

CITY OF COLUMBIA, MISSOURI
COUNCIL-MANAGER FORM OF GOVERNMENT

Annual Budget
Fiscal Year Ended September 30, 2010

City Council

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mayor@gocolumbiamo.com

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City Manager

H. William (Bill) Watkins
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City of Columbia
City Manager's Office
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Columbia
Missouri**

For the Fiscal Year Beginning

October 1, 2008

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Columbia, Missouri for its annual budget for the fiscal year beginning October 1, 2008.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.


This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

This is the 13th consecutive year the City of Columbia has received this award.

CERTIFICATION

The undersigned hereby certify that the attached document is a true copy of the annual budget of the City of Columbia, Missouri for the Fiscal Year beginning on October 1, 2009 and ending on September 30, 2010, as finally adopted by the City Council on September 21, 2009.

IN WITNESS WHEREOF, I have executed this certification on this 5th day of October, 2009.



H. William Watkins, City Manager

IN WITNESS WHEREOF, I have executed this certification and affixed the corporate seal of the City on this 5th day of October, 2009.



Sheela Amin, City Clerk

**FY 2010 Budget Amendments
Monday, September 21, 2009**

Council Reserve:

| | |
|---|------------------|
| FY 2010 Council Reserve Amount | \$100,000 |
| FY 2009 Council Reserve Balance <i>(will be encumbered at the end of 2009 and rolled forward)</i> | \$26,000 |
| Total Funding Available | <u>\$126,000</u> |
| | |
| Increase CARE Funding | \$25,000 |
| Increase Social Service Overall funding level | \$25,000 |
| Urban Empowerment Request | \$10,000 |
| Blind Boone High steppers Request | \$10,000 |
| Humane Society Request ** | \$20,000 |
| Total Reserve Allocated | <u>\$90,000</u> |
| | |
| Balance Remaining | <u>\$36,000</u> |

** Council conditions must be met prior to receiving funding

Staff Administrative Requests:

General Fund:

Police:

| | |
|--|--------------------------|
| Move (2) FTE to Information Technologies Fund | (\$163,696) |
| IT Support Fees Charged to Police | \$146,409 |
| | |
| Missouri Highway Safety HMV Enforcement Grant | |
| Expenses | \$13,500 |
| Revenues | \$13,500 |
| | |
| Missouri Highway Safety DWI Enforcement Grant for Overtime | |
| Expenses | \$33,500 |
| Revenues | \$33,500 |
| | |
| Add (2) 1.00 FTE Officers and establish DWI unit | \$260,000 |
| DWI Grant Revenue | \$260,000 |
| Net Change | <u><u>(\$17,287)</u></u> |

PSJC:

| | |
|--|------------------------|
| Add (1) .80 FTE Systems Support Analyst to PSJC | \$52,566 |
| Reallocate personnel between PSJC and EM for SEMA eligible activities: | |
| Reduce ASA III from .80 FTE to .70 FTE | (\$4,606) |
| Increase PSJC Manager from .50 FTE to .90 FTE | \$28,501 |
| Increase PSJC Supervisor from .95 FTE to 1.00 FTE | \$2,931 |
| Move temporary help funds to Emergency Management | (\$17,353) |
| Reduce IT Support Fees - no longer have a position in IT dedicated to PSJC | (\$48,419) |
| Net Change | <u><u>\$13,620</u></u> |

Emergency Management:

| | |
|--|-----------------------|
| Add (1) .20 FTE Systems Support Analyst | \$13,140 |
| Reallocate personnel between PSJC and EM for SEMA eligible activities: | |
| Increase ASA III from .20 to .30 FTE | \$4,606 |
| Reduce PSJC Manager from .50 FTE to .10 FTE | (\$28,501) |
| Reduce PSJC Supervisor from .05 FTE to 0.00 FTE | (\$2,931) |
| Move temporary help funds to Emergency Management | \$17,353 |
| Net Change | <u><u>\$3,667</u></u> |

**FY 2010 Budget Amendments
Monday, September 21, 2009**

Staff Administrative Requests continued:

