

CITY OF PETERSBURG, ALASKA

1985/1986 BUDGET

CITY OF PETERSBURG, ALASKA

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NOTICE OF PUBLIC HEARING
CITY OF PETERSBURG FY 86 BUDGET

Notice is hereby given of a public hearing to be held on Monday, May 6, 1985 beginning at 7:30 PM in the Council Chambers of the Petersburg Municipal Building. The purpose of this hearing is to give citizens an opportunity to make comments on Petersburg's budget for the next fiscal year prior to final decision making by the City Council.

Copies of the city manager's budget recommendations are available for public inspection at the office of the City Clerk and at the Petersburg Public Library. Proposed appropriations for fiscal year 1986 are shown below:

	For the year ended June 30		
	1984 Actual	1985 Estimate	1986 Budget
GOVERNMENTAL FUNDS:			
<u>General Fund:</u>			
General Government	755,361	779,906	781,290
Public Safety	732,995	930,523	930,007
Public Works	791,260	942,156	896,347
Health & Welfare	107,973	119,438	103,450
Culture & Recreation	371,460	577,130	569,566
Other Non Classified	8,099		
Transfers to Other Funds	559,478	385,178	220,942
	3,326,626	3,734,331	3,501,602
<u>Sales Tax Fund:</u>			
General Government	51,648	54,000	62,000
Public Works	245,637	255,000	520,000
Interfund Loans	202,965	275,000	
School Construction	329,425	100	
Other Non Classified	4,895		
Transfers to Other Funds	1,069,376	2,178,628	2,266,387
	1,903,946	2,762,728	2,848,387
<u>Federal Revenue Sharing Fund:</u>			
General Government	6,679	50	115,000
Public Safety	26,546	2,500	
Public Works	8,043	30,000	261,550
Health & Welfare	651		
Transfers to Other Funds		200,000	
	41,919	232,550	376,550
<u>Petersburg Public Schools:</u>			
Operation & Maintenance	3,155,777	3,529,913	3,633,822
School Construction	1,020,304	4,671,535	4,534,310
	4,176,081	8,201,448	8,168,132

For the year ended June 30

	<u>1984 Actual</u>	<u>1985 Estimate</u>	<u>1986 Budget</u>
<u>1984 Bond Improvement Fund:</u>			
Main Street Construction		14,007	271,493
Transfers to Other Funds		885,000	245,000
		<u>899,007</u>	<u>516,493</u>
 <u>Debt Service Fund:</u>			
1968 School Bonds	103,050	103,400	98,600
1975 School Bonds	289,760	286,320	287,075
1983 School Bonds	437,095	445,295	425,870
1984 G.O. Bonds		<u>209,250</u>	<u>209,005</u>
	<u>829,905</u>	<u>1,044,265</u>	<u>1,020,550</u>
 ENTERPRISE FUNDS:			
Electric Utility	2,745,218	3,086,074	2,832,297
Water Utility	268,249	396,480	2,085,635
Wastewater Utility	1,221,435	1,096,705	1,025,627
Small Boat Harbors	453,648	177,640	228,235
Port Facilities	411,077	23,342	300,518
Elderly Housing	236,140	210,616	215,603
Motor Pool	245,847	440,177	320,957
Hospital Operations	1,274,262	1,669,293	1,736,890
Hospital Construction	<u>5,796,914</u>	<u>2,147,690</u>	<u>318,863</u>
	12,652,790	9,248,017	9,064,625
 Grand Total	 22,931,267	 26,122,346	 25,496,339
 Less Interfund Transfers	 <u>1,628,854</u>	 <u>3,648,806</u>	 <u>2,732,329</u>
 Net Expenditures	 <u>21,302,413</u>	 <u>22,473,540</u>	 <u>22,764,010</u>

FEDERAL REVENUE SHARING USES:

In compliance with federal regulations relating to public participation, the federal revenue sharing program is expected to be discontinued during fiscal year 1985/1986. The balance of funds carried forward to the FY 86 fiscal year are proposed to be used in the following manner:

Computer Equipment & Software	\$ 115,000
Scow Bay Area Road Improvements	<u>261,550</u>
Total	376,550

Notice of Public Hearing
FY 86 Budget
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PUBLIC PARTICIPATION :

The City Council is expected to make final decisions on the FY 86 municipal budget by June 17, 1985. Comments from the public on the budget proposals are encouraged. Comments may be offered orally at the public hearing or in writing to the attention of Mayor Don Koenigs, P.O. Box 329, Petersburg, Alaska 99833.

Richard Underkofler
Petersburg City Manager
April 19, 1985

Publish: April 25 and May 2, 1985

April 19, 1985

Mayor & Members of the City Council
City of Petersburg, Alaska

Subject: Budget Recommendations for the 1985/1986 Fiscal Year

Ladies & Gentlemen:

Transmitted with this letter is the recommended budget for the next fiscal year. The purpose of this communication is to highlight key assumptions made with the recommendations, summarize the budget and call your attention to significant changes from current operations. I conclude with an identification of major policy issues which I believe the City Council should address in considering the budget.

Formal action on the Budget Resolution is scheduled for your Council meeting of June 3. Final action is requested at your meeting of June 17 in the event you wish to offer amendments at the meeting of June 3. Our City Charter specifies that if the Council has not taken formal action to adopt a budget prior to June 28, these budget recommendations will become an appropriation and the budget for next year without further Council action.

The Property Tax Resolution is also scheduled for your consideration on June 3. The Charter specifies that the Council shall fix the rate of this levy before June 15.

OPERATIONS & ACCOUNTING POLICIES:

The accounts of the City are organized on the basis of funds and account groups. Each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The various funds are grouped into two broad fund categories -- the governmental funds and the proprietary funds.

Governmental Funds:

The General Fund is used to account for the general governmental activities of the city. Its revenues are derived from the city's taxing and licensing powers, grants and shared revenues from the State of Alaska, services rendered by the various departments and transfers from other funds representing an allocation of general administrative costs. The expenditures of the fund relate to the general administration of the city; public safety services (police, fire, jail, civil defense and emergency medical services); health and welfare

Budget Message

services; culture and recreational activities (the library, museum, the park and recreation department); and public works activities relating to maintenance and operation of roads and streets, quarry, cemetery and various other properties.

