

Revenue Projection

For 2007 Budget

Public Hearing: November 7, 2006

Budget Calendar

- ❖ November 7, 2006
 - First Public Hearing – Revenues
 - First reading of Property Tax Ordinance
- ❖ November 21, 2006
 - Second Public Hearing on the 2007 Budget
 - Property Tax Levy approval
- ❖ December 5, 2006
 - Continue Public Hearing on budget (if necessary)
 - Approve Budget Ordinance



2007 Revenue vs. 2006 Budget

Revenue increase
over \$6.6 M
or 6.4%

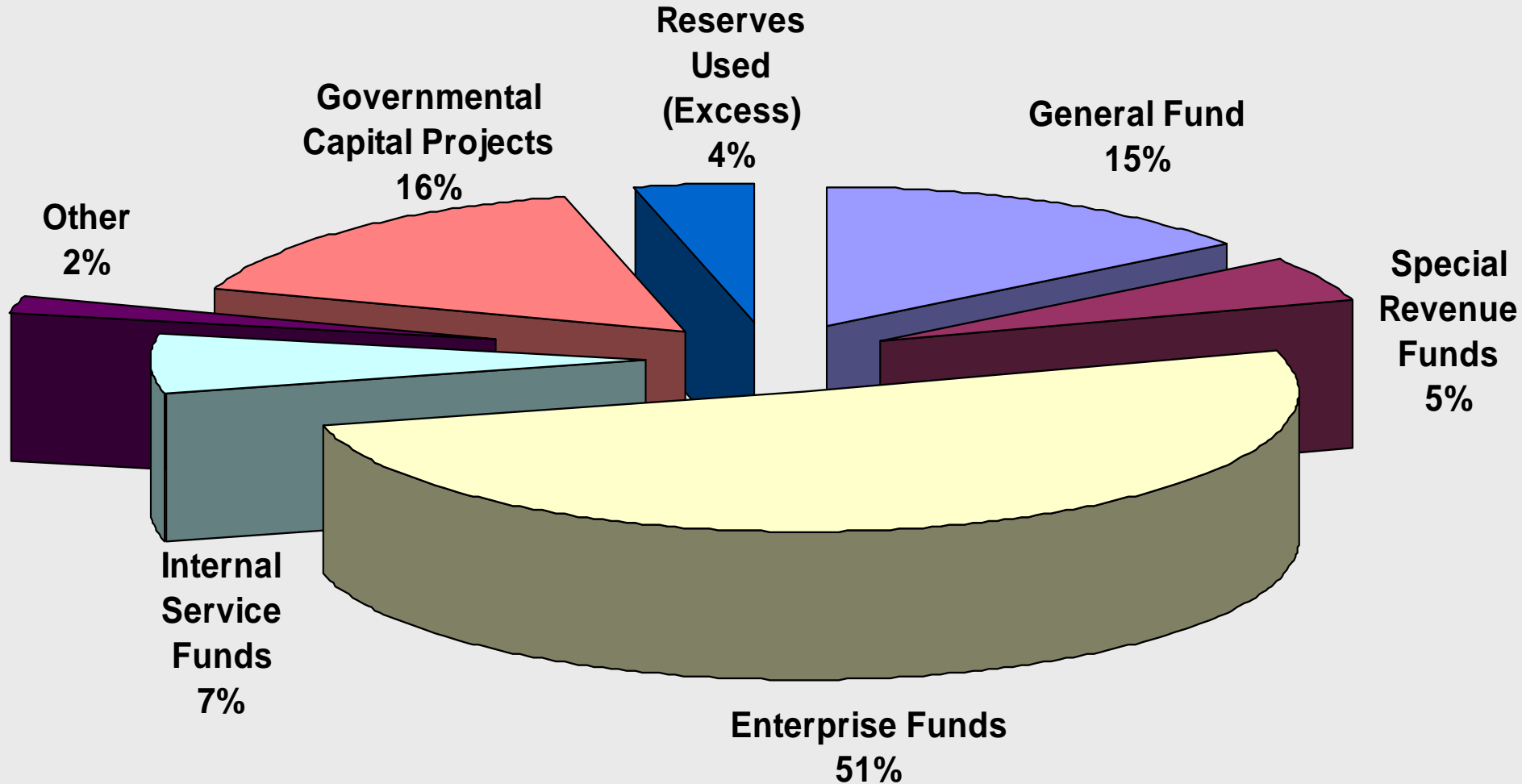
Summary of Revenues by Sources

	2007 Budget	2006 Budget	Change 2007 vs 2006	
			\$	%
Taxes	13,875,189	13,153,685	721,504	5.49
Licenses & Permits	411,047	399,470	11,577	2.90
Intergovernmental	18,577,027	23,574,791	(4,997,764)	(21.20)
Fines & Forfeitures	290,075	290,075	-	-
Charges for Services	12,108,251	10,977,648	1,130,603	10.30
Utility Collection	49,452,866	44,177,161	5,275,705	11.94
Miscellaneous	2,461,871	1,587,955	873,916	55.03
Loans and Bonds	5,342,500	2,000,000	3,342,500	167.13
Interfund Transfers	3,599,465	4,671,598	(1,072,133)	(22.95)
Reserves Used (Excess)	4,576,209	3,211,636	1,364,573	42.49
Total	110,694,500	104,044,019	6,650,481	6.39

