798	777,435	639,401	911,642	685,921	710,427
Allocated Accounts	17,267,607	17,719,954	17,875,732	18,462,866	19,023,555	19,601,164	20,196,107
Utilities and Other Expenses	335,858	371,561	451,289	464,997	479,051	493,513	508,316
Transfers	47,182,811	50,683,037	58,571,645	70,259,868	69,646,139	70,909,301	73,412,551
Contributions to Operations	22,185,758	22,600,900	22,893,832	23,319,294	23,827,662	24,202,642	24,519,697
Year End Adjustments	5,058,530	3,758,873	0	0	0	0	0
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	333,407,389	357,112,625	364,377,261	367,492,760	368,991,215	378,446,746	382,009,833
Other Revenues	7,213,482	5,243,744	7,602,925	6,020,464	6,136,278	6,255,342	6,499,664
Other Sources	3,681,701	0	0	0	0	0	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>344,302,572</u>	<u>362,356,369</u>	<u>371,980,186</u>	<u>386,250,639</u>	<u>385,026,162</u>	<u>393,654,747</u>	<u>398,414,130</u>
Fund Total Revenue	<u>344,302,572</u>	<u>362,356,369</u>	<u>371,980,186</u>	<u>373,513,224</u>	<u>375,127,493</u>	<u>384,702,088</u>	<u>388,509,497</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>-12,737,415</u>	<u>-9,898,669</u>	<u>-8,952,659</u>	<u>-9,904,633</u>

400 Electric Operating Fund

Fund Expenditures

The Electric Fund five-year budget forecast is generally based upon the assumptions utilized in the 2006 Electric Rate Study prepared by R. W. Beck and the Ten Year Site Plan, 2006-2015 prepared by the Electric System Planning Division. Key categories are as follows.

Assumptions for personnel services are as follows: salaries for general employees are adjusted for a 2.21% merit salary enhancement in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates are assumed to increase by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which has increased by a half percent over the prior year's vacancy factor. Additionally, the future liability for other post employee benefits (retiree health care) are budgeted according to an actuarial study estimating the current expense and future benefit needs.

General operating expenditures have been held stable in the five-year projections, except where contracts exist that stipulate an inflationary index or a customer growth factor. In many cases, the 4% customer growth factor applies to materials, supply contracts, and professional services contracts.

Fuel expenditures for the city's generation portfolio of combined cycle, combustion turbine, and conventional steam are for natural gas expenditures. The resource plan and production simulation models are used to estimate the current and five-year plan for fuel expenditures. In FY 2008, the fuel budget is \$213,252,000, which is \$12.6 million under the prior year, or a 6.3% decrease of the historical high set in FY 2007.

Debt service requirements for the principal and interest payments of 1998 (A & B), 2005, and 2007 series bonds have been identified for FY08 at a consistent \$36M in FY08-12. Projections include issuance of additional indebtedness in the Spring of 2009 (\$7M) and in FY12 (\$3M).

The balance of system improvements are accomplished by cash funding projects through year-end transfers to the Renewal, Replacement, and Improvement Fund (RR&I). Electric's RR&I fund will be gradually increased until the transfer is the equivalent of system depreciation, or approximately \$26-27 million. The phase-in of the move to tying the transfer to depreciation has FY 2008 RR&I at \$21 million and FY 2009-2012 at annual depreciation levels.

The electric fund transfer to the general fund is an amount not to exceed 8.3 mills per kilowatt-hours (kWh) of retail sales. The kWh will be determined based on the most recently completed fiscal year actual experience. The amount for FY 2008 is \$22,893,832. Five-year plan transfer amounts will be estimated based on kWh forecast in the most recent 10 Year Site Plan, schedule of History and Forecast of Annual Net Energy for Load Base Forecast, and generally increase between 2.5% and 5.0%.

Fund Revenues

The Electric Fund five-year budget forecast is generally based upon the assumptions utilized in the 2006 Electric Rate Study prepared by R. W. Beck and the Ten Year Site Plan, 2006-2015 prepared by the Electric System Planning Division. Key assumptions are as follows.

The FY 2006 Electric Rate study determined that the current rate revenue generates from nine million to thirty-five million dollars less than required in FY06-08. Based on the number of customers and the energy usage by customer class, existing retail rate revenues were proposed and approved for a phased-in rate increase of 3.1% in April of 2006, 7.4% in FY 2007, and 10.6% in FY 2008. The average residential customer's bill, assuming 1,000 kWh of monthly usage, at the existing rate is \$118.77, and under the new rate design is \$130.00, for an increase of \$11.23 or approximately 9.5%.

Sales for resale and scheduled sales to Talquin Electric Cooperative, Inc. have been set at a very minimal amount compared to past experiences. Interchange arrangements with electric utilities and power marketers are

400 Electric Operating Fund

used to reduce fuel and energy costs and passed on through the energy cost recovery charge and thus account for the reduction from \$5 million dollars to the \$0 budgeted in each of the five years of the plan. Sales by Electric to Talquin represent about 10-11 MW, offset by 5-6 MW purchased by Electric from Talquin.

The rate study also reviewed various fees and service charges for such customers as street lighting, cut fees, surcharges, and pole rentals and have used the same rate design increases as the residential and customer classes. The phased-in increases are consistent with the April 2006 3.1%, FY 2007 7.4%, and FY 2008 10.6%.

Investment income has been assumed at an annual reinvestment rate of three percent for outstanding balances on bonds, RR&I fund balances, and sinking fund accruals. Other revenues have been assigned to the respective specific category and therefore are reflected at zero. Finally, positive revenue balances from the rate study implementation will carry forward to the subsequent fiscal year for reduction of the negative fund balances in FY 2008. A review of the rates will need to be enacted or policy changes will take place to address the negative fund balances in FY09-12.

On April 20, 2007, the Tallahassee City Commission voted to pursue a five-year Integrated Resource Plan (IRP). The intent of a five-year IRP rather than a ten-year IRP was based on the need to evaluate the implementation of an aggressive demand side management program (DSM) included in the IRP. The DSM goals expect to respond to future reliability and system growth in the form of improved plant reliability, new plant technologies, reduced customer demand, and additional transmission for off system purchases/sales.

The \$250 million in various projects will include the following DSM conservation, energy efficiency, and demand response/control approaches: implementation of investigative technologies for renewable generation such as an electric arc plasma furnace, and a plant that relies solely on bio-mass for fuel; programs that raise consumer awareness and positively impact behavior in commercial and residential electric usage that includes smart metering for time of day price signals; and extension or improvement in the life cycle of units such as repowering the Hopkins combustion turbine with a combined cycle unit that has an improved heat efficiency rate of 10 kWh.

Target reductions range from 7 MW in FY 2007 to 63 MW in FY 2012, with an overall goal of 168 MW by 2025. As a reference point, the 2007 peak MW capabilities in winter is 797, with a peak capability of 744 in summer. The DSM program savings have been accounted for in the residential and commercial rate revenue.

Capital Projects Operating Budget Impacts

There is no operating impact estimated within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

400 Electric Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	15,073,905	14,939,371	16,646,359	17,942,659	18,659,240	19,586,165	20,298,248
Capitalized Wages	-3,084,242	-2,911,898	-3,254,804	-3,224,232	-3,323,409	-3,386,367	-3,492,187
Salary Enhancements	0	0	435,587	513,775	529,176	545,063	561,393
Temporary Wages	19,441	209,162	213,038	162,029	166,889	171,896	177,053
Overtime	2,270,445	1,623,491	1,846,933	1,902,341	1,959,412	2,018,193	2,078,739
Capitalized Overtime	-654,577	-202,588	-526,053	-541,834	-558,089	-574,831	-592,077
Other Salary Items	21,227	344,717	354,453	364,979	375,809	386,964	395,996
Pension- Current	1,362,749	1,537,337	1,506,697	1,552,250	1,599,174	1,647,516	1,697,273
Pension- MAP	1,316,439	1,254,645	1,253,612	1,291,166	1,329,915	1,369,787	1,410,880
Social Security	0	0	6,478	6,672	6,872	7,079	7,291
Mandatory Medicare	181,677	168,884	165,366	170,357	175,562	180,884	186,364
Health Benefits	1,364,939	1,604,153	1,539,374	1,649,726	1,765,113	1,885,755	2,006,722
Health Benefits-Retirees	0	263,860	669,342	689,422	710,105	731,408	744,441
Flex Benefits	543,552	578,631	585,287	596,757	608,570	620,737	631,066
Vacancy factor of 3.5%	0	0	-584,141	-627,993	-653,074	-685,516	-710,439
Personnel Services	18,415,555	19,409,765	20,857,528	22,448,074	23,351,265	24,504,733	25,400,763
Advertising	28,119	45,116	38,185	39,673	41,210	42,802	44,440
Cleaning & Laundry	75,825	83,113	106,293	110,440	114,724	119,157	123,723
Reproduction	13,063	11,737	12,221	12,723	13,243	13,778	14,332
Unclassified Professional Svcs	188,117	850,130	951,832	921,596	959,174	998,087	1,038,169
System Collection	371	0	0	0	0	0	0
Building Repairs	776	97,573	101,603	105,778	110,090	114,556	119,158
Equipment Repairs	196,521	4,482,858	6,620,897	9,005,261	9,657,215	10,356,971	10,956,107
Medical Services	151	0	0	0	0	0	0
Engineering Services	1,001	0	0	0	0	0	0
Contract Engineering Svcs	14,734	21,821	22,722	23,655	24,621	25,619	26,648
Legal Services	37,928	208,299	216,899	225,809	235,017	244,551	254,372
Construction Services	14,263	58,411	30,823	63,321	65,903	68,577	71,331
Unclassified Contract Svcs	4,187,192	5,553,265	5,698,462	5,937,273	6,182,337	6,433,953	6,679,619
Computer Software	22,867	1,542	1,606	1,672	1,740	1,811	1,884
Environmental Contractual	246,999	210,236	225,773	227,910	237,203	246,826	256,769
Telephone	51,230	43,255	46,206	48,091	50,039	52,056	54,134
Chem-Med-Lab	425,050	253,203	423,657	443,672	462,168	484,721	508,520
Food	8,729	9,696	10,097	10,513	10,941	11,385	11,843
Gasoline	12,016	0	0	0	0	0	0
Oil & Lubricants	458	0	0	0	0	0	0
Postage	4,105	1,138	9,685	9,989	10,303	10,625	10,958
Office Supplies	144,340	51,863	60,004	62,337	64,747	67,241	69,804
Uniforms & Clothing	4,628	18,000	18,738	58,591	20,306	21,139	66,006
Unclassified Supplies	1,968,660	2,907,499	3,124,625	3,247,544	3,376,674	3,505,085	3,621,943
Vehicle- Non-Garage	708,300	0	0	0	0	0	0
Building Supplies	12,063	0	0	0	0	0	0
Safety Materials & Supplies	92,776	40,121	69,871	74,349	81,066	88,153	93,410
Undefined	-698,868	0	0	0	0	0	0
Travel & Training	135,500	144,564	130,711	131,687	138,078	144,695	151,501
Journals & Books	12,543	6,798	7,079	7,370	7,671	7,982	8,303
Memberships	173,784	223,520	232,748	242,309	252,189	262,419	272,958
Certificates & Licenses	673	0	0	0	0	0	0
Rent Expense- Land	3,380	0	0	0	0	0	0
Rent Expense- Machines	54,899	1,235	7,186	7,416	7,653	7,897	8,148
Unclassified Charges	7,588	45,229	51,596	54,280	57,030	59,100	61,234
Operating	8,149,781	15,370,222	18,219,519	21,073,259	22,181,342	23,389,186	24,525,314
Fossil Fuel Electric	194,622,358	200,617,554	213,252,000	215,710,000	204,004,000	196,464,000	181,375,000
Purchased Power	25,849,155	23,825,800	11,853,000	6,586,000	14,254,000	25,994,000	40,291,000
Purchased Power Capacity	1,934,005	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Purch Pwr Cap- Others/City	540,000	0	0	0	0	0	0
Transmission Expense- CR3	163,202	0	0	0	0	0	0
Transmission Exp- CH Corn	152,261	800,000	800,000	800,000	800,000	800,000	800,000
Transm Rsrv- Others/City	161,760	0	0	0	0	0	0
Transmiss Use-Others/City	871	0	0	0	0	0	0
Fuel	223,423,612	230,243,354	230,905,000	228,096,000	224,058,000	228,258,000	227,466,000

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

400 Electric Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Assessments & Fees	24,830	55,180	57,459	59,819	62,258	64,784	67,386
Interest on Deposits	676,915	729,045	759,145	790,333	822,558	855,928	890,301
Bad Debt Expense	1,290,000	700,000	488,022	508,071	528,787	550,240	572,337
Direct Overhead	324	0	0	0	0	0	0
Environmental Assessments&	93,288	118,680	123,580	128,657	133,903	139,335	144,931
Other Services & Charges	2,085,357	1,602,905	1,428,206	1,486,880	1,547,506	1,610,287	1,674,955
Building & Structures	11,423	0	0	0	0	0	0
Office Equipment	18,265	38,988	40,002	41,042	42,109	43,204	44,327
Computer Equipment	9,448	2,565	2,632	2,700	2,770	2,842	2,916
Vehicle Equipment	102,128	182,299	350,000	197,583	455,000	213,982	222,755
Unclassified Equipment	56,439	371,946	384,801	398,076	411,763	425,893	440,429
Capital Outlay	197,703	595,798	777,435	639,401	911,642	685,921	710,427
Human Resource Expense	360,130	319,092	312,124	321,488	331,132	341,066	351,298
Accounting Expense	478,791	728,135	679,346	699,726	720,719	742,340	764,610
Purchasing Expense	591,684	892,911	895,335	922,194	949,861	978,357	1,007,707
Information Systems Expense	1,489,447	2,001,079	1,609,930	1,658,228	1,707,975	1,759,214	1,811,990
Risk Management Expense	3,720,243	3,585,321	4,518,543	4,656,097	4,797,778	4,943,710	5,094,019
Radio Communications Expense	104,325	69,463	78,091	80,434	82,847	85,332	87,892
Revenue Collection Expense	876,095	783,838	860,394	886,206	912,792	940,176	968,381
Utility Services Expense	5,614,814	5,330,663	4,569,129	4,706,203	4,847,389	4,992,811	5,142,595
Energy Services	577,580	414,913	437,962	451,101	464,634	478,573	492,930
Vehicle Garage Expense	1,240,510	1,130,435	1,511,243	1,556,580	1,603,278	1,651,376	1,700,917
Vehicle Replacement	394,847	394,847	385,374	445,801	463,977	482,802	502,197
Indirect Costs	1,819,141	2,069,257	2,018,261	2,078,809	2,141,173	2,205,408	2,271,570
Allocated Accounts	17,267,607	17,719,954	17,875,732	18,462,866	19,023,555	19,601,164	20,196,107
Utilities - Sewer	11,665	7,836	13,290	13,774	14,273	14,790	15,321
Utilities - Sanitation	101,445	178,777	186,158	193,807	201,709	209,892	218,321
Utilities - Stormwater	9,087	9,444	9,833	10,237	10,655	11,086	11,531
Utilities - Gas	11,259	32,632	33,980	35,375	36,817	38,311	39,850
Utilities - Water	22,907	23,401	23,897	24,879	25,893	26,943	28,026
Utilities - Electric	177,802	115,931	180,444	183,086	185,708	188,334	190,943
Utilities - Fire Services	1,693	3,540	3,687	3,839	3,996	4,157	4,324
Utilities and Other Expenses	335,858	371,561	451,289	464,997	479,051	493,513	508,316
Debt Service Transfer	29,355,568	33,752,037	36,695,645	43,417,868	43,425,139	43,624,301	46,081,381
RR&I Transfer	13,299,000	16,929,000	21,876,000	26,842,000	26,221,000	27,285,000	27,331,170
Inter-Fund Transfer	4,528,243	2,000	0	0	0	0	0
Transfers	47,182,811	50,683,037	58,571,645	70,259,868	69,646,139	70,909,301	73,412,551
Contribution to General Fund	22,185,758	22,600,900	22,893,832	23,319,294	23,827,662	24,202,642	24,519,697
Contributions to Operations	22,185,758	22,600,900	22,893,832	23,319,294	23,827,662	24,202,642	24,519,697
Transfer to Fund Balance	0	3,758,873	0	0	0	0	0
Transfer to RR&I	5,058,530	0	0	0	0	0	0
Year End Adjustments	5,058,530	3,758,873	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

400 Electric Operating Fund

<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Residential	145,396,570	138,862,081	162,373,651	163,619,908	164,426,031	169,831,611	173,771,585
General Service- Non-Demand	25,645,215	23,941,312	26,986,744	26,834,099	26,570,349	26,731,653	26,321,535
General Service- Demand	78,930,667	136,005,324	86,999,978	88,260,708	89,225,004	91,598,618	91,925,995
General Service- Large Deman	64,442,731	41,216,185	76,739,749	77,260,890	77,339,658	78,817,233	78,655,138
Gen Service- Interruptible C	5,069,014	3,926,151	2,504,021	2,359,036	2,197,134	2,148,842	1,967,445
General Service- Interruptib	321,289	250,482	358,751	352,950	346,365	347,724	339,542
General Service- Curtailable	2,662,416	2,337,681	2,863,978	2,822,230	2,776,220	2,789,490	2,729,784
Long Term Contract Discount	-5,133,562	-4,359,126	-5,796,557	-5,841,341	-5,856,007	-5,975,969	-5,965,661
Public Street Lighting	894,888	1,509,776	1,949,181	2,295,993	2,285,661	2,308,207	2,289,744
Traffic Control	175,885	238,733	185,249	184,167	182,590	184,222	182,395
Public Outdoor Lighting	2,880,528	2,203,723	1,911,685	1,909,922	1,896,183	1,914,533	1,888,499
Sales for Resale	1,962,970	2,098,505	0	0	0	0	0
Firm Sales for Resale	2,485,334	2,200,000	0	0	0	0	0
Wheeling Revenue	1,829,428	600,000	629,146	644,245	659,707	675,540	691,753
Forfeited Discounts	618,741	621,754	640,673	650,219	659,777	669,278	678,782
Initiating Services	1,025,304	922,217	950,278	964,437	978,615	992,707	1,006,803
Misc Electrical Service	11,477	2,961	3,051	3,097	3,142	3,187	3,233
Security Light Installation	48,676	102,759	105,886	107,463	109,043	110,613	112,184
Cut Fees	1,554,154	2,088,504	2,152,053	2,184,119	2,216,225	2,248,139	2,280,062
Surcharge	1,627,738	1,489,896	1,994,300	2,041,421	2,122,470	2,184,208	2,250,154
Pole Rental	475,573	398,332	410,452	416,568	422,692	428,779	434,867
Other Revenues	15,874	9,288	9,777	10,031	10,292	10,560	10,834
Bad Check Charges	230,267	214,656	221,188	224,483	227,783	231,063	234,344
Meter Tampering Fine	65,600	77,597	79,958	81,149	82,342	83,528	84,714
Sale of Scrap	75,808	51,507	53,074	53,865	54,657	55,444	56,231
Reimb St Marks Pwdr.	56,337	55,314	0	0	0	0	0
Developer URD outside COT	5,639	0	0	0	0	0	0
Other Miscellaneous Revenue	32,828	47,013	50,995	53,101	55,282	57,536	59,871
Charges for Services	333,407,389	357,112,625	364,377,261	367,492,760	368,991,215	378,446,746	382,009,833
Interest	1,238,349	2,194,651	2,258,085	2,313,047	2,318,807	2,324,555	2,452,196
Wireless Rental	53,185	72,580	74,788	75,903	77,019	78,128	79,237
Discounts Earned	5	428	441	448	454	461	467
Other Miscellaneous Revenue	1,546,538	0	0	0	0	0	0
Trans from Fund Bal - Encumb	1,946,855	0	1,539,304	0	0	0	0
Capitalized Overhead	2,401,550	2,976,085	3,730,307	3,631,066	3,739,998	3,852,198	3,967,764
Over/Under Recovery	27,000	0	0	0	0	0	0
Other Revenues	7,213,482	5,243,744	7,602,925	6,020,464	6,136,278	6,255,342	6,499,664
Transfer from Wholesale Ener	3,681,701	0	0	0	0	0	0
Other Sources	3,681,701	0	0	0	0	0	0
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	344,302,572	362,356,369	371,980,186	386,250,639	385,026,162	393,654,747	398,414,130
Fund Total Revenue	344,302,572	362,356,369	371,980,186	373,513,224	375,127,493	384,702,088	388,509,497
Fund Balance	0	0	0	-12,737,415	-9,898,669	-8,952,659	-9,904,633

430 Gas Operating Fund

The City of Tallahassee has owned, operated, and managed a natural gas distribution system since 1956. This system provides firm and interruptible gas service to approximately 24,927 utility customers in and about the corporate limits of the city. Monthly utility reports report the utility customer base consists of 23,543 residential customers and 1,384 commercial customers. The number of active service points, which include locations where gas can be consumed if there were a meter and active utility customers as of August 31, 2007, is 26,248. The majority of available service points (94%) are for residential accounts.

