

City of Lawrence, Kansas First Quarter Report – 2010

Purpose of Report

The following information summarizes the financial activities of the City of Lawrence through the end of the first quarter of 2010 on a budget basis. The report provides budgetary highlights from the major funds of the City, including the General Operating, Recreation, and Bond and Interest Funds, which are partially funded by property taxes, the Public Transportation Fund, and the enterprise funds: Water & Wastewater, Solid Waste, Storm Water and Public Golf Course Funds, which are supported by user fees. The report also compares financial activities to the budget and the two previous years.

Summary / Conclusion

With one quarter of the year lapsed, total revenues are down in many funds while expenditures have increased compared to this period last year. Based on the financial data to date, as well as historical trends, [projections for 2010](#) have been revised.

Many of our main revenue sources are projected to below budget. For instance, sales tax is projected to total just 95.7% of 2010 budget. Interest earnings in the General Fund alone are projected to total just 16.7% of the amount budgeted in 2010. Proceeds from the gas tax are projected to total only 96.7% of budget. Water and sewer charges are projected to total only 92.9% of the amount budgeted for 2010.

Similar to previous years, departments will need to continue to monitor expenditures to keep spending in 2010 within available revenues. For example, General Fund expenditures in 2010 cannot exceed 97.5% of 2010 budget. Expenditures from the Gas Tax Fund can not exceed 87.9% of 2010 budget.

This level of expenditures will not be achieved without some impact. However, typically less than 100% of budget is spent in any given year. In 2009, only 96.4% of the budget was expended, while only 94.5% of the 2008 budget was actually spent.

Savings have already been achieved through the elimination of the Administrative Services Director position and additional salary savings is expected from other vacant positions. More information on reductions will be provided to the Commission throughout the year.

General Operating Fund

Summary

Revenues totaling \$19,446,786 have been collected in 2010 as of the end of March. This is an increase of 9.7% from revenues collected in the first quarter of 2009 and represents 29.9% of 2010 budget. General Fund expenditures in the first quarter of 2010 totaled \$14,485,189, which represents 20.0% of budgeted expenditures for 2010. This is an increase of \$2,770,119, or 23.6%, over the first quarter of 2009. When adjusted for the transfer of \$7.6M that was budgeted in 2010 to comply with the state law that limits budgeted fund balance to 5% of expenditures, expenditures to date in 2010 represent 22.3% of budget.

The table below summarizes General Operating Fund revenues to date by source for three years.

Table 1. General Fund

<i>Revenue Source</i>	<i>2008 1st Qtr.</i>	<i>% of budget</i>	<i>2009 1st Qtr.</i>	<i>% of budget</i>	<i>2010 1st Qtr.</i>	<i>% of budget</i>
Property Taxes	\$7,503,822	40.4%	\$7,949,107	39.8%	\$8,223,122	39.8%
Sales/Use Tax	5,920,263	26.1%	5,804,735	21.6%	7,346,387	23.8%
Licenses & Permits	205,492	19.1%	233,376	21.3%	214,848	21.7%
Intergovernmental Revenue	251,638	35.2%	274,600	30.5%	204,250	26.4%
Service Charges	112,008	13.8%	99,046	17.2%	119,664	18.3%
Fines	590,575	23.6%	564,737	21.7%	716,624	25.6%
Interest	57,539	5.8%	30,804	3.9%	19,020	3.2%
Miscellaneous Revenue	1,279,217	27.8%	1,886,047	44.5%	1,665,373	39.0%
Transfers	855,791	26.9%	889,560	26.9%	937,498	27.2%
Total Revenue	\$ 16,776,346	30.4%	\$ 17,732,012	29.4%	\$ 19,446,786	29.9%

Expenditures

General Government	\$ 4,388,321	20.6%	\$ 4,171,333	14.6%	\$ 6,041,613	17.8%
Public Safety	6,272,175	22.3%	5,797,487	20.7%	5,934,680	20.8%
Public Works	822,412	12.5%	1,088,371	16.5%	1,823,822	27.0%
Parks & Recreation	644,779	18.5%	657,879	20.0%	685,074	20.5%
Total Expenditures	\$ 12,127,688	20.4%	\$ 11,715,070	17.6%	\$ 14,485,189	20.0%

Revenues over

<i>Expenditures</i>	\$4,648,658	\$6,016,942	\$4,961,597
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Revenue Highlights

Highlights for each category of general fund revenue are provided below.