4%

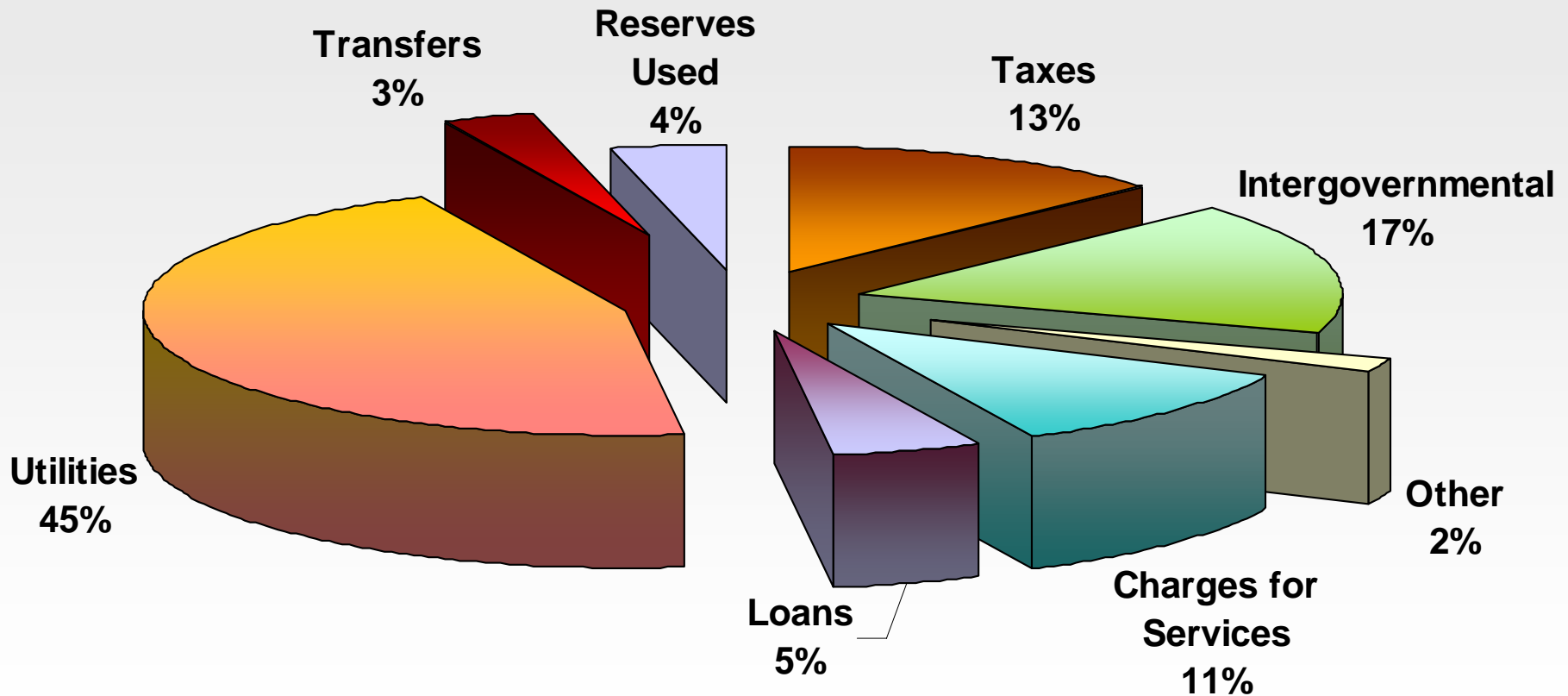
Use of reserves

Total Revenues \$110,694,500 by Fund Type



Total Revenues \$110,694,500

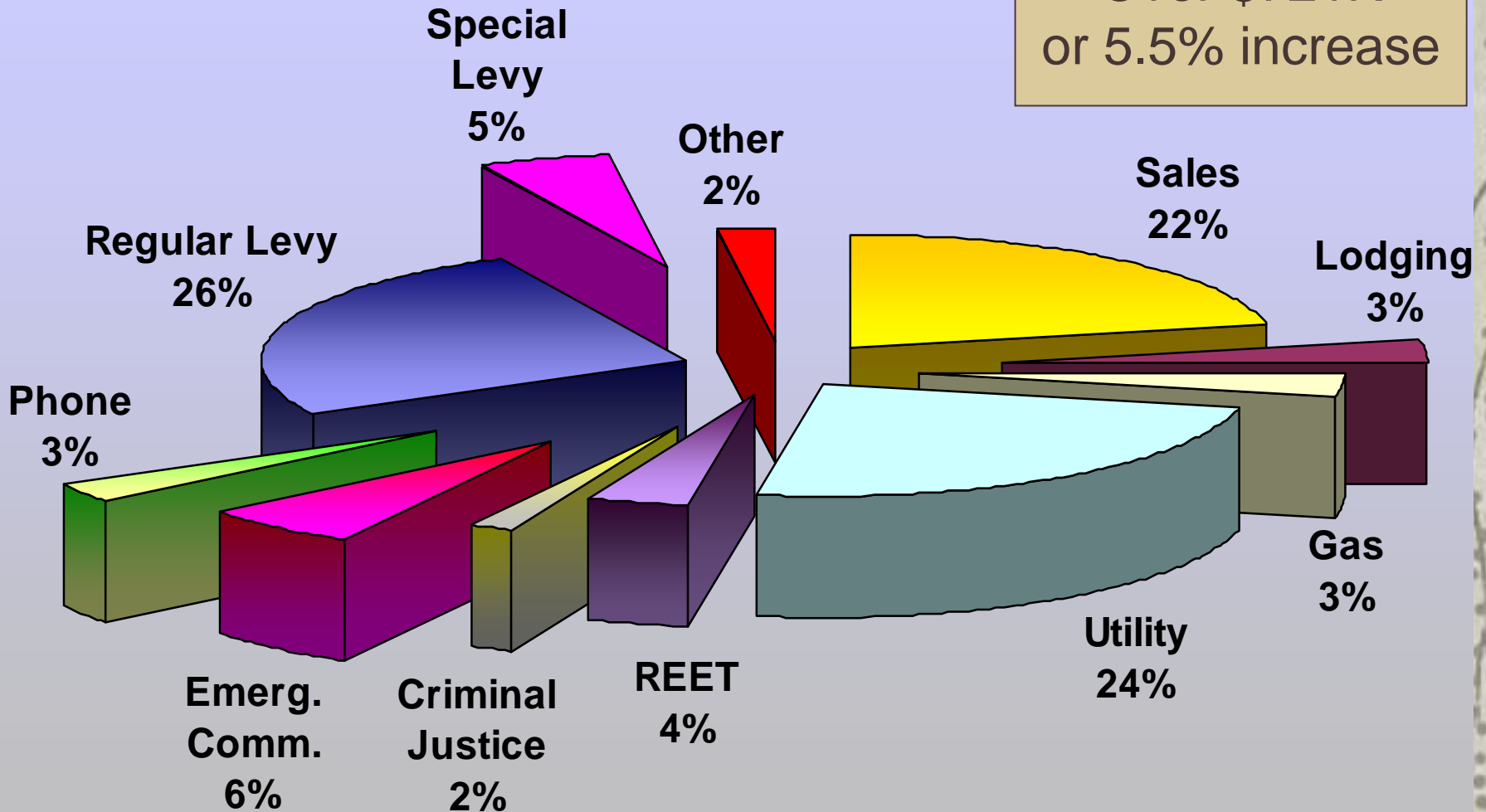
By Sources



Tax Revenue Comparison

\$13,875,189

Over \$721K
or 5.5% increase



Tax Revenues...

	2007	2006
SALES	3,014,597	2,732,947
LODGING	458,500	445,000
GAS	473,302	441,581
UTILITY	3,279,812	2,861,754
REET	600,000	420,000
CRIMINAL JUST	250,000	225,000
EMERG COMM	770,000	1,082,053
PHONE	470,000	470,000
REG LEVY	3,637,641	3,535,268
SPECIAL LEVY	664,338	660,713
OTHER	256,999	277,363
	<hr/>	<hr/>
	13,875,189	13,153,685

Property Taxes

- ❖ Property taxes are going to be addressed in a separate presentation



Total Property Taxes

\$4,367,131

Property Tax Allocation:

Debt Service \$664,338 or 15%

Street Fund \$472,796 or 11%

General Fund \$3, 229,997 or 74%

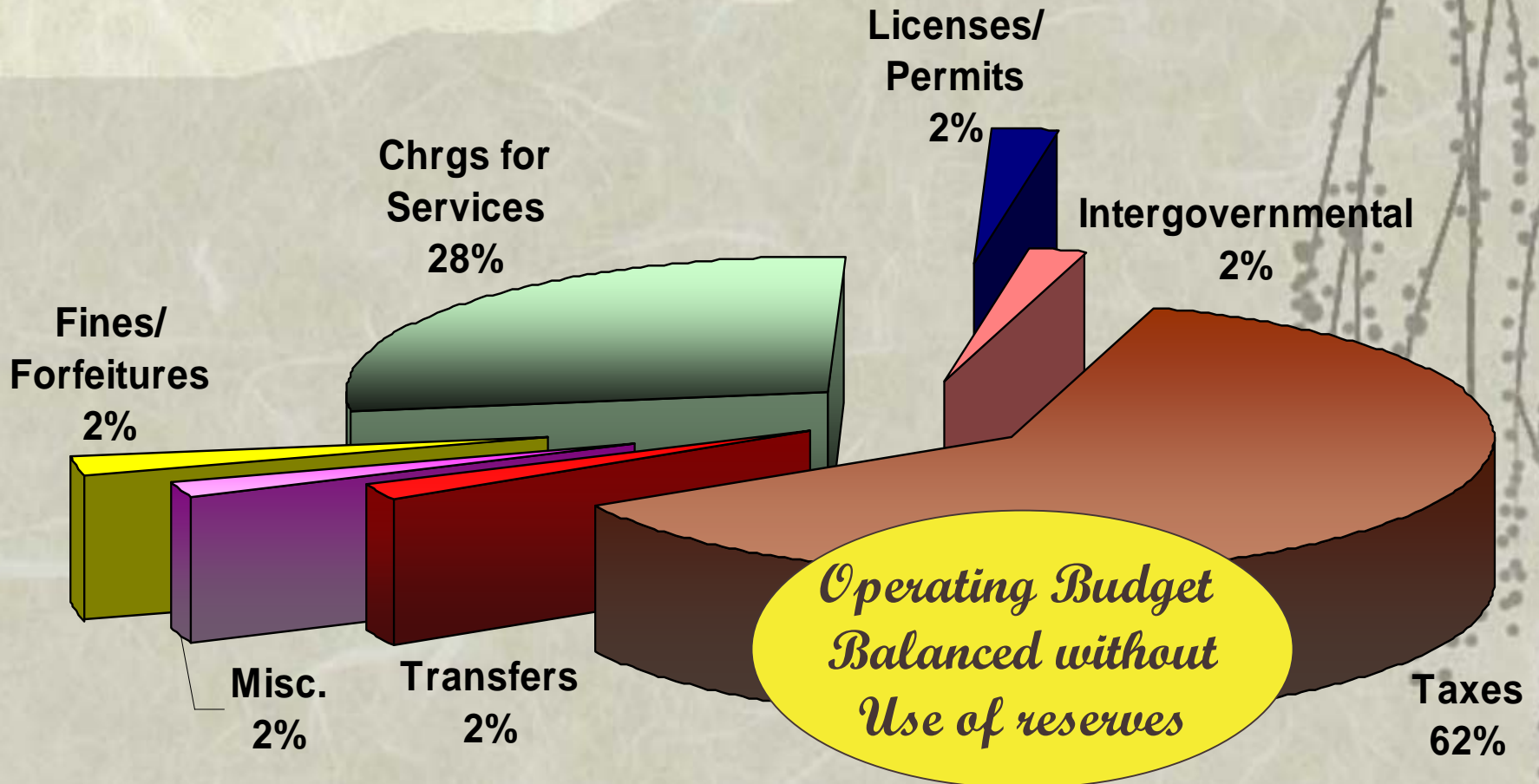
NO REFUND LEVY!

General Fund

**Revenues
16,434,724**

General Fund Operating Revenue Sources

\$16,434,724



Where is the money going?



46% to support
Public Safety



14% to support
Street Maintenance



16% to CIP

14% for Parks
and Recreation
Programs

10% to support
Economic & Community
Dev., General
Government, and
Engineering

Almost \$1.7M
Or 11.3%
increase

General Fund

General Fund Revenue Analysis by Source

	2007		2006	
	Budget	%	Budget	%
Taxes	10,235,098	62.28	9,393,005	62.28
Licenses & Permits	407,547	2.47	396,470	2.63
Intergovernmental	349,579	2.13	326,675	2.17
Charges for Services	4,673,551	28.44	3,806,190	25.23
Fines & Forfeitures	290,075	1.77	290,075	1.92
Miscellaneous	319,026	1.94	291,911	1.94
Transfers from Other	225,000	1.37	263,684	1.75
Reserves Used (Excess)	(65,152)	(0.40)	316,252	2.10
Total Revenue	16,434,724	100.00	15,084,262	100.00

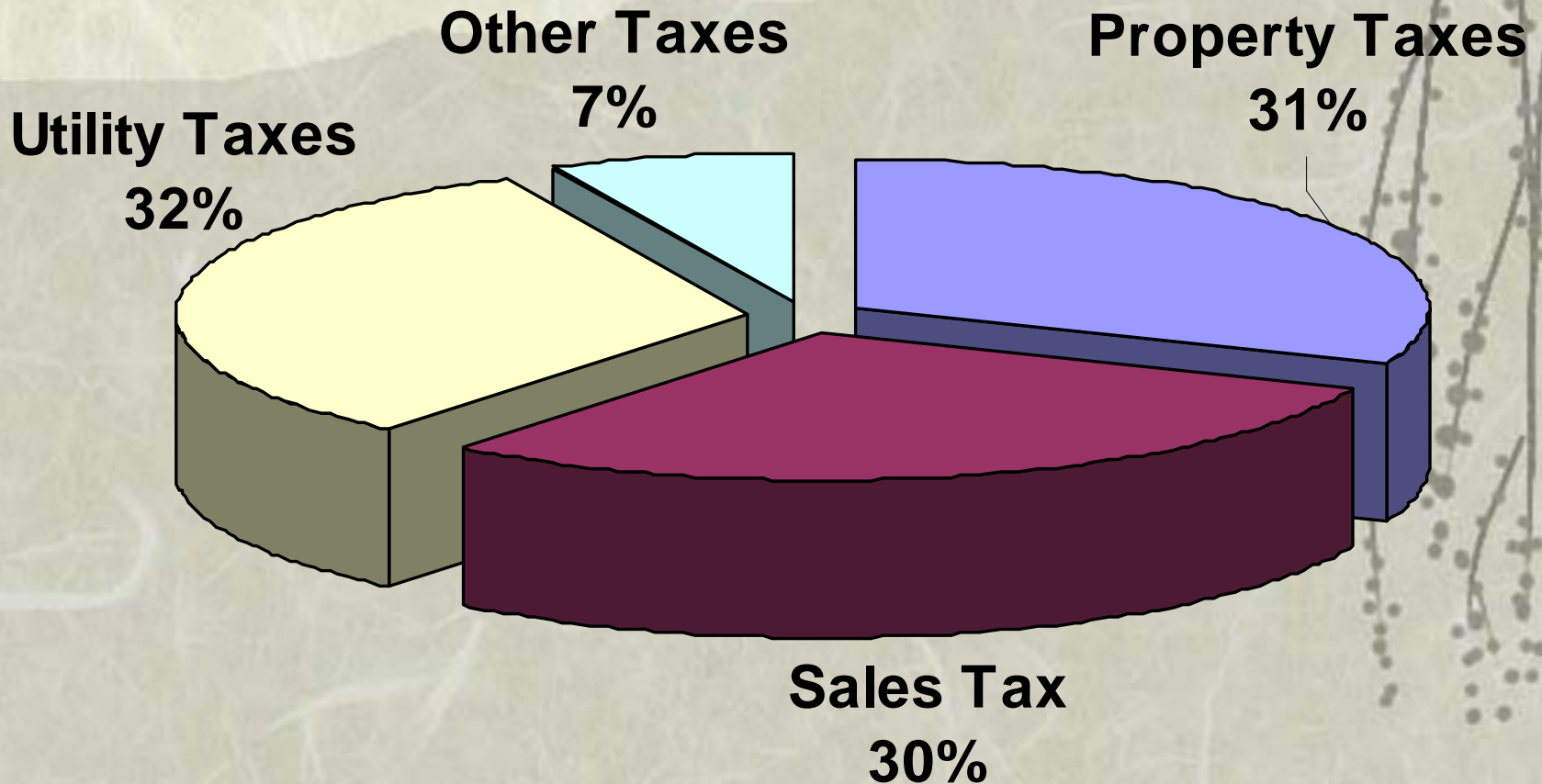
GF Revenue Summary

- ❖ Revenue increased by \$1,666,714 or 11.3% as compared to 2006 budget and \$898,516 or 5.8% as compared to 2006 estimates.
- ❖ Taxes increased \$776,941 or 8.3% as compared to 2006 budget.