Gas utility customers include four types, the majority being residential (95%), commercial (5%) and small interruptible and contract customers, which account for the balance. The department continues to provide interruptible services to several commercial customers in addition to special and flexible contract customers. Under special contracts, the utility is permitted to lower its margin in order to compete in terms of cost with alternative fuels. This type of contract allows the Gas Utility to respond to changing market conditions where customer acquisition or retention is economically feasible. Customers are required to submit documentation supporting the quantity, quality, availability, and cost of alternative fuels.

Rate indicators for the fund continue to show declining system growth, mild heating degree-day deficiencies, rising fuel expenses, moderate local and national economic growth, and rising cost of goods and services. During fiscal year 2006, rate studies and subsequent rate increases were completed for the electric, water, and sewer utilities. On June 27, 2007, the City Commission authorized the utility to prepare a revised gas rate study to determine whether rates are sufficient to cover the utility's future anticipated costs. The rate study is being performed in-house; however, staff contracted with R.W. Beck to review and certify the study. Currently, the staff is in the process of finalizing a draft of the complete natural gas rate study for review by R. W. Beck. The new rates that result from the study are anticipated to be presented to the Commission in October 2007. Any new rates approved by the Commission are expected to be implemented on November 1, 2007.

The Gas Fund accounts for the assets, operations, maintenance, and operating financial transactions of the city-owned gas system and is currently balanced for all five years. The department's approved budget is both realistic and moderately in line with the fund's five-year financial plan.

The 2008 fiscal year budget reflects expenditures in the amount of \$36.4 million, representing a decrease of \$4.3 million from the 2007 approved budget. This is primarily due to the decrease in estimated fuel expenses. The fiscal year 2008 fuel forecast is budget at \$23.9 million. These estimates are based on the New York Mercantile Exchange (NYMEX) natural gas closing price as of March 2007. The \$5 million decrease in fuel forecast can be attributed to the recovery of offshore natural gas production in the aftermath of hurricanes Rita and Katrina.

The major source of revenues for the gas fund is metered sales that represent approximately 93% of the operating revenues. Remaining revenue is generated from service initiations, fees and charges, a surcharge, and non-operating sources such as system charge and interest earnings. As of August 2007, the utility has collected in excess of \$30 million in revenues.

The city's finance policy regarding the funding level for capital expenditures from operating revenues were changed for all the utilities during fiscal year 2006. The new policy provides for phasing-in additional funding for capital expenditures equal to annual depreciation expenses. The target amount for FY 2008 includes \$1.7 million, with an annual increase of \$100,000 for the next four years.

The capital improvement program for fiscal year 2008 is being funded with available cash balances in the amount of \$1.5 million, \$2.8 million in bonds, and a little over a half million dollars (\$534,046) is being transferred from the fund's repair, replacement, and improvement fund. For fiscal year 2008, the Gas Utility capital budget is \$5,005,663. Over the five-year period from FY 2008-FY 2012, funding for gas improvements total \$25,373,863.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

430 Gas Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	2,050,324	2,098,725	2,088,751	2,107,115	2,141,860	2,233,025	2,255,340
Operating	461,419	448,147	974,727	974,970	975,220	975,388	975,561
Fuel	21,813,112	22,872,721	23,934,951	23,813,927	23,321,390	22,477,265	22,299,646
Other Services & Charges	80,107	81,329	81,931	81,931	81,931	81,931	81,931
Allocated Accounts	2,611,295	2,939,806	2,252,374	2,329,953	2,405,111	2,476,868	2,536,794
Utilities and Other Expenses	49,033	56,249	57,259	57,945	58,621	59,161	59,161
Transfers	3,687,216	4,686,929	4,737,305	5,294,837	5,885,164	6,005,043	6,118,066
Contributions to Operations	2,300,000	2,300,000	2,323,000	2,323,000	2,323,000	2,323,000	2,323,000
Year End Adjustments	158,716	0	0	0	0	151,192	651,915
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	32,662,351	34,756,908	35,360,839	35,762,046	35,607,615	36,107,867	36,612,907
Other Revenues	548,871	556,847	566,772	648,796	661,771	675,006	688,507
Other Sources	0	170,151	522,687	572,836	922,911	0	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	33,211,222	35,483,906	36,450,298	36,983,678	37,192,297	36,782,873	37,301,414
Fund Total Revenue	33,211,222	35,483,906	36,450,298	36,983,678	37,192,297	36,782,873	37,301,414
Fund Balance	0	0	0	0	0	0	0

Fund Expenditures

Salary enhancements have been budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2% for employees who earn an annual salary of \$50,000 or greater in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the future liability for other post employee benefits (retiree health care) are budgeted according to an actuarial study estimating the current expense and future benefit needs.

Utilities and Other Expenses category costs for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. An electric rate increase was phased in from April of 2006 to FY 2008 with 3.1%, 7.4% and 10.6% increases. A sewer rate increase was phased in from April of 2006 to FY 2008 with 4.1%, 10.5% and 12.2% increases. A water rate increase of 6.2% was implemented in FY 2007.

No capital outlay funds have been budgeted for the entire five-year plan.

An analysis for uncollectible accounts receivable was completed as of September 30, 2005. Based upon the review performed, the allowance balances for the Gas Fund are at a reasonable level. Bad debt continues to be held at a constant \$65,000 for the five-year period.

The department has met the General Fund transfer without a base rate increase for the past ten years. The utility's contribution to the General Fund is established in accordance with the financial policy and was approved at an exception to the existing policy at a 1% increase (\$23,000) for the five-year period beginning in FY08.

Funding reductions in the amount of \$12,495 can be attributed to a 20%, or \$5,117 reduction in the fund's travel and training expenses; a 10%, or \$4,413 reduction in the fund's vehicle replacement expenses; and a 25%, or \$975 reduction in the department director's car allowance.

430 Gas Operating Fund

Fund Revenues

Residential growth is forecast to increase by approximately 1% annually. Commercial growth and interruptible rates are forecast to increase by one percent annually. Other miscellaneous revenues are also projected to increase by 2% annually.

Capital Projects Operating Budget Impacts

There are no operating impacts within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

430 Gas Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	1,660,307	1,703,077	1,776,426	1,822,791	1,877,474	1,933,800	1,991,812
Capitalized Wages	-249,011	-311,005	-532,776	-588,738	-630,757	-618,878	-678,427
Salary Enhancements	0	0	46,364	54,683	56,326	58,017	59,758
Temporary Wages	15,701	14,000	14,500	14,500	14,500	14,500	14,500
Overtime	79,583	81,750	94,000	94,000	94,000	94,000	94,000
Capitalized Overtime	-16,811	0	0	0	0	0	0
Other Salary Items	10,284	10,284	9,273	9,273	9,273	9,273	9,273
Pension- Current	150,733	165,936	170,659	175,761	181,019	186,428	192,004
Pension- MAP	133,987	134,281	138,098	142,230	146,480	150,861	155,371
Mandatory Medicare	17,646	17,241	17,708	18,236	18,783	19,348	19,926
Health Benefits	170,306	188,532	197,819	207,699	218,082	228,996	240,443
Health Benefits-Retirees	0	12,909	74,960	74,960	74,960	74,960	74,960
Flex Benefits	77,599	81,720	81,720	81,720	81,720	81,720	81,720
Personnel Services	2,050,324	2,098,725	2,088,751	2,107,115	2,141,860	2,233,025	2,255,340
Advertising	3,061	3,150	5,824	5,824	5,824	5,824	5,824
Cleaning & Laundry	9,101	10,300	9,929	9,929	9,929	9,929	9,929
Reproduction	1,025	1,421	1,466	1,466	1,466	1,466	1,466
Unclassified Professional Svcs	94,027	100,000	135,500	135,500	135,500	135,500	135,500
System Dispatch Services	111,300	111,300	111,300	111,300	111,300	111,300	111,300
Building Repairs	355	550	2,188	2,188	2,188	2,188	2,188
Equipment Repairs	1,369	6,356	7,220	7,220	7,220	7,220	7,220
Construction Services	0	1,500	0	0	0	0	0
Unclassified Contract Svcs	37,875	45,000	77,157	77,316	77,479	77,647	77,820
Telephone	15,242	16,000	16,000	16,000	16,000	16,000	16,000
Chem-Med-Lab	0	57	57	57	57	57	57
Food	1,293	1,250	1,050	1,050	1,050	1,050	1,050
Gasoline	36	1,589	1,668	1,752	1,839	1,839	1,839
Postage	630	800	1,087	1,087	1,087	1,087	1,087
Office Supplies	5,256	5,500	5,500	5,500	5,500	5,500	5,500
Uniforms & Clothing	6,290	6,350	6,228	6,228	6,228	6,228	6,228
Unclassified Supplies	86,339	77,514	81,764	81,764	81,764	81,764	81,764
Travel & Training	31,403	11,900	20,474	20,474	20,474	20,474	20,474
Journals & Books	639	1,010	1,543	1,543	1,543	1,543	1,543
Memberships	47,307	40,000	39,775	39,775	39,775	39,775	39,775
Rent Expense- Machines	8,871	6,600	8,997	8,997	8,997	8,997	8,997
Unclassified Charges	0	0	440,000	440,000	440,000	440,000	440,000
Operating	461,419	448,147	974,727	974,970	975,220	975,388	975,561
COGS- Natural Gas	21,813,112	22,872,721	23,934,951	23,813,927	23,321,390	22,477,265	22,299,646
Fuel	21,813,112	22,872,721	23,934,951	23,813,927	23,321,390	22,477,265	22,299,646
Interest on Deposits	15,107	16,329	16,931	16,931	16,931	16,931	16,931
Bad Debt Expense	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Other Services & Charges	80,107	81,329	81,931	81,931	81,931	81,931	81,931
Human Resource Expense	45,696	46,107	46,330	47,720	49,152	50,626	52,145
Accounting Expense	59,383	59,157	55,333	56,993	58,703	60,464	62,278
Purchasing Expense	36,320	41,166	55,343	57,003	58,713	60,475	62,289
Information Systems Expense	255,974	358,380	243,491	250,796	258,320	266,069	274,051
Risk Management Expense	139,539	55,685	39,878	41,074	42,307	43,576	44,883
Radio Communications Expense	13,104	9,974	10,170	10,475	10,789	11,113	11,446
Revenue Collection Expense	152,635	85,782	85,984	88,564	91,220	93,957	96,776
Utility Services Expense	931,968	1,482,467	940,042	968,243	997,291	1,027,209	1,058,026
Energy Services	519,847	373,440	384,643	396,182	408,067	408,067	408,067
Vehicle Garage Expense	208,364	146,043	117,235	120,752	124,375	128,106	131,949
Vehicle Replacement	40,735	40,735	39,715	50,915	57,702	71,279	71,279
Indirect Costs	207,730	240,870	234,210	241,236	248,473	255,927	263,605
Allocated Accounts	2,611,295	2,939,806	2,252,374	2,329,953	2,405,111	2,476,868	2,536,794

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

430 Gas Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Utilities - Sanitation	19,310	24,642	25,603	25,603	25,603	25,603	25,603
Utilities - Stormwater	2,198	2,313	2,312	2,423	2,531	2,531	2,531
Utilities - Gas	1,877	2,274	1,742	1,794	1,847	1,847	1,847
Utilities - Water	557	1,062	1,378	1,403	1,428	1,456	1,456
Utilities - Electric	24,138	24,927	25,271	25,769	26,259	26,771	26,771
Utilities - Fire Services	953	1,031	953	953	953	953	953
Utilities and Other Expenses	49,033	56,249	57,259	57,945	58,621	59,161	59,161
Debt Service Transfer	2,544,256	2,596,929	2,453,259	2,452,562	2,904,556	2,909,133	2,910,879
RR&I Transfer	687,295	1,650,000	2,284,046	2,842,275	2,980,608	3,095,910	3,207,187
Inter-Fund Transfer	455,665	440,000	0	0	0	0	0
Transfers	3,687,216	4,686,929	4,737,305	5,294,837	5,885,164	6,005,043	6,118,066
Contribution to General Fund	2,300,000	2,300,000	2,323,000	2,323,000	2,323,000	2,323,000	2,323,000
Contributions to Operations	2,300,000	2,300,000	2,323,000	2,323,000	2,323,000	2,323,000	2,323,000
Transfer to RR&I	158,716	0	0	0	0	151,192	651,915
Year End Adjustments	158,716	0	0	0	0	151,192	651,915
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Meter Tampering Fine	174	550	0	0	0	0	0
Residential	11,763,271	11,923,500	12,270,706	12,427,650	12,330,755	12,583,821	12,841,948
Non-Residential	10,010,517	11,500,250	11,640,253	11,756,405	11,706,719	11,822,206	11,941,878
Interruptible	1,927,774	2,110,550	2,135,037	2,158,885	2,135,893	2,167,931	2,194,443
Flexible Contract Interrupti	8,536,167	8,792,252	8,876,441	8,971,937	8,978,135	9,068,674	9,160,098
Forfeited Discounts	129,850	131,700	134,334	137,021	139,761	142,556	145,407
Initiating Services	139,650	141,370	144,197	147,081	150,023	153,023	156,084
Tapping Fees	12,150	13,500	13,770	14,045	14,326	14,613	14,905
Cut Fees	33,630	35,400	36,108	36,830	37,567	38,318	39,084
Surcharge	103,224	106,836	108,973	111,152	113,375	115,643	117,956
Gas Pilot Lighting	3,320	0	0	0	0	0	0
Other Miscellaneous Revenue	2,624	1,000	1,020	1,040	1,061	1,082	1,104
Charges for Services	32,662,351	34,756,908	35,360,839	35,762,046	35,607,615	36,107,867	36,612,907
Interest	246,939	254,347	259,434	264,623	269,915	275,313	280,820
Trans from Fund Bal - Encumb	438	0	0	0	0	0	0
Capitalized Overhead	301,494	302,500	307,338	384,173	391,856	399,693	407,687
Other Revenues	548,871	556,847	566,772	648,796	661,771	675,006	688,507
Transfer from Gas RR&I Fund	0	170,151	522,687	572,836	922,911	0	0
Other Sources	0	170,151	522,687	572,836	922,911	0	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	33,211,222	35,483,906	36,450,298	36,983,678	37,192,297	36,782,873	37,301,414
Fund Total Revenue	33,211,222	35,483,906	36,450,298	36,983,678	37,192,297	36,782,873	37,301,414
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

460 Water Operating Fund

The Water Division delivers potable water from pumping stations to city residents as well as to adjacent communities. The division owns, operates, and maintains a water production and distribution system that services Tallahassee and portions of Leon and Wakulla counties. As of June 2007, water infrastructure includes 28 deep wells, eight elevated water storage tanks, and approximately 1,168 miles of water main. Approximately 8.1 billion gallons of water have been sold to nearly 75,400 customers.

The water capital improvement plan (CIP) for fiscal years 2008-12 chiefly entails projects to maintain, replace, and upgrade water system infrastructure, including water supply wells, storage tanks, and distribution facilities. An update to the master water plan is scheduled in fiscal year 2008 to determine system expansion requirements in response to the city-county franchise agreement, and \$2 million is included annually in the 5-year CIP to fund specific expansion projects that are identified. Other major projects include: the Advanced Metering Infrastructure (AMI) project at \$6 million annually for FY08-10; the expansion/upgrade of the water quality laboratory building to alleviate crowded conditions; and the facility needs assessment to address a consolidated site and facilities for Distribution and Collection Division resources. Funding for reuse water distribution mains is included in the CIP at \$1 million annually on the basis that wastewater reuse will replace the pumping and distribution of potable water for irrigation.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	3,671,676	3,471,720	4,231,803	4,347,971	4,459,942	4,609,859	4,774,403
Operating	3,346,957	2,843,481	3,423,052	3,416,410	3,478,666	3,555,537	3,630,440
Other Services & Charges	898,131	959,229	687,500	687,500	687,500	687,500	687,500
Capital Outlay	86,809	233,179	202,534	0	0	0	0
Allocated Accounts	4,342,233	4,787,163	5,009,839	5,202,865	5,382,373	5,596,534	5,753,637
Utilities and Other Expenses	2,248,464	2,382,462	2,533,964	2,609,786	2,687,875	2,768,309	2,851,207
Transfers	3,521,713	3,601,807	6,169,384	6,158,523	9,384,080	9,483,806	9,589,294
Contributions to Operations	5,567,038	5,578,089	5,811,993	6,156,462	6,494,790	6,980,580	7,345,172
Year End Adjustments	1,003,853	2,014,845	0	1,904,744	0	0	0
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	21,990,833	23,115,342	25,030,317	27,358,005	29,319,983	30,337,675	31,202,088
Other Revenues	2,177,041	2,219,033	2,520,752	2,607,256	2,736,243	2,825,450	2,910,565
Other Sources	519,000	537,600	519,000	519,000	519,000	519,000	519,000
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>24,686,874</u>	<u>25,871,975</u>	<u>28,070,069</u>	<u>30,484,261</u>	<u>32,575,226</u>	<u>33,682,125</u>	<u>34,631,653</u>
Fund Total Revenue	<u>24,686,874</u>	<u>25,871,975</u>	<u>28,070,069</u>	<u>30,484,261</u>	<u>32,575,226</u>	<u>33,682,125</u>	<u>34,631,653</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

The most significant expenditure increases above those budgeted in fiscal year 2007 are attributable to debt service expenses and the anticipated cost of electricity.