Property Taxes. Revenues collected from property taxes in the first quarter increased 1.9%, or \$119,965, compared last year. Collections through the end of March represent 43.7% of the amount budgeted for 2010, compared to 43.5% of budget collected as of the end of March 2009. Higher electric rates resulted in an increase in electric franchise fee collections of 20.2%, or \$156,350, over first quarter collections in 2009. Revenues collected from gas franchise fees are also up 1.3%, or \$6,029, from last year. Collections from telephone franchise fees are down 6.5% from this period last year while cable TV franchise fees are down less than 1% from 1st quarter 2009. The result is total first quarter collections that represent 29.5% of budget and are 10.0%, or \$154,054, more than total franchise fees collected in the first quarter of 2009. Overall, property taxes are up \$274,015, or 3.4% over this period last year.

Sales/Use Tax. Receipts from sales/use tax increased by \$1,541,652, or 26.6%, from the first three months of 2009. However, this increase is due to the new City sales tax rate, which was not in effect in the first quarter of 2009. As shown below, when adjusted for the new sales/use taxes, collections in the first quarter are down 5.0% from 2009.

Table 2. Sales/ Use Tax

<i>Purpose of Tax (percent)</i>	<i>1st Qtr. 2008</i>	<i>% of Budget</i>	<i>1st Qtr. 2009</i>	<i>% of Budget</i>	<i>1st Qtr. 2010</i>	<i>% of Budget</i>
City (1%)	\$3,591,042	26.3%	\$3,536,307	20.1%	\$3,360,878	23.5%
City Infrastructure (0.3%)					\$1,001,237	25.4%
City Transit (0.2%)					\$666,851	25.4%
City Transit Equip. (0.05%)					\$166,873	25.4%
City share of Countywide (1%)	\$2,329,221	25.8%	\$2,268,428	24.5%	\$2,152,027	23.2%
Total Sales Taxes	\$5,920,263	26.1%	\$5,804,735	21.6%	\$7,347,907	23.8%

Note – The third quarter of 2009 was the first full quarter of receipts that reflected the new sales tax rate, which went into effect April 1, 2009.

The city's share of the county sales tax/use tax is down 5.1% from this quarter in 2009. This is in part due to the formula used to allocate countywide sales/use tax among the county and the other cities in the county. The formula, which is calculated each year in January and July, is based on population and property tax mill levies. As other cities or unincorporated areas in Douglas County grow and/or raise their mill levies, they are allocated more of the countywide sales tax.

Sales/use tax revenues collected in 2010 to date represent 23.8% of the amount budgeted for 2010, compared to only 21.6% of budget collected at the end of the first quarter 2009. Again, this is largely due to the fact that the new sales taxes did not go into effect until April 1, 2009.

Licenses and Permit Fees. Revenue from licenses and permit fees in the first quarter decreased 7.9% from this period last year and represent 21.7% of 2010 budget. The majority of the decrease came in building permit and inspection fees, which decreased 14.6%, or \$22,446, from the first quarter of 2009. Business licenses were up 2.1% and occupational and professional licenses were up 5.7%, or \$4,463, compared to this period last year.

Intergovernmental Revenues. Overall, intergovernmental revenues received in the first three months of 2010 is 25.6%, or \$70,350, less than revenues received in the first quarter of 2009 and represent 26.4% of budget. This decrease was due to the elimination of the "slider payment" from the State in the second half of 2009. This payment, which was meant to offset the impact of the machinery and equipment exemption, equaled \$81,757 in 2009 but was not budgeted for 2010. This decrease was offset by a 7.4% increase in liquor tax receipts.

Service Charges. Revenue generated from a number of service charges increased over 2009. For instance, cemetery fee revenue was up 29.0%, or \$11,303, compared to the first quarter of 2009. Pursuant to our agreement with Grant Township, revenue from the township fire levy increased 40%, or \$15,000 over last year. These increases were offset by decreases in other service charge revenues. Reimbursements received from private groups for the use of the City owned YSI Complex were down \$10,775 from the first three months of 2009.

Overall, revenue from service charges increased 20.8%, or \$20,618, over this quarter in 2009 and represent 18.3% of 2010 budgeted service charges.

Fines. Fines in the General Fund collected through the end of March increased 26.9%, or \$151,887, from 2009 and represent 25.6% of the amount budgeted for fines in 2010. While revenue collected from police officer tickets decreased by \$2,635, or 3.0%, municipal court fines and fees collected increased by \$154,523, or 32.4%, compared to 2009.

Interest. Interest revenue in the General Fund continues to be low due to lower interest rates, the timing of our investments, and having lower balances to invest. Only 3.2% of the budget for interest has been collected as of the end of March 2010. In 2009, 3.9% of budget was collected in the first quarter, while 5.8% of budget was collected in the first three months of 2008.

Miscellaneous Revenues. Miscellaneous revenues collected to date decreased \$220,674, or 11.7% when compared to 2009 and represent 39.0% of budget. The largest revenue included in miscellaneous revenues is payments from Douglas County for providing EMS services. The City budgeted \$96,978 less for these services in 2010 than in 2009, however, we have received \$226,717, or 12.4%, less this year to date. In addition, this category includes the payment from Douglas County for their share of the operations of the County Health Building. To date, the City has received \$24,201 less in 2010 than in the first quarter of 2009.