General Fund – Taxes

\$10,169,946



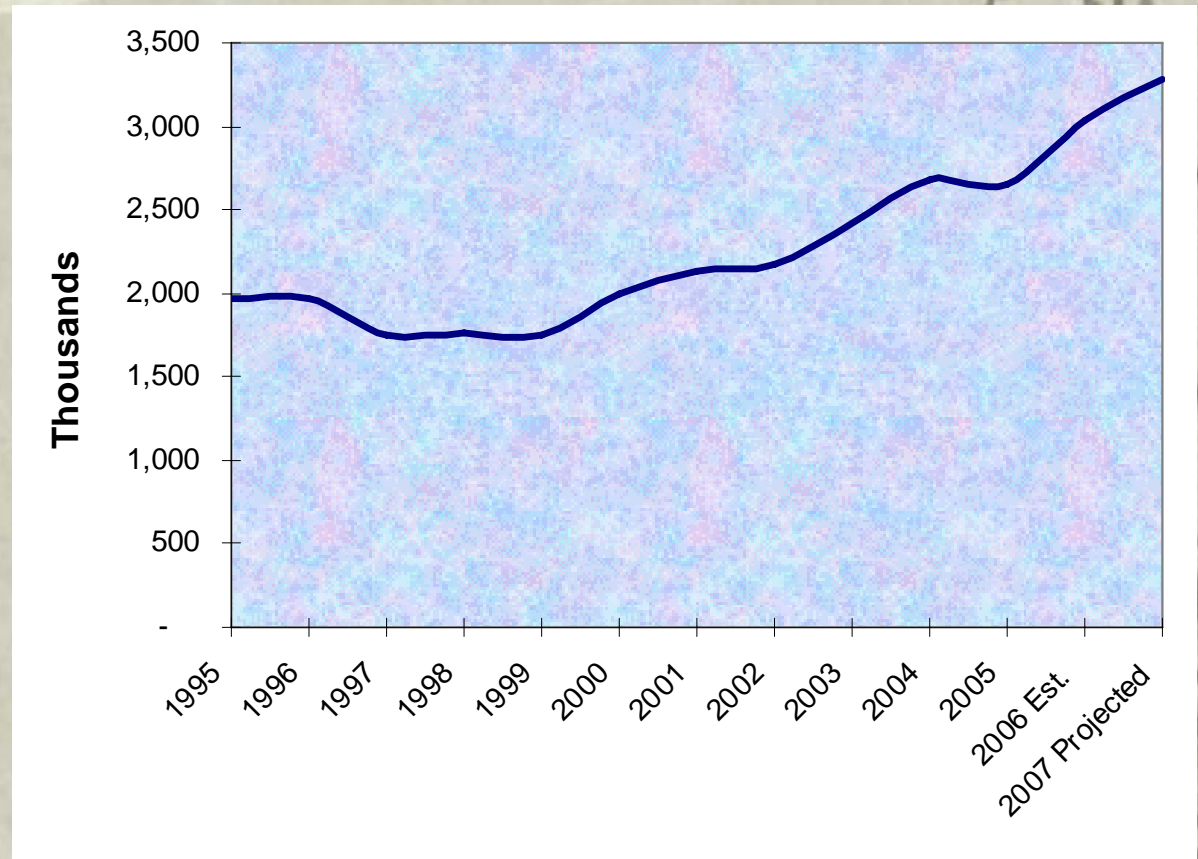
General Fund – Regular Levy \$3,245,303

- ❖ One of major revenue sources
 - 20% of all GF revenue
 - 32% of taxes
- ❖ 1% increase in levy amount
- ❖ Estimated \$40 M in new construction
- ❖ For 2007 levy, estimated \$217 M or an average 17% increase in AV

Utility Taxes

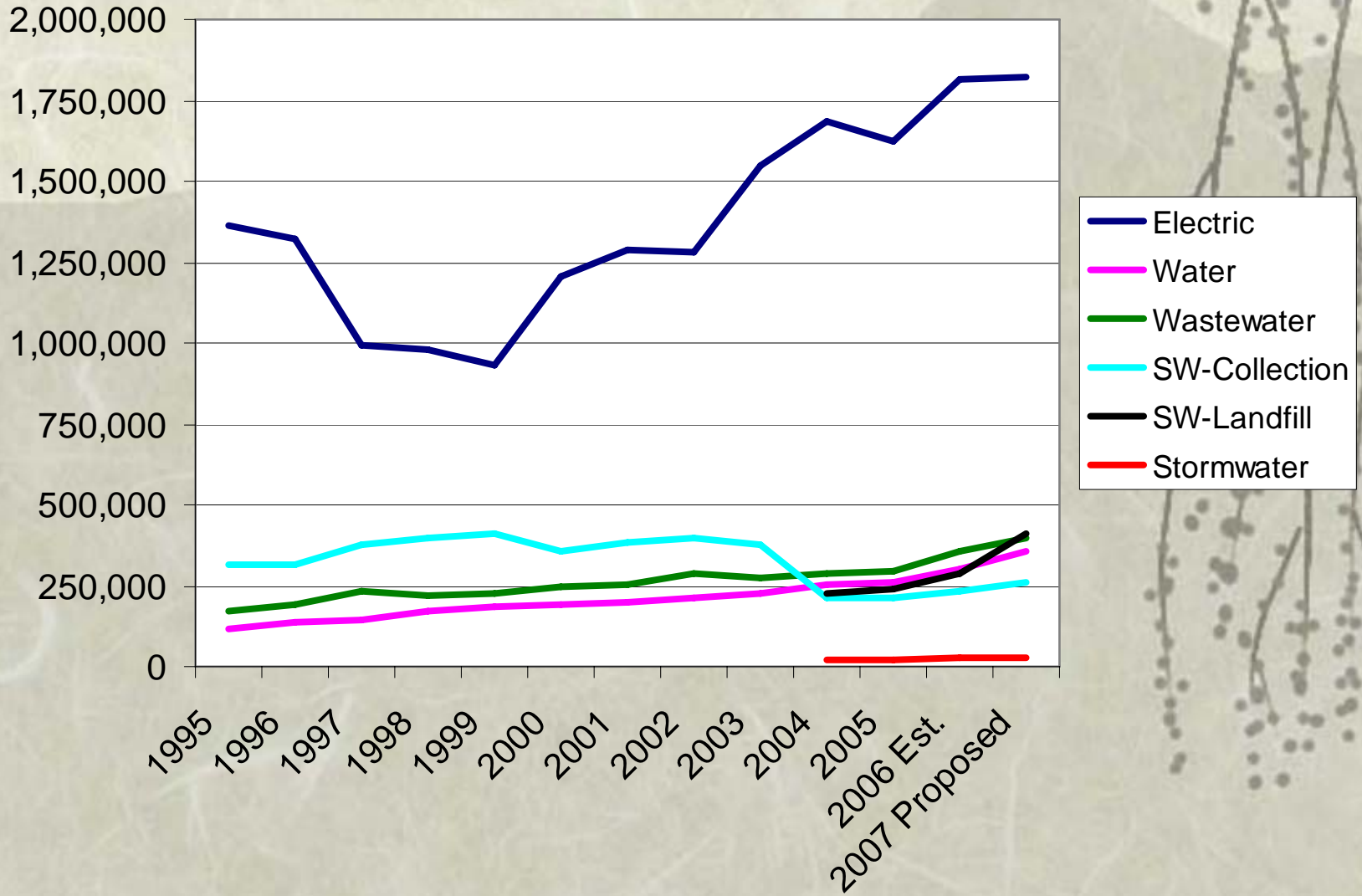
\$3,282,812

- ❖ \$419 K or 14.6% increase over 2006 budget
- ❖ Represents 20% of GF revenue
- ❖ 56% (down from 63%) of utility taxes are derived from the Electric Utility. This tax is \$1,824,540



Utility Taxes....

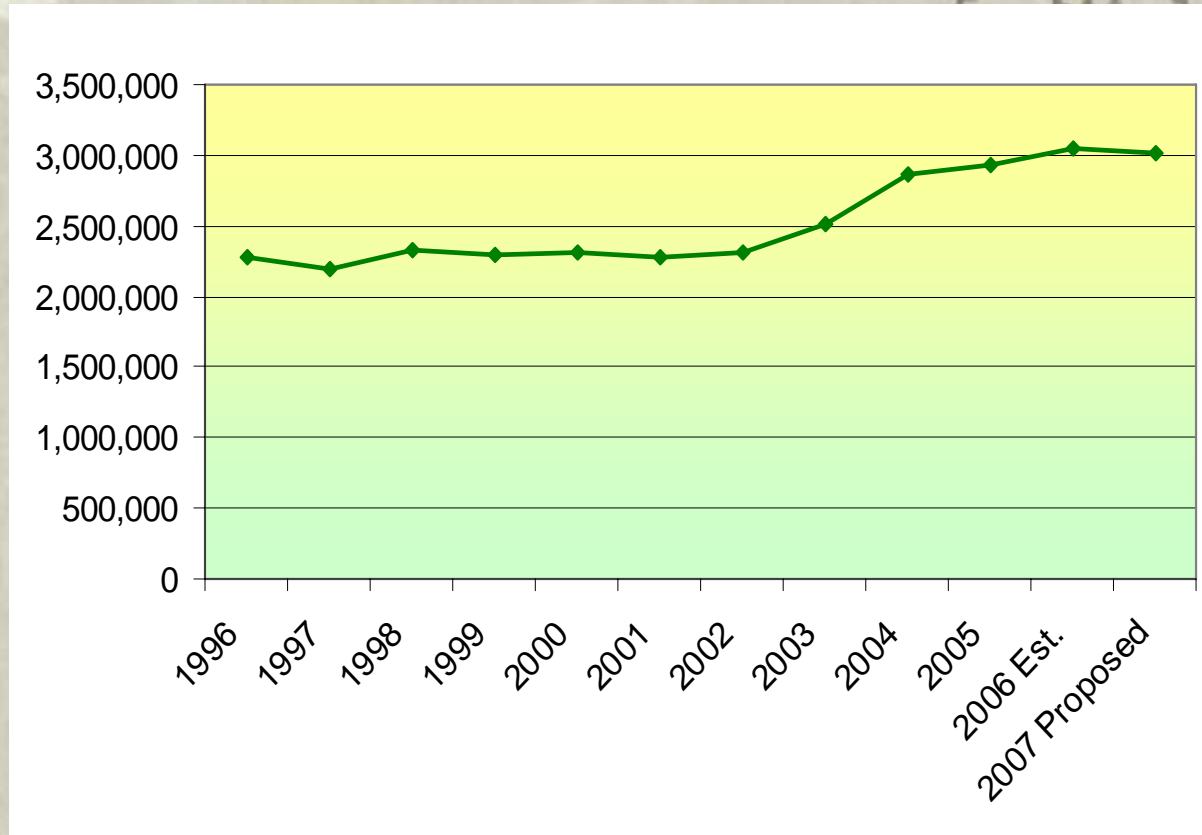
❖ Largest increase from SW – Transfer Station by \$123,530 or 43%