The Special Revenue Funds are used to account for revenue sources that are restricted for specified purposes. The following are considered Special Revenue Funds:

Sales Tax Fund. Accounts for the revenues received from the city's 5% sales tax, reimbursements from the State of Alaska for school general obligation debt service, and other grant allocations related to expenditures made from the fund. Expenditures from this fund are restricted to public works projects; debt service on bonds; and, expenditures for the construction, repair, operation and maintenance of school facilities.

Federal Revenue Sharing Fund. Accounts for revenues received from the Federal General Revenue Sharing Program. Expenditures may be made for any lawful purpose, except education. These accounts are segregated due to special reporting requirements of the federal government.

Petersburg School District Funds. Includes a series of funds used to present the operation and maintenance of the city's school system. Financing is provided from transfers from the local sales tax fund, appropriations received from the State of Alaska, and miscellaneous service charges.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long term debt principal, interest and related costs. Resources are provided by transfers from the Sales Tax Fund.

The Capital Improvement Funds present financial resources received to be used for the construction of major capital facilities.

Hospital Construction Fund. Accounts for revenues and expenditures relating to construction of Petersburg's new municipal hospital. Accounting will be maintained in the capital improvement funds until construction is complete and all funds have been expended. Thereafter, the assets will be reported in the Hospital Enterprise Fund.

School Construction Fund. Accounts for revenues and expenditures relating to a variety of construction projects to be used by the Petersburg School District. After construction is completed, the assets will be reported in the school's accounts of general fixed assets.

1984 Bond Improvement Fund. Accounts for the proceeds of a general obligation bond to be used for the improvement of Main

Budget Message

Street and extension of sanitary sewer along Mitkof Highway. Expenditures will consist of payments to the State of Alaska for grant ineligible elements of the Main Street reconstruction project; payments to the telephone and cable television utilities for the relocation of their facilities; and, interfund transfers to the electric, water and sewer funds for additions and improvements to their respective facilities related to the projects.

Proprietary Funds:

The proprietary funds are used to account for activities of the city which are supposed to be financed in a manner similar to private business enterprises. For presentation in the financial statements, the following activities are reported as Enterprise Funds:

- Electric Utility (Municipal Power & Light)
- Water Utility
- Wastewater Utility
- Small Boat Harbors
- Port of Petersburg
- Elderly Housing (Mitkof Manor)
- Petersburg General Hospital

Internal Service Funds are used to account for operations similar to those of a private business, but when goods or services are provided primarily for the benefit of departments or agencies within the municipality. The Motor Pool Fund has been established as an internal service fund to account for services provided by the motor pool on an equipment rental basis. Charges for use of the equipment include a component for operation and maintenance expenses on a cost reimbursement basis as well as a component for replacement of the equipment at the end of its useful life.

Basis of Accounting:

The accounts of the governmental funds are maintained on the modified accrual basis whereby expenditures or liabilities are recorded in the period incurred, and the revenues are reported when cash is received, except for measurable and available amounts which are accrued to properly reflect grants allocated, revenues earned and property taxes levied. The financial statements of all proprietary funds are presented on the accrual basis of accounting under which revenues are reported when earned and expenses are recorded when incurred.

In order to enable the City Council and citizens to gain a better understanding of changes in cash position, the budget document uses governmental type accounting for the proprietary funds. Depreciation is not regarded as an expense. Fund equity is represented as "fund balance", rather than "retained earnings". It is derived by subtracting current liabilities from current assets.

Budget Message

BUDGET METHODOLOGY :

The budget recommendations incorporate most budget policy guidelines adopted by the Council back in February before the budget preparations began. Overall levels of expenditure were controlled by placing hypothetical limitations upon sources of revenue. The operating budgets were limited by the level of current revenue. Capital outlays were "forward financed" and limited by estimated ending fund balances for the fiscal year ending June 30, 1985 less amounts to be held in reserve for emergency contingencies.

This methodology is particularly appropriate at this time because we need to be ready to expect substantially less financial assistance from the state and federal governments. The budget assumes that state assistance to the municipality will be 80% of the amounts anticipated in FY 85; federal revenue sharing funds are expected to be discontinued altogether.

MAJOR ASSUMPTIONS :

The city shares in intergovernmental revenues in a number of ways. The principal sources that relate to our local property tax rate (since they are used for operating expenses) are the programs titled "Revenue Sharing" and "Municipal Assistance".

The Governor's budget for FY 86 indicates that revenue from these sources should be about the same as the amounts expected in FY 85. But no one really knows whether these amounts will be reduced by the legislature when faced with declining oil revenues. Here is a summary of the money we've received from these sources in recent years together with the amount assumed in FY 86.

	<u>1983 Actual</u>	<u>1984 Actual</u>	<u>1985 Estimate</u>	<u>1986 Estimate</u>
Municipal Assistance	415,792	452,978	465,288	372,230
Revenue Sharing:				
Roads	19,851	22,656	24,945	19,956
Hospitals	209,397	218,057	240,086	192,069
Health Facilities	20,102	20,933	23,048	18,438
Unrestricted	<u>511,158</u>	<u>401,280</u>	<u>410,574</u>	<u>328,459</u>
	1,176,290	1,115,904	1,163,941	931,152

If we are to assume that state assistance to the municipality will be reduced by 20% together with a loss of the federal revenue sharing funds (\$240,597 in FY 85), real property tax levies would need to increase \$473,386 just to stay even (4.7 mills).

Budget Message

The city's mill levy in FY 85 was 6 mills: 4 mills for operation and maintenance and 2 mills for capital outlays. The recommended mill levy for FY 86 would remain at 6 mills. Areas of the city that do not have access to water and sewer services would be taxed at a 3.2 mill rate.

Other major assumptions include the following:

1. The budget assumes that there will be no increase in the rates to be charged for electricity, water, sewer, boat harbor and port facility services, or the rentals at our elderly housing project.
2. The recommended local appropriation from sales tax funds for school operating purposes is increased from \$499,863 in FY 85 to \$626,837 in FY86. This should enable the school to assume a share of the cost for use of the swimming pool and the old gym together with the added cost for operating and maintaining its 1985 high school expansion building. The School District will be expected to assume the full cost of fuel oil and utilities at the old gym and swimming pool in consideration for this increased appropriation.
3. The recommended city appropriation for the hospital is increased by \$30,000 to help with the added cost for operation and maintenance of its new building. This is being financed by interest earnings from the hospital construction grant funds. An endowment in the amount of \$368,773 is being held in reserve for this purpose.
4. The budget assumes that other unappropriated reserves will be maintained for emergency contingencies. An amount not less than 3 months of operating expenses is programmed for the General Fund and each enterprise fund. A reserve not less than next year's payment for debt service on the School General Obligation Bonds is being maintained in the Sales Tax Fund.
5. I've continued to allocate an overhead charge to each enterprise fund to reimburse the General Fund for expenses of general administration. The charge is based upon 5% of operating expenses (adjusted for extraordinary items such as debt service or Tye power purchases in the electric utility).