Expenditures in the fiscal year 2008-12 proforma assume:

- A hiring freeze is in effect for vacant positions 1495 and 6863 in the Water Maintenance cost center (300104) and position number 2633 in Water Repair (cost center 300105).
- Assumptions for personnel services are as follows: salary enhancements for general employees are budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary of less than \$50,000 and 2% for employees who earn an annual salary of \$50,000 or greater; general employee pension rates are

460 Water Operating Fund

9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; and health care rates are increased by 4.92% applied to salaries and benefits. Position moves, salary changes, and budget transfers processed since the proposed budget was presented are reflected in the approved budget.

- A 3.5% vacancy factor is applied to salaries and benefits, since this department employs at least 50 persons. This rate is a half percent increase over the prior year vacancy rate.
- The future liability for other post employee benefits (retiree health care) is budgeted according to an actuarial study estimating the current expense and future benefit needs.
- Allocated accounts, which primarily are driven by personnel costs, are increased by 2.7% in fiscal year 2008 and three percent thereafter.
- Funding for cash-financed repairs, replacements, and improvements (RR&I) are based on anticipated levels of activity in the capital improvement plan.
- A rate study was begun in fiscal year 2007 is expected to be completed in the second quarter of fiscal year 2008. The proforma presumes implementation of customer rates at levels sufficient to support revenue requirements as shown in all years of the proforma.
- Other miscellaneous expenditures have increased by annual changes in the consumer price index or customer growth, as appropriate.
- The fund's contribution to the General Fund is equivalent to twenty percent of gross water revenues, less surcharge revenue, averaged over a three-year period.
- Departmental travel and training expenses are reduced by 20%.
- Car allowance expense for the department director is reduced by 25%.
- Vehicle replacement funding is reduced by ten percent.

Fund Revenues

Water system revenues include water sales, development fees, various water service fees, and other miscellaneous fees. The 2007-2008 projection reflects increases in metered water sales from account growth and from increased revenues related to the rate increase approved in fiscal year 2006.

Existing projects and expansion of the capital improvement plan have placed additional financial pressure on rates, which are being addressed by the rate study discussed in the preceding section.

Capital Projects Operating Budget Impacts

No fiscal year 2008 projects have additional operating impacts.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

460 Water Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	3,287,880	2,961,559	3,452,816	3,568,294	3,675,345	3,785,605	3,899,170
Capitalized Wages	-1,164,973	-988,450	-1,083,725	-1,116,237	-1,149,725	-1,156,984	-1,156,984
Salary Enhancements	0	0	89,654	107,052	110,265	113,570	116,980
Temporary Wages	41,684	70,500	99,200	91,200	91,200	91,200	91,200
Overtime	432,815	400,901	530,334	530,334	530,334	530,334	530,334
Capitalized Overtime	-190,485	-189,978	-277,172	-285,487	-294,051	-296,087	-296,087
Other Salary Items	11,190	7,445	26,563	7,713	7,713	7,713	7,713
Pension- Current	292,639	268,374	334,124	346,483	356,772	367,361	378,274
Pension- MAP	282,574	251,560	271,378	281,377	289,702	298,277	307,104
Mandatory Medicare	42,044	38,665	40,389	42,226	43,491	44,787	46,129
Health Benefits	441,831	433,915	524,029	552,679	580,306	609,351	639,813
Health Benefits-Retirees	0	46,096	138,824	138,824	138,824	138,824	138,824
Flex Benefits	194,477	171,133	206,236	208,404	208,404	208,404	208,404
Vacancy factor of 3.5%	0	0	-120,847	-124,891	-128,638	-132,496	-136,471
Personnel Services	3,671,676	3,471,720	4,231,803	4,347,971	4,459,942	4,609,859	4,774,403
Advertising	290	300	15,200	15,200	15,200	15,200	15,200
Cleaning & Laundry	25,967	24,200	22,572	22,572	22,572	22,572	22,572
Reproduction	1,494	1,750	4,110	4,110	4,110	4,110	4,110
Unclassified Professional Svcs	300	0	0	0	0	0	0
System Planning Services	938,267	797,829	971,923	1,001,567	1,028,818	1,060,194	1,089,650
System Collection	95,119	97,973	96,566	99,463	102,447	105,520	108,686
Building Repairs	4,611	2,600	5,110	5,110	5,110	5,110	5,110
Equipment Repairs	8,095	18,700	24,696	24,696	24,696	24,696	24,696
Medical Services	111	150	0	0	0	0	0
Legal Services	58,064	0	0	0	0	0	0
Construction Services	419	0	0	0	0	0	0
Unclassified Contract Svcs	224,360	146,000	168,454	128,454	128,454	128,454	128,454
Computer Software	4,172	25,700	13,300	13,300	13,300	13,300	13,300
Environmental Contractual	403	7,500	13,580	13,580	13,580	13,580	13,580
Potable Water Monitoring	1,531,702	1,290,572	1,552,114	1,591,196	1,623,184	1,665,606	1,707,887
Telephone	14,148	20,150	23,744	23,744	23,744	23,744	23,744
Chem-Med-Lab	68,109	85,800	56,018	56,018	56,018	56,018	56,018
Food	4,678	1,979	1,929	1,929	1,929	1,929	1,929
Gasoline	315	100	650	682	715	715	715
Oil & Lubricants	634	1,100	0	0	0	0	0
Postage	246	300	0	0	0	0	0
Office Supplies	7,306	8,750	12,016	12,016	12,016	12,016	12,016
Uniforms & Clothing	26,410	36,200	40,602	40,602	40,602	40,602	40,602
Unclassified Supplies	267,244	227,500	292,580	292,580	292,580	292,580	292,580
Non-Capitalized Furniture	13,785	500	0	0	0	0	0
Building Supplies	1,118	3,500	600	600	600	600	600
Safety Materials & Supplies	774	1,000	3,140	3,140	3,140	3,140	3,140
Other	0	0	19,608	0	0	0	0
Travel & Training	11,700	9,100	11,507	11,507	11,507	11,507	11,507
Journals & Books	1,358	1,600	2,182	2,182	2,182	2,182	2,182
Memberships	15,831	16,478	13,828	13,828	13,828	13,828	13,828
Certificates & Licenses	984	2,850	4,125	4,125	4,125	4,125	4,125
Rent Expense- Bldg & Ops	0	0	37,898	19,209	19,209	19,209	19,209
Rent Expense- Machines	4,897	2,800	5,000	5,000	5,000	5,000	5,000
Unclassified Charges	14,046	10,500	10,000	10,000	10,000	10,000	10,000
Operating	3,346,957	2,843,481	3,423,052	3,416,410	3,478,666	3,555,537	3,630,440
Interest on Deposits	58,260	65,379	70,000	70,000	70,000	70,000	70,000
Bad Debt Expense	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Line Extensions	699,433	753,850	475,000	475,000	475,000	475,000	475,000
Direct Overhead	438	0	0	0	0	0	0
Environmental Assessments&	0	0	2,500	2,500	2,500	2,500	2,500
Other Services & Charges	898,131	959,229	687,500	687,500	687,500	687,500	687,500

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

460 Water Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Building & Structures	0	55,500	0	0	0	0	0
Office Equipment	180	0	0	0	0	0	0
Computer Equipment	6,989	45,180	45,000	0	0	0	0
Vehicle Equipment	0	25,000	0	0	0	0	0
Unclassified Equipment	79,640	107,499	157,534	0	0	0	0
Capital Outlay	86,809	233,179	202,534	0	0	0	0
Human Resource Expense	343,861	117,821	115,822	119,297	122,876	126,562	130,359
Accounting Expense	15,219	140,363	115,008	118,458	122,012	125,672	129,443
Purchasing Expense	99,923	160,180	161,367	166,208	171,194	176,330	181,620
Information Systems Expense	383,370	549,283	303,405	312,507	321,882	331,539	341,485
Risk Management Expense	294,370	321,506	394,548	404,643	416,835	429,392	442,326
Radio Communications Expense	45,358	27,785	29,057	29,929	30,827	31,751	32,704
Revenue Collection Expense	242,225	67,290	64,423	66,356	68,346	70,397	72,509
Utility Services Expense	1,478,990	1,870,477	2,358,651	2,429,411	2,502,293	2,577,362	2,654,682
Energy Services	55,398	39,796	40,990	42,220	43,487	44,792	44,792
Vehicle Garage Expense	757,102	797,370	672,815	692,999	713,789	735,203	757,259
Vehicle Replacement	181,000	181,000	176,469	226,234	256,391	316,720	316,720
Indirect Costs	445,417	514,292	577,284	594,603	612,441	630,814	649,738
Allocated Accounts	4,342,233	4,787,163	5,009,839	5,202,865	5,382,373	5,596,534	5,753,637
Utilities - Sanitation	969	800	2,350	2,350	2,350	2,350	2,350
Utilities - Stormwater	3,872	4,099	4,511	4,724	4,935	5,155	5,155
Utilities - Water	2,228	2,721	1,300	1,300	1,300	1,300	1,300
Utilities - Electric	2,240,925	2,374,073	2,525,188	2,600,797	2,678,675	2,758,889	2,841,787
Utilities - Fire Services	470	769	615	615	615	615	615
Utilities and Other Expenses	2,248,464	2,382,462	2,533,964	2,609,786	2,687,875	2,768,309	2,851,207
Debt Service Transfer	1,286,025	1,285,609	3,169,384	3,058,523	6,184,080	6,183,806	6,189,294
RR&I Transfer	2,167,000	2,272,150	3,000,000	3,100,000	3,200,000	3,300,000	3,400,000
Inter-Fund Transfer	68,688	44,048	0	0	0	0	0
Transfers	3,521,713	3,601,807	6,169,384	6,158,523	9,384,080	9,483,806	9,589,294
Contribution to General Fund	5,567,038	5,578,089	5,811,993	6,156,462	6,494,790	6,980,580	7,345,172
Contributions to Operations	5,567,038	5,578,089	5,811,993	6,156,462	6,494,790	6,980,580	7,345,172
Transfer to RR&I	1,003,853	2,014,845	0	1,904,744	0	0	0
Year End Adjustments	1,003,853	2,014,845	0	1,904,744	0	0	0
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Meter Tampering Fine	6,080	5,445	0	0	0	0	0
Residential	11,876,316	12,373,981	13,449,190	15,235,166	16,128,045	16,822,862	17,276,553
Commercial	7,014,563	7,325,511	8,095,952	8,574,442	9,578,125	9,835,776	10,186,470
Forfeited Discounts	88,525	137,452	87,687	89,266	90,873	92,509	94,078
Initiating Services	474,116	515,887	577,422	587,816	598,396	609,168	616,282
Tapping Fees	990,396	997,301	1,269,576	1,292,428	1,315,692	1,339,375	1,363,484
Cut Fees	104,040	135,827	192,734	196,203	199,735	203,330	206,990
Surcharge	1,103,083	1,234,713	1,110,455	1,132,689	1,156,318	1,179,445	1,200,675
Surcharge- Outside Leon Co	62,895	66,706	96,551	98,495	100,549	102,560	104,406
Hydrant Rental	52,500	52,500	52,500	52,500	52,500	52,500	52,500
Other Revenues	100,205	148,588	25,000	25,450	25,900	26,000	26,200
System Dispatch Services	55,650	55,650	55,650	55,650	55,650	55,650	55,650
Developer-Installed Line Ins	36,629	15,207	16,600	16,900	17,200	17,500	17,800
Other Miscellaneous Revenue	19,555	9,542	1,000	1,000	1,000	1,000	1,000
Laboratory Sample Test Fees	6,267	41,032	0	0	0	0	0
Other Miscellaneous Revenue	13	0	0	0	0	0	0
Charges for Services	21,990,833	23,115,342	25,030,317	27,358,005	29,319,983	30,337,675	31,202,088

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

460 Water Operating Fund

<u>Revenues</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Interest	471,709	536,797	775,000	813,750	854,450	897,150	942,050
Wireless Rental	343,052	481,935	384,855	391,782	398,834	406,013	414,986
Water System Charge- Inside	2,258	0	0	0	0	0	0
Water System Charge- Outside	2,838	0	0	0	0	0	0
Trans from Fund Bal - Encumb	185,543	0	0	0	0	0	0
Capitalized Overhead	1,171,641	1,200,301	1,360,897	1,401,724	1,482,959	1,522,287	1,553,529
Other Revenues	2,177,041	2,219,033	2,520,752	2,607,256	2,736,243	2,825,450	2,910,565
Transfer From General Fund	0	18,600	0	0	0	0	0
Transfer From Water System C	519,000	519,000	519,000	519,000	519,000	519,000	519,000
Other Sources	519,000	537,600	519,000	519,000	519,000	519,000	519,000
<u>Fund Summary</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	24,686,874	25,871,975	28,070,069	30,484,261	32,575,226	33,682,125	34,631,653
Fund Total Revenue	24,686,874	25,871,975	28,070,069	30,484,261	32,575,226	33,682,125	34,631,653
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

500 Sewer Operating Fund

The sanitary sewer collection system is comprised of approximately 675 miles of gravity pipe and is connected to over 15,000 manholes. Over 85 pumping stations using approximately 100 miles of force main to support the gravity system. The sanitary sewer collection system is projected to serve approximately 65,000 customers in fiscal year 2008.

The system transports raw sewage from homes and businesses in Tallahassee to one of two wastewater treatment facilities – the Lake Bradford Road (LBR) Wastewater Treatment Facility or the Thomas P. Smith (TPS) Water Reclamation Facility. LBR has a design capacity of 4.5 million gallons per day (MGD) and TPS can treat 27.5 MGD and is capable of handling peak flows up to 55 MGD.

In addition, the Water Utility has broken ground on a new water reuse treatment plant that will significantly enhance the environment. The Tram Road Reuse Facility (TRRF) will use highly treated wastewater to irrigate the Southwood County Club Golf Course, all the landscaping at the state of Florida's Capital Circle Office Complex, and along the Blue Print 2000 Capital Circle Southeast Improvement project. The TRRF will have a production capacity of 1.2 million gallons per day.

The paramount challenge facing the fund during the next five to six years is implementation of the advanced wastewater treatment (AWT) improvements at the LBR and TPS treatment facilities. The estimated total capital cost is \$160 million. AWT improvements are required by the settlement agreement reached in December 2006 with the petitioners who objected to renewal of the city's operating permits for both facilities. AWT facilities will produce treated wastewater that meets quality standards for public access reuse, which the TRRF project addresses. A feasibility study will be conducted during the next year to determine the extent and cost of the reuse system. The study will also consider residential irrigation use.

The sewer system also requires significant capital investment to address replacement and rehabilitation of aging infrastructure and system expansion to provide central sewer service to meet growth in both the city and the unincorporated area.

Expenditures	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Personnel Services	9,643,874	9,639,980	11,700,607	12,030,671	12,368,185	12,730,706	13,107,169
Operating	2,861,717	3,060,392	3,698,624	3,576,055	3,560,845	3,564,967	3,566,929
Other Services & Charges	1,321,297	1,402,500	1,002,500	1,002,500	1,002,500	1,002,500	1,002,500
Capital Outlay	169,237	234,917	138,900	0	0	0	0
Allocated Accounts	4,899,143	5,824,823	5,605,783	5,831,432	6,040,361	6,297,861	6,481,656
Utilities and Other Expenses	3,825,460	3,708,770	4,394,739	4,476,999	4,530,922	4,586,412	4,643,031
Transfers	7,577,360	8,854,081	17,515,845	19,238,554	26,438,496	26,437,582	26,449,718
Contributions to Operations	1,785,358	1,877,404	2,059,262	2,276,398	2,493,667	2,781,332	2,965,136
Year End Adjustments	1,754,678	1,544,575	0	0	0	274,531	842,424
Revenues	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Charges for Services	29,661,735	32,398,856	42,258,591	44,541,691	52,306,192	53,502,761	54,845,801
Other Revenues	1,376,389	1,350,592	1,557,669	1,590,918	1,828,784	1,873,130	1,912,762
Other Sources	2,800,000	2,397,994	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	33,838,124	36,147,442	46,116,260	48,432,609	56,434,976	57,675,891	59,058,563
Fund Total Revenue	33,838,124	36,147,442	46,116,260	48,432,609	56,434,976	57,675,891	59,058,563
Fund Balance	0	0	0	0	0	0	0

500 Sewer Operating Fund

Fund Expenditures

The fund's expenditures continue to be driven by debt service and operations and maintenance costs associated with capital infrastructure improvements, some of which are discussed above.

Expenditures in the fiscal year 2008-12 proforma assume:

- Additional funding for operating expenditures associated with pumping stations, biosolid operations, the Tram Road Reuse Facility, TPS Headworks improvements, the southeast sprayfield, and root intrusion control in wastewater collection lines.
- The fund's contribution to the General Fund is equivalent to four and one-half percent of gross sewer revenues, less surcharge revenue, averaged over a three-year period.
- A hiring freeze is in effect through January 31, 2008 for vacant position number 1626 in the Collection System Administration cost center (300401) and vacant position number 6665 in the TPS Maintenance cost center (300303) is permanently deleted.
- Assumptions for personnel services are as follows: salary enhancements for general employees are budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary of less than \$50,000 and 2% for employees who earn an annual salary of \$50,000 or greater; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; and health care rates are increased by 4.92% applied to salaries and benefits. Position moves, salary changes, and budget transfers processed since the proposed budget was presented are reflected in the approved budget.
- A 3.5% vacancy factor is applied to salaries and benefits, since this department employs at least 50 persons. This rate is a half percent increase over the prior year vacancy rate.
- The future liability for other post employee benefits (retiree health care) is budgeted according to an actuarial study estimating the current expense and future benefit needs.
- Allocated accounts, which primarily are driven by personnel costs, are increased by 2.7% in fiscal year 2008 and three percent thereafter.
- Funding for cash-financed repairs, replacements, and improvements (RR&I) are based on anticipated levels of activity in the capital improvement plan.
- A rate study was begun in fiscal year 2007 is expected to be completed in the second quarter of fiscal year 2008. The proforma presumes implementation of customer rates at levels sufficient to support revenue requirements as shown in all years of the proforma.
- Other miscellaneous expenditures have increased by annual changes in the consumer price index or customer growth, as appropriate.
- Departmental travel and training expenses are reduced by 20%.
- Car allowance expense for the department director is reduced by 25%.
- Vehicle replacement funding is reduced by ten percent.

Fund Revenues

As part of the sewer rate study that was approved in fiscal year 2006, a rate increase of 12.2% became effective October 1, 2007.

500 Sewer Operating Fund

Wastewater system revenues include monthly sewer service charges, which are based on water consumption rates, development fees, the sale of effluent and other miscellaneous fees. The system is expected to generate revenue of approximately \$46 million in fiscal year 2008.

Increases in capital costs due, primarily, to the settlement agreement regarding the city's wastewater operating permits, are expected to place additional upward pressure on rates beginning in fiscal year 2008. These costs will be addressed by the rate study discussed in the preceding section.