Transfers In. Revenue is transferred to the General Operating Fund from other City funds for general overhead expenses and in lieu of a franchise fee paid by utilities. As of the end of March, \$47,938

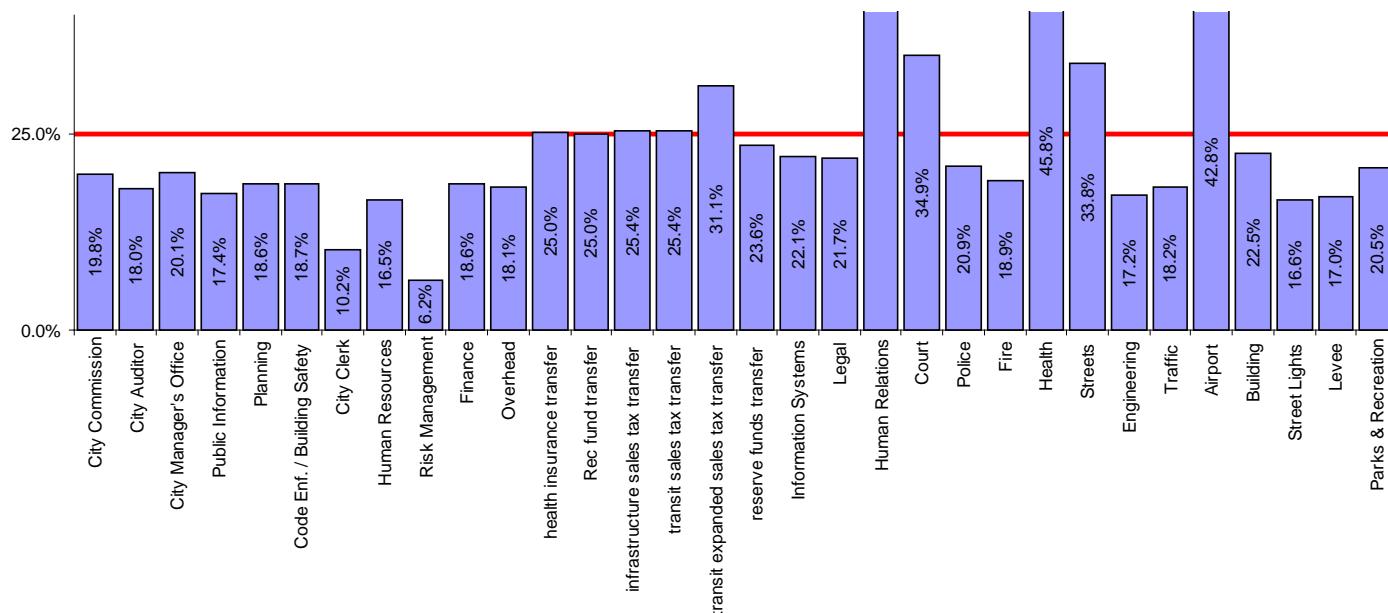
more has been transferred in 2010 than in the first three months of 2009 due to an increase in the amount transferred for general overhead expenses from the Water and Wastewater Fund. Transfers to date represent 27.2% of budget.

Expenditures

Overall, General Fund expenditures in the first quarter of 2010 increased \$2,770,119 or 23.6%, from the first quarter of 2009 and represent 20.0% of the 2009 adopted budget. When adjusted for the transfer budgeted for fund balance purposes, 22.3% of 2010 budget has been spent with 25% of the year lapsed.

The majority of the increase can be attributed to the new sales tax proceeds. State law requires that all sales/use tax proceeds be deposited into the General Fund before being transferred to another fund. The new sales/use tax was not in effect in the first quarter of 2009, so no related transfers were made. When adjusted for the new sales/use tax transfers, first quarter expenditures in the general fund increased \$935,158, or 8.0%, over first quarter expenditures in 2009. As outlined below, the remainder of the increase came from increases in expenditures related to public works and public safety.

Table 3. General Fund Expenditures as Percent of Budget by Department - 1st Quarter 2010



As shown on Table 3, five divisions in the General Fund have expended more than 25% of 2010 budget as of the end of the first quarter. More information is provided on each of these divisions below.

- Human Relations (97.2%) due to personnel and utilities that were not budgeted for 2010. Without these non-budgeted items, only 10.5% of this division budget has been expended;
- Municipal Court (34.9%), due to an encumbrance of \$94,988 for the lease office space. Without this encumbrance, only 20.7% of this division budget has been expended;
- Health (45.8%) due to the timing of the payment to the Lawrence Douglas County Health Department for the City's share of their operations (\$324,465) and an encumbrances for janitorial services;
- Streets (33.8%) due to encumbrances for the street maintenance programs (\$563,928.) Without these encumbrance, only 17.1% of this division budget has been expended to date;
- Airport (42.8%) due to an encumbrance for equipment (\$56,354.) Without this encumbrance, only 13.1% of this division budget has been expended to date.
- Transfers (25.1%) due to proceeds from the new sales taxes exceeded budget.