Health and Human Services:

| | |
|---|------------|
| H1N1 Grant Funding Revenues | \$187,192 |
| H1N1 Expenses | \$187,192 |
| | |
| H1N1 Phase 3 Vaccine Grant | |
| Revenues | \$292,036 |
| Expenses | \$292,036 |
| | |
| Homeless Prevention and Rapid Re-Housing Program Stimulus Grant | |
| Revenues | \$202,179 |
| Expenses | \$202,179 |
| | |
| Environmental Health - FDA Grant for training | \$2,500 |
| Increase Training expenses | \$2,500 |
| Net Change | \$0 |

Parks and Recreation:

Boone County Family Resources funding to expand CARE program to include youth with disabilities during the school year. Possibly 10-12 youth and some admin. help.

| | |
|----------|----------|
| Revenues | \$40,407 |
| Expenses | \$40,407 |

Out Of Sch-Care Gallery Grant from Missouri Arts Council

| | |
|-------------------|------------|
| Revenues | \$7,583 |
| Expenses | \$7,583 |
| Net Change | \$0 |

Streets & Sidewalks:

| | |
|---|------------|
| Transfer in from Capital Projects Fund for year 1 of Speed Limit Sign Changes | \$62,000 |
| Expenses | \$62,000 |
| Net Change | \$0 |

Note: If Council Reserve adds funds to PW general fund operations, the \$62,000 will be reduced by the amount approved.

| | |
|----------------------------------|------------|
| Total General Fund Impact | \$0 |
|----------------------------------|------------|

Other Funds:

CDBG:

Add (1) 1.00 FTE Housing Planner for 2 years

| | |
|-------------------|------------|
| Grant Revenues | \$86,614 |
| Expenses | \$86,614 |
| Net Change | \$0 |

Capital Projects Fund:

| | |
|--|------------|
| Transfer to General Fund for year 1 of Speed Limit Sign Changes | \$62,000 |
| Reduce Annual Traffic Safety project | (\$62,000) |
| Reduce Streets #10 Highview Avenue: Jewell-Jefferson - CDBG funding (Revenues) | (\$25,000) |
| Reduce Streets #10 Highview Avenue: Jewell-Jefferson - CDBG funding (Expenses) | (\$25,000) |
| Net Change | \$0 |

**FY 2010 Budget Amendments
Monday, September 21, 2009**

Staff Administrative Requests continued:

Recreation Services:

Boone County Family Resources funding to expand community-wide adapted recreation program at Paquin and offer additional programs at Paquin.

| | |
|-------------------|------------|
| Revenues | \$16,000 |
| Expenses | \$16,000 |
| Net Change | \$0 |

Public Transit:

New contract with the University as of August, 2009

| | |
|-------------------|------------|
| Revenues | \$46,693 |
| Expenses | \$46,693 |
| Net Change | \$0 |

Information Technologies Fund:

Revenues:

| | |
|--|-----------------|
| Increase Revenue from Police Dept to provide dedicated service | \$146,409 |
| Reduce revenue from PSJC - no longer providing dedicated service | (\$48,419) |
| Total Revenues | \$97,990 |

Expenses:

| | |
|--|------------------|
| Move (2) FTE from Police Dept to IT Fund | \$163,696 |
| Total Expenses | \$163,696 |

| | |
|-------------------|-------------------|
| Net Change | (\$65,706) |
|-------------------|-------------------|

Public Communications Fund:

Open World Leadership Program Delegation Grant to Host Delegation from Republic of Georgia

| | |
|-------------------|------------|
| Revenues | \$4,815 |
| Expenses | \$4,815 |
| Net Change | \$0 |

CIP Changes:

Streets and Sidewalks:

Projects Added:

| | |
|---|--------------|
| Streets - Stephen's College Pedestrian Bridge Repair \$500,000 Unfunded FY 2011 | done |
| Streets - Ashland Road at Stadium Intersection Improvements: \$209,000 Unfunded (6-10 years) | done |
| Streets - Fairview and Chapel Hill Intersection Improvements: \$480,000 Unfunded (6-10 years) | new sidewalk |
| Streets - Fairview and Ash - Intersection Improvements \$435,000 Unfunded (6-10 Years) | new sidewalk |

Projects Changed:

Creasy Springs Road: Bear Creek to Blueridge Road: \$9.6 million Unfunded (move from 10+ to 6-10 yrs)
 Highview Avenue: Jewell-Jefferson C00407 - no CDBG funding for 2010. Move design to 2011 and construction to 2012
 Sidewalks - Reduce CDBG-Stimulus funding FY 2010 by \$217,139 as dept is requesting appropriation of funding during 2009.