Capital Projects Operating Budget Impacts

Operating expenses of related to TPS headworks improvements (\$10,000 annually for additional chemical and utility expenses) are included in the proforma.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

500 Sewer Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	7,274,160	7,250,184	8,276,801	8,502,280	8,757,347	9,020,074	9,290,666
Capitalized Wages	-727,437	-628,317	-615,473	-623,719	-642,431	-650,506	-658,301
Salary Enhancements	0	0	281,480	320,424	327,956	335,717	343,829
Temporary Wages	43,108	30,932	31,388	31,388	31,388	31,388	31,388
Overtime	631,695	667,999	738,324	738,324	738,324	738,324	738,324
Capitalized Overtime	-172,370	-203,888	-125,743	-129,514	-133,400	-134,994	-135,410
Other Salary Items	8,500	7,260	27,057	7,800	7,800	7,800	7,800
Pension- Current	654,573	644,589	793,112	817,788	842,305	867,555	893,548
Pension- MAP	604,048	570,281	641,794	661,771	681,605	702,038	723,076
Mandatory Medicare	83,956	82,272	91,910	93,696	96,497	99,386	102,423
Health Benefits	883,642	832,666	1,128,355	1,186,066	1,245,357	1,307,684	1,373,054
Health Benefits-Retirees	0	59,251	325,766	325,766	325,766	325,766	325,766
Flex Benefits	359,999	326,751	395,524	396,180	396,180	396,180	396,180
Vacancy factor of 3.5%	0	0	-289,688	-297,579	-306,509	-315,706	-325,174
Personnel Services	9,643,874	9,639,980	11,700,607	12,030,671	12,368,185	12,730,706	13,107,169
Advertising	1,120	29,750	35,500	35,500	35,500	35,500	35,500
Cleaning & Laundry	36,615	29,950	43,784	43,784	43,784	43,784	43,784
Reproduction	5,408	6,088	7,091	9,091	7,091	7,091	7,091
Unclassified Professional Svcs	28,525	100	200	200	200	200	200
System Collection	72,288	74,457	73,387	75,589	77,856	80,192	82,598
Building Repairs	16,940	23,200	25,551	25,551	25,551	25,551	25,551
Equipment Repairs	66,061	135,518	149,550	154,550	154,550	154,550	154,550
Medical Services	957	0	2,500	2,500	2,500	2,500	2,500
Educational Services	390	0	0	0	0	0	0
Engineering Services	734	5,000	3,800	3,800	3,800	3,800	3,800
Legal Services	577,050	125,000	100,000	0	0	0	0
Construction Services	14,241	0	0	0	0	0	0
Unclassified Contract Svcs	272,426	465,450	932,027	934,650	920,292	920,953	921,634
Computer Software	23,471	10,200	34,543	34,543	34,543	34,543	34,543
Environmental Contractual	15	16,684	15,520	15,520	15,520	15,520	15,520
Telephone	31,770	36,327	31,499	31,499	31,499	31,499	31,499
Chem-Med-Lab	877,578	1,111,800	1,207,416	1,208,666	1,208,666	1,208,666	1,208,666
Food	2,785	2,411	2,986	2,990	2,996	2,996	2,996
Gasoline	58	0	0	0	0	0	0
Oil & Lubricants	1,186	0	0	0	0	0	0
Postage	462	2,620	2,726	2,726	2,726	2,726	2,726
Office Supplies	33,347	41,150	35,012	35,012	35,012	35,012	35,012
Uniforms & Clothing	22,200	53,900	55,625	55,625	55,625	55,625	55,625
Unclassified Supplies	692,876	783,382	763,706	763,706	763,706	763,706	763,706
Non-Capitalized Furniture	2,322	0	0	0	0	0	0
Building Supplies	841	300	0	0	0	0	0
Safety Materials & Supplies	7,016	6,330	13,360	13,360	13,360	13,360	13,360
Other	0	0	28,343	0	0	0	0
Travel & Training	27,844	47,900	32,628	33,128	33,128	33,128	33,128
Journals & Books	1,993	3,751	4,595	4,595	4,595	4,595	4,595
Memberships	6,448	11,900	35,168	35,168	35,168	35,168	35,168
Certificates & Licenses	3,101	3,624	6,775	7,900	6,775	7,900	6,775
Rent Expense- Bldg & Ops	0	0	37,888	18,958	18,958	18,958	18,958
Rent Expense- Machines	21,112	22,200	16,744	16,744	16,744	16,744	16,744
Unclassified Charges	12,537	11,400	700	10,700	10,700	10,700	10,700
Operating	2,861,717	3,060,392	3,698,624	3,576,055	3,560,845	3,564,967	3,566,929
Bad Debt Expense	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Line Extensions	1,119,297	1,200,000	800,000	800,000	800,000	800,000	800,000
Environmental Assessments&	2,000	2,500	2,500	2,500	2,500	2,500	2,500
Other Services & Charges	1,321,297	1,402,500	1,002,500	1,002,500	1,002,500	1,002,500	1,002,500
Office Equipment	331	0	0	0	0	0	0
Computer Equipment	26,652	14,650	10,000	0	0	0	0
Vehicle Equipment	45,220	90,402	0	0	0	0	0
Unclassified Equipment	97,034	129,865	128,900	0	0	0	0
Capital Outlay	169,237	234,917	138,900	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

500 Sewer Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Human Resource Expense	0	219,284	211,952	218,311	224,860	231,606	238,554
Accounting Expense	300,732	290,614	241,497	248,742	256,204	263,890	271,807
Purchasing Expense	248,127	225,770	197,957	203,896	210,013	216,313	222,802
Information Systems Expense	534,871	1,004,749	684,453	704,987	726,136	747,920	770,358
Risk Management Expense	512,124	610,847	629,809	641,896	661,357	681,402	702,049
Radio Communications Expense	60,476	43,103	43,949	45,267	46,625	48,024	49,465
Revenue Collection Expense	200,695	91,850	88,973	91,642	94,391	97,223	100,140
Utility Services Expense	1,225,410	1,534,687	1,648,015	1,697,455	1,748,379	1,800,830	1,854,855
Vehicle Garage Expense	875,472	813,752	829,991	854,891	880,537	906,954	934,162
Vehicle Replacement	261,634	261,634	255,083	327,018	370,610	457,814	466,203
Indirect Costs	679,602	728,533	774,104	797,327	821,247	845,884	871,261
Allocated Accounts	4,899,143	5,824,823	5,605,783	5,831,432	6,040,361	6,297,861	6,481,656
Utilities - Sewer	3,585	5,600	7,250	7,395	7,543	7,694	7,848
Utilities - Sanitation	507,567	340,215	360,815	362,925	365,075	367,225	369,375
Utilities - Stormwater	27,034	26,500	27,802	29,117	30,419	31,779	31,965
Utilities - Gas	251,521	157,359	773,000	775,000	777,000	779,000	781,000
Utilities - Water	92,398	57,298	63,847	68,122	68,638	69,178	69,728
Utilities - Electric	2,937,627	3,115,814	3,155,517	3,227,927	3,275,729	3,325,013	3,376,587
Utilities - Fire Services	5,728	5,984	6,508	6,513	6,518	6,523	6,528
Utilities and Other Expenses	3,825,460	3,708,770	4,394,739	4,476,999	4,530,922	4,586,412	4,643,031
Debt Service Transfer	6,183,455	6,182,151	12,315,845	12,238,554	19,438,496	19,437,582	19,449,718
RR&I Transfer	1,082,150	2,610,000	5,200,000	7,000,000	7,000,000	7,000,000	7,000,000
Inter-Fund Transfer	311,755	61,930	0	0	0	0	0
Transfers	7,577,360	8,854,081	17,515,845	19,238,554	26,438,496	26,437,582	26,449,718
Contribution to General Fund	1,785,358	1,877,404	2,059,262	2,276,398	2,493,667	2,781,332	2,965,136
Contributions to Operations	1,785,358	1,877,404	2,059,262	2,276,398	2,493,667	2,781,332	2,965,136
Transfer to RR&I	1,754,678	1,544,575	0	0	0	274,531	842,424
Year End Adjustments	1,754,678	1,544,575	0	0	0	274,531	842,424
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Initiating Services	-275	0	0	0	0	0	0
Other Revenues	43	0	0	0	0	0	0
Residential	15,054,929	16,587,592	21,926,404	23,209,274	27,685,787	28,306,061	29,061,840
Commercial	10,858,937	11,885,372	16,165,695	17,073,535	20,281,565	20,758,879	21,249,868
Forfeited Discounts	129,358	201,632	127,891	130,193	132,537	134,922	137,351
Tapping Fees	262,443	389,863	129,648	131,982	134,357	136,776	139,238
Digester Fees	192,748	308,800	473,415	481,937	490,612	499,443	508,433
Surcharge	381,773	527,371	537,001	543,994	550,797	561,813	571,926
Other Revenues	9,936	31,559	25,500	25,959	26,426	26,902	27,386
Laboratory Sample Test Fees	117,076	74,135	94,750	94,750	94,750	94,750	94,750
Potable Water Monitoring	1,531,702	1,370,948	1,552,114	1,591,196	1,623,184	1,665,606	1,707,887
System Dispatch Services	55,650	55,650	55,650	55,650	55,650	55,650	55,650
Strong Waste Surcharge	4,490	2,267	3,000	3,054	3,109	3,165	3,222
System Planning	938,267	844,642	971,923	1,001,567	1,028,818	1,060,194	1,089,650
Developer-Installed Line Ins	93,594	91,542	129,000	132,000	132,000	132,000	132,000
Other Miscellaneous Revenue	31,064	27,483	66,600	66,600	66,600	66,600	66,600
Charges for Services	29,661,735	32,398,856	42,258,591	44,541,691	52,306,192	53,502,761	54,845,801
Interest	533,519	665,479	738,950	750,000	965,000	995,000	1,020,000
Discounts Earned	140	175	0	0	0	0	0
Other Miscellaneous Revenue	22,831	22,855	66,750	66,750	66,750	66,750	66,750
Trans from Fund Bal - Encumb	57,072	0	0	0	0	0	0
Capitalized Overhead	762,827	662,083	751,969	774,168	797,034	811,380	826,012
Other Revenues	1,376,389	1,350,592	1,557,669	1,590,918	1,828,784	1,873,130	1,912,762

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

500 Sewer Operating Fund

<u>Revenues</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Transfer From General Fund	0	97,994	0	0	0	0	0
Transfer from Sewer RR&I Fd	500,000	0	0	0	0	0	0
Transfer From Sewer System C	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Other Sources	2,800,000	2,397,994	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
<u>Fund Summary</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	33,838,124	36,147,442	46,116,260	48,432,609	56,434,976	57,675,891	59,058,563
Fund Total Revenue	33,838,124	36,147,442	46,116,260	48,432,609	56,434,976	57,675,891	59,058,563
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

540 Airport Operating Fund

Tallahassee Regional Airport is owned and managed by the City of Tallahassee and occupies nearly 2,750 acres within the city limits. The Aviation Fund includes the commercial passenger facility; a general aviation terminal; fire and police units; and administrative, operations, and maintenance staff. The fund's operating budget consists of routine expenditures associated with management of an airport such as personnel services, contractual obligations, and operations and maintenance expenditures. The capital improvement program includes all projects related to airfields, terminal buildings, access roadways, and parking lots. The Aviation Fund is self-supporting and does not receive a subsidy from, nor make a transfer to, the General Fund. The Tallahassee Regional Airport is a user-based facility, and residents who do not use the airport do not contribute to the costs of its operations.

The fiscal year 2008–2012 capital improvement program totals more than \$54.8 million. The Aviation Department anticipates receiving over \$21 million in federal assistance over the next five years, mainly for runway and taxiway improvements, terminal improvements, and security enhancements in the terminal and around the airfield perimeter. Funding of nearly \$8 million also is anticipated from the Florida Department of Transportation to help fund these and other improvements. Drainage enhancements are planned to assist in providing for safe operations on the airfield during periods of inclement weather. The department also will rely on its own resources to finance airport improvements, including \$24.9 million in airport (mainly passenger facility charge and repair, replacement and improvement) funds, and \$1.3 million in private investments.

Excess revenues that remain in the fund, after all allowable expenditures have been accounted for, are distributed to prepaid fee credit and airport system capital accounts. The prepaid fee credit is used by airlines to reduce airport rental rates and fund capital improvements. The airport system capital account, which is the city's portion of surplus operating funds, helps support the department's capital improvement program.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	3,961,676	4,175,231	4,353,473	4,473,970	4,598,142	4,725,597	4,857,819
Operating	1,247,216	1,436,619	1,429,792	1,429,792	1,429,792	1,429,792	1,429,792
Other Services & Charges	-10,186	30,000	331,200	331,200	331,200	331,200	331,200
Capital Outlay	55,573	0	0	0	0	0	0
Allocated Accounts	1,242,689	1,726,279	1,661,090	1,715,856	1,770,012	1,829,381	1,871,105
Utilities and Other Expenses	891,273	1,024,271	1,104,974	1,136,860	1,168,556	1,200,335	1,200,335
Transfers	1,273,238	1,294,738	1,300,163	1,296,756	1,295,785	1,296,889	1,294,850
Contributions to Operations	751,455	816,000	894,167	924,314	954,923	990,962	1,016,971
Year End Adjustments	2,531,582	1,863,744	888,674	497,601	269,222	237,787	188,916
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	11,746,546	11,804,503	11,859,961	11,699,661	11,707,753	11,928,712	12,077,700
Other Revenues	197,970	120,073	103,572	106,688	109,879	113,231	113,288
Other Sources	0	442,306	0	0	0	0	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>11,944,516</u>	<u>12,366,882</u>	<u>11,963,533</u>	<u>11,806,349</u>	<u>11,817,632</u>	<u>12,041,943</u>	<u>12,190,988</u>
Fund Total Revenue	<u>11,944,516</u>	<u>12,366,882</u>	<u>11,963,533</u>	<u>11,806,349</u>	<u>11,817,632</u>	<u>12,041,943</u>	<u>12,190,988</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

The City Commission approved the budget for the Aviation Fund with the following changes. Salary enhancements have been budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2.0% for employees who earn an annual salary of \$50,000 or greater. Departmental travel and training expenses were reduced by 20%. Car allowances for city commissioners and

540 Airport Operating Fund

department directors were reduced by 25%, as well as implementation of a 10% reduction in the vehicle replacement funding. Position moves, salary changes, and budget transfers processed since the proposed budget are reflected in the approved budget.

Utilities and Other Expenses category costs for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. Electric's rate increase was phased in from April of 2006 to FY 2008 with 3.1%, 7.4% and 10.6% increases. The Sewer rate increase was phased in from April of 2006 to FY 2008 with 4.1%, 10.5% and 12.2% increases. The Water rate increase was implemented in FY 2007 and was for 6.2%.

Allocated accounts are increased by approximately 2.7% for fiscal year 2008, and by 3% for fiscal years 2009 through 2012. Indirect costs are decreased based upon the city's full cost allocation plan. Bad debt expenditures remain constant based on projections provided by the Accounting Services Division. Capital outlay items stand on their merits each fiscal year based on need and justification. Debt service expense is based upon the projected level of debt required each year to support facility enhancements and other infrastructure improvements.

A number of various expenditures have increased by annual changes in the consumer price index or customer growth, as appropriate. Expenditure account increases were also driven by changes in existing contractual agreements.

The Aviation Fund has no significant increases resulting from increased service levels in FY 2008.

Fund Revenues

Airline rental rates, usage charges, and revenue derived from the lease of airport land and buildings to airlines, rental car agencies, and other commercial enterprises have been projected to remain constant. Other revenue sources show slight increases due to anticipated passenger growth and changes in the consumer price index, as appropriate.

For FY 2008, scheduled landing fees are projected to realize a 2% increase from FY 2007. Mild increases in private and commercial aircraft using the airport facility have been projected; therefore, more revenues are anticipated.

Revenues from rental car concessions are budgeted to increase over the next five fiscal years. These revenues are driven by contractual agreements with rental car vendors. The Aviation Department anticipates attracting additional vendors to the airport.

Terminal building rental revenues are budgeted to remain constant due to no anticipated changes in rental agreements.

Capital Projects Operating Budget Impacts

There is no operating impact within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

540 Airport Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	2,742,782	2,876,097	2,937,865	3,017,371	3,107,536	3,200,614	3,296,481
Capitalized Wages	-114,254	-123,825	-123,825	-123,825	-123,825	-123,825	-123,825
Salary Enhancements	0	0	79,691	90,362	93,082	95,875	98,751
Temporary Wages	193,221	220,589	225,371	225,371	225,371	225,371	225,371
Overtime	224,587	314,084	208,402	209,082	209,796	209,496	209,796
Capitalized Overtime	-5,321	-94,419	0	0	0	0	0
Other Salary Items	41,148	26,420	34,773	34,773	34,773	34,773	34,773
Pension- Current	291,130	277,032	322,950	332,524	342,384	352,541	363,004
Pension- MAP	159,792	165,673	165,497	170,440	175,521	180,760	186,154
Mandatory Medicare	35,884	33,468	32,400	33,362	34,350	35,379	36,428
Health Benefits	291,142	339,586	339,169	356,114	373,913	392,631	412,260
Health Benefits-Retirees	0	32,154	124,732	124,732	124,732	124,732	124,732
Flex Benefits	101,565	108,372	109,272	109,272	109,272	109,272	109,272
Vacancy factor of 3.5%	0	0	-102,824	-105,608	-108,763	-112,022	-115,378
Personnel Services	3,961,676	4,175,231	4,353,473	4,473,970	4,598,142	4,725,597	4,857,819
Advertising	5,796	18,394	17,394	17,394	17,394	17,394	17,394
Cleaning & Laundry	12,259	12,100	12,100	12,100	12,100	12,100	12,100
Reproduction	8,320	11,175	8,130	8,130	8,130	8,130	8,130
Unclassified Professional Svcs	317,216	372,227	365,627	365,627	365,627	365,627	365,627
System Collection	607	0	0	0	0	0	0
Building Repairs	92,920	90,000	93,000	93,000	93,000	93,000	93,000
Equipment Repairs	124,484	155,681	246,751	246,751	246,751	246,751	246,751
Legal Services	19,409	25,000	25,000	25,000	25,000	25,000	25,000
Construction Services	2,415	500	500	500	500	500	500
Unclassified Contract Svcs	277,413	361,100	299,500	299,500	299,500	299,500	299,500
Computer Software	806	4,005	0	0	0	0	0
Telephone	8,443	7,198	8,320	8,320	8,320	8,320	8,320
Chem-Med-Lab	1,386	700	700	700	700	700	700
Food	6,397	6,290	6,290	6,290	6,290	6,290	6,290
Gasoline	27,449	27,407	27,407	27,407	27,407	27,407	27,407
Oil & Lubricants	1,949	3,259	3,259	3,259	3,259	3,259	3,259
Postage	1,741	4,760	4,744	4,744	4,744	4,744	4,744
Office Supplies	16,397	23,724	21,352	21,352	21,352	21,352	21,352
Uniforms & Clothing	10,093	16,000	18,498	18,498	18,498	18,498	18,498
Unclassified Supplies	147,190	132,278	125,319	125,319	125,319	125,319	125,319
Vehicle- Non-Garage	709	10,000	0	0	0	0	0
Building Supplies	70,306	65,000	70,000	70,000	70,000	70,000	70,000
Safety Materials & Supplies	1,975	2,400	2,000	2,000	2,000	2,000	2,000
Travel & Training	53,213	39,883	26,133	26,133	26,133	26,133	26,133
Journals & Books	1,068	3,430	3,660	3,660	3,660	3,660	3,660
Memberships	24,903	27,920	27,920	27,920	27,920	27,920	27,920
Certificates & Licenses	385	0	0	0	0	0	0
Rent Expense- Machines	11,248	16,188	16,188	16,188	16,188	16,188	16,188
Unclassified Charges	719	0	0	0	0	0	0
Operating	1,247,216	1,436,619	1,429,792	1,429,792	1,429,792	1,429,792	1,429,792
Bad Debt Expense	-10,186	30,000	30,000	30,000	30,000	30,000	30,000
City Contingency	0	0	301,200	301,200	301,200	301,200	301,200
Other Services & Charges	-10,186	30,000	331,200	331,200	331,200	331,200	331,200
Unclassified Equipment	55,573	0	0	0	0	0	0
Capital Outlay	55,573	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