Highlights for each category of expenditure are provided below.

General Government expenditures include City Commission, City Manager's Office, Public Information, Planning and Development Services, City Clerk, Personnel, Risk Management, Finance, General Overhead, Information Systems, Legal Services, Human Relations, and Municipal Court. Expenditures in this category as of the end of the first quarter of 2010 have increased \$1,870,280, or 44.4% over 2009 due to the transfers of the new sales tax proceeds. When adjusted for these transfers, general government expenditures have only increased \$35,279, or less than 1%, over the first three months of 2009. This increase was offset by reduced expenditures in departments/divisions including the City Manager's Office, Public Information, Planning, City Clerk, Risk Management, Finance, General Overhead, and Human Relations. General government expenditures in 2009 represented only 17.8% of 2009 budget. When adjusted for the new sales/use tax transfers, only 15.8% of the budget for general government expenditures has been expended as of March 31, 2010.

Public Safety includes Police, Fire Medical, and the City's share of the Health Department operations and community health building maintenance. Overall, first quarter public safety expenditures increased 2.4%, or \$137,193, over the first three months of 2009 and represent 20.8% of budget. Police expenditures in the General Fund grew by 7.9%, or \$217,268, over first quarter 2009 and represented 20.9% of 2010 budget. Expenditures in Fire Medical to date represent 18.9% of budget and decreased \$66,784, or 2.6%, compared to the first three months of 2009.

Expenditures related to the Health Department and maintenance of the community health building in the first quarter of 2010 decreased \$13,290, or 2.8% compared to the same period last year and represent 45.8% of budget. This decrease is largely due to 3.0%, or \$10,035, decrease in the City's share of the Lawrence Douglas Health Department operations. The remainder of the decrease was due to decreased expenditures related to the maintenance of the community health building. A total of \$130,662 was spent on maintenance of the facility in the first quarter of 2010. This is a decrease of 2.4%, or \$3,255, compared to the first quarter last year.

Public Works includes Street Maintenance, Engineering, Traffic, Airport, Building Maintenance, Street Lights, Levee Maintenance, and Building Maintenance. Expenditures in this category to date have increased \$735,451, or 67.6%, over 2009 and represents 27.0% of budget. In 2009, only 16.5% of the budget was expended, and in 2008, 12.5% of budget was expended as of the end of the first quarter. The majority of the increase was in the street division, which increased \$677,135 due to an encumbrance for street maintenance programs and materials. Expenditures in the first quarter in the airport division increased \$59,267 due to an encumbrance for equipment. Other increases included a 3.7% increase in engineering, an 11.2% increase in the traffic division, and a 6.8% increase in the charges the City pays to Westar for street lights. These increases were offset with reduced expenditures in the first quarter in the building maintenance and levee divisions.

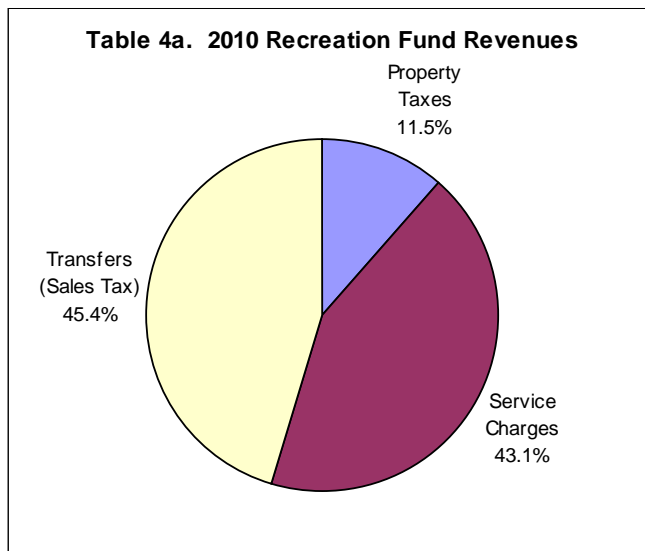
Parks and Recreation expenditures from the General Fund through the end of March increased by 4.1%, or \$27,195, compared to this period in 2009. Expenditures in this category represent 20.5% of 2010 budget compared to 20.5% of budget spent at the end of March 2009. The increase was largely due to a \$23,640 increase in contract mowing as well as an increase in the personnel costs in the construction and landscape divisions. These increases in the first quarter were offset by decreases in operating expenses in District 1, YSI operations, District 2, District 3, and Forestry.