Where appropriate I've also levied an additional overhead charge for expenses directly allocable to a particular activity. For example, the payroll expense of public works administration is equally shared between the Street, Water, Sewer and Motor Pool Departments. The city engineering department will, likewise, be completely financed by allocations to various projects on a time and expense basis.

Budget Message

6. Interfund rental charges for use of motor pool equipment have been maintained consistent with policies adopted by the Council in the previous two years. The charge for operation and maintenance is based upon actual expenses per unit divided by the hours utilized for the calendar year ended December 31, 1984. The charge for replacement is computed by dividing the estimated current replacement cost by the useful life of the equipment.

Labor charges in the motor pool will stay at \$38 per hour. Parts, fuel, lubricants, insurance and other expenses related to operation and maintenance of the equipment will be allocated at cost.

7. The operating subsidy for the Public Health Nurse will be equivalent to the amount received from State Aid for Health Facilities less a rental payment of \$4,500 for use of space in the municipal building. I continue to hope that these offices may be relocated to another location during the next year to make way for Finance Department expansion into this area. Up to \$8,000 is available to pay the rent at an alternate location.
8. The operating subsidy for Gateway Mental Health has been increased by \$4,200 to pay rent for this agency at the Thompson Building consistent with the Council's March 18th direction on this subject. The lease for this space runs until June 30, 1986.
9. The operating subsidy for the Petersburg Council on Alcoholism and Drug Abuse will be maintained at an amount received from the State for this purpose. No increased local appropriation has been included in the budget for this activity, the Day Care Assistance program, the Youth Center, or the Petersburg Indian Association.
10. The Petersburg Chamber of Commerce has requested a \$40,550 grant for its tourism development program. During FY 85, we made a \$7,888 grant to the Chamber for this purpose. I do not recommend the increased appropriation. No other industry sector in this community receives an outright grant from the city for its development programs. This has the potential of creating growing dependency. The Chamber, more than any other organization, should understand our need to keep a lid on the operation and maintenance budget.

SUMMARY OF EXPENDITURES:

Proposed spending for the next fiscal year in all funds totals \$25,496,339. When interfund transactions are excluded, net expenditures proposed total \$22,764,010.

Budget Message

A functional distribution of proposed expenditures may be summarized in the following manner:

	<u>Proposed Budget</u>	<u>Percent</u>
General Government	958,290	4
Public Safety	930,007	4
Public Works	2,479,352	11
Health & Welfare	2,374,806	10
Culture & Recreation	569,566	3
Education	8,979,677	40
Electric Utility	2,832,297	12
Water Utility	2,085,635	9
Sewer Utility	1,025,627	5
Port & Harbors	<u>528,753</u>	<u>2</u>
	22,764,010	100%

If classified by object of expenditures, the budget looks like this:

Operations & Maintenance	10,866,091	48
Debt Service	1,461,153	6
Capital Outlays	<u>10,436,766</u>	<u>46</u>
	22,764,010	100%

Payroll Expenditures:

A departmental extension of direct and indirect payroll expenditures (excluding the school and the hospital) is shown on the next page.

A bottom line summary of these expenses comparing proposals for next year's budget to those actually experienced during the past two calendar years is shown below:

	<u>1983 Actual</u>	<u>1984 Actual</u>	<u>1986 Budget</u>
Salaries & Wages	1,974,412	2,114,850	2,215,120
Personnel Benefits	<u>691,044</u>	<u>634,455</u>	<u>646,475</u>
	2,665,456	2,749,305	2,861,595
Percent Benefits	35%	30%	29%
Rate of Increase		3%	4%

CITY OF PETERSBURG
1985/1986

DIRECT & INDIRECT PAYROLL EXPENDITURES

Department	Budgeted Wages	Overtime	Gross Income	Pension	Health Insurance	Life Insurance	Workers Compensation	Unemployment Compensation	Total
Legislative	9,000		9,000	1,532					10,532
General Administration	243,169	5,577	248,746	42,017	16,632	216	2,777	3,733	314,121
Police Department	361,111	30,833	391,944	66,707	25,965	378	20,502	5,880	511,376
Fire Department	53,987	1,918	55,905	6,854	2,079	27	3,528	604	68,997
Public Works	238,862	19,149	258,011	36,759	12,474	162	41,519	3,870	352,795
Building Inspection	33,155	1,658	34,813	5,925	2,079	27	1,608	522	44,974
Library	53,003		53,003	8,421	4,143	81	578	795	67,021
Parks & Recreation	115,677		115,677	16,521	8,286	162	4,844	1,734	147,224
Engineering Department	106,221	9,667	115,888	19,724	6,237	81	4,546	1,738	148,314
Electric Utility	605,401	54,854	660,255	105,654	27,027	351	31,101	9,903	834,301
Water	34,174	3,417	37,591	6,398	2,079	27	1,801	564	48,460
Wastewater	31,928	3,192	35,120	5,977	2,079	27	1,738	527	45,468
Ports & Harbors	115,970	3,702	119,672	19,457	8,301	135	11,513	1,796	160,874
Motor Pool	72,259	7,226	79,485	13,529	4,158	54	8,720	1,192	107,138
	2,073,917	141,203	2,215,120	355,475	121,539	1,728	134,875	32,858	2,861,595

Budget Message

The budget makes the following assumptions relating to pay and benefits:

1. The pay plan shall be adjusted to provide a 4% increase on all rates of pay consistent with provisions of Ordinance No. 537 and our memorandum of agreement with the union representing the electric utility employees. (No pay increase was budgeted for the city manager.)
2. Pension contributions to the Alaska Public Employees Retirement System will increase for 16.24% to 17.02% of estimated annual earnings for each permanent employee.
3. Health insurance premiums are projected to increase according to the following schedule:

	Annual Cost	
	<u>From</u>	<u>To</u>
Employee Only	903.36	1,032.36
Employee + Spouse	1,962.48	2,242.80
Employee + Family	2,735.52	3,126.24
Employee + Child(ren)	1,673.76	1,912.80

It is assumed that the City will continue to pay 100% of the premium cost for the employee and 50% of the cost for dependent coverage. The remainder of the cost for dependent coverage would be handled by payroll deduction.