540 Airport Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Human Resource Expense	76,541	83,925	78,683	81,043	83,475	85,979	88,558
Accounting Expense	107,626	109,433	78,412	80,764	83,187	85,683	88,253
Purchasing Expense	111,313	122,945	91,576	94,323	97,153	100,068	103,070
Information Systems Expense	286,923	343,067	413,254	425,651	438,421	451,574	465,121
Risk Management Expense	103,404	414,658	403,821	416,120	428,788	441,835	455,275
Radio Communications Expense	35,783	24,935	25,425	26,188	26,973	27,783	28,616
Revenue Collection Expense	1,658	36,463	33,044	34,035	35,056	36,108	37,191
Utility Services Expense	10,123	0	0	0	0	0	0
Vehicle Garage Expense	168,634	206,856	142,422	146,695	151,096	155,628	160,297
Vehicle Replacement	22,331	19,331	18,847	24,162	27,383	34,289	34,289
Indirect Costs	318,353	364,666	375,606	386,874	398,480	410,434	410,434
Allocated Accounts	1,242,689	1,726,279	1,661,090	1,715,856	1,770,012	1,829,381	1,871,105
Utilities - Sewer	23,304	33,829	37,956	38,704	39,439	40,208	40,208
Utilities - Sanitation	34,850	45,500	45,500	45,500	45,500	45,500	45,500
Utilities - Stormwater	229,625	345,665	362,637	380,442	398,247	416,049	416,049
Utilities - Water	38,467	42,480	43,300	44,153	44,992	45,869	45,869
Utilities - Electric	559,263	550,239	608,564	620,553	632,344	644,675	644,675
Utilities - Fire Services	5,764	6,558	7,017	7,508	8,034	8,034	8,034
Utilities and Other Expenses	891,273	1,024,271	1,104,974	1,136,860	1,168,556	1,200,335	1,200,335
Debt Service Transfer	1,273,238	1,274,738	1,300,163	1,296,756	1,295,785	1,296,889	1,294,850
Inter-Fund Transfer	0	20,000	0	0	0	0	0
Transfers	1,273,238	1,294,738	1,300,163	1,296,756	1,295,785	1,296,889	1,294,850
Contribution to Fire Services	751,455	816,000	894,167	924,314	954,923	990,962	1,016,971
Contributions to Operations	751,455	816,000	894,167	924,314	954,923	990,962	1,016,971
Transfer to RR&I	1,124,490	851,625	353,013	196,587	105,232	92,658	73,110
Transfer to Airline Prepd Crd	1,407,092	1,012,119	535,661	301,014	163,990	145,129	115,806
Year End Adjustments	2,531,582	1,863,744	888,674	497,601	269,222	237,787	188,916
Revenues	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

540 Airport Operating Fund

<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Scheduled Landing Fees	924,236	909,024	951,637	951,637	951,637	951,637	951,637
Non-Scheduled Landing Fees	126,791	136,000	130,000	130,000	130,000	130,000	130,000
Airport Applic/Permit Fee	15,407	10,000	15,000	15,000	15,000	15,000	15,000
Apron Fees	96,429	91,250	96,425	96,425	96,425	96,425	96,425
Tenant Equipment Charges	115,577	115,600	115,400	115,400	115,400	115,400	115,400
Rental Car Concessions	1,608,929	1,608,929	1,670,567	1,772,754	1,864,937	1,926,715	1,946,715
Restaurant Concessions	87,910	93,580	98,750	98,750	98,750	98,750	98,750
Limousine Concessions	21,045	1,200	15,000	15,000	15,000	15,000	15,000
Video Game Room	9,788	7,500	12,500	12,500	12,500	12,500	12,500
Badging (Security ID)	15,714	70,398	10,000	10,000	10,000	10,000	10,000
Parking Lot Concessions	3,151,445	3,151,445	2,997,026	3,077,878	3,177,945	3,426,328	3,526,067
Advertising Concessions	43,967	44,500	38,400	38,400	38,400	38,400	38,400
Gift Shop	74,874	73,000	83,000	83,000	85,000	85,000	85,000
Off-Airport Car Rental	175,394	175,400	154,000	154,000	154,000	154,000	154,000
Security Guards	1,246,012	1,310,100	1,634,635	1,663,778	1,693,781	1,725,164	1,755,698
Parking Tickets	17,845	15,142	18,000	18,000	18,000	18,000	18,000
MBE Concessions	21,417	1,884	23,250	23,250	23,250	23,250	23,250
Telephone Receipts	739	240	0	0	0	0	0
Fixed Base Operator Concessi	246,526	300,000	310,500	311,000	311,500	312,000	312,000
ATM Concession	20,609	20,900	19,500	19,500	19,500	19,500	19,500
T-Hangar Rental	35,341	35,340	36,100	36,100	37,000	37,000	37,000
Old Terminal Rental	18,842	17,555	17,555	17,994	17,994	17,994	18,444
FAA Building	313,000	313,000	313,000	313,000	313,000	313,000	313,000
New Cargo Building	65,173	62,677	65,908	65,908	65,908	65,908	65,908
New Terminal Rental	1,625,108	1,625,108	1,594,908	1,594,908	1,594,878	1,594,878	1,594,878
FAA Weather Bureau	167,512	174,704	174,704	174,704	174,704	174,704	174,704
Old Cargo Building Rental	45,653	47,027	47,027	47,027	47,027	47,027	47,027
Terminal Rental - Other	191,092	170,200	102,189	102,189	102,189	102,189	102,189
Land Lease Commercial	274,555	239,269	242,231	242,827	243,493	244,050	244,635
Land Lease General	6,200	0	1,200	1,200	1,200	1,200	1,200
Other Miscellaneous Revenue	965	1,000	4,200	4,200	4,200	4,200	4,200
Passenger Facility Charge Re	0	31	0	0	0	0	0
Prepaid Fee Credit Contrib	982,451	982,500	867,349	493,332	275,135	153,493	151,173
Charges for Services	11,746,546	11,804,503	11,859,961	11,699,661	11,707,753	11,928,712	12,077,700
Interest	133,654	120,000	103,572	106,688	109,879	113,231	113,288
Other Miscellaneous Revenue	9,179	73	0	0	0	0	0
Trans from Fund Bal - Encumb	55,137	0	0	0	0	0	0
Other Revenues	197,970	120,073	103,572	106,688	109,879	113,231	113,288
Transfer From Airport RR&I	0	9,415	0	0	0	0	0
Transfer From Prepaid Fee Cr	0	432,891	0	0	0	0	0
Other Sources	0	442,306	0	0	0	0	0
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	11,944,516	12,366,882	11,963,533	11,806,349	11,817,632	12,041,943	12,190,988
Fund Total Revenue	11,944,516	12,366,882	11,963,533	11,806,349	11,817,632	12,041,943	12,190,988
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

580 StarMetro Operating Fund

The City has operated StarMetro (formerly TalTran), a public transit system, since December 1973. The system, which operates as an enterprise fund, provides fixed route services, special transportation under provisions of the Americans with Disabilities Act (ADA), serves as the Community Transportation Coordinator (CTC) for Leon County, and provides a variety of contract/charter services.

In FY 2008, the fund's budget is \$15.0 million. Historically, expenses exceed revenues and a contribution from the General Fund subsidizes the transit system. The budgeted contribution from the General Fund for FY 2008 is \$7,661,518 or 51% of total expenses.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	7,352,797	8,351,691	8,100,340	8,382,793	8,635,020	8,895,721	9,153,414
Operating	3,385,659	3,148,538	3,355,073	3,396,564	3,521,038	3,371,038	3,371,038
Other Services & Charges	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Capital Outlay	46,195	0	0	0	0	0	0
Allocated Accounts	1,349,001	1,855,499	1,753,946	1,849,765	1,927,961	2,036,936	2,088,814
Utilities and Other Expenses	1,636,892	1,605,501	1,792,623	1,795,013	1,797,322	1,799,691	1,799,691
Transfers	58,334	21,693	10,837	10,834	10,846	10,836	10,846
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Intergovernmental Revenue	2,638,206	2,473,530	1,594,730	1,600,484	1,639,078	1,669,326	1,700,481
Charges for Services	4,970,241	5,635,262	5,758,571	5,977,638	6,095,250	6,266,973	6,398,829
Other Revenues	102,013	-58,042	0	0	0	0	0
Other Sources	6,120,418	6,934,172	7,661,518	7,858,847	8,159,859	8,179,923	8,326,493
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>13,830,878</u>	<u>14,984,922</u>	<u>15,014,819</u>	<u>15,436,969</u>	<u>15,894,187</u>	<u>16,116,222</u>	<u>16,425,803</u>
Fund Total Revenue	<u>13,830,878</u>	<u>14,984,922</u>	<u>15,014,819</u>	<u>15,436,969</u>	<u>15,894,187</u>	<u>16,116,222</u>	<u>16,425,803</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

The following are expenditure assumptions over the next five years:

Allocated accounts, which primarily are driven by personnel costs, are increased by 2.7% in fiscal year 2008 and three percent thereafter. Bad debt expenditures remain constant based on projections provided by the Accounting Services Division. No capital outlay funds have been budgeted for the entire five-year plan.

Fuel costs are adjusted to reflect recent and projected increases in the fuel costs. Utilities and Other Expenses Category cost for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. The increase in electric rates is phased in from April 2006 to fiscal year 2008 with 3.1%, 7.4% and 10.6% increases. The sewer rate increase is phased in from April 2006 to fiscal year 2008 with 4.1%, 10.5% and 12.2% increases. The 6.2% water rate increase was implemented in fiscal year 2007.

Fund Revenues

The following are revenue assumptions over the next five years:

FY 2008 revenues, excluding the General Fund contribution, are estimated at \$7.4 million, or approximately 49% of StarMetro revenue.

Federal grant revenue projections are based on the allocation contained in the Federal Register as of March 2007. In FY 2007 StarMetro began to experience the impact of reduced federal operating assistance.

580 StarMetro Operating Fund

StarMetro will continue to face this challenge impacting future development. The Tallahassee region has grown rapidly and the Federal Transit Administration (FTA) has recognized this area as a Transportation Management Area (TMA) with StarMetro as the transit system serving a population of over 200,000. For this reason, FTA has begun to reduce the federal operating allocation that was received in past years. In FY 2008, StarMetro will receive approximately \$400,000 less operating assistance, for a total reduction of \$800,000 since FY 2006. By FY 2009 federal assistance will be reduced to \$0. StarMetro will continue to find new ways to fund existing expenses, such as funding \$500,000 of the maintenance expenses through the federal capital grant, Section 5307.

State grant funding is based upon projections prepared by the Florida Department of Transportation.

FY 2008 through FY 2012 farebox revenue is projected to increase commensurate with population growth.

Revenue from contract sales for FY 2008 is adjusted per annual route contracts and is projected to increase by \$288,978. Contract revenues for FY 2008 through FY 2012 are projected to increase in accordance with annual projected changes in the Consumer Price Index (CPI).

Based on FY 2007 actual revenue, StarMetro bus advertising revenue is projected at \$94,116 for FY 2008 and is projected to increase by 5% annually.

The net increase in contribution from General Fund is attributable to reduction in federal operating assistance of \$400,000.

Capital Projects Operating Budget Impacts

There is no operating impact within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

580 StarMetro Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	4,296,341	5,040,148	5,291,749	5,460,049	5,623,839	5,792,557	5,966,350
Salary Enhancements	0	0	138,094	163,812	168,725	173,796	178,984
Temporary Wages	558,412	311,661	62,349	62,349	62,349	62,349	62,349
Overtime	795,031	982,096	229,776	239,341	249,193	259,340	259,340
Other Salary Items	31,570	32,627	65,419	65,419	65,419	65,419	65,419
Pension- Current	388,702	466,922	510,957	529,065	544,820	561,033	577,734
Pension- MAP	385,418	459,850	413,474	428,124	440,876	453,999	467,490
Mandatory Medicare	69,603	81,353	65,904	68,322	70,363	72,469	74,620
Health Benefits	561,437	635,152	801,243	841,270	883,319	927,535	973,904
Health Benefits-Retirees	0	31,008	184,543	185,586	186,661	187,768	187,768
Flex Benefits	266,283	310,874	336,832	339,456	339,456	339,456	339,456
Personnel Services	7,352,797	8,351,691	8,100,340	8,382,793	8,635,020	8,895,721	9,153,414
Advertising	123,038	31,877	32,000	32,000	32,000	32,000	32,000
Cleaning & Laundry	35,272	32,248	40,560	40,560	40,560	40,560	40,560
Reproduction	51,803	42,834	68,150	68,150	68,150	68,150	68,150
Unclassified Professional Svcs	60,774	42,637	35,000	35,000	35,000	35,000	35,000
Building Repairs	33,099	28,000	25,000	25,000	25,000	25,000	25,000
Equipment Repairs	20,009	17,200	35,000	35,000	35,000	35,000	35,000
Unclassified Contract Svcs	2,178,301	2,173,976	2,192,683	2,234,524	2,359,359	2,209,730	2,210,113
Computer Software	1,812	0	0	0	0	0	0
Environmental Contractual	9,066	19,800	19,800	19,800	19,800	19,800	19,800
Telephone	5,761	7,858	8,000	8,000	8,000	8,000	8,000
Food	2,745	336	4,000	4,000	4,000	4,000	4,000
Oil & Lubricants	41,403	31,822	46,000	46,000	46,000	46,000	46,000
Postage	3,890	4,582	4,500	4,500	4,500	4,500	4,500
Office Supplies	19,363	7,972	15,000	15,000	15,000	15,000	15,000
Uniforms & Clothing	13,249	47,284	45,155	45,155	45,155	45,155	45,155
Unclassified Supplies	99,760	69,505	69,611	69,611	69,611	69,611	69,611
Non-Capitalized Furniture	25,454	0	0	0	0	0	0
Vehicle- Non-Garage	553,833	528,684	657,000	657,000	657,000	657,000	657,000
Building Supplies	3,398	0	0	0	0	0	0
Travel & Training	36,739	31,053	22,664	22,314	21,953	21,582	21,199
Journals & Books	189	299	500	500	500	500	500
Memberships	26,305	18,877	20,000	20,000	20,000	20,000	20,000
Certificates & Licenses	218	0	0	0	0	0	0
Rent Expense- Machines	11,627	11,694	14,450	14,450	14,450	14,450	14,450
Unclassified Charges	28,551	0	0	0	0	0	0
Operating	3,385,659	3,148,538	3,355,073	3,396,564	3,521,038	3,371,038	3,371,038
Bad Debt Expense	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Other Services & Charges	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Building & Structures	5,860	0	0	0	0	0	0
Computer Equipment	3,954	0	0	0	0	0	0
Unclassified Equipment	36,381	0	0	0	0	0	0
Capital Outlay	46,195	0	0	0	0	0	0
Human Resource Expense	154,223	186,209	197,582	203,509	209,615	215,903	222,380
Accounting Expense	78,789	104,210	78,007	80,347	82,758	85,240	87,798
Purchasing Expense	46,743	50,265	49,344	50,824	52,349	53,920	55,537
Information Systems Expense	220,829	472,786	449,239	462,716	476,598	490,896	505,622
Risk Management Expense	248,840	353,554	328,945	338,813	348,978	359,447	370,230
Radio Communications Expense	62,997	44,884	52,666	54,246	55,873	57,550	59,276
Revenue Collection Expense	1,658	40,481	22,191	22,857	23,542	24,249	24,976
Utility Services Expense	10,123	0	0	0	0	0	0
Vehicle Garage Expense	13,674	8,121	7,074	7,285	7,504	7,730	7,962
Vehicle Replacement	175,835	175,835	171,436	219,780	249,076	307,684	307,684
Indirect Costs	335,290	419,154	397,462	409,386	421,668	434,318	447,348
Allocated Accounts	1,349,001	1,855,499	1,753,946	1,849,765	1,927,961	2,036,936	2,088,814