Other Property Tax Supported Funds

Recreation Fund

	2008 1st Qtr.	% of budget	2009 1st Qtr.	% of budget	2010 1st Qtr.	% of budget
Table 4. Recreation Fund						
<i>Revenue Source</i>						
Taxes	196,283	44.3%	198,199	43.8%	104,269	43.6%
Service Charges	367,217	23.6%	413,348	25.4%	390,486	22.1%
Transfers	361,750	25.0%	361,750	25.0%	411,605	25.0%
Total Revenue	\$925,250	26.9%	\$973,297	26.9%	\$906,360	24.8%
<i>Expenditures</i>						
Parks & Recreation	670,726	18.7%	672,146	18.2%	704,784	17.6%
Total Expenditures	\$670,726	18.7%	\$672,146	18.2%	\$704,784	17.6%
<i>Revenues over Expenditures</i>	254,524		301,151		201,576	

Revenues. Table 4 shows Recreation Fund revenues collected as of the end of the first quarter of 2010 decreased \$66,937, or 6.9%, compared to the same period last year and represent 24.8% of 2010 budget.



As shown on Table 4a, the largest category of revenues in the Recreation Fund collected to date is transfers of the proceeds from the City share of the countywide sales tax from the General Fund. State law requires all sales tax revenue to be deposited in our General Operating Fund before it can be transferred to other funds. Transfers increased 13.8% over this period in 2009, due to a decision to replace property tax support in the Recreation Fund with sales tax revenue.

The next largest category of revenues in the Recreation Fund is service charges. Service charges collected in the first three months of the year decreased 5.5%, or \$22,862, compared to the same period last year. Fees collected for aquatics in the first quarter were 7.4%, or \$9,095, less than those collected in the first quarter of

last year. Sports Entry fees collected through the end of March 2010 were 25.3%, or \$40,570, less than fees collected in this period in 2009. Building rental fees collected in the first quarter were down \$4,837, or 20.5%, from 2009. These decreases were offset by increases in special event fees, which increased 126.5%, or \$13,873, over the first quarter of 2009, and increases in class enrollment fees, which were \$18,593, or 23.2%, more than the first quarter of last year.

The remaining revenues in this fund come from property taxes, which were down \$93,930, or 47.4%, compared to this period in 2009. This can be attributed to a 50% reduction in the mill levy, reduced assessed valuation, and the elimination of the state "slider payment."

Expenditures. Table 4 above shows first quarter Recreation Fund expenditures increased by 4.9% from the first quarter of 2009 and represent 17.6% of 2010 budget. In 2009, 18.2% of the 2009 budget was expended as of the end of March, while 18.7% of the 2008 budget was expended at the end of the first quarter. The increase is largely due to increased personnel costs as well as increased contractual services.

Bond and Interest Fund

Table 5. Bond and Interest Fund	<i>2008</i>	<i>% of</i>	<i>2009</i>	<i>% of</i>	<i>2010</i>	<i>% of</i>
Revenues	<i>1st Qtr</i>	<i>budget</i>	<i>1st Qtr</i>	<i>budget</i>	<i>1st Qtr</i>	<i>budget</i>
Property Taxes	\$2,707,250	46.2%	\$2,720,991	45.2%	\$2,684,466	45.7%
Motor Vehicle Taxes	155,819	30.7%	150,644	28.1%	147,326	28.5%
In Lieu Taxes	5,023	27.9%	5,057	95.9%	204	81.0%
Special Assessments	2,000,586	117.7%	1,720,170	74.8%	1,422,291	59.3%
Reimbursements	56,533		36,631	53.0%		
Interest	112,990	75.3%	90,196	30.1%	12,051	4.8%
Rents	24,589	28.9%	27,823	27.8%	26,407	23.5%
Transfers			-		-	
Total Revenue	\$5,062,790	60.9%	\$4,751,512	51.0%	\$4,292,745	46.9%
Expenditures						
Principal	-	0.0%	-	0.0%	-	0.0%
Interest	\$1,343,687	38.2%	\$1,274,788	33.1%	\$1,174,337	25.7%
Total Expenditures	\$1,343,687	11.5%	\$1,274,788	9.8%	\$1,174,337	8.4%
Revenues over Expenditures	3,719,103		3,476,724		3,118,408	

Revenues. Table 5 shows first quarter revenues in the Bond and Interest Fund decreased \$458,767, or 9.66%, compared to the first quarter of last year and represent 46.9% of 2010 budget. The majority of the decrease was in special assessment payments, which were down \$297,879, or 17.32%, from this period last year. Payments in Lieu of tax also decreased 96.0%, or \$4,853, while interest earnings were down \$78,145, or 86.64%, from the first three months of 2009. Property taxes were down 1.3%, or \$36,525 due to lower assessed valuation and a reduced mill levy in this fund for 2010.