Parks and Recreation:

Projects Added:

Rock Hill Park Improvements - Add project for 2010. FY 2011 \$35,000 funded from Annual Park Improvements

Jay Dix Station Neighborhood Park - Add project for 2012; \$130,000 unfunded

CDBG Changes:

see page 537 for Council Adopted CDBG changes



CITY OF COLUMBIA, MISSOURI

OFFICE OF CITY MANAGER

July 30, 2009

Honorable Mayor and City Council
City of Columbia, Missouri

It is an honor to transmit the City Manager's FY 2010 budget proposal for your consideration. As required by our Charter, the budget provides a complete financial plan for the City of Columbia for the period starting October 1, 2009 and ending September 30, 2010. It also officially launches the community decision-making process that allocates public resources for the benefit of citizens.

The City's fiscal position is sound but not comfortable. It's as I reported in my state-of-the-City address in June, and it holds true today. We have been adjusting the City budget in response to economic factors since 2008, as sales tax revenue started to weaken while the costs of doing business, especially fuel costs, were heating up. Early in FY 2009, we revised our three-year budget forecast and took immediate cost-saving actions that got results.

What I am proposing for FY 2010 is only possible because of what we've already done in this fiscal year. Through savings and cutbacks in FY 2009, we slashed a projected \$4 million gap between revenue and spending to \$2 million. In FY 2010, we will take that gap to almost "zero" by reducing personnel and program spending.

This is not a dramatic, showy gesture. That's not my style. The proposed budget is a measured path intended to protect core services over the next three years. We will continue to find savings and efficiencies so that, when economic conditions turn around in earnest, we'll have the ability to respond to pent-up demands.

In June I referred to this approach as "SOS"...seeking opportunities to save...and linked it to the idea of "sustainability." As I see it, for FY 2010 my duty is help sustain this organization and community in three ways:

- Sustain core services by doing business more efficiently, scaling back less critical tasks, reallocating resources to higher-priority work and increasing fees and rates for some services;
- Sustain the City workforce through savings that directly affect employee compensation and by developing internal talent; and
- Sustain the City organization and the community through wise use of our collective resources.

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Criticism is bound to follow some of my recommendations, but I believe there is an expectation that City government will exert this kind of fiscal leadership.

FY 2010 Revenues and Spending

Overall, we project total City revenues to be 2.9 percent *lower* in FY 2010 than in FY 2009. We estimate *no growth* in sales tax revenue. Gross receipts taxes should grow by 1.6 percent. We will see significant reductions in grants, particularly the non-motorized pilot program, earned interest and transfers from special revenues to support capital improvement projects

We expect our total overall expenses to be about three percent *lower* than they were in FY 2009. Spending from General Government Funds and Internal Service Funds will drop by 14.6 percent and 1.8 percent, respectively. Enterprise Fund spending, which supports all City utilities and other user-paid services, will increase by three percent, primarily due to purchased power costs.

The General Fund supports public safety, public health, the City Council and Clerk, Municipal Court and other functions traditionally associated with local government. It pays for both operating expenses and the cost of equipment. General Fund operating costs will fall by 3.6 percent. Expenses for major equipment and vehicles will decrease by 13 percent. Changes in sales tax revenue affect these services more than others, and we can't use enterprise or internal service revenues to subsidize these services.

To be clear...reductions in most capital projects like the parking garage, voter-approved parks tax projects or grant-funded projects like "GetAbout," would NOT provide operations funding for police, fire protection or streets.

Expenses in the enterprise funds – the resources that support all of our City utilities – will rise by almost three percent. These increases are largely associated with the higher costs of our electric power purchases, with voter-approved utility construction projects and with major equipment needs in our electric and solid waste utilities.

Internal service expenses – the costs incurred when one City department provides service to another – will fall by 1.8% percent. Most decreases are associated with deferred equipment replacement.