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

580 StarMetro Operating Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Utilities - Sewer	7,225	10,657	10,771	10,983	11,191	11,409	11,409
Utilities - Sanitation	6,888	9,299	7,432	7,432	7,432	7,432	7,432
Utilities - Stormwater	16,941	17,816	21,645	22,679	23,693	24,692	24,692
Utilities - Gas	24,907	25,062	26,052	26,052	26,052	26,052	26,052
Utilities - Water	4,838	5,651	6,551	6,680	6,806	6,940	6,940
Utilities - Electric	73,080	84,583	65,060	66,075	67,036	68,054	68,054
Utilities - Fire Services	819	829	829	829	829	829	829
Gasoline -StarMetro	1,502,194	1,451,604	1,654,283	1,654,283	1,654,283	1,654,283	1,654,283
Utilities and Other Expenses	1,636,892	1,605,501	1,792,623	1,795,013	1,797,322	1,799,691	1,799,691
Debt Service Transfer	10,361	10,363	10,837	10,834	10,846	10,836	10,846
Inter-Fund Transfer	47,973	11,330	0	0	0	0	0
Transfers	58,334	21,693	10,837	10,834	10,846	10,836	10,846
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Federal Transit Adm- Operatn	1,487,975	1,309,788	500,800	500,800	500,800	500,800	500,800
Federal Transit Adm- Planning	191,714	130,000	130,000	130,000	130,000	130,000	130,000
FTA 5309 Funds-Capital Grant	0	43,967	0	0	0	0	0
FTA Section 5307 Capital	0	2,935	0	0	0	0	0
FDOT Operating Assistance	958,517	986,840	963,930	969,684	1,008,278	1,038,526	1,069,681
Intergovernmental Revenue	2,638,206	2,473,530	1,594,730	1,600,484	1,639,078	1,669,326	1,700,481
Badging (Security ID)	0	1,315	0	0	0	0	0
Seven Day Unlimited Pass	110,588	122,788	109,670	122,788	127,700	132,808	138,120
Dial A Ride	74,947	77,804	80,916	84,153	87,519	91,020	94,659
CTC Revenue	1,738,753	1,694,071	1,704,619	1,738,711	1,738,711	1,756,098	1,756,098
Charter Service Revenue	75,461	83,955	74,160	77,725	80,057	82,458	84,932
Monthly Pass Revenue	136,879	139,833	122,217	148,208	152,654	157,234	161,951
FSU Fare Free Contract	208,134	246,502	253,897	261,514	269,359	277,440	285,763
FAMU Fare Free Contract	201,427	265,002	265,002	265,002	272,952	281,141	289,575
FSU Contract	822,472	1,284,177	1,284,177	1,284,177	1,322,702	1,375,610	1,416,879
FAMU Contract	314,063	424,077	424,707	424,707	437,448	450,572	464,089
Spirit Express Special Cash	35,857	43,437	44,000	45,000	45,000	45,000	45,000
Tribe Ride Special Cash	90	0	0	0	0	0	0
Regular Fare Cash	475,418	692,855	686,810	736,949	755,003	780,707	807,191
State Monthly Pass	37,650	0	0	0	0	0	0
Fuel Tax Rebate	142,246	142,983	142,983	142,983	142,983	144,413	144,413
Special Wheels Passes	150	1,224	1,000	1,000	1,000	1,000	1,000
One Day Unlimited Pass	95,327	26,440	95,327	114,958	117,259	120,776	124,399
Seven Day Reduced Unlimited	44,283	47,670	47,586	58,888	60,655	63,081	65,604
Reduced Fare Cash	119,066	3,365	110,000	117,800	120,156	123,761	127,474
Ten Ride Dial A Ride Card	55,875	70,793	62,884	65,118	66,420	69,077	71,840
Bus Advertising Revenue	38,681	89,634	94,116	98,822	103,763	108,951	108,951
TCC Fare Free Zone	138,408	150,000	154,500	159,135	163,909	168,826	173,891
Booth Properties	73,645	0	0	0	0	0	0
Other Miscellaneous Revenue	20,173	19,837	0	20,000	20,000	25,000	25,000
Parking Lot Proceeds	10,648	7,500	0	10,000	10,000	12,000	12,000
Charges for Services	4,970,241	5,635,262	5,758,571	5,977,638	6,095,250	6,266,973	6,398,829
Interest	-24,000	-100,543	0	0	0	0	0
Other Miscellaneous Revenue	0	42,501	0	0	0	0	0
Trans from Fund Bal - Encumb	126,013	0	0	0	0	0	0
Other Revenues	102,013	-58,042	0	0	0	0	0
Transfer From General Fund	169,522	0	0	0	0	0	0
Contribution From General Fund	5,950,896	6,934,172	7,661,518	7,858,847	8,159,859	8,179,923	8,326,493
Other Sources	6,120,418	6,934,172	7,661,518	7,858,847	8,159,859	8,179,923	8,326,493

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

580 StarMetro Operating Fund

<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	13,830,878	14,984,922	15,014,819	15,436,969	15,894,187	16,116,222	16,425,803
Fund Total Revenue	13,830,878	14,984,922	15,014,819	15,436,969	15,894,187	16,116,222	16,425,803
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

600 Solid Waste Fund

The city provides solid waste collection and disposal for 47,200 residential customers, 16,750 commercial customers, and 330 commercial recycling accounts. City resources are used to collect garbage and trash from approximately half of the residential customers while the remaining customers receive garbage and trash service from a private contractor hired by the city.

On May 24, 2006, the City Commission authorized a seven-year contract with Waste Pro of Florida, Inc. to provide residential solid waste services in the contracted area of the city. The previous service provider was Waste Management, Inc. No changes were made to the level of service as a result of the change in service providers.

On January 17, 2007, the City Commission authorized staff to change the residential solid waste service level to once a week curbside garbage and recycling collection. Bulk item and yard waste collections continued at the bi-weekly service level. This service level option was based on the results of a citizen survey that indicated a preference for a reduction from the twice-weekly service level in lieu of an increase in rates.

The Solid Waste Fund is operated on a full cost recovery basis. All operational costs and associated revenues are accounted for within the fund. Any year-end surplus realized by the fund is transferred to the rate stabilization reserve and may be appropriated in future years to defray operating cost increases.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	4,744,583	5,050,067	5,125,093	5,268,064	5,414,610	5,566,073	5,722,364
Operating	3,930,274	4,709,335	5,024,671	5,162,911	5,305,298	5,451,956	5,603,014
Other Services & Charges	145,000	145,000	145,000	145,000	145,000	145,000	145,000
Capital Outlay	70,896	90,488	61,835	61,835	61,835	61,835	61,835
Allocated Accounts	4,360,870	5,127,683	5,153,973	5,397,266	5,599,827	5,862,632	6,006,217
Utilities and Other Expenses	4,704,317	5,143,077	6,393,028	6,774,127	6,976,749	6,978,192	6,978,192
Transfers	107,723	14,000	12,000	12,000	12,000	12,000	12,000
Contributions to Operations	136,662	136,256	138,641	139,401	140,573	141,645	143,000
Year End Adjustments	279,540	0	0	0	0	0	0
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	18,324,333	18,441,979	18,990,892	18,937,679	19,110,022	19,235,264	19,611,296
Other Revenues	155,532	76,500	95,000	79,126	80,708	81,000	81,500
Other Sources	0	1,897,427	2,968,349	474,308	50,916	0	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>18,479,865</u>	<u>20,415,906</u>	<u>22,054,241</u>	<u>22,960,604</u>	<u>23,655,892</u>	<u>24,219,333</u>	<u>24,671,622</u>
Fund Total Revenue	<u>18,479,865</u>	<u>20,415,906</u>	<u>22,054,241</u>	<u>19,491,113</u>	<u>19,241,646</u>	<u>19,316,264</u>	<u>19,692,796</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>-3,469,491</u>	<u>-4,414,246</u>	<u>-4,903,069</u>	<u>-4,978,826</u>

Fund Expenditures

The following assumptions are used to forecast Solid Waste Fund expenses.

Salaries for general employees are budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2.0% for employees who earn an annual salary of \$50,000 or greater in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the future liability for other post employee benefits (retiree health care) is

600 Solid Waste Fund

budgeted according to an actuarial study estimating the current expense and future benefit needs. Vehicle replacement expenses are reduced 10% in anticipation of a review of the city's fleet and a review of policies related to take home vehicles.

The costs for utilities and other expenses for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. The increase in electric rates is phased in from April 2006 to fiscal year 2008 with 3.1%, 7.4% and 10.6% increases. The increase in the sewer rate is phased in from April 2006 to fiscal year 2008 with 4.1%, 10.5% and 12.2% increases. The 6.2% water rate increase was implemented in fiscal year 2007.

During fiscal year 2005, the disposal fee that the county charged to dispose city's municipal solid waste at the transfer station was \$27.80 per ton while the landfill rate was \$29.00 per ton. In fiscal year 2006, the county increased its transfer station fee to \$28.54 per ton and landfill remained the same at \$29.00. In fiscal year 2007, the county increased its disposal fee at both locations to \$34.00. Projected budgetary expenditures assume an increase in the disposal rate from \$34.00 to \$36.90 in October 2007.

The contribution to the general fund is set in accordance with the city's financing policy. This requires solid waste to transfer $\frac{3}{4}$ of 1% (.0075) of the prior three-year average of gross revenues.

Fund Revenues

Projections of future revenue increases during fiscal years 2008 through 2012 assume continued residential and commercial customer growth. Revenues will also be positively impacted by favorable contract terms for the sale of recyclables. The sale price of recycled goods increased due to increased market value, the elimination of processing costs to the city for recycled materials, and the addition of recycling services provided to the state of Florida.

The Solid Waste Fund reflects revenue shortfalls beginning in fiscal year 2009 and continuing through the out years. Coverage for the deficits will be reduced by an annual consumer price index (CPI) adjustment to offset CPI increases in landfill tipping fees and contractual fees paid to Waste Pro. Additionally, the commercial rates will be analyzed to determine what adjustments, if any, are appropriate based on the costs to provide services. Preliminary data from comparable local providers show that the city's commercial rates have not kept pace with current market rates.

Capital Projects Operating Budget Impacts

There are no operating impacts within the current five-year capital improvement plan resulting from capital projects. Any future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

600 Solid Waste Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	2,872,532	3,269,001	3,229,174	3,313,494	3,412,896	3,515,290	3,620,438
Salary Enhancements	0	0	152,985	168,061	171,036	174,102	177,256
Temporary Wages	115,155	71,008	71,008	71,008	71,008	71,008	71,008
Overtime	544,425	285,689	285,935	286,757	286,757	286,757	286,757
Other Salary Items	4,291	3,384	9,708	9,708	9,708	9,708	9,708
Pension- Current	257,595	309,562	311,988	321,325	330,966	340,772	350,880
Pension- MAP	260,328	247,954	249,830	257,328	265,022	272,962	281,141
Mandatory Medicare	35,360	32,979	33,323	34,319	35,354	36,407	37,501
Health Benefits	459,760	553,008	557,913	585,784	615,063	645,851	678,138
Health Benefits-Retirees	0	61,338	132,216	132,216	132,216	132,216	132,216
Flex Benefits	195,137	216,144	204,036	204,036	204,036	204,036	204,036
Vacancy factor of 3.5%	0	0	-113,023	-115,972	-119,452	-123,036	-126,715
Personnel Services	4,744,583	5,050,067	5,125,093	5,268,064	5,414,610	5,566,073	5,722,364
Advertising	131,484	171,000	116,000	116,000	116,000	116,000	116,000
Cleaning & Laundry	391	21,042	19,686	19,686	19,686	19,686	19,686
Reproduction	2,259	800	800	800	800	800	800
Building Repairs	30,663	14,000	14,000	14,000	14,000	14,000	14,000
Equipment Repairs	39,653	18,420	18,420	18,420	18,420	18,420	18,420
Legal Services	1,500	0	0	0	0	0	0
Unclassified Contract Svcs	3,587,548	4,307,000	4,704,886	4,843,126	4,985,513	5,132,171	5,283,229
Environmental Contractual	227	1,000	1,000	1,000	1,000	1,000	1,000
Telephone	5,066	7,700	4,350	4,350	4,350	4,350	4,350
Chem-Med-Lab	6,337	8,000	6,280	6,280	6,280	6,280	6,280
Office Supplies	12,329	14,339	14,339	14,339	14,339	14,339	14,339
Uniforms & Clothing	15,533	28,505	20,209	20,209	20,209	20,209	20,209
Unclassified Supplies	62,123	76,625	74,400	74,400	74,400	74,400	74,400
Travel & Training	13,722	7,500	6,000	6,000	6,000	6,000	6,000
Journals & Books	2,208	11,000	1,588	1,588	1,588	1,588	1,588
Memberships	755	1,400	1,461	1,461	1,461	1,461	1,461
Rent Expense- Machines	13,376	11,004	11,252	11,252	11,252	11,252	11,252
Unclassified Charges	5,100	10,000	10,000	10,000	10,000	10,000	10,000
Operating	3,930,274	4,709,335	5,024,671	5,162,911	5,305,298	5,451,956	5,603,014
Bad Debt Expense	145,000	145,000	145,000	145,000	145,000	145,000	145,000
Other Services & Charges	145,000	145,000	145,000	145,000	145,000	145,000	145,000
Office Equipment	0	773	0	0	0	0	0
Vehicle Equipment	0	12,325	0	0	0	0	0
Unclassified Equipment	70,896	77,390	61,835	61,835	61,835	61,835	61,835
Capital Outlay	70,896	90,488	61,835	61,835	61,835	61,835	61,835
Human Resource Expense	122,236	120,998	122,656	126,336	130,126	134,030	138,050
Accounting Expense	80,899	65,782	58,713	60,474	62,289	64,157	66,082
Purchasing Expense	27,642	20,967	29,416	30,298	31,207	32,144	33,108
Information Systems Expense	220,503	295,852	193,600	199,408	205,390	211,552	217,899
Risk Management Expense	156,367	367,970	238,167	245,316	252,679	260,263	268,075
Radio Communications Expense	41,326	28,498	35,595	36,663	37,763	38,896	40,062
Revenue Collection Expense	111,247	55,664	49,188	50,664	52,184	53,749	55,362
Utility Services Expense	679,256	562,369	896,364	923,255	950,953	979,481	1,008,866
Energy Services	15,894	11,418	11,761	12,114	12,477	12,851	12,851
Vehicle Garage Expense	2,172,330	2,858,642	2,756,187	2,838,873	2,924,039	3,011,760	3,102,113
Vehicle Replacement	402,555	405,269	405,050	505,871	561,687	673,345	673,345
Indirect Costs	330,615	334,254	357,276	367,994	379,034	390,405	390,405
Allocated Accounts	4,360,870	5,127,683	5,153,973	5,397,266	5,599,827	5,862,632	6,006,217

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

600 Solid Waste Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Utilities - Sewer	7,123	9,072	10,179	10,380	10,577	10,783	10,783
Utilities - Sanitation	4,656,196	5,083,704	6,328,337	6,708,037	6,909,278	6,909,278	6,909,278
Utilities - Stormwater	6,334	7,025	7,370	7,715	8,060	8,420	8,420
Utilities - Gas	3,266	3,000	3,000	3,000	3,000	3,000	3,000
Utilities - Water	2,877	3,588	3,657	3,729	3,800	3,874	3,874
Utilities - Electric	27,898	35,824	39,621	40,402	41,170	41,973	41,973
Utilities - Fire Services	623	864	864	864	864	864	864
Utilities and Other Expenses	4,704,317	5,143,077	6,393,028	6,774,127	6,976,749	6,978,192	6,978,192
Inter-Fund Transfer	107,723	14,000	12,000	12,000	12,000	12,000	12,000
Transfers	107,723	14,000	12,000	12,000	12,000	12,000	12,000
Contribution to General Fund	136,662	136,256	138,641	139,401	140,573	141,645	143,000
Contributions to Operations	136,662	136,256	138,641	139,401	140,573	141,645	143,000
Transfer to Rate Stabiliz	279,540	0	0	0	0	0	0
Year End Adjustments	279,540	0	0	0	0	0	0
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Two Day Residential Roll-Out	11,060	17,000	17,618	17,795	18,150	18,150	18,332
Resid Solid Waste Misc Fees	5,963	6,500	6,301	6,364	6,491	6,491	6,556
Residential Garbage Fees	8,362,248	8,491,616	8,800,000	8,800,000	8,906,512	9,006,512	9,296,578
Comm Solid Waste Misc Fees	63,080	30,000	30,000	24,127	24,609	24,700	24,855
Solid Waste Late Payment Chg	66,822	64,752	65,010	65,660	66,973	67,100	67,643
Commerical Sanitation Fees-9	406,985	411,650	413,288	414,000	415,670	417,000	419,826
Comm Garbage Fees- Forktaine	5,231,542	5,169,000	5,200,000	5,220,574	5,244,986	5,250,000	5,297,436
Comm Sanitation Rearload Fee	183,558	160,000	161,526	163,141	166,404	167,000	168,068
Comm Garbage Fees- Roll-Off	1,792,921	1,900,000	1,905,654	1,924,711	1,933,205	1,940,000	1,952,537
Comm Sanitation Fees- Compac	28,080	34,000	35,102	35,805	36,521	37,251	37,996
Comm Sanitation- Multi-Famil	1,329,372	1,346,601	1,350,000	1,355,314	1,362,420	1,365,000	1,376,044
Commercial Trash Collection	87,375	81,773	90,000	90,500	92,000	93,000	93,500
Comm Roll-Off Special Serv	99,089	105,000	102,787	103,815	105,891	106,000	106,950
Recycling Fees	215,830	234,087	238,606	241,311	246,137	251,060	256,081
Sale of Recyclables	439,862	390,000	475,000	474,562	484,053	486,000	488,894
Other Miscellaneous Revenue	546	0	100,000	0	0	0	0
Charges for Services	18,324,333	18,441,979	18,990,892	18,937,679	19,110,022	19,235,264	19,611,296
Interest	105,276	75,000	95,000	79,126	80,708	81,000	81,500
Other Miscellaneous Revenue	0	1,500	0	0	0	0	0
Trans from Fund Bal - Encumb	50,256	0	0	0	0	0	0
Other Revenues	155,532	76,500	95,000	79,126	80,708	81,000	81,500
Xfer from Solid Waste Reserve	0	1,897,427	2,968,349	474,308	50,916	0	0
Other Sources	0	1,897,427	2,968,349	474,308	50,916	0	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	18,479,865	20,415,906	22,054,241	22,960,604	23,655,892	24,219,333	24,671,622
Fund Total Revenue	18,479,865	20,415,906	22,054,241	19,491,113	19,241,646	19,316,264	19,692,796
Fund Balance	0	0	0	-3,469,491	-4,414,246	-4,903,069	-4,978,826

605 Stormwater Fund

The city operates a stormwater utility with a customer base of roughly 74,000 residential customers and 6,600 non-residential customers. Non-residential customers generate more than half of fund revenues. The fund is comprised of three units - Management, Maintenance, and Street Sweeping, all of which are housed in the Public Works Department. The Management unit is responsible for a number of activities, including administration of the stormwater utility, development of rates, construction of utility infrastructure, and meeting federal and state environmental requirements. The Maintenance unit is located within the Streets and Drainage maintenance division and is responsible for maintenance of stormwater drains and city-owned stormwater ponds. The third unit is the Street Sweeping unit and is responsible for keeping all city streets clean of trash and debris.

Stormwater service is provided on a full cost recovery basis with associated revenues and expenditures accounted for within the Stormwater Fund. Rates are based on an equivalent residential unit (ERU), the base for each residential unit. Commercial rates are established in multiples of the ERU, with the actual amount dependent on the impervious area at the customer's physical location.

The City Commission approved an ordinance change on March 9, 2005 to increase the stormwater fee by \$.34 per ERU for five years to implement the stormwater pollution reduction program (SPRP), beginning in fiscal year 2006. SPRP is designed to reduce pollution in stormwater runoff, with the ultimate goal of preserving the water quality in community lakes.

In August 2006, the Florida Department of Transportation (FDOT) notified the city that it would no longer pay the city's stormwater fee. FDOT ceased making payments in September 2006. The lost revenue from FDOT is less than \$12,000 per year, but the precedent of a state agency determining that it is not required to pay the stormwater fee could be significant. There is a potential impact of \$1 million if other state agencies follow suit.