Expenses. Table 5 shows expenditures through the end of March, were \$100,451, or 7.88%, less than through the end of this quarter in 2009. Due to the timing of principal and interest payments, only 8.4% of the budget has been expended with 25% of the year lapsed. However, it should also be noted that the 2010 budget includes a transfer of \$2.45 million, budgeted to achieve the statutory limit of a 5% budgeted fund balance. When adjusted for that transfer, 10.3% of budget has been expended.

Public Transportation Fund

Table 6. Public Transportation Fund

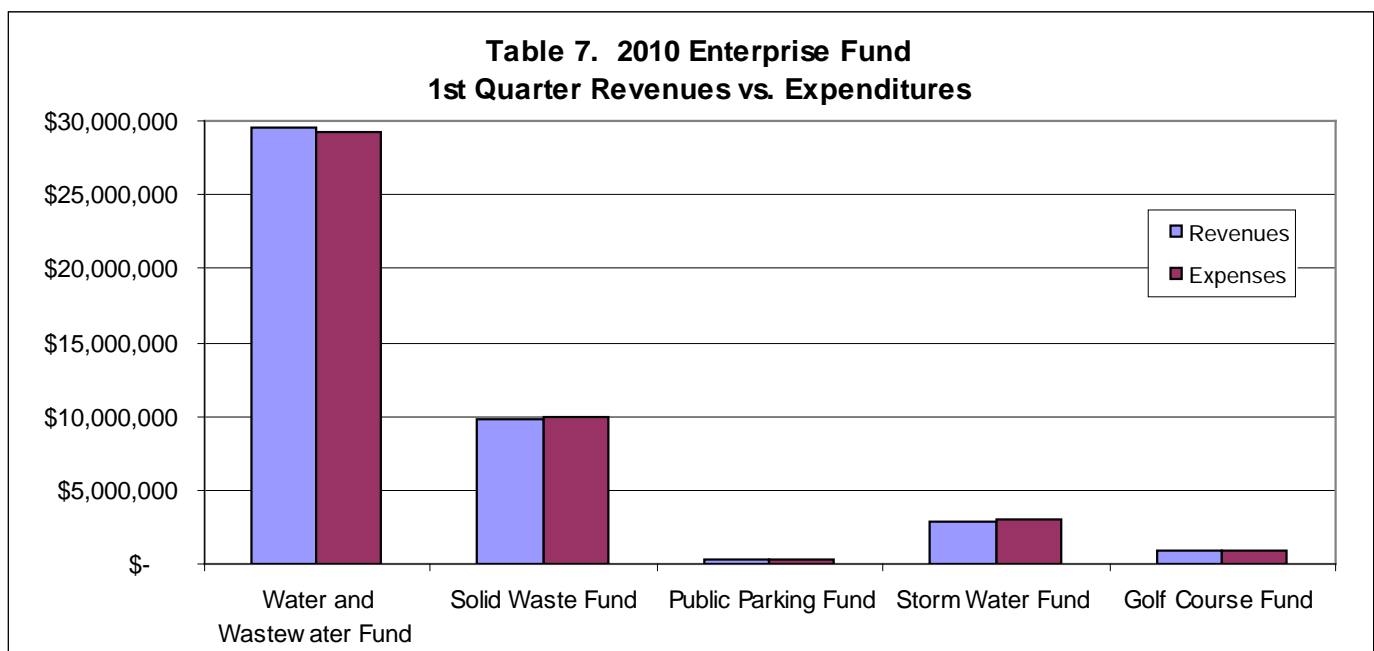
<i>Revenue Source</i>	<i>2008</i>	<i>% of</i>	<i>2009</i>	<i>% of</i>	<i>2010</i>	<i>% of</i>
	<i>1st Qtr.</i>	<i>budget</i>	<i>1st Qtr.</i>	<i>budget</i>	<i>1st Qtr.</i>	<i>budget</i>
Property Taxes	\$ 466,067	44.3%	\$ 21,361	0.0%	\$ 0	
Service Charges	70,454	22.6%	65,342	20.9%	60,122	22.0%
Miscellaneous	4,836		0	0.0%	33,713	
Transfer(Sales Tax)			0	0.0%	667,492	25.4%
Total Revenue	\$541,357	39.6%	\$ 86,703	3.6%	\$761,327	26.2%
Expenditures						
Public Transportation*	334,066	21.1%	746,597	30.8%	676,716	23.3%
Total Expenditures	\$334,066	21.1%	\$746,597	30.8%	\$676,716	23.3%
Revenues over Expenditures	207,291		(659,894)		84,611	

Revenues. Revenues collected in 2010 represent 26.2% of budget, compared to just 3.6% in 2009. However, the 0.20% sales/use tax for Transit was not in effect in the first quarter of 2009. Note - sales tax proceeds are categorized as a transfer because state law requires that sales tax revenue be deposited in our General Operating Fund before it can be transferred to other funds.