Sales Tax \$3,014,597

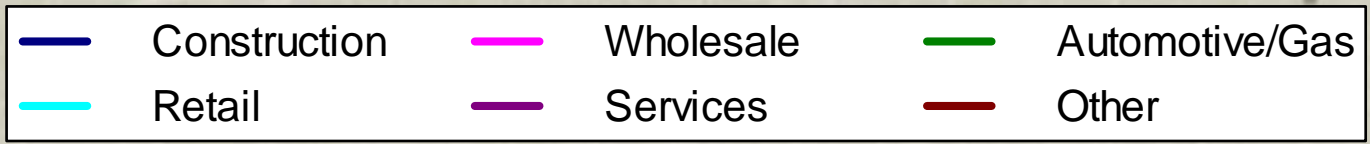
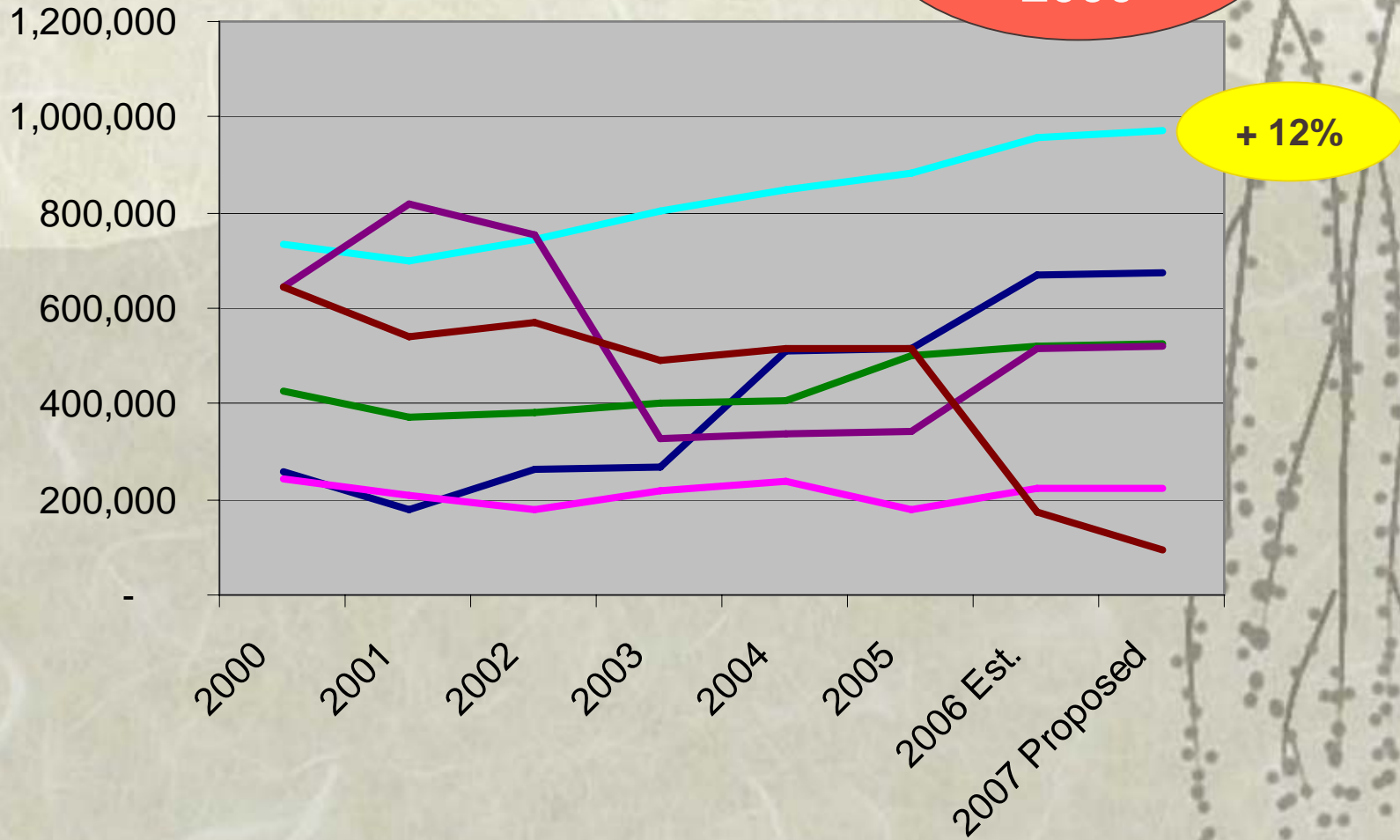
\$163 per capita

- ❖ Estimated to increase \$281,650 or 10% more than in 2006 budget
- ❖ Growth in construction activities and retail sales
- ❖ Represents 18% of GF revenue



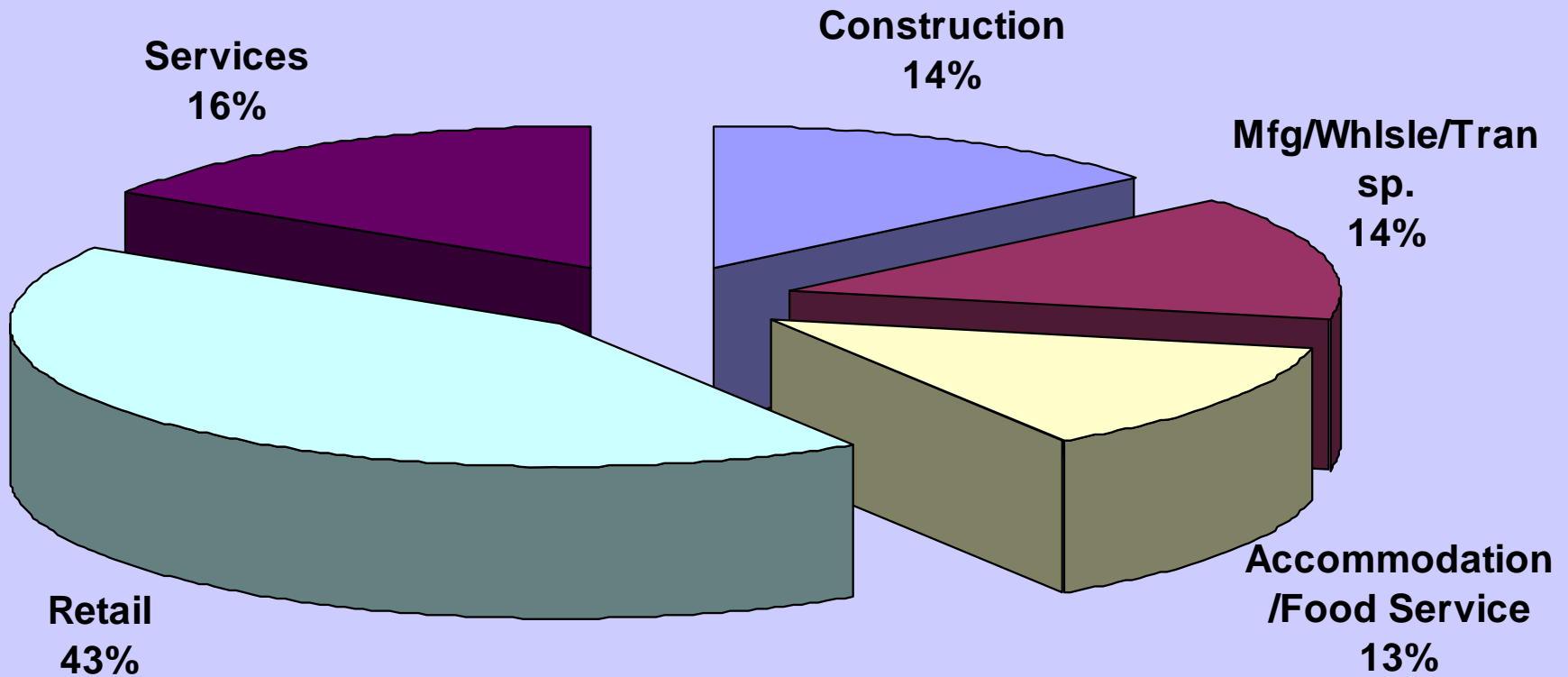
Sales Tax...

**Construction
+119% from
2000**



Sales Tax...

Sources of Taxable Sales Based on 2005



Other Taxes



- ❖ Telephone taxes at \$470,000 are at the same level as last year
- ❖ Gambling taxes \$150,000 (\$49,000 decrease)
- ❖ Leasehold taxes \$87,542 (46% increase)



Intergovernmental \$349,579

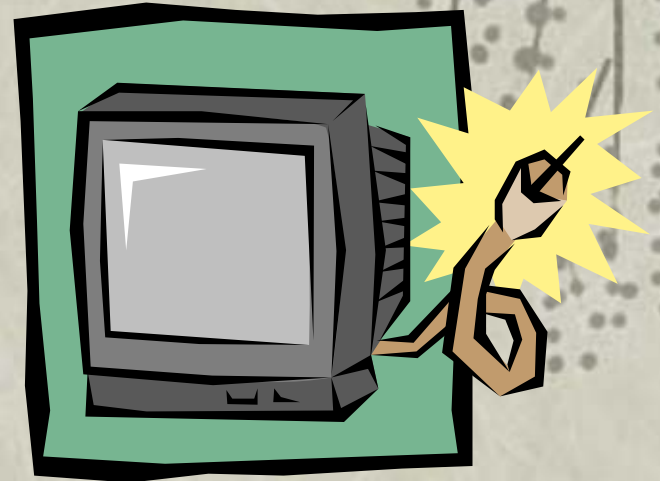
- ❖ Liquor Excise tax and Liquor Board Profit (\$222,139)
 - 5% or \$10,762 above last year's budget
 - estimated at \$11.71 per capita.
- ❖ Criminal Justice \$24,990 (\$0.98 per capita)
- ❖ OPNET \$35,000