Sustaining Core Services

I believe our current fiscal environment necessitates a revised business plan for City government. As we continually seek opportunities to save resources or use them more effectively, we will plow those savings back into core services. We will sustain them in ways that seek to meet most expectations and, when times improve, allow them to flourish.

The habits we developed in FY 2009 will continue in the coming fiscal year. City department directors are accountable for reducing spending in ways that limit damage to core services and

that, whenever possible, will build up future fund reserves. A fortunate break in fuel prices will help us. Last year, we budgeted \$4.00 per gallon for gasoline; this year, we're budgeting \$3 per gallon. I also will appoint an employee committee to generate and review internal suggestions for cost-savings and to recommend implementing those with the most promise.

We will scale back some services where, in my judgment, there is minimal effect on the public or no possibility of adequately funding them without damaging a more critical core function. Some of these services are provided by "temporary" employees...individuals who work less than full time and who receive no health benefits, sick leave or vacation. They do important work, but I'm recommending reducing this spending line by \$470,000, City-wide.

It will take us longer to fix minor street problems, and we won't sweep streets or mow grassy areas as frequently. The Health Department won't perform sports, work or day care physical exams. The Parks Department will not only scale back mowing, but also plant fewer trees, serve fewer young persons through the CARE program and reduce its financial sponsorship of some local events.

Let me note, here, that I'm recommending the smallest growth in personnel services expenditures and net growth in new employees since at least FY 1999. I propose a one percent increase in personnel costs and only a net 2.5 new employees, City-wide. Traditionally, the City Manager has recommended that the City workforce grow at the same rate as Columbia's population...normally about two percent.

These and other actions will allow us to reallocate resources to some higher-priority challenges. Here are a few examples.

- To set up a geographic policing system and put more officers on the street, the Police Department will hire two new officers, primarily for traffic enforcement, and "re-purpose" other existing positions for new assignments. The department is eliminating the Community Services Unit, reducing capital costs, and eliminating some vehicles. New traffic officers will be funded with revenue from traffic fines.
- To staff new Fire Station No. 9, the Fire Department will temporarily move some employees from existing assignments and reduce spending for materials, supplies, travel and training. When revenues improve, the department can recruit new firefighters.
- To increase our capacity to resolve nuisance and code enforcement complaints, some employees now housed in the Health, Public Works and Public Communications departments will join our Volunteer Services staff in a new Neighborhood Services office. They will be assisted by an assigned Police officer and by a half-time City attorney.
- A half-time City attorney will be assigned to the new Citizens Review Board, created to hear issues associated with Police officer behavior.

As you review the budget, you will find other instances where vacant positions will not be filled in FY 2010 and where positions are reassigned. I want to thank City department directors for putting aside any departmental agendas and collaborating to form a more effective organization.

As in the past, it will not be necessary to raise any City taxes in FY 2010, but I propose more than \$798,000 in fee and user charge increases to better meet cost recovery goals. These are listed individually in the Budget-in-Brief and are spread across fees for health, planning, recreation and construction services. Let me provide a few examples.

- Health Department fee increases should generate about \$45,000 to support community health services, food inspections and swimming pool permits. Starting in FY 2010, food inspection fees will apply to schools and licensed child care centers, and not-for-profit agencies will no longer be exempt from inspection fees for temporary events.
- Planning Department increases should generate close to \$10,000 to support zoning, platting and other applications. New fees are established for handling minor development plan amendments and annexations.
- Increases to support Parks and Recreation services are expected to raise more than \$171,000. This includes fees for golf; swimming; the Activities and Recreation Center; athletic fields; activity fees; camps; facility rentals; and adaptive recreation and “50+” programs.
- We expect to raise more than \$572,000 from fees associated with sewer connections, the third and final voter-approved development charge increase and a new fee for water back-flow prevention.

City utility customers can expect residential rate increases for water, sewer and electric services. The average monthly increase for a residential customer is projected at \$8.70 and is right at the average monthly increase we’ve set over the last three fiscal years. Columbia’s rates remain competitive with those of publicly owned and member- and investor-owned providers in other parts of Missouri.

These rates and fees are dedicated solely to the purposes for which they were established. The revenue that’s generated pays for the cost of providing service and for capital improvements authorized by voters through ballot issues. In FY 2010 we will continue to build utility, road and other infrastructure as scheduled in the City’s capital improvement plan. The City Council will take testimony on capital improvements at a public hearing during its regular meeting on August 3, 2009.