Revenues from service charges (bus fares, sale of bus passes, etc.) decreased \$5,220, or 8.0%, compared to 2009. The reduction in fare revenue is due to the reciprocal agreement with the University of Kansas under which KU cardholders can ride the T for no additional charge. While this arrangement has not been revenue neutral, it has dramatically increased ridership. In the first three months of 2010, ridership on the fixed route system is up 61.5%, or 59,961 rides.

Expenditures. Expenditures in the Public Transportation Fund in the first three months of 2010 represent 23.3% of budget and decreased by \$69,881, or 9.4% compared to the first quarter of 2009. This decrease can largely be attributed to fuel, which is down \$95,521, or 27.4%, from this period last year. This decrease was offset by an increase in major component replacement costs. In the first three months of 2010, 86.5%, or \$34,416, more was spent on major components than in the first three months of 2009. Under the contract with MV Transportation that went into effect in 2009, the City is required to pay for the cost of major component replacement expenses. These costs were the responsibility of MV under the contract in place in 2008.

Enterprise Funds



Summary

Table 7 compares revenues and expenses to date for the City's five Enterprise Funds. Of these five funds, there are three – Water and Wastewater, Public Parking, and the Golf Fund – with more revenue collected than expenses to date in 2010. Expenses to date in the Solid Waste Fund, as well as the Storm Water Fund have exceeded revenues collected through the end of March. Additional revenue and expenditure information for each of the five Enterprise Funds is provided below.

Water and Wastewater Fund

Water and Wastewater Fund

<i>Revenue Sources</i>	<i>2008 1st Qtr.</i>	<i>% of budget</i>	<i>2009 1st Qtr.</i>	<i>% of budget</i>	<i>2010 1st Qtr.</i>	<i>% of budget</i>
Intergovernmental Revenue	0		0		0	
Customer Charges	6,409,040	21.8%	6,914,745	23.8%	7,019,766	22.0%
Interest	301,988	33.6%	88,168	8.8%	13,657	2.2%
Other Revenue	39,497	21.9%	62,744	41.8%	54,524	23.2%
Transfer	0.00		0.00		0.00	
Total Revenues	\$6,750,525	22.2%	\$7,065,656	23.4%	\$7,087,947	21.7%

Expenses

Operations	\$8,722,392	22.0%	\$9,471,260	26.7%	\$8,624,680	22.2%
<i>Net Income</i>	(1,971,867)		(2,405,603)		(1,536,733)	

Revenues. Despite an increase in water and sewer rates for 2010, total revenues collected to date have increased less than one percent compared to the same period last year and represent 21.7% of the 2010 adopted budget. Billed water and sewer charges have increased 7.3%, or \$458,982, over charges in the first three months of 2009. System development charges collected in the first quarter of 2010, however, decreased \$354,560, or 74.6%, compared to this same period last year. Interest income earned in the first quarter is 84.5%, or \$74,511, less than interest earned in this quarter in 2009. Other charges, which include lease of property, sale of assets, and bad debts collected, are down 13.1%, or \$8,220, compared to this period last year.

Expenses. Water and Wastewater Fund expenses in the first quarter of 2010 decreased 8.9%, or \$846,580, compared to the first quarter of 2009 and represent 22.2% of the 2010 budget. Four divisions have exceeded 25% of budget with 25% of the year lapsed. However, expenditures include over \$3.2 million in encumbrances that may not be expended in 2010. Without these encumbrances, no division has exceeded 25% of 2010 budget as of the end of March.

Solid Waste Fund

Solid Waste Fund

<i>Revenue Sources</i>	<i>2008 1st Qtr.</i>	<i>% of Budget</i>	<i>2009 1st Qtr.</i>	<i>% of Budget</i>	<i>2010 1st Qtr.</i>	<i>% of Budget</i>
Intergovernmental						
Service Charges	\$ 2,287,458	24.4%	\$ 2,357,545	24.7%	\$ 2,412,237	24.2%
Interest	15,052	15.1%	2,357	2.4%	0	0.0%
Miscellaneous	120,186	84.0%	26,681	18.0%	74,344	140.3%
Transfer			0			
Total Revenues	\$2,422,696	25.2%	\$2,386,584	24.4%	\$2,486,581	24.7%

Expenses

Operations	\$2,534,438	23.0%	\$2,486,059	22.0%	\$2,149,744	19.5%
<i>Net Income</i>	(111,742)		(99,475)		336,837	

Revenues. Revenue in the Solid Waste Fund collected in the first quarter of 2010 increased 4.2%, or \$99,997, over the first quarter of 2009 and represent 24.7% of budget. This is similar to 2009, when 24.4% of budgeted revenues had been collected as of the end of March. Miscellaneous charges have increased significantly over this period last year due to improvement in the prices the City is receiving for recycled materials, as well as new revenue generating compost programs.