4. The cost for providing a \$5,000 term life insurance policy for each permanent employee is projected to increase from \$24.60 to \$27.12 per year per employee.
5. The cost of workers compensation insurance is projected to increase by 10% over current rates.
6. The assessment for unemployment compensation self insurance reserves would be reduced from 3% to 1.5% of estimated annual earnings. Accumulated reserves for this purpose are sufficient to indicate a reduction in this item.

The budget does not include funding to hire any additional personnel, to increase the number of hours worked by part time or temporary personnel, or to increase rates of pay by more than 4%. Nor does the budget include any financing for merit pay increases.

The Council may wish to consider such requests on their own merits when you review each departmental spending request. Such formal

Budget Message

requests were received from the following departments:

Fire Department. \$39,193 to employ one additional full time fire fighter, raise the salary of the fire chief from \$400 to \$600 per month, and raise the salary of the assistant chiefs (2) from \$100 to \$200 per month.

Library. \$10,835 to increase the number of hours worked by part-time personnel.

Motor Pool. \$33,189 to employ one additional mechanic under a vocational rehabilitation program with the Department of Labor. Fifty (50) percent of the pay and benefit cost of this proposal is eligible for reimbursement from the state for one year.

I've, likewise, received several informal recommendations for merit pay increases which I've not been able to act upon since there is no current appropriation for this purpose.

Capital Outlays:

This annual budget includes capital projects suggested for completion or initiation in the next fiscal year. The Capital Improvement Program, submitted as a separate document, shows the multi-year relationship of some of these outlays to future capital improvement plans.

The major capital outlays suggested for funding this year are as follows:

	<u>Budget</u>
<u>General Fund:</u>	<u>Request</u>
Administration Office Equipment	\$ 13,500
Refurbish Administration Offices	23,600
Municipal Building Roof Repairs	60,000
Female Restroom, Police Department	5,000
Police Equipment	10,212
Design of New Fire Station	94,000
Scow Bay Fire Station Improvements	5,000
Jail Improvements	18,000
Mapping Updates	31,000
Motor Pool Parking Garage Expansion	100,000
Swimming Pool Renovations.	225,000
Old Gym Floor Repairs.	18,500
Museum Improvements	15,725
 <u>Sales Tax Fund:</u>	
Union Street Improvements.	120,000
Downtown Area Street Paving	400,000
Water Plant Clarification Systems.	300,000*
Port Facility Dock Extension	275,000

* Contingent upon 50% matching grant from State of Alaska

Budget Message

<u>Federal Revenue Sharing Fund:</u>	
Computer Equipment & Software	115,000
Scow Bay Area Road Improvements.	261,550
<u>Hospital Construction Fund:</u>	
Phase II Hospital Improvements	288,863
<u>School Construction Fund:</u>	
Gym Floor Litigation	20,000
Elementary School Playfield Design.	23,874
Phase II, High School Renovations.	4,450,436
<u>1984 Bond Improvement Fund:</u>	
Main Street Improvements	219,493
<u>Electric Utility Fund:</u>	
Mitkof Highway Distribution System	250,000
Upgrade Systems to 24.9 Volts	170,000
Rebuild Scow Bay Loop Road	50,000
Upgrade Systems to 4160 Volts.	40,000
Rebuild Indian Street	45,000
Rebuild Blind Slough Substation	80,000
399 Generator Overhaul	17,600
<u>Water Utility Fund:</u>	
New Water Storage Tank	672,410
Paint Existing Water Storage Tank	50,000
Main Street Water Main Upgrade	480,000
<u>Wastewater Utility Fund:</u>	
Sewer Cleaning Vehicle	150,000
Mitkof Highway Sewer Extension Phase II	330,000
Sewage Treatment Plant Litigation	250,000
Middleton Street Sewer Extension	35,000
Gauffin & Aaslaug Street Sewer Rehab	36,000
<u>Motor Pool Service Fund:</u>	
Replace Hough Loader Tires.	16,000
Replace Dump Truck Boxes	15,000
Replace 2 Public Works Pick-Up Trucks	22,000
Procure 1 Pick-Up Truck Lift	6,000
Replace 1 Police Patrol Vehicle	17,500

SOURCES OF FINANCING:

Based upon the revenue assumptions described earlier in this report, the FY 86 budget would be financed in the following ways:

Budget Message

	<u>Budget Estimate</u>	<u>Percent</u>
State Sources	9,058,575	40
Federal Sources	915,700	4
Local Sources	7,947,370	35
Carry Forward	<u>4,842,365</u>	<u>21</u>
	22,764,010	100%

The carry forward from the current fiscal year consists of undisbursed funds from federal and state grants which are restricted for specific projects as well as unrestricted funds carried forward from previous years from revenues in excess of expenditures.

Local funding would be derived over the next fiscal year in the following manner:

	<u>Budget Estimate</u>	<u>Percent</u>
Charges for Services	5,311,203	67.0
Taxes	1,837,808	23.0
Interest Earnings	549,500	7.0
Rentals & Leases	112,559	1.4
Sales of Assets	53,200	0.6
Litigation Recovery	40,000	0.5
Miscellaneous	<u>43,100</u>	<u>0.5</u>
	7,947,370	100.0%

COMPARATIVE DATA:

Comparative statements of revenues, expenditures and changes in fund balances are provided immediately following this budget message in order to provide a complete understanding of the City's financial position.

Note that the figures representing estimated fund balances may include assets restricted for accounts payable, customer deposits, undisbursed funds of grants which may only be used for specified purposes, self insurance reserves, and other current liabilities. The estimated unreserved fund balances are those shown on the line item computer print-outs which have been submitted as a separate document.

MAJOR ISSUES:

1. Level of Local Property Taxation

Budget Message

Practically all of the General Fund revenue for the next fiscal year will be consumed by operation and maintenance expenses. All capital outlays within the General Fund are being financed by carry forward from prior fiscal years.

The General Fund can not support any request for increased spending beyond the target amounts budgeted without an increase in local property tax rates.

2. Water Utility Rates

The Water Fund is in need of additional revenue to offset expenses of operation, maintenance and debt service; fund reserves for replacement of plant and equipment; and support a reasonable capital improvement program. We've been financing the cost of additions to water plant and equipment over the last few years by interfund transfers from the General Fund and the Sales Tax Fund. In future years, these funds will not be able to continue this sort of subsidy without further increased general taxation.