Sustaining the City Workforce

Since becoming City Manager, one of my highest priorities has been to attract, equip and retain a City workforce that is at the top of its class. I am grateful that the City Council has supported the

best pay, benefit and training packages possible, within available resources. We have reached the point, however, where fiscal conditions demand tougher decisions on employee issues.

In FY 2009 we were able to provide a \$0.25/hour, across-the-board pay raise and small pay increases associated with meeting or exceeding job performance expectations. I regret that there are no across-the-board or performance raises budgeted in FY 2010. This applies to all City operations in all fund groups. I recognize that in the short run, this is contrary to my goals for our workforce.

At about two-thirds of budgeted spending, personnel services are disproportionately borne in the General Fund. This compares to about 23 percent of operating costs in Enterprise Funds and 20 percent of operating costs in Internal Service Funds. To reach my \$1 million savings target from personnel services, I propose to spread the pain widely. We simply cannot afford to achieve our desired employee compensation goals without severe, unacceptable reductions in traditional local government services.

I want to thank City employees who took the time to consider the effects of 23 options suggested to them a few weeks ago. All the options were discussed at two open sessions, one for employee labor group representatives and one for all employees who wanted to attend. I posted a video of the meeting, along with some fact sheets on the City intranet site and invited employees to contact me with their thoughts and suggestions.

One thing came through loud and clear: "Don't reduce our base pay." In the coming year, my workforce goals are to minimize layoffs, preserve base pay, keep insurance affordable, adjust policies that we can't afford and reduce benefits that aren't critical to employee well-being.

The FY 2010 budget *preserves*:

- Current base pay and expected work hours;
- Voluntary employee health screenings every two years;
- Full pay for an active employee's health insurance premium and a continued subsidy for dependent and retiree premiums, with a seven percent increase in the cost of premiums;
- Full funding for pensions;
- Continued service awards that recognize tenure, innovation and cost-saving ideas; and
- Job classification reviews, salary surveys and approved reorganizations affecting 133 employees. This is the end of a four-year review of all positions and salaries.

New in FY 2010 are offers of vision and long-term care coverage, available to employees on a voluntary basis, at their cost. This benefit was recommended by our internal Employee Benefit Committee. I also propose adding \$50,000 to start a three-year talent strategy that targets up-and-coming supervisors and prepares them for more responsibility. An employee working group will screen internal applicants who volunteer to participate, identify future skills needed in our organization and, when appropriate, teach what they know. This is my workforce capital improvement plan.

The FY 2010 budget *changes* several long-standing policies because we can't afford them and because, at this time, they are lower-priority than preserving base pay and benefits. We expect to save \$973,000 in the General Fund through these actions:

- Consistent with federal law, pay overtime (at time-and-a-half) based on hours worked and not on hours paid;
- For an employee with more than 1,040 of unused sick leave, buy it back at 50 percent, rather than 75 percent, of the employee's hourly pay rate;
- Eliminate the City's contribution to the Post-Employment Health Plan (PEHP) and look into better ways to help employees cover health care costs when they retire; and
- Eliminate employee safety awards, which are token annual payments to those who avoid preventable injuries and vehicle accidents.

I am continuing to meet with the City's labor groups about how to most fairly implement these savings, with specifics not yet finally determined.

A Sustainable City Organization and Community

What I hope to convey through this message is my belief that "sustainability" applies to far-reaching stewardship of all our resources. Beyond prudent use of public revenue is concern about how we use energy...how we build in a way that does not deplete the natural environment...how we dispose of waste or avoid creating it...and how we exert leadership.

The FY 2010 budget includes a new Office of Sustainability and sustainability manager. This operation will be partially funded over three years with Energy Stimulus Block Grant Funds from the U.S. Department of Energy. The sustainability manager will implement business-style plans to reach energy reduction goals and achieve other cost savings for the City organization. The Office will coordinate our sustainability efforts and develop a community-wide action plan.

I usually conclude by noting our long-standing budget principles. We conservatively estimate costs and revenues and budget no projects, including capital projects, without assured funding. We adhere to the City Council's directive to preserve at least a 16 percent fund balance, and this year's 21 percent fund balance lays a firmer foundation for next fiscal year. Our workforce will not grow at a faster rate than the community-at-large.