Expenses. Expenses to date represent 19.5% of 2010 budget and decreased 13.5%, or \$336,315, from this period last year. This is largely due to the timing of encumbrances for landfill charges. As a result, revenues collected as of the end of March exceed expenses through the end of March by \$336,837. In the two previous years, expenditures to date have exceeded revenues to date.

Public Parking Fund

Public Parking Fund

<i>Revenue Sources</i>	<i>2008 1st Qtr.</i>	<i>% of Budget</i>	<i>2009 1st Qtr.</i>	<i>% of Budget</i>	<i>2010 1st Qtr.</i>	<i>% of Budget</i>
Intergovernmental						
Service Charges	\$281,449	31.1%	\$205,135	21.9%	\$271,824	23.7%
Interest	7,303	73.0%	165	1.7%	0	0.0%
Miscellaneous Transfer	1,720				152	
Total Revenues	\$ 290,472	31.7%	\$ 205,300	21.7%	\$ 271,976	23.5%

Expenses

Operations	\$ 207,587	17.3%	\$ 241,980	21.0%	\$ 259,436	20.8%
<i>Net Income</i>	82,885		(36,680)		12,540	

Revenues. Revenues collected to date in the parking fund have increased 32.5%, or \$66,676, compared to the same period last year. This is in part due to the increased rates for meters as well as fines that went into effect in August of 2009.

Expenditures. Expenses through the end of March 2010 increased 7.2%, or \$17,456, compared to the first quarter of 2009. This increase is largely due to increased repairs and maintenance to equipment, buildings, and structures as well as service contracts, temporary help, and an increased transfer to the City's Equipment Reserve Fund.

Storm Water Fund

Storm Water Fund

<i>Revenue Sources</i>	<i>2008 1st Qtr.</i>	<i>% of Budget</i>	<i>2009 1st Qtr.</i>	<i>% of Budget</i>	<i>2010 1st Qtr.</i>	<i>% of Budget</i>
Intergovernmental						
Service Charges	\$ 696,273	24.4%	\$ 699,724	24.5%	\$ 709,991	24.6%
Interest	5,969	22.1%	210	1.0%	0	
Miscellaneous Transfer						
Total Revenues	\$ 702,242	24.4%	\$ 699,934	24.3%	\$ 709,991	24.3%

Expenses

Operations	\$ 808,405	14.9%	\$ 521,221	22.2%	\$ 485,316	15.0%
<i>Net Income</i>	\$ (106,164)		\$ 178,713		\$ 224,675	

Revenues. Revenues collected in the Storm Water Fund in the first three months of 2010 increased just \$10,057, or 1.4%, from the first three months of last year and represent 24.3% of budget.

Expenses. Year to date expenses as of the end of March 2010 represent 15.0% of budget and decreased \$35,905, or 6.9%, compared this period last year. This is despite a 15.0% increase in personal services, a 207.5% increase in utilities, and purchase of equipment in 2010. These increases were offset by decreases in

street materials, debt service, and by the elimination of a transfer to the capital improvement reserve fund in 2010.

Public Golf Course Fund

<i>Golf Course Fund</i>							
<i>Revenue Sources</i>	<i>2008</i>	<i>% of</i>	<i>2009</i>	<i>% of</i>	<i>2010</i>	<i>% of</i>	
	<i>1st Qtr.</i>	<i>Budget</i>	<i>1st Qtr.</i>	<i>Budget</i>	<i>1st Qtr.</i>	<i>Budget</i>	
Intergovernmental							
Service Charges	\$ 62,415	6.2%	\$ 101,919	10.4%	\$ 50,232	5.0%	
Interest	-435		0	0.0%	0		
Miscellaneous	8,706		-1,642	0.0%	8,753	109.4%	
Transfer							
Total Revenues	\$ 70,687	7.0%	\$ 100,276	10.2%	\$ 58,985	5.8%	
<i>Expenses</i>							
Operations	\$ 174,165	17.9%	\$ 200,037	18.0%	\$ 178,833	16.5%	
<i>Net Income</i>	\$ (103,478)		\$ (99,761)		\$ (119,848)		

Revenues. Public Golf Course Fund revenue collected in the first quarter of 2010 decreased 41.2% from revenues collected through the end of March in 2009 and represent just 5.8% of 2010 budgeted revenues. This is largely due to the sold and wet weather experienced during much of the first quarter.

Expenses. Public Golf Course Fund expenses through the end of March 210 represent 16.5% of budget and have decreased \$21,204, or 10.6%, from this period in 2009.