I will be making recommendations next month to increase the water rates.

3. Building Maintenance Department

It was suggested that I should resurrect the idea of establishing a building maintenance department in connection with this year's budget proposal. I've proposed to initiate this concept with the last two annual budget requests, but each year the idea expired over jurisdictional problems in defining the relationship between city directed operations and those of the School and the Hospital. Let me repeat the recommendations made relating to this subject from last year's budget message:

"The department would consist of a small working staff of two persons experienced in the electrical and mechanical trades. The department would be responsible for the operation, maintenance and repair of all buildings owned by the City, including the school and the hospital."

"I've suggested that this department should be established as an internal service fund financed by interdepartmental charges against the fund which is responsible for the assets. The school and the hospital, however, are reluctant to give up control over the direction of these operations and the potential charges that may be made against their funds. They suggest that additional appropriations should be made for this purpose without a reduction in the level of appropriations allocated to their operating budgets."

Budget Message

The General Fund can not afford to assume responsibility for another operation and maintenance activity without a proportionate increase in the property tax rate. Estimated cost for the first year of operation would be about \$120,000. If the Council does not wish to direct a reduction in the level of appropriations for school and hospital operations for these purposes, then it will be necessary to increase the local property tax rate by about 1.2 mills to finance the expense of establishing the building maintenance department.

4. Use of Sales Tax Funds

Several requests were made this year to loosen up the restrictions provided in the city code relating to how sales tax proceeds may be used. One proposal suggested that these funds be used to finance community alcohol and drug abuse programs. Another suggested that these resources should be used to finance tourism development programs. The Library Board suggested that the operation of the library should also be considered for financing from sales taxes since the library serves "an educational purpose".

I do not recommend changing the specified purposes for which sales tax funds may be used. First, because it is practically the only local means for generating revenue for financing capital improvement programs. Second, because covenants were made with the town's voters as to how the proceeds would be used when the rate was increased to 5%. Finally, liabilities incurred by recent general obligation bonds indicate a need to preserve these resources for payment of debt service in the event that the state reimbursement for the school debt service is not fully funded.

Expenditures of this nature should be properly financed by the General Fund with due consideration as to whether taxes should be increased. Wants can be better distinguished from needs when the prospect of increasing local tax rates must be considered.

SUMMARY :

The proposals transmitted herewith represent a balance budget wherein proposed expenditures do not exceed available resources and anticipated revenues. After review and consideration, the Council may wish to cancel, modify, reschedule or add new items of expenditure.

If the Council desires to increase the proposed expenditures, then it will also be necessary to reduce the unappropriated fund balance or

Budget Message

another budget item which is not a fixed expenditure by an equivalent amount.

Respectfully submitted,

A handwritten signature in purple ink, appearing to read "Richard L. Underkofler", enclosed in a light purple rectangular box.

Richard Underkofler
City Manager

RU/kaf

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the year ended June 30

	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	1,669,165	1,700,917	1,451,524
REVENUES:			
Local Sources:			
Taxes	372,680	617,420	631,808
Licenses & Permits	9,310	8,100	7,300
Charges for Services	129,237	152,162	146,900
Fines & Forfeitures	12,067	18,000	18,400
Proceeds of General Assets	78,292	37,000	53,200
Miscellaneous	<u>113,181</u>	<u>120,000</u>	<u>115,800</u>
Total Local Sources	714,947	952,682	973,408
State and Federal Sources:			
Shared Revenue	1,255,349	1,267,862	1,092,689
Operating Grants	412,705	391,317	313,053
Capital Grants	118,417	59,645	
Charges for Services	<u>102,299</u>	<u>111,100</u>	<u>110,600</u>
Total State & Federal Sources	1,888,770	1,829,924	1,516,342
Other - Litigation Settlement	<u>254,000</u>		
Total Revenues	2,857,717	2,782,606	2,489,750
EXPENDITURES:			
General Government	755,361	779,906	781,290
Public Safety	732,995	930,523	930,007
Public Works	791,260	942,156	896,347
Health & Welfare	107,973	119,438	103,450
Culture & Recreation	371,460	577,130	569,566
Other	<u>8,099</u>		
Total Expenditures	2,767,148	3,349,153	3,280,660
TRANSFERS:			
From Other Funds	517,720	702,332	424,922
To Other Funds	<u>576,537</u>	<u>385,178</u>	<u>220,942</u>
Net Transfers	(58,817)	317,154	203,980
Excess of Revenues & Transfers Over (Under) Expenditures	31,752	(249,393)	(586,930)
Ending Fund Balance	<u>1,700,917</u>	<u>1,451,524</u>	<u>864,594</u>

RU: 4/15/85

SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	For the year ended June 30		
	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	1,735,493	2,138,501	1,589,989
REVENUES:			
Local Sources:			
Taxes	1,168,058	1,223,000	1,206,000
Interest Earnings	<u>141,624</u>	<u>140,000</u>	<u>90,000</u>
Total Local Sources	1,309,682	1,363,000	1,296,000
State and Federal Sources:			
State Grants	<u>874,758</u>	<u>851,216</u>	<u>1,020,092</u>
Total State & Federal Sources	874,758	851,216	1,020,092
Total Revenues	2,184,440	2,214,216	2,316,092
EXPENDITURES:			
General Government	51,648	54,000	62,000
Public Works	245,637	255,000	520,000
Interfund Loans (Sewer Fund)	202,965	275,000	
Culture & Recreation	329,425	100	
Other	<u>4,895</u>		
Total Expenditures	834,570	<u>584,100</u>	<u>582,000</u>
TRANSFERS:			
From Other Funds	122,514		
To Other Funds	(1,069,376)		
Water Fund		(240,000)	(300,000)
Sewer Fund		(394,500)	(44,000)
Port Facilities Fund			(275,000)
Debt Service Fund		(1,044,265)	(1,020,550)
Petersburg Public Schools		<u>(499,863)</u>	<u>(626,837)</u>
Net Transfers	<u>(946,862)</u>	<u>(2,178,628)</u>	<u>(2,266,387)</u>
Excess of Revenues & Transfers Over (Under) Expenditures	403,008	(548,512)	(532,295)
Ending Fund Balance	<u>2,138,501</u>	<u>1,589,989</u>	<u>1,057,694</u>