In fiscal year 2007, the existing street sweeping crew was shifted from the General Fund to the Stormwater Fund. Based on a survey conducted by the city's Streets and Drainage division, a large number of municipalities within the State of Florida use their Stormwater Fund to fully or partially fund street sweeping operations. This trend is directly related to the National Pollution Discharge Elimination System (NPDES) permit program, which controls water pollution by regulating point sources that discharge pollutants. Each program utilizes current revenues to fund operating expenditures and a combination of current revenues and stormwater repair, replacement, and improvement funding to finance on-going major and minor capital improvements.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

605 Stormwater Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	4,039,632	4,366,698	5,057,388	5,207,771	5,362,671	5,522,774	5,688,141
Operating	295,447	307,850	507,411	485,574	493,074	524,944	524,944
Other Services & Charges	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Capital Outlay	44,066	40,815	46,110	46,110	46,110	46,110	46,110
Allocated Accounts	2,544,030	2,398,564	2,970,391	3,090,800	3,199,972	3,333,016	3,426,320
Utilities and Other Expenses	90,704	139,119	163,825	163,825	163,825	163,825	163,825
Transfers	5,589,066	5,230,335	2,566,109	7,059,101	1,831,131	7,089,106	6,100,519
Contributions to Operations	127,640	133,384	135,834	139,949	144,201	148,585	153,108
Year End Adjustments	540,841	1,039,734	3,404,588	0	5,089,948	0	1,146,205
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	12,838,260	13,716,499	14,911,656	15,554,297	16,390,932	16,709,628	17,309,172
Other Revenues	2,372	0	0	0	0	0	0
Other Sources	490,794	0	0	698,833	0	178,732	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>13,331,426</u>	<u>13,716,499</u>	<u>14,911,656</u>	<u>16,253,130</u>	<u>16,390,932</u>	<u>16,888,360</u>	<u>17,309,172</u>
Fund Total Revenue	<u>13,331,426</u>	<u>13,716,499</u>	<u>14,911,656</u>	<u>16,253,130</u>	<u>16,390,932</u>	<u>16,888,360</u>	<u>17,309,172</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

The following assumptions are used to project expenses in the Stormwater Fund:

Salaries for general employees are adjusted for a 2.7% merit salary enhancement in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the future liability for other post employee benefits (retiree health care) is budgeted according to an actuarial study estimating the current expense and future benefit needs. Vehicle replacement expenses are reduced 10% in anticipation of a review of the city's fleet and a review of policies related to take home vehicles.

The costs for utilities and other expenses for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. The increase in electric rates is phased in from April 2006 to fiscal year 2008 with 3.1%, 7.4% and 10.6% increases. The increase in the sewer rate is phased in from April 2006 to fiscal year 2008 with 4.1%, 10.5% and 12.2% increases. The 6.2% water rate increase was implemented in fiscal year 2007.

The transfer to the General Fund to support two stormwater operating technicians located in the Growth Management Department, increases 2.7% in fiscal year 2008 and 3% per year thereafter.

Fund Revenues

Estimated revenues in the Stormwater Fund are based on projected residential and commercial fees. On March 9, 2005, the City Commission approved a phased increase in the residential stormwater fee to fund the Stormwater Pollution Reduction Program (SPRP). This change increases the amount that residential customers pay by \$0.34 equivalent residential unit (ERU) per month, which is roughly \$4.00 per year. Tenets of the city's financing policy allow annual adjustments equivalent to the consumer price index (CPI) for the prior year. Projections incorporating consumer price index adjustments are based on data provided by the Governor's Office of Planning and Budgeting. The city has decided not to pursue the CPI increase in FY 2008.

605 Stormwater Fund

Contract payments from the Florida Department of Transportation (FDOT) and Leon County to perform contract work and sweep all city curbs and gutter roadways are included in fiscal year 2008.

Capital Projects Operating Budget Impacts

There are several flood mitigation projects, which will have minor operating impacts when completed. Other capital projects such as the Total Maximum Daily Load (TMDL) and Stormwater Pollution Reduction Program (SPRP) will potentially have a significant impact on the operating budget in future years.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

605 Stormwater Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	3,035,209	3,200,000	3,509,012	3,600,553	3,708,515	3,819,718	3,934,255
Capitalized Wages	-145,667	-38,034	-4,264	-4,264	-4,264	-4,264	-4,264
Salary Enhancements	0	0	91,540	107,959	111,200	114,540	117,970
Temporary Wages	40,742	34,704	81,902	84,128	86,421	88,782	91,214
Overtime	83,042	38,571	65,810	65,810	65,810	65,810	65,810
Capitalized Overtime	-60,282	-21,512	-9,000	-9,000	-9,000	-9,000	-9,000
Other Salary Items	1,560	1,560	1,560	1,560	1,560	1,560	1,560
Pension- Current	276,365	302,017	335,912	345,981	356,363	367,053	378,056
Pension- MAP	239,187	247,653	271,827	279,977	288,371	297,023	305,923
Mandatory Medicare	38,500	40,151	44,786	46,135	47,512	48,942	50,413
Health Benefits	363,517	391,000	478,423	502,321	527,430	553,829	581,515
Health Benefits-Retirees	0	1,138	129,680	129,680	129,680	129,680	129,680
Flex Benefits	167,459	169,450	185,556	185,556	185,556	185,556	185,556
Vacancy factor of 3.5%	0	0	-125,356	-128,625	-132,483	-136,455	-140,547
Personnel Services	4,039,632	4,366,698	5,057,388	5,207,771	5,362,671	5,522,774	5,688,141
Advertising	964	0	2,873	2,873	2,873	2,873	2,873
Cleaning & Laundry	19,445	14,964	19,084	19,084	19,084	19,084	19,084
Reproduction	645	138	800	800	800	800	800
Building Repairs	616	0	7,269	7,269	7,269	7,269	7,269
Equipment Repairs	5,080	40,626	25,914	25,914	25,914	25,914	25,914
Unclassified Contract Svcs	136,320	143,006	206,373	220,013	227,513	259,383	259,383
Computer Software	2,357	15,965	14,480	14,480	14,480	14,480	14,480
Telephone	6,507	4,650	8,754	8,754	8,754	8,754	8,754
Chem-Med-Lab	0	0	38,498	38,498	38,498	38,498	38,498
Food	106	672	440	440	440	440	440
Office Supplies	7,299	6,730	9,383	9,383	9,383	9,383	9,383
Uniforms & Clothing	7,556	9,072	14,500	14,500	14,500	14,500	14,500
Unclassified Supplies	84,338	43,698	69,244	69,244	69,244	69,244	69,244
Building Supplies	1,321	5,033	0	0	0	0	0
Safety Materials & Supplies	176	0	0	0	0	0	0
Travel & Training	9,027	11,858	8,838	8,838	8,838	8,838	8,838
Journals & Books	1,120	884	1,613	1,613	1,613	1,613	1,613
Memberships	4,330	4,560	4,281	4,281	4,281	4,281	4,281
Rent Expense- Bldg & Ops	2,400	0	69,787	34,310	34,310	34,310	34,310
Rent Expense- Machines	5,840	5,994	5,280	5,280	5,280	5,280	5,280
Operating	295,447	307,850	507,411	485,574	493,074	524,944	524,944
Bad Debt Expense	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Other Services & Charges	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Office Equipment	748	0	0	0	0	0	0
Computer Equipment	4,457	0	0	0	0	0	0
Unclassified Equipment	38,861	40,815	46,110	46,110	46,110	46,110	46,110
Capital Outlay	44,066	40,815	46,110	46,110	46,110	46,110	46,110
Human Resource Expense	97,104	98,817	97,151	100,066	103,068	106,160	109,344
Accounting Expense	50,218	47,789	44,102	45,425	46,788	48,191	49,637
Purchasing Expense	74,514	51,509	32,070	33,032	34,023	35,044	36,095
Information Systems Expense	254,491	309,052	200,959	206,988	213,197	219,593	226,181
Risk Management Expense	39,092	0	0	0	0	0	0
Radio Communications Expense	5,543	4,987	5,085	5,238	5,395	5,557	5,723
Revenue Collection Expense	103,626	38,969	35,180	36,235	37,322	38,442	39,595
Utility Services Expense	632,723	521,130	1,073,769	1,105,982	1,139,162	1,173,336	1,208,536
Vehicle Garage Expense	713,647	716,000	691,057	711,789	733,142	755,137	777,791
Vehicle Replacement	126,284	127,384	124,196	159,219	180,443	222,901	222,901
Indirect Costs	446,788	482,927	666,822	686,827	707,432	728,655	750,515
Allocated Accounts	2,544,030	2,398,564	2,970,391	3,090,800	3,199,972	3,333,016	3,426,320
Utilities - Sewer	4,094	5,022	930	930	930	930	930
Utilities - Sanitation	82,661	129,894	161,359	161,359	161,359	161,359	161,359
Utilities - Water	3,949	4,203	1,536	1,536	1,536	1,536	1,536
Utilities and Other Expenses	90,704	139,119	163,825	163,825	163,825	163,825	163,825

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

605 Stormwater Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Debt Service Transfer	0	0	26,109	26,101	26,131	26,106	34,815
RR&I Transfer	385,000	0	0	0	0	0	0
Inter-Fund Transfer	5,204,066	5,230,335	2,540,000	7,033,000	1,805,000	7,063,000	6,065,704
Transfers	5,589,066	5,230,335	2,566,109	7,059,101	1,831,131	7,089,106	6,100,519
Contribution to General Fund	127,640	133,384	135,834	139,949	144,201	148,585	153,108
Contributions to Operations	127,640	133,384	135,834	139,949	144,201	148,585	153,108
Transfer to Rate Stabiliz	540,841	937,287	0	0	0	0	0
Transfer to RR&I	0	102,447	3,404,588	0	5,089,948	0	1,146,205
Year End Adjustments	540,841	1,039,734	3,404,588	0	5,089,948	0	1,146,205
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Residential Stormwater	5,891,425	6,288,030	6,763,997	7,228,506	7,695,101	7,845,155	8,179,782
Commercial Stormwater	6,919,089	7,380,969	7,925,229	8,248,350	8,617,051	8,785,083	9,050,000
Forfeited Discounts	27,746	0	28,603	29,941	31,280	31,890	31,890
FDOT ROW Maintenance Contrac	0	0	146,327	0	0	0	0
Leon County Street Sweeping	0	47,500	47,500	47,500	47,500	47,500	47,500
Charges for Services	12,838,260	13,716,499	14,911,656	15,554,297	16,390,932	16,709,628	17,309,172
Interest	-41,357	0	0	0	0	0	0
Trans from Fund Bal - Encumb	38,458	0	0	0	0	0	0
Capitalized Overhead	5,271	0	0	0	0	0	0
Other Revenues	2,372	0	0	0	0	0	0
Transfer - Stormwater RR&I	490,794	0	0	698,833	0	178,732	0
Other Sources	490,794	0	0	698,833	0	178,732	0
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	13,331,426	13,716,499	14,911,656	16,253,130	16,390,932	16,888,360	17,309,172
Fund Total Revenue	13,331,426	13,716,499	14,911,656	16,253,130	16,390,932	16,888,360	17,309,172
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

615 Golf Course Fund

The Tallahassee Parks and Recreation department manages the Golf Course Fund. The fund accounts for the assets, operation, and maintenance of an 18-hole, city-owned golf course at Hilaman Park. The City of Tallahassee also owns a smaller 9-hole course known as the Jake Gaither Golf Course. Prior to October 1998, the Gaither Course was included in the Golf Course Fund. This course currently is treated as a recreational program with revenues and expenses budgeted in the General Fund.

Based on the findings of a 1998 internal audit, certain aspects of Hilaman's financial operation were modified to allow the course to operate as a private venture rather than as a municipal enterprise. In FY99, the Golf Fund was exempted from city allocated costs (accounting, read-bill-collect, purchasing, etc.) with the exception of garage and indirect charges that were based on a percentage of revenues. As a result of the city's fee study for the FY 2006 indirect costs, the methodology formerly used to determine the indirect costs for the Golf Fund was discontinued. Indirect costs for the Golf Fund are based on a fee study conducted in fiscal year 2006 and include an annual three percent increase.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	579,509	523,184	587,393	601,152	615,324	629,964	645,083
Operating	213,913	297,113	233,327	234,001	234,029	234,058	234,088
Capital Outlay	18,245	20,000	20,000	20,000	20,000	20,000	20,000
Allocated Accounts	100,886	68,785	79,530	82,453	85,209	88,401	90,938
Utilities and Other Expenses	212,707	187,436	180,408	182,322	184,203	186,169	186,169
Transfers	122,641	104,591	121,943	37,347	52,367	52,350	52,367
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	927,216	954,650	1,048,499	1,068,213	1,163,081	1,183,351	1,204,026
Other Revenues	22,129	3,200	3,264	3,329	3,396	3,464	3,533
Other Sources	298,556	243,259	170,838	85,733	24,655	24,127	21,086
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>1,247,901</u>	<u>1,201,109</u>	<u>1,222,601</u>	<u>1,157,275</u>	<u>1,191,132</u>	<u>1,210,942</u>	<u>1,228,645</u>
Fund Total Revenue	<u>1,247,901</u>	<u>1,201,109</u>	<u>1,222,601</u>	<u>1,157,275</u>	<u>1,191,132</u>	<u>1,210,942</u>	<u>1,228,645</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

Salary enhancements have been budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2% for employees who earn an annual salary of \$50,000 or greater in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the future liability for other post employee benefits (retiree health care) are budgeted according to an actuarial study estimating the current expense and future benefit needs.

Utilities and Other Expenses category costs for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. An electric rate increase was phased in from April of 2006 to FY 2008 with 3.1%, 7.4% and 10.6% increases. A sewer rate increase was phased in from April of 2006 to FY 2008 with 4.1%, 10.5% and 12.2% increases. A water rate increase of 6.2% was implemented in FY 2007.

Reductions in the amount of \$20,465 can be attributed to a \$228 reduction in the fund's travel and training expenses; a \$237 reduction in the fund's vehicle replacement expenses, and a \$20,000 reduction in the fund's temporary wages and cost of goods and services. Additional reductions in the amount of \$30,720 have been

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

615 Golf Course Fund

made that include a reduction in pro shop inventory and a reduction in snack bar operations.

Capital outlay is held constant at \$20,000 for FY 2008 through FY 2012.

Fund Revenues

Revenue projections are based on the consumer price index projections provided by the Governor's Office of Planning and Budgeting.

Revenue projections for fiscal years 2008 through 2012 reflect a 2% increase in the number of golf rounds played. Additional revenue increases are proposed for green fees and cart fees in the amount of \$75,000 for FY08 and FY09, with an increase to \$150,000 in FY10-12.

Historically, a transfer from the General Fund covers any operating deficit in the Golf Fund. Surplus funds in the Golf RR&I account, as available, are used to cover any projected deficit. A contribution from the General Fund is budgeted for fiscal years 2008-2012 to cover the fund's projected deficits.

Capital Projects Operating Budget Impacts

There is no operating impact within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

615 Golf Course Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	337,170	292,756	333,445	342,149	352,412	362,985	373,875
Salary Enhancements	0	0	8,703	10,265	10,572	10,889	11,217
Temporary Wages	105,227	107,397	132,997	132,997	132,997	132,997	132,997
Overtime	2,347	2,354	2,354	2,354	2,354	2,354	2,354
Other Salary Items	8,722	1,170	1,170	1,170	1,170	1,170	1,170
Pension- Current	33,714	33,015	32,034	32,988	33,976	34,993	36,039
Pension- MAP	29,063	25,875	25,920	26,696	27,493	28,316	29,164
Mandatory Medicare	7,025	5,008	5,026	5,173	5,330	5,487	5,650
Health Benefits	36,384	36,655	38,460	40,382	42,400	44,523	46,749
Flex Benefits	19,857	18,954	18,954	18,954	18,954	18,954	18,954
Vacancy factor of 3.5%	0	0	-11,670	-11,976	-12,334	-12,704	-13,086
Personnel Services	579,509	523,184	587,393	601,152	615,324	629,964	645,083
Advertising	1,880	5,965	4,000	4,000	4,000	4,000	4,000
Cleaning & Laundry	2,585	3,204	3,279	3,279	3,279	3,279	3,279
Reproduction	683	3,524	3,524	3,524	3,524	3,524	3,524
Unclassified Professional Svcs	7,037	84,500	12,900	12,900	12,900	12,900	12,900
Building Repairs	2,489	5,720	5,200	5,200	5,200	5,200	5,200
Equipment Repairs	31,150	23,900	23,900	23,900	23,900	23,900	23,900
Unclassified Contract Svcs	11,857	3,108	3,508	3,535	3,563	3,592	3,622
Chem-Med-Lab	28,699	31,368	31,368	31,368	31,368	31,368	31,368
Food	29	0	0	0	0	0	0
Gasoline	0	3,960	3,960	3,960	3,960	3,960	3,960
Office Supplies	2,694	2,870	2,870	2,870	2,870	2,870	2,870
Uniforms & Clothing	919	2,562	2,562	2,562	2,562	2,562	2,562
Unclassified Supplies	51,217	61,219	61,219	61,219	61,219	61,219	61,219
Vehicle- Non-Garage	49,000	49,000	49,000	49,000	49,000	49,000	49,000
Travel & Training	874	1,140	912	912	912	912	912
Journals & Books	257	75	75	75	75	75	75
Memberships	1,115	1,510	1,510	1,510	1,510	1,510	1,510
Rent Expense- Machines	930	1,988	1,988	1,988	1,988	1,988	1,988
Unclassified Charges	20,498	11,500	21,552	22,199	22,199	22,199	22,199
Operating	213,913	297,113	233,327	234,001	234,029	234,058	234,088
Unclassified Equipment	18,245	20,000	20,000	20,000	20,000	20,000	20,000
Capital Outlay	18,245	20,000	20,000	20,000	20,000	20,000	20,000
Revenue Collection Expense	0	0	3,311	3,410	3,513	3,618	3,727
Vehicle Garage Expense	22,313	10,078	6,401	6,593	6,791	6,995	7,204
Vehicle Replacement	2,185	2,185	2,130	2,731	3,095	3,823	3,823
Indirect Costs	76,388	56,522	67,688	69,719	71,811	73,965	76,184
Allocated Accounts	100,886	68,785	79,530	82,453	85,209	88,401	90,938
Utilities - Sewer	1,642	1,372	1,539	1,569	1,599	1,630	1,630
Utilities - Sanitation	10,028	4,056	4,056	4,056	4,056	4,056	4,056
Utilities - Stormwater	15,690	16,499	17,309	18,136	18,947	19,794	19,794
Utilities - Water	2,203	3,009	3,067	3,127	3,186	3,248	3,248
Utilities - Electric	57,912	45,763	47,700	48,697	49,678	50,704	50,704
Utilities - Fire Services	1,455	1,737	1,737	1,737	1,737	1,737	1,737
COGS - Other	123,777	115,000	105,000	105,000	105,000	105,000	105,000
Utilities and Other Expenses	212,707	187,436	180,408	182,322	184,203	186,169	186,169
Debt Service Transfer	84,591	84,591	101,943	17,347	17,367	17,350	17,367
RR&I Transfer	35,000	20,000	20,000	20,000	35,000	35,000	35,000
Inter-Fund Transfer	3,050	0	0	0	0	0	0
Transfers	122,641	104,591	121,943	37,347	52,367	52,350	52,367

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

615 Golf Course Fund

<u>Revenues</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Park Concessions	84,266	85,951	87,670	89,423	91,212	93,036	94,897
Hilaman Gift Certificate Sal	10,497	10,850	11,067	11,288	11,514	11,744	11,979
Hilaman Gift Cert. Redeemed	-8,778	0	0	0	0	0	0
Hilaman Green Fees	361,073	368,294	413,046	420,559	465,723	473,539	481,512
Hilaman Annual Golf Fees	37,029	37,769	38,524	39,295	40,081	40,882	41,700
Hilaman Golf Cart Fees	304,945	311,043	354,633	361,219	405,193	411,805	418,546
Hilaman Driving Range Fee	26,953	27,492	28,042	28,603	29,175	29,758	30,353
Hilaman Other Revenues	14,005	14,285	14,571	14,862	15,159	15,463	15,772
Hilaman Pro Shop Sales	95,860	97,777	99,733	101,727	103,762	105,837	107,954
Hilaman Non-Golf Activity Fee	1,166	1,189	1,213	1,237	1,262	1,287	1,313
Pre-employment testing fees	200	0	0	0	0	0	0
Charges for Services	927,216	954,650	1,048,499	1,068,213	1,163,081	1,183,351	1,204,026
Interest	-1,808	3,200	3,264	3,329	3,396	3,464	3,533
Trans from Fund Bal - Encumb	23,937	0	0	0	0	0	0
Other Revenues	22,129	3,200	3,264	3,329	3,396	3,464	3,533
Transfer From General Fund	206,606	0	0	0	0	0	0
TransfromGolfCourseRR&I Fund	91,950	0	0	0	0	0	0
Contribution From General Fund	0	243,259	170,838	85,733	24,655	24,127	21,086
Other Sources	298,556	243,259	170,838	85,733	24,655	24,127	21,086
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	1,247,901	1,201,109	1,222,601	1,157,275	1,191,132	1,210,942	1,228,645
Fund Total Revenue	1,247,901	1,201,109	1,222,601	1,157,275	1,191,132	1,210,942	1,228,645
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

840 Cemetery Fund

The five city owned and maintained cemeteries are Old City Cemetery, which has historic significance dating back to the late 1820s, Oakland, Roselawn, Greenwood, and Southside. The cemeteries consist of 133 acres; however, the remaining inventory of grave space available for sale is very limited. Currently, Southside is the only location with available space. There are approximately 360 additional burials per year.