This year we've added a new principle: the budget should reflect actions that implement the community vision. I am pleased to say that the FY 2010 budget includes existing or new activities to address items mentioned in five of the seven goal groups in the vision implementation plan. Many of these actions relate to building a safe, healthy and livable community. Specifically budgeted items include the new Sustainability and Neighborhood Services offices. This is gratifying progress built on three years of work by Columbia citizens.

Our sound financial planning and monitoring systems give us adequate time, during this continuing economic transition, to avoid extreme adjustments. Again this year, we've changed our spending patterns to match available resources.

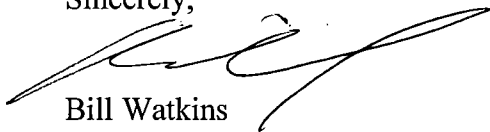
And people have noticed our financial stewardship. Earlier this week, Standard & Poor's, one of the national rating agencies, announced an improvement in our bond rating, saving us thousands of dollars in interest expense.

I thank you for your support and for the opportunity to serve as your City Manager with an outstanding, hard-working cadre of 1,200 public service professionals. Let me recognize, in particular, City Finance Director Lori Fleming, Budget Officer Laura Peveler and the rest of the Finance Department for again guiding this year's budget process. My thanks also go to City department directors and other staff members who contributed ideas and time in preparing this document.

And thanks to our employees. Without their willingness to help, many more layoffs and program reductions would have been necessary.

More details are included in the "Budget in Brief" found in the budget document. You may view the complete budget on our website at www.GoColumbiaMo.com; at City Hall; at the Daniel Boone Regional Library; and at the libraries at the University of Missouri, Stephens College and Columbia College. I look forward to discussing this proposal with the citizens of Columbia in the weeks ahead.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Watkins", written over a horizontal line.

Bill Watkins
City Manager

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BUDGET IN BRIEF

Overall Expense Highlights

OPERATING EXPENSES

| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change |
|---------------------------------|----------------------|----------------------|-------------------------|-------------------|
| General Government Funds | \$75,967,534 | \$74,423,544 | (\$1,543,990) | (2.0%) |
| Enterprise Funds | \$150,265,945 | \$153,117,922 | \$2,851,977 | 1.9% |
| Internal Service Funds | \$33,814,675 | \$33,237,469 | (\$577,206) | (1.7%) |
| Total Operating Expenses | \$260,048,154 | \$260,778,935 | \$730,781 | 0.3% |
| General Fund Oper. Expenses | \$73,495,345 | \$71,845,266 | (\$1,650,079) | (2.2%) |

- In an effort to smooth out projected budget deficits over the next two to three years, the City made significant changes in both 2009 and 2010 to reduce costs in the following areas: personnel costs were reduced by eliminating positions and not budgeting for vacancies as well as changes in overtime pay rules, reduced fuel costs in all departments, and contractual services in Health and Human Services and Planning departments.
- Enterprise operations budgeted for the same personnel and fuel savings as General Government operations. Over \$2.8 million of the increase in Enterprise operations is due to increased cost of power supply in the Electric Utility.
- Internal Service operations budgeted for the same personnel and fuel saving as in the General Government and Enterprise operations.

CAPITAL ADDITIONS (Items Over \$5,000 - Rolling Stock Replacement, Major Equip, Etc.)

| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change |
|--------------------------------|--------------------|--------------------|-------------------------|-------------------|
| General Government Funds | \$1,597,743 | \$1,476,816 | (\$120,927) | (7.6%) |
| Enterprise Funds | \$2,226,370 | \$3,032,116 | \$805,746 | 36.2% |
| Internal Service Funds | \$552,887 | \$297,439 | (\$255,448) | (46.2%) |
| Total Capital Additions | \$4,377,000 | \$4,806,371 | \$684,819 | 15.6% |
| General Fund | \$1,597,743 | \$1,476,816 | (\$120,927) | (7.6%) |

- Staff has worked to reduce the number of vehicles in the fleet. Significant savings have been accomplished in the Police Department by instituting a policy of sharing certain vehicles. Due to budget constraints, the City will not be able to adhere to its replacement schedule for vehicles and other equipment in 2010.
- The largest increases in equipment purchases are in the Solid Waste and Electric Utilities. The age and maintenance cost of the Solid Waste fleet made this level of funding necessary. The Electric Utility is proposing to purchase a line truck and several other large pieces of equipment.
- Decreases in equipment purchases are budgeted in Fleet, Public Communication for the City's Cable Channel, and Information Technologies funds.