RU: 4/15/85

FEDERAL REVENUE SHARING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	<u>For the year ended June 30</u>		
	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	219,893	444,537	456,987
REVENUES:			
Local Sources:			
Interest Earnings	<u>25,966</u>	<u>40,000</u>	<u>25,000</u>
Total Local Sources	25,966	40,000	25,000
State and Federal Sources:			
Federal Shared Revenue	<u>240,597</u>	<u>205,000</u>	_____
Total State & Federal Sources	240,597	205,000	_____
Total Revenues	266,563	245,000	25,000
EXPENDITURES:			
General Government	6,679	50	115,000
Public Safety	25,645	2,500	
Public Works	8,042	30,000	261,550
Health	<u>651</u>		
Total Expenditures	<u>41,919</u>	<u>32,550</u>	<u>376,550*</u>
TRANSFERS:			
To Other Funds		(200,000)	
From Other Funds	_____		_____
Net Transfers		<u>(200,000)</u>	
Excess of Revenues & Transfers Over (Under) Expenditures		(200,000)	
Ending Fund Balance	<u>444,537</u>	<u>456,987</u>	<u>105,437</u>

* Proposed FY 86 Federal Revenue Sharing Uses:

Computer Equipment & Software	\$ 115,000
Ried's Subdivision Road Improvements	<u>261,550</u>
Total	<u>376,550</u>

RU: 4/15/85

HOSPITAL CONSTRUCTION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the year ended June 30

	1986	1985	1984	1983	1982	1981
	<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
REVENUES:						
Grant FJ-020			383,918	441,100	328,407	346,575
Grant FJ-417			1,324,000	331,000		
Grant FJ-553		1,064,906	3,735,094	1,200,000		
Interest Earnings	30,000	90,000	141,043	130,452	36,081	
Sale of Land & Buildings				7,722		
Total Revenues	<u>\$9,590,298</u>	<u>1,154,906</u>	<u>5,584,055</u>	<u>2,110,274</u>	<u>364,488</u>	<u>346,575</u>
EXPENDITURES:						
Salaries and Wages	\$ 25,297	11,000	10,956	3,341		
Personnel Benefits	4,441	2,090	1,560	791		
Supplies	2,406	600	1,044	362		
Contracted Services & Expenses	1,183,663	170,000	256,652	332,208	295,664	22,676
Capital Outlays						
Land	113,667					
Buildings	6,498,684	906,000	5,338,684	30,332	59,436	23,899
Machinery & Equipment	1,363,367	1,058,000	188,018	72,000		
Total Expenditures	<u>\$9,191,525</u>	<u>2,147,690</u>	<u>5,796,914</u>	<u>556,383</u>	<u>355,100</u>	<u>46,575</u>
Excess of Revenues over (under) Expenditures	398,773	(992,784)	(212,859)	1,553,891	9,388	300,000
Transfers to Hospital	<u>(30,000)</u>					
Fund Balance, Beginning of Year	368,773	1,650,420	1,863,279	309,388	300,000	
Fund Balance, End of Year	368,773	657,636	1,650,420	1,863,279	309,388	300,000

SCHOOL CONSTRUCTION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	<u>For the Year Ended June 30</u>					
	<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>1982</u>	
	<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	
<u>REVENUES:</u>	<u>Total</u>					
Federal Energy Grant	\$ 68,793	17,042			1982	
Grant #7-488	800,000	641,780		158,220	Actual	
Grant #1-281	2,100,000		971,740	638,832		489,428
Grant #1-710	287,000	93,045	80,087			
Grant #1-85-042	23,874	23,874				
Grant #03-83 (DOE)	600,850	150,212	300,425	150,213		
Grant #93-84 (DOE)	3,500,000	1,400,000	1,400,000			
State Energy Grant	26,628	4,827				
FY 83 G.O. Bond Proceeds	2,772,322			2,772,322		
Interest Earnings & Misc.	713,116	428,306	110,665	53,987		35,158
Recovery from Litigation	40,000					
	<u>\$10,932,583</u>	<u>1,359,086</u>	<u>2,862,917</u>	<u>3,773,574</u>		<u>524,586</u>
Total Revenues						
<u>EXPENDITURES:</u>						
Salaries & Wages	\$ 75,227	52,600	21,753	874		
Personnel Benefits	11,928	8,575	3,167	186		
Supplies	4,690	1,110	2,318	362		
Other Services & Charges	1,576,505	662,500	422,518	281,135		93,765
Capital Outlays:						
Buildings	8,953,095	3,750,000	531,925	353,221		
Other Improvements	122,138	42,750	38,623	16,891		
Machinery & Equipment	154,000	154,000				
Transfers Out to School	35,000					
	<u>\$10,932,583</u>	<u>4,671,535</u>	<u>1,020,304</u>	<u>652,669</u>		<u>93,765</u>
Total Expenditures						
Excess of Revenues over (under) Expenditures	\$ -0-	(3,312,449)	1,842,613	3,120,905		430,821
Fund Balance, Beginning of Year	<u>-0-</u>	<u>5,394,339</u>	<u>3,551,726</u>	<u>430,821</u>		
Fund Balance, End of Year	-0-	2,081,890	5,394,339	3,551,726		430,821

1984 BOND IMPROVEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	<u>For the year ended June 30</u>		
	<u>Totals</u>	<u>1985 Estimate</u>	<u>1986 Budget</u>
<u>Revenues:</u>			
G.O. Bond Proceeds	1,350,000	1,350,000	
Interest Earnings	<u>65,500</u>	<u>55,000</u>	<u>10,500</u>
Total Revenues	1,415,500	1,405,000	10,500
<u>Expenditures:</u>			
Bond Expenses	6,507	6,507	
Non Participating Main Street Work*	226,993	7,500	219,493
Cable TV Relocation	12,000		12,000
Telephone Relocation	40,000		40,000
<u>Transfers to Other Funds:</u>			
Electric Utility Fund (Electric Relocations)	300,000	260,000	40,000
Water Utility Fund (Water Main Upgrade)	480,000	275,000	205,000
Sewer Utility Fund (Mitkof Hwy Extension)	<u>350,000</u>	<u>350,000</u>	<u> </u>
Total Expenditures	1,415,500	899,007	516,493
Excess of Revenues over (under) Expenditures	<u> </u>	505,993	(505,993)
Fund Balance, Beginning of Year	<u> </u>	<u> </u>	505,993
Fund Balance, End of Year	<u> </u>	505,993	<u> </u>

* Concrete Paving, Colored Concrete Crosswalks & Sidewalks, Brass Inlay Artworks, Trees, Street Light Pole Brackets & Banners, Christmas Decorations, Drinking Fountains, and other miscellaneous street furniture and accessories.