The Cemetery Perpetual Care Trust was established in 1985 to provide for long-term maintenance. Funding for the trust was \$100,000 over a five-year period. Appropriations were provided by an initial lump sum from fiscal year 1986 surplus year-end revenues.

A perpetual maintenance fee of \$40 per space, collected at the time of plot sale, was implemented in fiscal year 1987 to help reduce the long-term cost of the cemetery program. Until 1997, revenues collected from the sale of grave spaces accrued to the General Fund. These revenues, along with interest earnings, began accruing to the Cemetery Fund in 1997, and are the source of funding for cemetery maintenance operations into perpetuity.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	137,785	144,083	161,016	165,563	170,248	175,087	180,078
Operating	137,610	136,737	158,280	158,280	158,280	158,280	158,280
Allocated Accounts	33,571	31,048	33,193	34,876	36,283	38,186	39,184
Utilities and Other Expenses	16,727	17,763	16,398	15,930	15,924	15,940	15,940
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Charges for Services	86,625	78,760	67,800	67,800	63,000	63,000	63,000
Other Revenues	239,068	250,871	301,087	306,849	317,735	324,493	330,482
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>325,693</u>	<u>329,631</u>	<u>368,887</u>	<u>374,649</u>	<u>380,735</u>	<u>387,493</u>	<u>393,482</u>
Fund Total Revenue	<u>325,693</u>	<u>329,631</u>	<u>368,887</u>	<u>374,649</u>	<u>380,735</u>	<u>387,493</u>	<u>393,482</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

The following assumptions were used to forecast Cemetery Fund expenses.

Assumptions for personnel services are as follows: salaries for general employees are budgeted at 2.7% or \$1,000, whichever is greater, for employees who earn an annual salary less than \$50,000, and 2.0% for employees who earn an annual salary of \$50,000 or greater in FY 2008 and 3% for FY09-12; general employee pension rates are 9.33% based on the actuarial study; matched annuity pension plan rates are 7.55% based on the actuarial study; health care rates increased by 4.92% in FY08 and are assumed to increase by 5% thereafter; and in departments with more than fifty employees, a 3.5% vacancy factor is applied to salaries and benefits, which is a half percent increase over the prior year vacancy rate. Additionally, the future liability for other post employee benefits (retiree health care) is budgeted according to an actuarial study estimating the current expense and future benefit needs. Vehicle replacement expenses are reduced 10% in anticipation of a review of the city's fleet and a review of policies related to take home vehicles.

The cost for utilities and other expenses for fiscal year 2008 are adjusted based on rate increases approved April 1, 2006. The increase in electric rates is phased in from April 2006 to fiscal year 2008 with 3.1%, 7.4% and 10.6% increases. The increase in the sewer rate is phased in from April 2006 to fiscal year 2008 with 4.1%, 10.5% and 12.2% increases. The 6.2% water rate increase was implemented in fiscal year 2007.

Fund Revenues

Revenue projections for fiscal year 2008 are based on actual sales in fiscal year 2007 through February 2007 (79 spaces - \$32,976 including perpetual fees and recording costs). There are approximately 1,800 grave

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

840 Cemetery Fund

spaces available for sale at Southside Cemetery and there are approximately 200 spaces sold there per year.

Declining inventory, pending development of additional cemetery space, will create a dependence on the Perpetual Care Trust beginning in fiscal year 2008 and continuing into future years.

Capital Projects Operating Budget Impacts

There is no operating impact within the current five-year capital improvement plan and future impacts will be built into the five-year plan as applicable.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

840 Cemetery Fund

<u>Expenditures</u>	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Salaries	102,496	107,185	98,488	101,058	104,090	107,213	110,429
Salary Enhancements	0	0	2,570	3,031	3,122	3,217	3,313
Temporary Wages	0	0	17,680	18,210	18,756	19,319	19,899
Overtime	2,028	2,961	6,550	6,550	6,550	6,550	6,550
Pension- Current	8,550	9,191	9,429	9,711	10,003	10,303	10,611
Pension- MAP	8,012	8,317	7,630	7,859	8,094	8,337	8,587
Mandatory Medicare	775	835	742	763	787	810	834
Health Benefits	9,719	9,389	10,885	11,429	12,000	12,601	13,231
Health Benefits-Retirees	0	0	4,285	4,285	4,285	4,285	4,285
Flex Benefits	6,205	6,205	6,204	6,204	6,204	6,204	6,204
Vacancy factor of 3.5%	0	0	-3,447	-3,537	-3,643	-3,752	-3,865
Personnel Services	137,785	144,083	161,016	165,563	170,248	175,087	180,078
Cleaning & Laundry	900	600	1,200	1,200	1,200	1,200	1,200
Reproduction	10	0	214	214	214	214	214
Equipment Repairs	198	0	550	550	550	550	550
Unclassified Contract Svcs	129,561	131,400	143,400	143,400	143,400	143,400	143,400
Telephone	854	345	1,449	1,449	1,449	1,449	1,449
Office Supplies	308	147	350	350	350	350	350
Uniforms & Clothing	399	0	600	600	600	600	600
Unclassified Supplies	5,343	4,116	10,017	10,017	10,017	10,017	10,017
Building Supplies	37	129	500	500	500	500	500
Operating	137,610	136,737	158,280	158,280	158,280	158,280	158,280
Human Resource Expense	3,428	3,407	3,261	3,359	3,460	3,563	3,670
Accounting Expense	7,904	6,491	5,503	5,668	5,838	6,013	6,194
Purchasing Expense	4,688	3,756	4,033	4,154	4,279	4,407	4,539
Information Systems Expense	0	5,235	5,737	5,909	6,086	6,269	6,457
Revenue Collection Expense	0	851	838	863	889	916	943
Vehicle Garage Expense	14,751	8,508	11,091	11,424	11,766	12,119	12,483
Vehicle Replacement	2,800	2,800	2,730	3,499	3,965	4,898	4,898
Allocated Accounts	33,571	31,048	33,193	34,876	36,283	38,186	39,184
Utilities - Stormwater	248	2,475	0	0	0	0	0
Utilities - Water	10,401	9,015	11,754	11,764	11,760	11,771	11,771
Utilities - Electric	6,078	6,273	4,644	4,166	4,164	4,169	4,169
Utilities and Other Expenses	16,727	17,763	16,398	15,930	15,924	15,940	15,940
Revenues	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Sale of Cemetery Lots	77,625	70,000	60,000	60,000	57,000	57,000	57,000
Perpetual Maintenance Fee	9,000	8,760	7,800	7,800	6,000	6,000	6,000
Charges for Services	86,625	78,760	67,800	67,800	63,000	63,000	63,000
Interest	217,847	244,578	219,976	225,000	230,000	230,000	230,000
Trnsfr Unappr FB	21,220	6,293	81,111	81,849	87,735	94,493	100,482
Trans from Fund Bal - Encumb	1	0	0	0	0	0	0
Other Revenues	239,068	250,871	301,087	306,849	317,735	324,493	330,482
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	325,693	329,631	368,887	374,649	380,735	387,493	393,482
Fund Total Revenue	325,693	329,631	368,887	374,649	380,735	387,493	393,482
Fund Balance	0	0	0	0	0	0	0

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Summary

850 Downtown Improvement Authority Op Fund

The Tallahassee Downtown Improvement Authority (TDIA) governing board is composed of eleven members. The Mayor appoints eight citizen members with the concurrence of the City Commission. An appointed member must be an owner of real property within the downtown taxing district and pay ad valorem taxes. There are also three ex-officio members including a City Commissioner, County Commissioner, and the Director of the Tallahassee-Leon County Planning Department.

The TDIA boundaries include a 24-block area bounded by Tennessee, Pensacola, Gadsden, and Bronough Streets. The TDIA has statutory powers "to guide the coordinated, balanced development of the district, promote the general welfare of the area, preserve aesthetic values, prevent congestion, improve traffic, provide pedestrian safety, and provide a way of life which combines the conveniences and the amenities of modern living with the traditions and pleasures of the past."

A one mill ad valorem levy may be assessed to the properties within the district. Since the inception of the authority, the board has made a one mill levy annually. Although TDIA by-laws provide that the operating budget be submitted to the City Commission for approval, the governing board has exclusive control of the funds received from ad valorem tax and any other funds it may receive such as grants and donations.

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Personnel Services	117,754	176,903	146,583	151,014	155,586	160,302	165,173
Operating	19,604	112,050	212,480	212,480	212,480	212,480	212,480
Transfers	291,842	0	0	0	0	0	0
Contributions to Operations	0	0	79,744	79,744	79,744	79,744	79,744
<u>Revenues</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Taxes & Franchise Fees	121,361	145,891	204,386	204,386	204,386	204,386	204,386
Intergovernmental Revenue	0	0	4,983	4,983	4,983	4,983	4,983
Charges for Services	0	0	65,900	65,900	65,900	65,900	65,900
Other Revenues	307,839	143,062	163,538	167,969	172,541	177,257	182,128
<u>Fund Summary</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Fund Total Expenditure	<u>429,200</u>	<u>288,953</u>	<u>438,807</u>	<u>443,238</u>	<u>447,810</u>	<u>452,526</u>	<u>457,397</u>
Fund Total Revenue	<u>429,200</u>	<u>288,953</u>	<u>438,807</u>	<u>443,238</u>	<u>447,810</u>	<u>452,526</u>	<u>457,397</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund Expenditures

In FY07, TDIA implemented or was active in the following programs and projects:

Public Improvements

- Initiated funding requests for capital and public improvements recommended in the Downtown Pedestrian Connectivity Plan, including funding for the downtown pedestrian way finding system, pedestrian improvements on Monroe Street at Apalachee Parkway and Madison Street intersection, and funding for the Capital Plaza.

Development

- Assisted property owners and businesses through advocacy, information, and representation.
- Assisted and advised potential and existing downtown tenants, both office and retail.
- Maintained an updated listing of available property for sale and lease.

850 Downtown Improvement Authority Op Fund

Marketing/Promotion

- Distributed the Downtown Public Parking Guide.
- Continued the successful full-time management and operation of the downtown marketplace.
- Maintained Downtown web page (tallahasseedowntown.com).
- Participated in the joint advertisement of the bi-annual visitor guide consisting of the downtown business directory, maps, and calendar of events.

Maintenance

- Continued the weekly Saturday alternative service work program for litter clean up and maintenance of public areas downtown, in conjunction with the city's Solid Waste Department.

Administration

- Renewed General Services Administration's Good Neighbor Agreement program.
- Issued vendor and all special event use permits for Gallie Alley and Adams Street Commons.
- Notified downtown property owners and businesses of road and street closings, special events, and other activities that may affect their operation.

Program Objectives for FY2008

The TDIA will continue its efforts to increase the office, retail, and workforce housing in the downtown area through active marketing of projects, programs, and special events that showcase downtown as a viable market and community.

Fund Revenues

The Downtown Redevelopment Agency essentially encompasses the TDIA area. Since FY05, agencies in the Downtown Community Redevelopment District have contributed 95% of the incremental taxes resulting from property development and reassessment to the Community Redevelopment Agency. The TDIA's net ad valorem receipts continue to remain static. Based upon the scope of work approved by the TDIA Board of Directors for 2007/08 (see list of activities following) there is a need for additional resources to address the promotion of the downtown area. As the unique resource for promotion of downtown events and activities the TDIA will be requesting a return of the tax increment financing amount for 2007-08.

DIA Scope of Work for 2007- 08

1. Promotion of Downtown Festivals – it is recognized that a great deal of downtown people traffic and commerce is generated by events that are held downtown. The DIA will work to develop additional events that will attract residents and visitors to the area:
 - International Film Festival (work with the Knight Foundation Creative Communities Initiative)
 - Fall Art Festival (National Artists)
 - Revive Shakespeare Festival
 - Visual Arts Exhibits (world class museum exhibitions)
 - Work with the Council on Culture and Arts (COCA), museums, and other organizations to identify support for exhibitions and new cultural activities.

Continued Support for Existing Activities:

- Downtown "Getdowns"
- Springtime Tallahassee
- Unity in the Community

850 Downtown Improvement Authority Op Fund

- Festival of Lights
 - Caribbean Festival
2. Knight Foundation Creative Communities Initiative – participate in and support the activities of this broad based community initiative.
- Gaines Street Revival
 - International Film Festival
 - Green Technology Projects
 - Micro–loan small business incubator
3. Rehab Loan Program – work with financial institutions to create a discounted loan pool for rehabilitation of downtown properties with a focus on workforce housing and retail development.
4. Alternate energy program – encourage the development of a program or corporate entity to install solar photovoltaic systems on rehabilitated and/or existing buildings, provide financing and amortization for the installation, and provide billing for the power usage.
5. Support CRA in its efforts to develop major capital projects in the downtown area. (Workforce housing, retail, hotel, parking, etc.)
6. Partnerships – work in partnership with important Tallahassee business organizations – Chamber of Commerce, Tallahassee Economic Development Council, Knight Foundation Creative Communities Initiatives Committee, Convention and Visitors Bureau, etc.
7. Marketing/Constituents
- Branding for Downtown – development of recognizable and consistent image for downtown
 - Downtown as a destination for the region – use of various print and electronic medium for communicating downtown activities.
 - Downtown valet parking program – work with valet parking company to expand the valet parking for all downtown visitors. (In planning.)
 - Website – develop an interactive website that includes: an inventory of commercial space available for sale, lease, etc., with data and information for potential investors. Additionally, interactive website components will include existing downtown retail and restaurant businesses including venues and contact information. The DIA website will also be used to promote the Automated External Defibrillators (AED) Public Access Defibrillation program.
 - Beautification – working with Keep Tallahassee Beautiful to install year round seasonal planters on the light stanchions on Monroe from Tennessee to Pensacola.
 - Prototype “way finding sign” – design and develop a prototype sign in advance of the Florida Department of Transportation grant for downtown signage. (Sign to include locator map, changeable event promotion, and ports for MP3/iPod downloads.
 - DIA membership – explore potential for downtown businesses that are not property owners to support the DIA.

Capital Projects Operating Budget Impacts

There is no impact on the operating budget resulting from capital projects.

City of Tallahassee
Fiscal Year 2008 Approved Budget - Fund Proforma Account Summary

850 Downtown Improvement Authority Op Fund

<u>Expenditures</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>	<u>FY 2011 Budget</u>	<u>FY 2012 Budget</u>
Salaries	88,039	150,083	111,197	114,099	117,522	121,047	124,679
Salary Enhancements	0	0	2,903	3,423	3,526	3,631	3,740
Temporary Wages	5,207	0	0	0	0	0	0
Pension- Current	8,073	9,229	10,646	10,965	11,294	11,632	11,982
Pension- MAP	6,788	7,794	8,615	8,873	9,139	9,413	9,696
Mandatory Medicare	457	525	1,654	1,704	1,755	1,807	1,862
Health Benefits	5,783	5,640	7,632	8,014	8,414	8,836	9,278
Flex Benefits	3,407	3,632	3,936	3,936	3,936	3,936	3,936
Personnel Services	117,754	176,903	146,583	151,014	155,586	160,302	165,173
Unclassified Contract Svcs	7,756	100,000	191,878	191,878	191,878	191,878	191,878
Telephone	1,806	2,100	4,000	4,000	4,000	4,000	4,000
Postage	46	0	400	400	400	400	400
Office Supplies	984	1,800	2,000	2,000	2,000	2,000	2,000
Travel & Training	2,511	1,200	3,500	3,500	3,500	3,500	3,500
Journals & Books	357	550	450	450	450	450	450
Memberships	1,575	2,300	2,000	2,000	2,000	2,000	2,000
Rent Expense- Bldg & Ops	4,569	4,100	8,252	8,252	8,252	8,252	8,252
Operating	19,604	112,050	212,480	212,480	212,480	212,480	212,480
Inter-Fund Transfer	291,842	0	0	0	0	0	0
Transfers	291,842	0	0	0	0	0	0
Contribution to CRA Downtown	0	0	79,744	79,744	79,744	79,744	79,744
Contributions to Operations	0	0	79,744	79,744	79,744	79,744	79,744
Revenues	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Ad Valorem Property Tax	121,361	145,891	204,386	204,386	204,386	204,386	204,386
Taxes & Franchise Fees	121,361	145,891	204,386	204,386	204,386	204,386	204,386
Payment in Lieu of Taxes	0	0	4,983	4,983	4,983	4,983	4,983
Intergovernmental Revenue	0	0	4,983	4,983	4,983	4,983	4,983
Marketplace	0	0	65,900	65,900	65,900	65,900	65,900
Charges for Services	0	0	65,900	65,900	65,900	65,900	65,900
Interest	6,673	7,106	6,000	6,000	6,000	6,000	6,000
Other Miscellaneous Revenue	97,146	135,797	82,538	86,969	91,541	96,257	101,128
Trsrfr Unappr FB	204,020	159	75,000	75,000	75,000	75,000	75,000
Other Revenues	307,839	143,062	163,538	167,969	172,541	177,257	182,128
Fund Summary	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget
Fund Total Expenditure	429,200	288,953	438,807	443,238	447,810	452,526	457,397
Fund Total Revenue	429,200	288,953	438,807	443,238	447,810	452,526	457,397
Fund Balance	0	0	0	0	0	0	0