**40% of Liquor Board
And 28% of Liquor
Excise distr. to cities**

Licenses & Permits

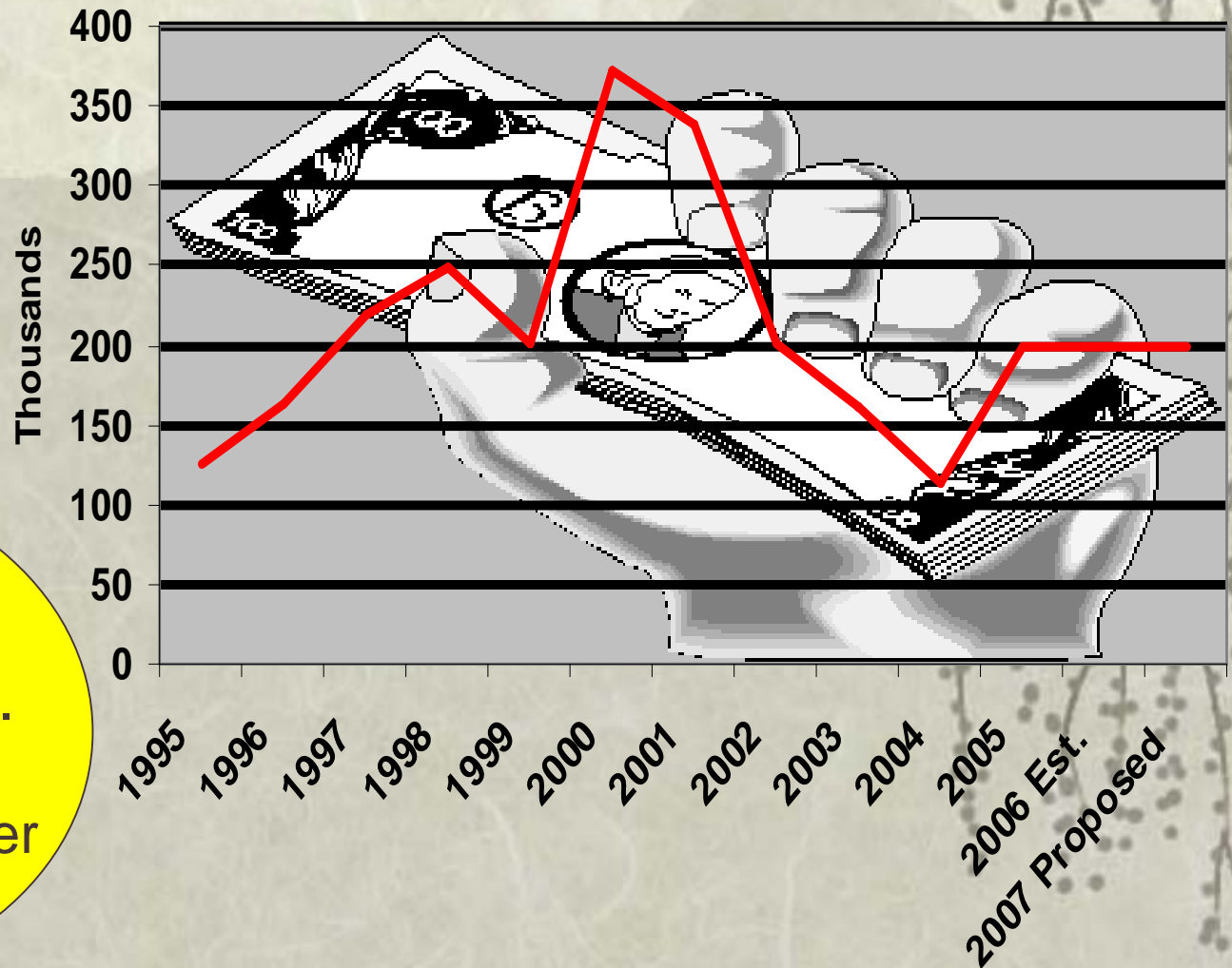
\$407,547

- ❖ Licenses & Permits are projected to increase by 2.8%.
- ❖ Telecable Franchise fees \$95,000; 11% decrease over 2006



Interest Revenue

\$200,000

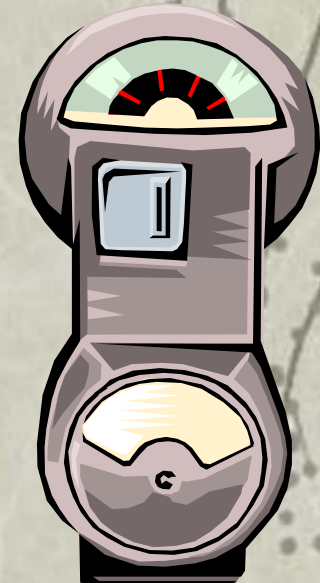


Interest revenue is projected at same level as 2002. 25% higher than 2006 and 77% higher than 2004.

Fines and Forfeitures

\$290,075

- ❖ Fines and Forfeitures are budgeted at the same level as 2006 budget
- ❖ They include:
 - Municipal Court fines \$250,000
 - Parking ticket penalties \$40,075



Charges for Services \$4,673,551

- ❖ Charges for Services in GF don't include Medic I. As of October 1, 2005, Medic I is included in Enterprise Funds. For comparison, prior years were restated.
- ❖ This category includes mostly internal charges. Internal charges of \$4 M represent over 24% of total budget.
- ❖ Other charges include parks, recreation, police, and planning fees.

***Staff recommendations
for consideration:***

**Review of
City's fees and charges for
services.**

Recommended Utilities and Recreation Fee Adjustments

- ❖ Attached are two ordinances for consideration:
 - PW utilities fee adjustments, and
 - Recreation programs fee adjustments, which include pool and facility rentals,

Special Revenue Funds

We budget 18 funds

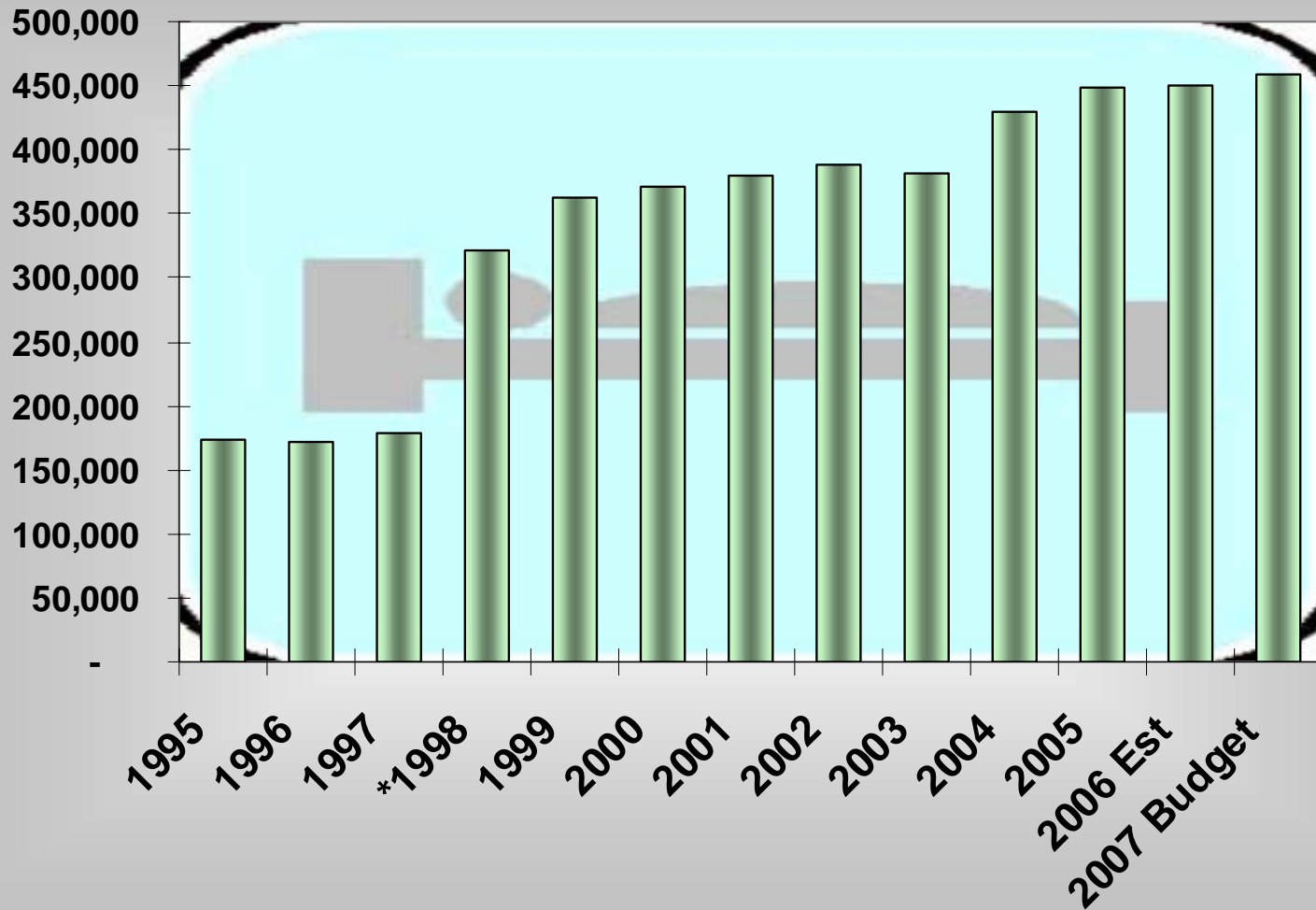


Lodging Tax \$464,500

- ❖ Lodging tax projected at \$458,500, 3% or \$13,500 more than 2006
- ❖ Vern Burton bond paid off as of December 1, 2005
- ❖ Designation for future capital projects - \$300,000 (this includes \$213,700 from reserves)



Lodging Tax...