RU: 4/5/85

DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	<u>For the year ended June 30</u>		
	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	_____	_____	_____
EXPENDITURES:			
1968 G.O. Bonds	103,050	103,400	98,600
1975 G.O. Bonds	289,760	286,320	287,075
1983 G.O. Bonds	437,095	445,295	425,870
1984 G.O. Bonds	_____	<u>209,250</u>	<u>209,005</u>
Total Expenditures	829,905	1,044,265	1,020,550
TRANSFERS:			
Transfers In			
From Sales Tax Fund	829,905	1,036,851	1,020,550
From Pre-Paid Interest on '84 G.O. Bonds	_____	<u>7,414</u>	_____
Net Transfers	829,905	1,044,265	1,020,550
Excess of Revenues & Transfers Over (Under) Expenditures	_____	_____	_____
Ending Fund Balance	_____	_____	_____

RU: 4/18/85

ELECTRIC UTILITY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	For the year ended June 30		
	1984 <u>Actual</u>	1985 <u>Estimate</u>	1986 <u>Budget</u>
Beginning Fund Balance	449,769	1,069,864	1,092,615
OPERATING REVENUES:			
Residential Sales	857,544	956,160	825,000
Commercial Sales	587,910	536,456	481,000
Industrial Sales	692,148	845,301	800,000
Street Lighting	38,492	41,621	37,000
Fuel Adjustment Charges	163,482		
Tyee Adjustment Charges		<u>123,485</u>	<u>164,288</u>
Total Operating Revenues	<u>2,339,576</u>	<u>2,503,023</u>	<u>2,307,288</u>
NON-OPERATING REVENUES:			
State Grants	792,980	199,305	451,367
Tyee Reimbursements		5,000	30,875
Contract Work	12,283	30,000	20,000
Other Revenue	27,379	7,140	8,300
Interest Earnings	<u>72,095</u>	<u>104,357</u>	<u>75,000</u>
Total Non-Operating Revenues	<u>904,737</u>	<u>345,802</u>	<u>585,542</u>
Total Revenues	3,244,313	2,848,825	2,892,830
EXPENDITURES:			
Operating Expenses:			
Crystal Lake Production	98,776	22,618	39,831
Diesel Production	987,313	124,570	87,526
Tyee Purchases		1,040,630	1,016,773
Tyee Operations & Maintenance		6,000	35,175
Distribution Expenses	99,052	256,208	251,329
General & Administrative	<u>421,294</u>	<u>489,304</u>	<u>397,504</u>
Total Operating Expenses	<u>1,606,435</u>	<u>1,939,330</u>	<u>1,828,138</u>
Debt Service	125,089	216,744	216,656
Capital Outlays	<u>1,013,694</u>	<u>930,000</u>	<u>787,503</u>
Total Expenditures	2,745,218	3,086,074	2,832,297
TRANSFERS:			
From Other Funds	121,000	260,000	40,000
To Other Funds			
Net Transfers	<u>121,000</u>	<u>260,000</u>	<u>40,000</u>
Excess of Revenues & Transfers Over (Under) Expenditures	620,095	22,751	100,533
Ending Fund Balance	<u>1,069,864</u>	<u>1,092,615</u>	<u>1,193,148</u>

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	For the year ended June 30		
	1984 <u>Actual</u>	1985 <u>Estimate</u>	1986 <u>Budget</u>
Beginning Fund Balance	98,895	102,858	543,757
OPERATING REVENUES:			
Water Sales	<u>245,871</u>	<u>257,893</u>	<u>250,000</u>
Total Operating Revenues	245,871	257,893	250,000
NON-OPERATING REVENUES:			
State Grants		52,486	473,500
Federal Grants			340,000
Contract Work	5,956	1,500	3,000
Other Revenue	5,638	2,500	4,000
Interest Earnings	<u>14,747</u>	<u>8,000</u>	<u>8,000</u>
Total Non-Operating Revenues	26,341	64,486	828,500
 Total Revenues	 272,212	 322,379	 1,078,500
EXPENDITURES:			
Operating Expenses:			
Operations & Maintenance	167,677	171,868	171,367
General & Administrative	<u>37,353</u>	<u>34,950</u>	<u>33,808</u>
Total Operating Expenses	205,030	206,818	205,175
Debt Service	47,750	48,250	52,750
Capital Outlays	<u>15,469</u>	<u>141,412</u>	<u>1,827,710</u>
Total Expenditures	268,249	396,480	2,085,635
TRANSFERS:			
From Other Funds:			
Sales Tax Fund	-----	240,000	300,000
1984 Bond Fund		275,000	205,000
To Other Funds			
Net Transfers	-----	<u>515,000</u>	<u>505,000</u>
 Excess of Revenues & Transfers Over (Under) Expenditures	 3,963	 440,899	 (502,135)
 Ending Fund Balance	 <u>102,858</u>	 <u>543,757</u>	 <u>41,622</u>

RU: 4/18/85

WASTEWATER UTILITY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	For the year ended June 30		
	1984 <u>Actual</u>	1985 <u>Estimate</u>	1986 <u>Budget</u>
Beginning Fund Balance	892,406	240,717	338,374
OPERATING REVENUES:			
Sewer Service Charges	<u>191,024</u>	<u>196,062</u>	<u>192,000</u>
Total Operating Revenues	191,024	196,062	192,000
NON-OPERATING REVENUES:			
State Grants	60,500		289,635
Federal Grants			384,809
Contract Work	1,690	2,000	2,000
Other Revenue	4,805	1,800	1,900
Interest Earnings	18,821	25,000	19,000
Loan from Sales Tax Fund	<u>247,905</u>	<u>225,000</u>	
Total Non-Operating Revenues	333,721	253,800	697,344
Total Revenues	524,745	449,862	889,344
EXPENDITURES:			
Operating Expenses:			
Operations & Maintenance	103,110	134,482	139,374
General & Administrative	<u>31,234</u>	<u>31,650</u>	<u>31,253</u>
Total Operating Expenses	134,344	166,132	170,627
Debt Service	44,000	44,500	44,000
Capital Outlays	654,710	661,073	561,000
Litigation Expenses	<u>388,381</u>	<u>225,000</u>	<u>250,000</u>
Total Expenditures	1,221,435	1,096,705	1,025,627
TRANSFERS:			
From Other Funds:			
Sales Tax Fund	45,001	394,500	44,000
1984 Bond Fund		350,000	
To Other Funds			
Net Transfers	<u>45,001</u>	<u>744,500</u>	<u>44,000</u>
Excess of Revenues & Transfers Over (Under) Expenditures	(651,689)	97,657	(92,283)
Ending Fund Balance	<u>240,717</u>	<u>338,374</u>	<u>246,091</u>