CAPITAL PROJECTS

| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change |
|-------------------------------|---------------------|---------------------|-------------------------|-------------------|
| General Government Funds | \$21,344,475 | \$9,631,740 | (\$11,712,735) | (54.9%) |
| Enterprise Funds | \$58,691,216 | \$57,634,584 | (\$1,056,632) | (1.8%) |
| Total Capital Projects | \$80,035,691 | \$67,266,324 | (\$12,769,367) | (16.0%) |

- Reflects a large decrease in Street & Sidewalk use of non motorized grant funds and fire equipment projects.
- A significant decrease in Railroad projects due to the one time programming of stimulus funds for the overpass at Highway 63 was offset by increases in Sewer for the Wastewater Treatment Plant expansion.

TOTAL BUDGETED EXPENSES

| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change |
|-----------------------------|----------------------|----------------------|-------------------------|-------------------|
| General Government Funds | \$132,703,327 | \$114,319,805 | (\$18,383,522) | (13.9%) |
| Enterprise Funds | \$248,267,456 | \$255,719,867 | \$7,452,411 | 3.0% |
| Internal Service Funds | \$34,937,461 | \$34,475,398 | (\$462,063) | (1.3%) |
| Total Expenses | \$415,908,244 | \$404,515,070 | (\$11,393,174) | (2.7%) |
| General Fund Total Expenses | \$78,003,877 | \$76,232,748 | (\$1,771,129) | (2.3%) |

- Decreases in General Government was necessary to meet the City's goal of leveling off the projected deficits for the next two to three years.
- The same cost saving strategies have been applied to Enterprise activities, however increases in equipment purchases and the Capital Plan have resulted in an overall increase.
- The same cost saving strategies used by the General Government departments have been applied to Internal Service activities.

Personnel Package

The overall increase in personnel services is 1.8%.

- No across-the-board increase or performance pay increases have been budgeted.
- Position reviews of 125 classifications were completed on grades 17 to 28 (289 employees) and adjustments made accordingly to 20 classifications (20 employees). This completes our internal review of all classifications.
- Salary survey was conducted for 142 classifications and resulted in 53 classifications (103 employees) recommended for pay grade upgrades, but not necessarily resulting in pay raises.
- Twelve other department reclassification/reorganization requests were reviewed and 4 were approved (impacting 10 employees).
- Continued funding for employee health screenings on a two year rotation.
- Full funding of pension requirements.
- The City will continue to pay the full cost of employee health insurance premiums and will continue subsidizing dependent coverage premiums.
- Health insurance premiums for active employee dependent coverage and retirees increases are 7%.
- Pay overtime based on hours worked, consistent with federal law.
- Reduce Sick Leave Buyback benefit from 75% to 50% for hours sold above 1,040 hours of accumulated sick leave.
- Eliminate City's contribution to the Post-Employment Health Plan.
- Eliminate Safety Award.
- Vision and Long-term care will be offered to employees as voluntary benefits.
- Health insurance premium rates for pre-65 retirees will increase 7%. Subsidies remain at a fixed rate as set by Council Resolution. The budget includes fully funding the required contribution for the post-employment liability.