Street Fund \$1,707,909

**General Fund
Support (including
property taxes)– 49%
\$832,796**

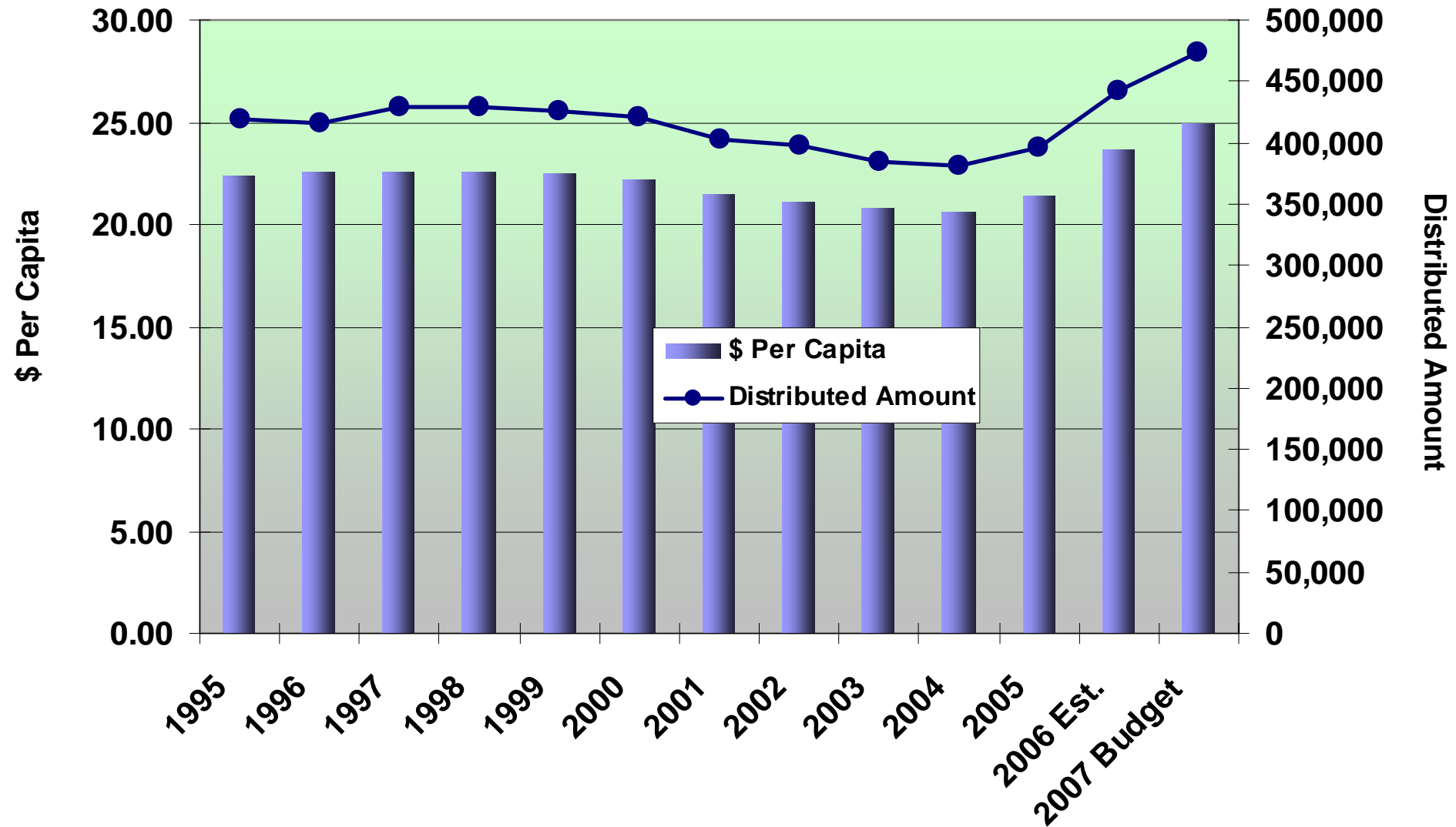
**Solid Waste
\$125,000**

**Fuel Taxes
\$473,302
28% of
Budget**

**\$24.95 per
capita**

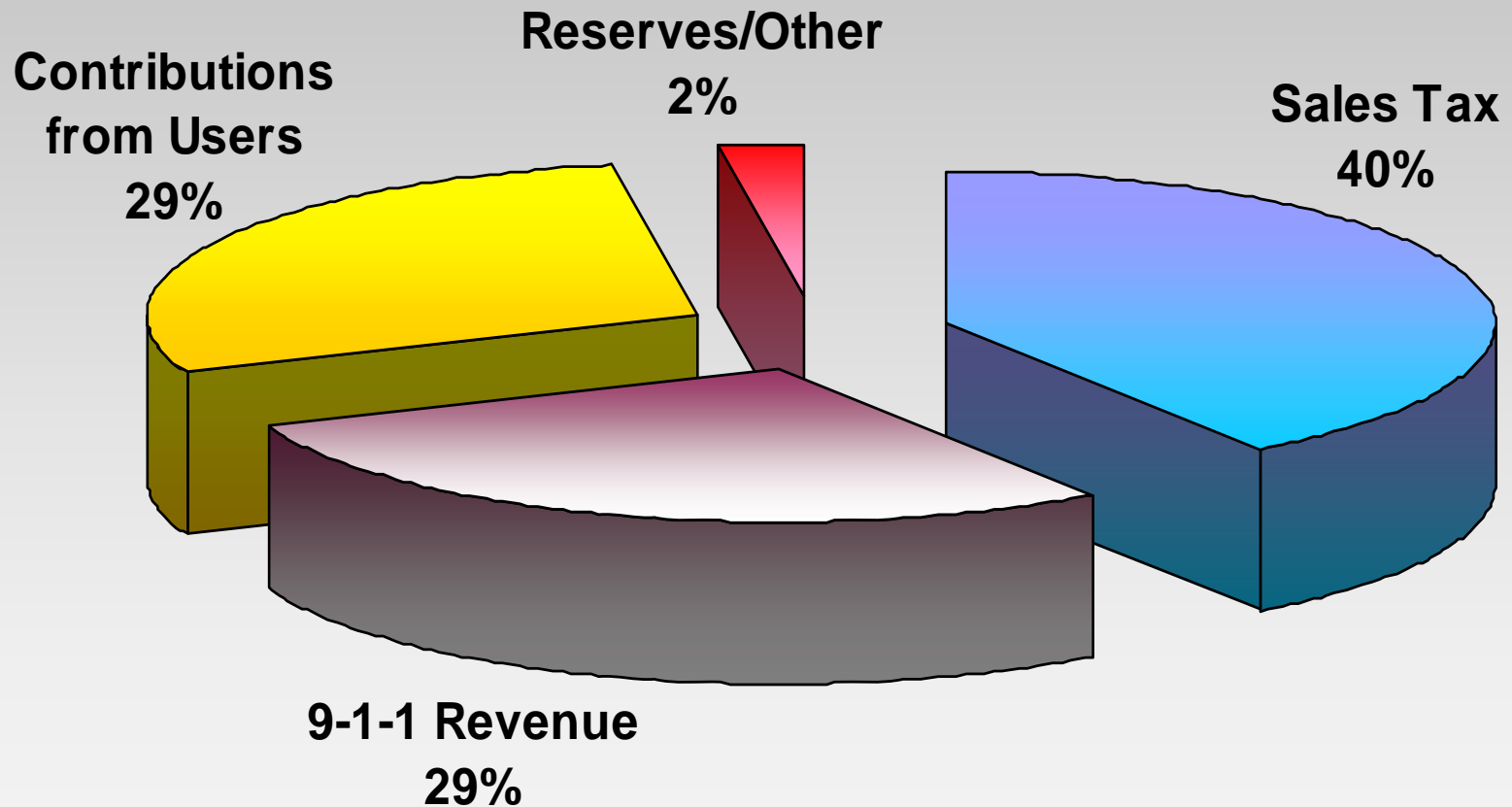
**REET #1 & #2
\$230,000;
Designated only for
capital projects**

Street Fund...



PenCom \$1,839,526

- ❖ Sales tax \$740,000
- ❖ \$529,026 from users (38% from GF)
- ❖ \$525,000 from 9-1-1 revenue



Economic Development Fund \$348,174

- ❖ State settlement \$140,374
(Archaeologist position)
- ❖ GF support \$60,000
- ❖ Utilities \$145,000



Recreational Activities

\$366,400

- ❖ Needs evaluation of fees
- ❖ Increasing support from General Fund



Repair, Demolition and Code Compliance \$40,042

- ❖ Comes from transfers from the General Fund

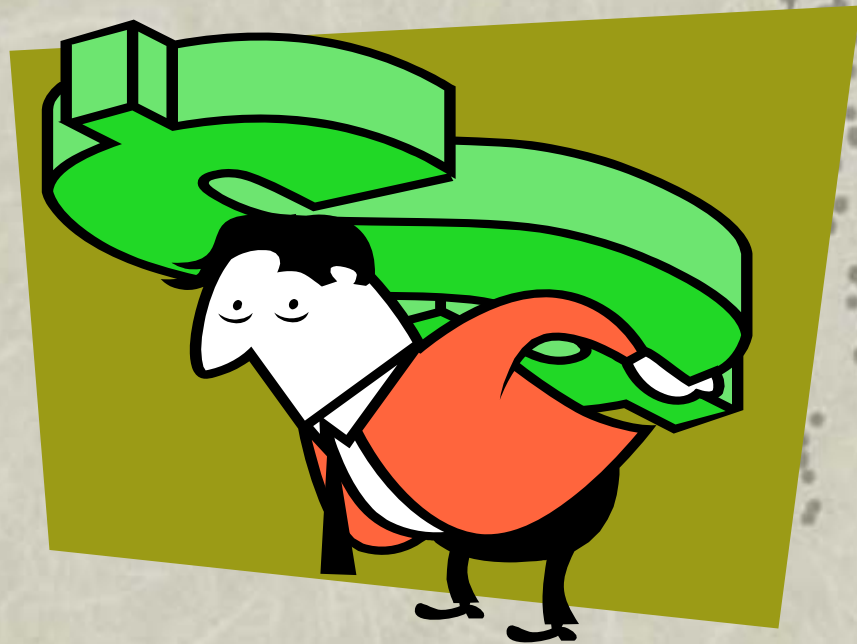


Other Special Revenue Funds

- ❖ REET 1 & 2 \$629,500
- ❖ Criminal Justice \$254,000
- ❖ Drug Task Force \$5,850
- ❖ PA Housing Rehab \$110,365
- ❖ Electric Utility Rural Econ. Dev. \$54,700
- ❖ Treatment Plant Oper. & Maint. \$185,000
- ❖ Other funds \$10,150

Debt Service Funds

- ❖ Voted Special Levies
- ❖ Councilmanic Bonds



Debt Service Funds...

❖ Voted Levies:

- 2001 Refunding – Fire Hall, Senior Center
\$360,663
- 2005 Refunding – Library \$278,500

**Funding source: Special property tax levy
based on the debt payment amount.**

Debt Service Funds...

❖ Councilmanic Levies:

- 2005 G.O. Bond – WUGA Annexation
\$248,015; funded by transfers from GF and utilities
- 2006 G.O. Bond – Multi-Modal Property
\$97,500; funded by parking revenue and interest on accumulated funds (from GF, Property Management, Contingency)

Enterprise Funds (Utilities)

- ❖ Electric
- ❖ Water
- ❖ Wastewater
- ❖ Solid Waste Collection
- ❖ Transfer Station
- ❖ Stormwater
- ❖ Medic I

**Utilities represent
51% of City's
Operating revenues**



Utilities

\$56,990,420

**Additional
\$3.5 M
from reserves**

Utility Revenues \$56,990,420

	2007	2006 Bud.	Variances
Utility Collection (Rates)	49,464,516	43,125,990	6,338,526
Interest	635,103	432,500	202,603
Other	457,961	465,785	(7,824)
Grants	232,290	321,006	(88,716)
Transfers	858,050	976,571	(118,521)
Bonds/Loans	5,342,500	1,760,000	3,582,500
			0
Total	56,990,420	47,081,852	9,908,568