RU: 4/18/85

SMALL BOAT HARBOR FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	For the year ended June 30		
	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	172,441	80,137	93,847
OPERATING REVENUES:			
Moorage Fees	86,849	138,845	158,000
Transient Fees	37,177	10,602	11,000
Grid Use Fees	1,984	2,885	5,000
Live Aboard Fees	5,896	6,045	6,000
Float Side Fees	12,296	10,421	5,000
Miscellaneous Fees	<u>2,680</u>	<u>4,419</u>	<u>3,000</u>
Total Operating Revenues	146,885	173,217	188,000
NON-OPERATING REVENUES			
Chamber of Commerce Rental	400	2,400	2,400
Other Revenue	751	6,233	6,000
Interest Earnings	<u>13,308</u>	<u>9,500</u>	<u>8,000</u>
Total Non Operating Revenue	14,459	18,133	16,400
 Total Revenues	 161,344	 191,350	 204,400
EXPENDITURES:			
Operating Expenses:			
Salaries & Wages	92,520	101,647	115,836
Personnel Benefits	22,245	27,288	41,450
Supplies	6,285	9,297	12,000
Services	<u>24,624</u>	<u>28,408</u>	<u>50,049</u>
Total Operating Expenses	145,674	166,640	219,335
Capital Outlays	<u>307,974</u>	<u>11,000</u>	<u>8,900</u>
Total Expenditures	453,648	177,640	228,235
TRANSFERS:			
From Other Funds	200,000		
To Other Funds			
Net Transfers	<u>200,000</u>	-----	-----
 Excess of Revenues & Transfers Over (Under) Expenditures	 (92,304)	 13,710	 (23,835)
Ending Fund Balance	<u>80,137</u>	<u>93,847</u>	<u>70,012</u>

RU: 4/18/85

PORT FACILITIES FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the year ended June 30

	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	414,572	37,122	44,112
OPERATING REVENUES:			
Moorage Fees	576	1,020	1,000
Warfage Fees	4,763	100	500
Storage Charges	<u>46</u>	<u>3,435</u>	<u>4,000</u>
Total Operating Revenues	5,386	4,555	5,500
NON-OPERATING REVENUES:			
Rentals & Leases	15,698	20,277	21,659
Other Revenue	5,189	1,556	1,000
Interest Earnings	<u>7,354</u>	<u>3,944</u>	<u>3,000</u>
Total Non-Operating Revenues	28,241	25,777	25,659
Total Revenues	33,627	30,332	31,159
EXPENDITURES:			
Operating Expenditures:			
Salaries & Wages	3,193	3,897	4,066
Personnel Benefits	668	1,135	1,389
Services	<u>5,533</u>	<u>5,533</u>	<u>8,150</u>
Total Operating Expenses	9,394	10,565	13,605
Debt Service	10,414	12,677	11,913
Capital Outlays	<u>391,269</u>	<u>100</u>	<u>275,000</u>
Total Expenditures	411,077	23,342	300,518
TRANSFERS:			
From Other Funds			275,000*
To Other Funds	_____	_____	
Net Transfers			<u>275,000</u>
Excess of Revenues & Transfers Over (Under) Expenditures	(377,450)	6,990	5,641
Ending Fund Balance	<u>37,122</u>	<u>44,112</u>	<u>49,753</u>

* Transfer from Sales Tax Fund

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ELDERLY HOUSING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	For the year ended June 30		
	1984 <u>Actual</u>	1985 <u>Estimate</u>	1986 <u>Budget</u>
Beginning Fund Balance	285,762	272,641	277,907
OPERATING REVENUES:			
Tenant Rental Income	67,971	76,378	68,000
Federal Rent Subsidies	<u>125,054</u>	<u>117,438</u>	<u>134,140</u>
Total Operating Revenues	193,025	193,816	202,140
NON-OPERATING REVENUES:			
Interest Earnings	25,840	18,000	21,000
Other Revenue	<u>4,154</u>	<u>4,066</u>	<u>4,000</u>
Total Non-Operating Revenues	29,994	22,066	25,000
Total Revenues	223,019	215,882	227,140
EXPENDITURES:			
Operating Expenses:			
Supplies	16,037	15,760	17,800
Services	<u>63,195</u>	<u>70,572</u>	<u>77,519</u>
Total Operating Expenses	79,232	86,332	95,319
Debt Service	114,091	115,284	115,284
Capital Outlays	<u>42,817</u>	<u>9,000</u>	<u>5,000</u>
Total Expenditures	236,140	210,616	215,603
Excess of Revenues Over (Under) Expenditures	(13,121)	5,266	11,537
Ending Fund Balance	<u>272,641</u>	<u>277,907</u>	<u>289,444</u>

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MOTOR POOL SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	<u>For the year ended June 30</u>		
	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Budget</u>
Beginning Fund Balance	436,269	627,205	627,056
OPERATING REVENUES:			
Interfund Equipment Charges	<u>378,301</u>	<u>366,855</u>	<u>358,078</u>
Total Operating Revenues	378,301	366,855	358,078
NON-OPERATING REVENUES:			
Rental of Equipment	4,516	12,173	12,000
Sale of Equipment		1,000	
Other Revenue	2,500		1,000
Interest Earnings	<u>51,466</u>	<u>60,000</u>	<u>50,000</u>
Total Non-Operating Revenues	58,482	73,173	63,000
 Total Revenues	 436,783	 440,028	 421,078
EXPENDITURES:			
Operating Expenses:			
Salaries & Wages	84,919	83,610	79,485
Personnel Benefits	6,341	23,482	27,653
Supplies	81,904	92,576	80,400
Services	<u>48,424</u>	<u>65,151</u>	<u>56,919</u>
Total Operating Expenses	221,588	264,819	244,457
Capital Outlays	<u>24,259</u>	<u>175,358</u>	<u>76,500</u>
Total Expenditures	245,847	440,177	320,957
Excess of Revenues Over (Under) Expenditures	190,936	(149)	100,121
 Ending Fund Balance	 <u>627,205</u>	 <u>627,056</u>	 <u>727,177</u>

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