
Annual Revenue Survey and 2009 Forecast

Major Revenue Sources

About two-thirds (65%) of the 2008 City Budget comes from four sources...

Cash Balances (24%)

Property Taxes (15%)

Sales Taxes (12%)

Utility Sales (14%)

Cash Balances

Beginning Cash Balances

Total beginning cash for
all budgeted funds

2006

2007

2008

\$24,335,930

\$25,394,255

\$25,516,220

Estimated

Selected Cash Balances

<u>Fund</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Operating	1,392,548	3,001,465	4,485,426	4,730,176	3,199,425
Economic Development	642,514	1,323,907	2,343,754	4,225,737	4,435,467
Special Parks & Recreation	136,679	201,037	360,337	369,773	460,330
Special Street & Highway	255,951	246,935	292,747	383,624	610,885
Bond and Interest	1,268,488	2,898,728	3,210,576	3,285,359	3,538,869
Water	8,515,196	6,703,263	6,956,794	5,153,964	4,699,197
Wastewater	3,414,964	3,425,554	3,470,512	3,206,629	3,026,839
Stormwater	548,727	512,867	517,833	421,169	326,581

General Fund Cash Balances

Total beginning cash for
the General Fund

2006

\$4,485,426

2007

\$4,730,176

2008

\$3,199,425

Estimated

General Fund Cash Balances

How a decrease occurred in the
General Fund...

(1) \$1,550,000 was transferred to the
Capital Improvement Reserve Fund

(2) \$550,000 was transferred to the
Bond & Interest Fund

Note: *The above amounts were approved in 2007 as City budget amendments*

2009 Forecast

A beginning
cash balance for 2009
of at least \$2,500,000
in the General Fund

(About 11% of total projected revenues)

Property Taxes

Property Taxes

For Manhattan taxpayers...

29¢ of every \$1 in local property taxes is City-related...

Property Taxes

...of that 29¢ in City-related property taxes,

less than 5¢ of every tax dollar

is for City services under the control
of City Management

Property Taxes

These traditional and direct City services are, or could be, funded from a property tax...

General Fund
Employee Benefit Fund
KP&F Fund
Industrial Promotion Fund
Bond & Interest Fund
Park Development Fund
Fire Equipment Reserve Fund
General Improvement Fund

Property Taxes

For 2008, the amount of property taxes levied for direct City services are...

General Fund.....	\$ 1,231,361
Employee Benefit Fund.....	259,445
KP&F Fund.....	87,258
Industrial Promotion Fund.....	50,000
Bond & Interest Fund.....	428,969
Park Development Fund.....	0
Fire Equipment Reserve Fund.....	50,677
General Improvement Fund.....	0

\$2,107,710 of total property taxes levied \$13,110,873
(Remainder goes to the RCPD, Library, and Health Department.)

Spreadsheets (3 & 5)

Utility Sales

Utility Sales

	<u>2006</u> <i>(actual)</i>	<u>2007</u> <i>(actual)</i>	<u>2008</u> <i>(estimated)</i>
Water	\$ 4,917,936	\$ 4,827,292	\$ 5,716,598
Wastewater	\$ 3,913,753	\$ 4,013,243	\$ 4,102,673
Stormwater	\$ 568,596	\$ 801,294	\$ 1,076,230

2009 Forecast

Water – 1st phased-in rate increase in effect. Additional rate increases needed beginning in 2009

Wastewater – Changing. Future rate increases possible

Stormwater – 1st and 2nd phased-in rate increases in effect. 3rd increase in 2009

Sales Taxes

Sales Taxes

<u>2006</u>	<u>2007</u>	<u>2008</u>
\$8.42M	\$8.94M	\$8.50M
<i>(actual)</i>	<i>(actual)</i>	<i>(budgeted)</i>

The current forecast suggests that at least \$8.94M may be collected in 2008

Note: *The above figures are only for the City's 1¢ sales tax*

General Fund Impact

	<i>Budgeted</i>	<i>Expected</i>	<i>Percent of</i>
REVENUES	2008	2008	<i>expected</i>
			<i>revenues</i>
<i>Beginning Fund Balance</i>	2,300,000	3,199,425	14%
Property Taxes & Assessments	1,347,997	1,348,000	6%
Sales Taxes	6,664,589	7,400,000	32%
Franchise Fees	2,450,000	2,450,000	11%
Municipal Court	1,470,850	1,500,000	7%
Transfers	3,459,400	3,459,400	15%
All Other Revenues	3,108,239	3,435,500	15%
General Fund Revenues:	20,801,075	22,792,325	100%

Spreadsheet (3)

General Fund Projection

	<i>Budgeted</i>	<i>Expected</i>	<i>Projected</i>	<i>Projected</i>
REVENUES	2008	2008	2009	2010
<i>Beginning Fund Balance</i>	2,300,000	3,199,425	2,517,205	2,398,029
Property Taxes & Assessments	1,347,997	1,348,000	1,443,000	1,443,000
Sales Taxes	6,664,589	7,400,000	7,696,000	8,042,320
Franchise Fees	2,450,000	2,450,000	2,646,000	2,698,920
Municipal Court Revenues	1,470,850	1,500,000	1,507,500	1,515,038
Transfers	3,459,400	3,459,400	3,459,400	3,459,400
All Other Revenues	3,108,239	3,435,500	3,454,678	3,474,995
General Fund Revenues:	20,801,075	22,792,325	22,723,783	23,031,702

Note: Not all sales taxes are directed to the General Fund

2009 Forecast

Estimated 2% growth
in sales tax revenues for 2009 over
forecasted receipts for 2008

Possible Trends

Valuation Growth – Will most likely moderate in 2008 affecting 2009 property tax rates

Retail Sales – Strong potential for continued annual increases of sales taxes in the 6% to 8% range

Property Taxes – Will most likely increase during the next five years before again declining

Questions?