**14.7%
increase
from
collection**

**21% overall
increase**

**86.8% of utility
Revenues are
from rates**

Utility Rates

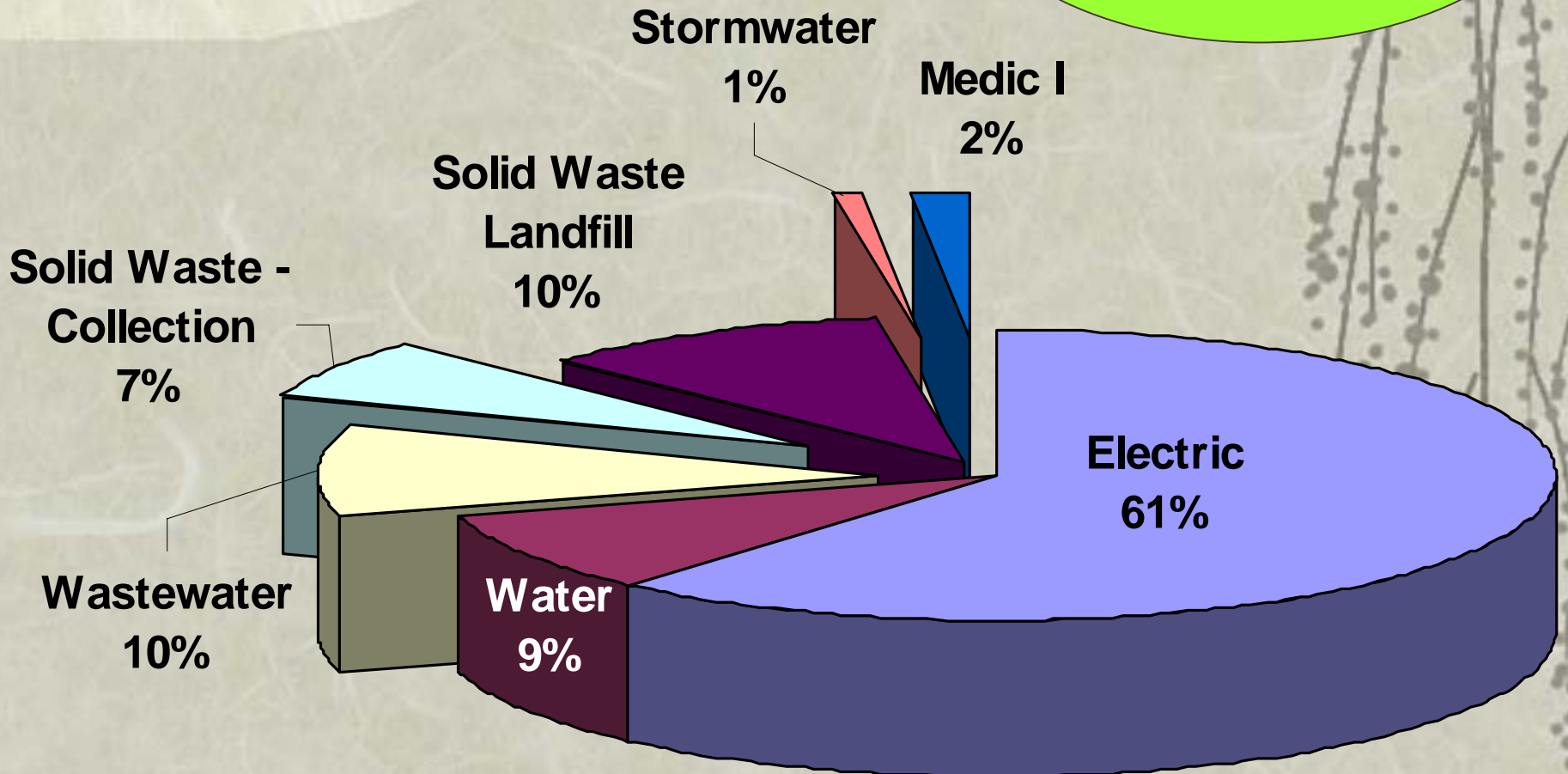
**Over \$49.5 million
or 45% of all the City's
revenues
are derived from
utility rates.**



Utility Rate Collection

\$49,464,516

*Overall, utility
Collection is projected
to increase
by 14.7% or \$6.3 M*

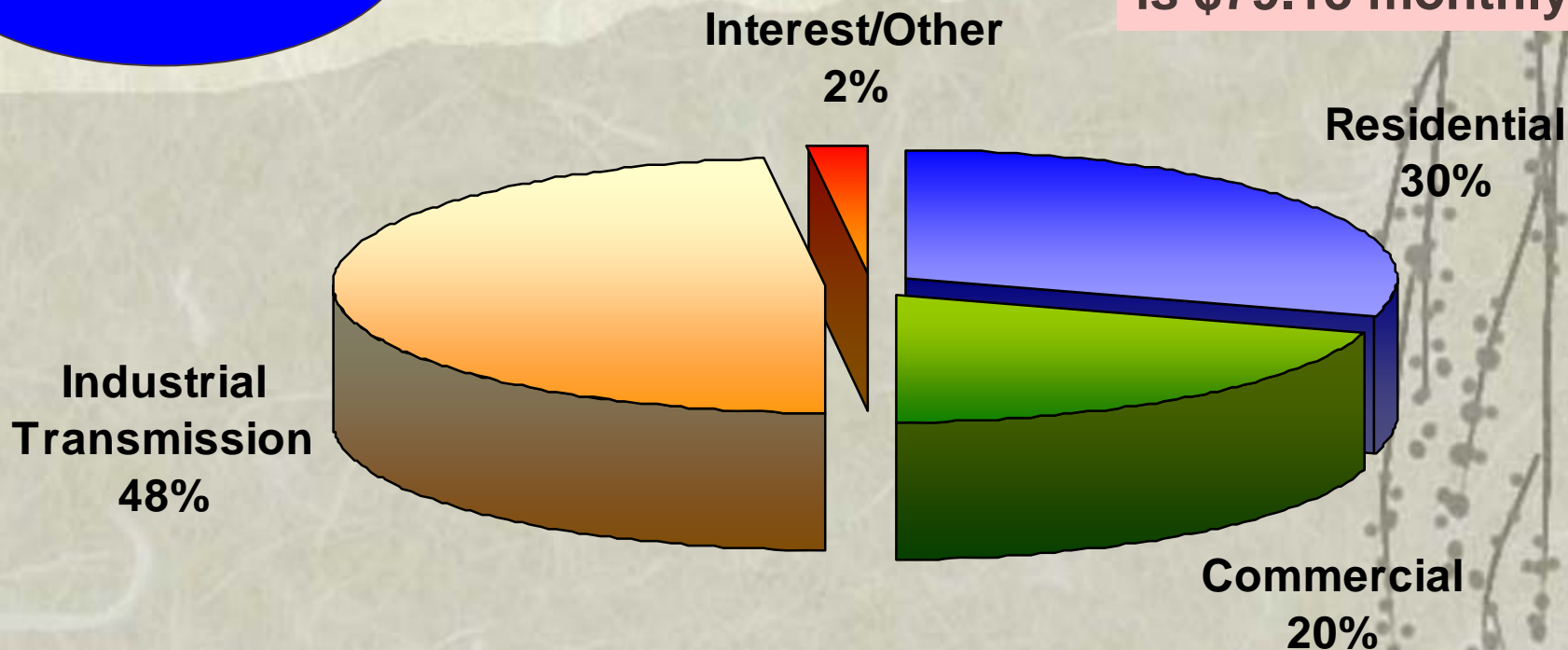


Electric Utility Revenues

\$30,857,500

No rate increase

Ave. residential bill is \$79.13 monthly



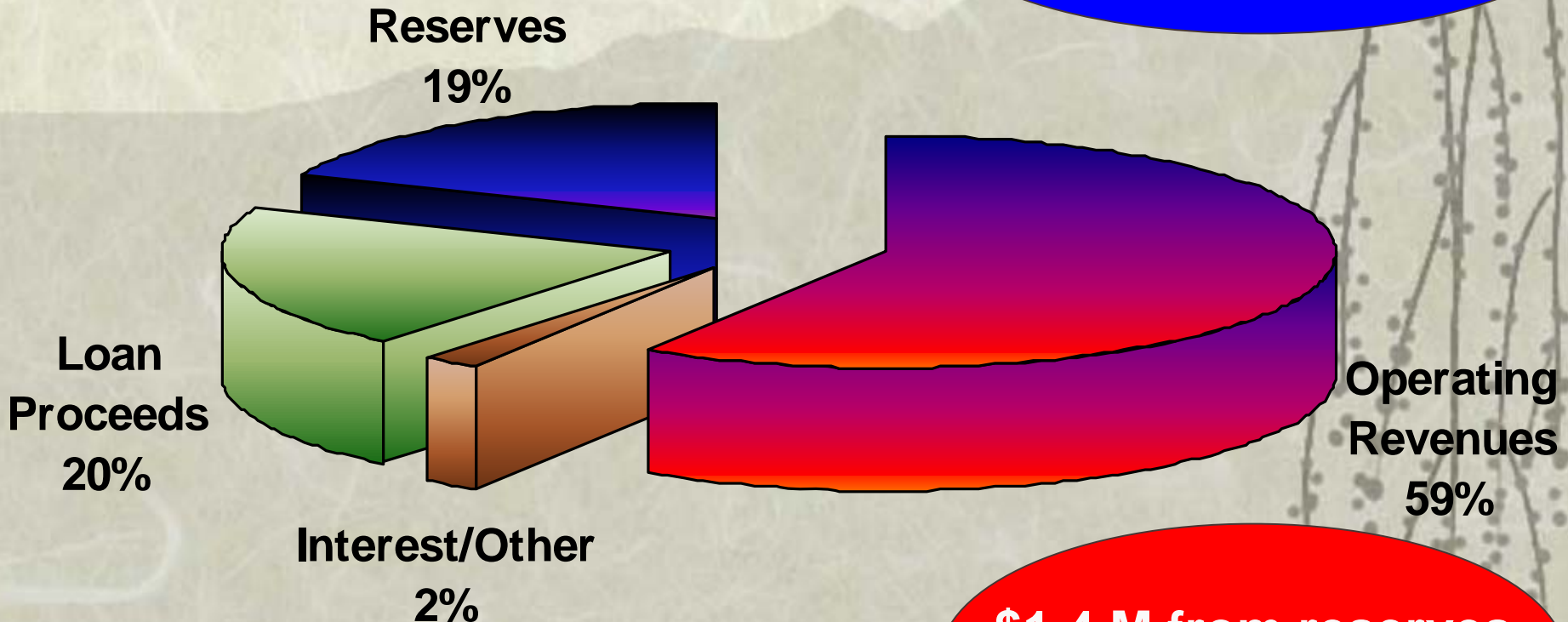
Residential rate 5.45 cents
Per kilowatt hour + \$11 base charge

10,700 customers

Water Revenue \$6,225,600

7,700 water customers

*Rates
Evaluated annually*



Operating Revenues
59%

**\$1.4 M from reserves
And \$1.5 M from loans**

2006 Residential rates for Water - \$17.80 base + \$1.42 per 100 cu ft

Wastewater \$8,885,776

7,200 customers

\$811 K from reserves

Reserves
9%

Loans
39%

Interest/Other
1%

Operating
Revenues
51%

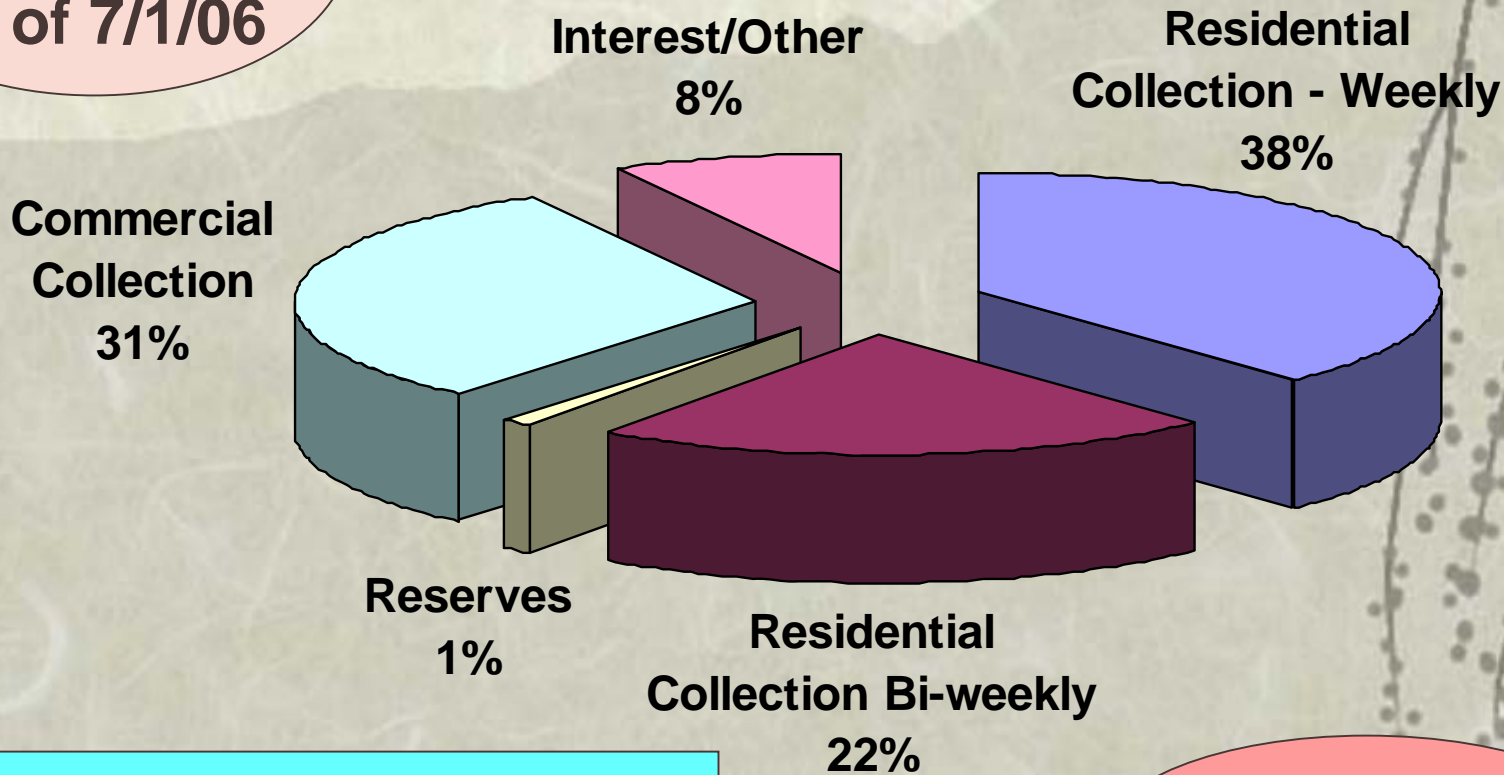
2007 Wastewater residential rates are \$41.45 for less than 430 cu ft and \$46.10 for more than 430 cu ft. This includes the Combined Sewer Overflow charges.

Solid Waste Collection

\$3,341,280

Almost \$45K
from reserves

Service and
rate adjustment
as of 7/1/06



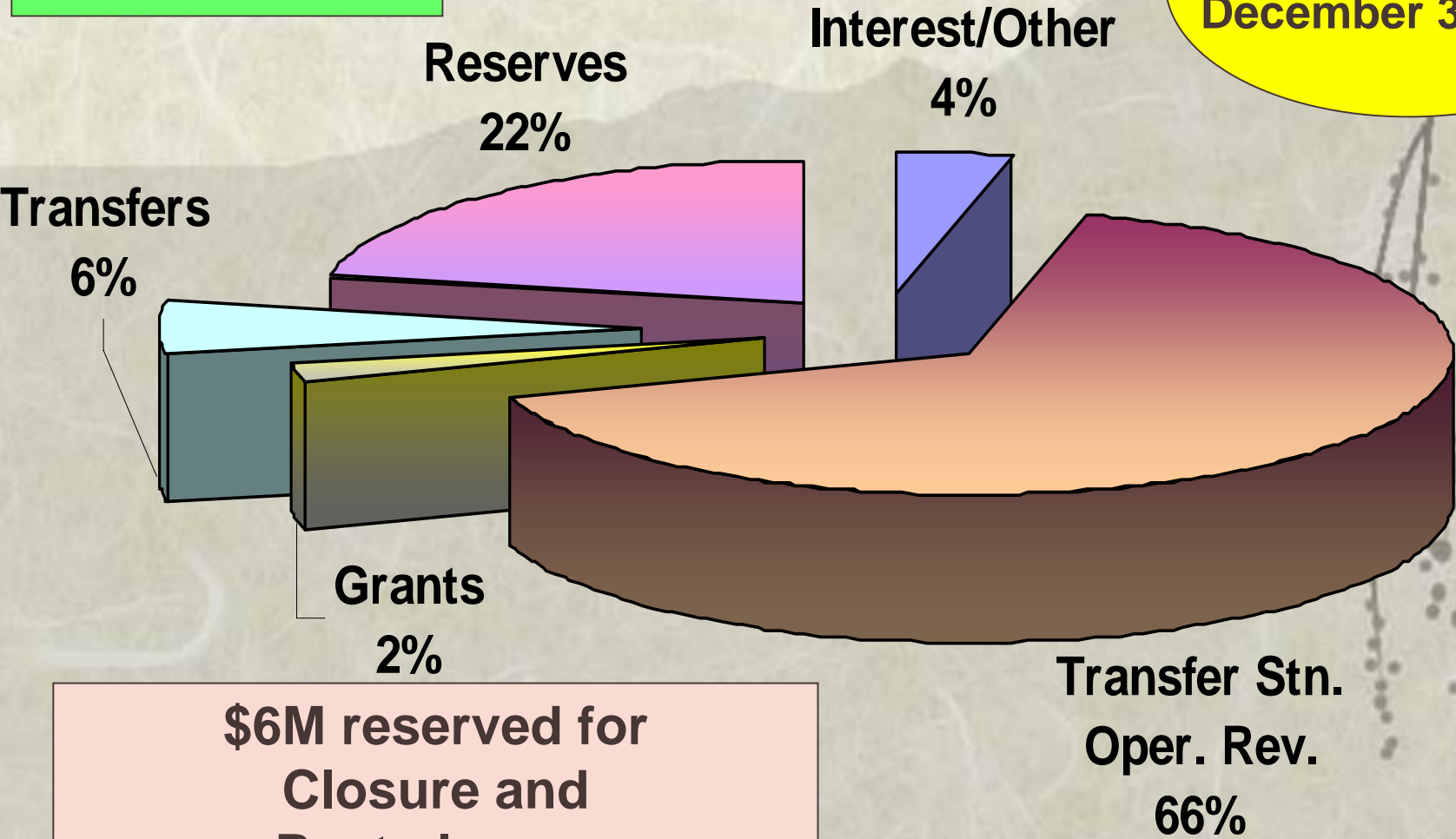
Residential rates are
\$21.85 per month for bi-weekly
and \$27.30 for weekly pick-up

7,400
customers

Transfer Station \$6,052,420

Almost \$1.8 M
From reserves

Landfill to close
December 31, 2006



\$6M reserved for
Closure and
Post-closure

Transfer Stn.
Oper. Rev.
66%

Stormwater \$355,100

- ❖ Utility fee is \$3 per month for developed single and duplex residential property
- ❖ Commercial and others, \$3 per 4,000 square feet of impervious area, capped at \$30 per month



Medic I \$1,272,744

- ❖ Approved October 1, 2005
- ❖ Revenue from utility billing \$456,175
- ❖ Revenue for ambulance services \$422,371
- ❖ Support from General Fund \$380,500

**Support from
GF increase by 43.6%
or \$115,500**



Internal Services Funds

- ❖ Equipment Services
- ❖ Information Technology
- ❖ Self-Insurance

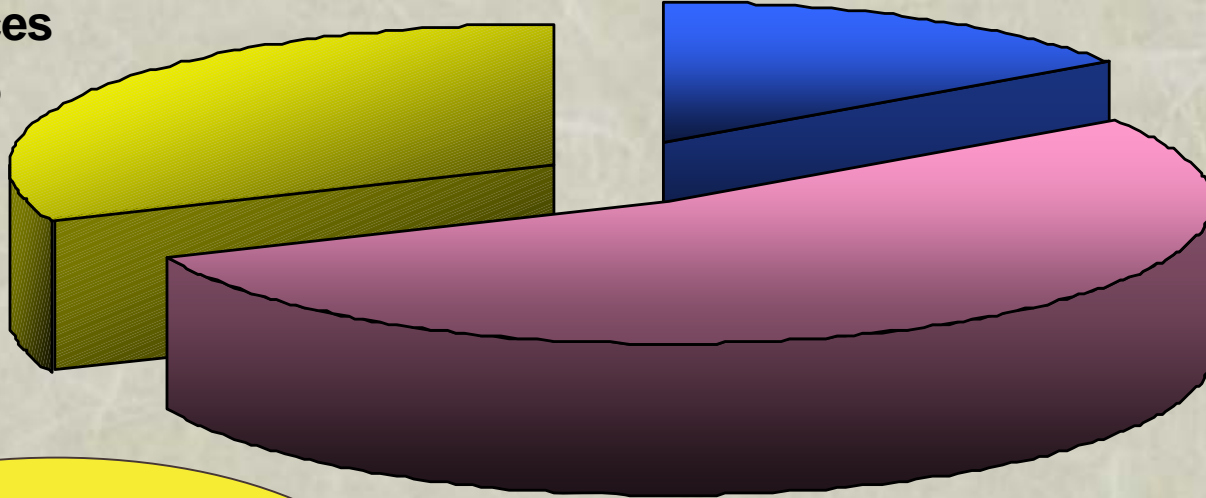


Internal Services Funds

\$7,489,247

**Equipment
Services
31%**

**Information
Technology
16%**



**Self-Insurance
53%**

**5.6% or \$396 K
Increase**

Internal Services Funds...

- ❖ Self-Insurance \$3,996,172 (7.7% increase)
 - 6.5% medical rate increase
 - Employee co-payment to 12%
- ❖ Equipment Services \$2,349,513, (10% decrease)
 - Operating charges \$1,075,040 (decrease 8.6%)
 - Replacement charges \$968,473 (decrease 11.9%)
 - Allocated to replacement reserves \$631,713
- ❖ Information Technology \$1,143,562 (51% increase)

Other Funds

- ❖ Permanent – Fine Art Center (or Esther Webster Trust Fund)
- ❖ Fiduciary Funds – Firemen's Pension Fund



Fine Art Center \$213,499

- ❖ Challenging to support services
- ❖ Supported by “Friends” and Foundation
- ❖ \$45,000 transfer from General Fund



Firemen's Pension \$46,307

- ❖ Fire insurance premium \$16,307
- ❖ Interest on investments \$30,000

**\$900 K in
reserves**

**Eight individuals
covered by this plan**



The background features a textured, light beige paper-like surface. In the upper half, there are dark, layered silhouettes of mountains. On the right side, a dark branch with small, round berries hangs down. The word "Questions?" is centered in a bold, black, sans-serif font.

Questions?