6.50 FTE New Positions Added

| Public Safety (Net 4 positions) | Public Works (Net 2.50 Positions) |
|--|--|
| (1) Reduction of Community Service Aide (2) Police Lieutenants (2) Reduction of (2) Police Officers (2) Police Officers - Traffic Unit (2) Police Officers - DWI Unit (1) Systems Support Analyst - PSJC & Emerg. Mgmt. | (1) Engineering Aide II - Survey (1) Reduction of Equipment Operator III - Streets (3) Reduction of Building Inspectors - Protective Insp. (1) WWTP Operator I - Sewer (1) Utility Maint. Mech III - Sewer (0.50) Engineer II - Sewer |
| Neighborhood Services (Net 0.50 Positions) (.50) Assistant City Counselor III (9 Mths) - Neighborhood Services | (1) Equipment Operator II (6 months) - Sewer (1) Public Works Supv I (6 months) - Sewer (1) Bioreactor Specialist - Solid Waste |
| Recreation Services (Net (2.00) Positions) (1) Reduction of Rec. Specialist (1) Reduction of Rec. Supervisor | Administrative and Other (Net 2.50 positions) (1) Administrative Support Asst II (9 months) - City Clerk (1) Reduction of Administrative Support Asst I - Finance Admin (1) Compliance Officer - Purchasing (.50) Asst City Counselor III (9 months) - Law |
| Railroad (Net (1.0) positions) (1) Reduction of Railroad Administrator | (1) Reduction Ombudsmen - City Manager (1) Sustainability Manager - Office of Sustainability (1) Housing Planner - CDBG |

In the Fire Department, there are 4 positions which are authorized but not funded for FY 2010.

Overall Revenue Highlights

| TOTAL BUDGETED REVENUES | | | | |
|--------------------------|----------------------|----------------------|-------------------------|-------------------|
| | Estimated FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change |
| General Government Funds | \$132,897,205 | \$117,058,976 | (\$15,838,229) | (11.9%) |
| Enterprise Funds | \$183,190,899 | \$188,245,309 | \$5,054,410 | 2.8% |
| Internal Service Funds | \$30,354,878 | \$32,260,693 | \$1,905,815 | 6.3% |
| Total Revenues | \$346,442,982 | \$337,564,978 | (\$8,878,004) | (2.6%) |
| General Fund | \$77,784,171 | \$76,232,748 | (\$1,551,423) | (2.0%) |

- The City is projecting significant decreases in General Government for both operating and capital grant revenues. Transfers are also reduced due to less Special Revenues being utilized in the Capital Improvement Plan.
- General Fund grant revenues are projected to be down substantially due to Non Motorized Grant activity. In addition, no growth is projected for sales tax in 2010.
- The revenues generated by rate increases in Electric, Water and Sewer utilities have been partially offset by reduced federal funding in Transit and reduced development fees in Storm Water.
- Fees to City departments for health and other insurance were increased 7% and 12% respectively to offset increasing costs to provide coverage.

| MAJOR REVENUE SOURCES | | | | |
|--------------------------------|----------------------|--------------------|-------------------------|-------------------|
| | Estimated FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change |
| Sales Taxes | \$37,316,175 | \$37,316,175 | \$0 | 0.0% |
| Transfers | \$35,390,026 | \$24,133,702 | (\$11,256,324) | (31.8%) |
| Grants & Capital Contributions | \$17,289,860 | \$11,999,457 | (\$5,290,403) | (30.6%) |

- The single most significant source of funding for General Government operating and capital activities is sales tax revenue. After a projected decrease of 3.5% in 2009, no growth is anticipated for 2010.
- Transfers are down significantly for 2010. Operating subsidies of sales taxes for parks, transit and airport remained at 2009 levels due to flat sales tax projections. Transfers of Special Revenues for the Capital Improvement Plan such as capital improvement sales tax funds, public improvement funds, and special road district tax funds are down in 2010.
- The City is projecting significant decreases in the General Government for both operating and capital grant revenues. The City is also projecting slightly lower levels of federal funding for transportation in 2010.

Tax Rate Changes

There are no proposed City tax increases for FY 2010.

- Property Tax Rates (No increase over the current \$0.41 per \$100 assessed valuation)
- Sales Tax Rates (No City increase proposed) Current Total Sales Tax Rate = 7.55% in all areas of the City except those located in TDDs where the rate is higher. The City's portion is as follows:
 - * 1.000% - General Sales Taxes - funds basic government services
 - * 0.250% - Capital Sales Tax - restricted for capital related uses only - expires December 31, 2015
 - * 0.500% - Transportation Sales Tax - restricted for transportation use only
 - * 0.125% - Parks Sales Tax - restricted for park purposes (Permanent)
 - * 0.125% - Parks Sales Tax - restricted for park purposes - expires March 31, 2011
- **As of October 1, 2009, the Current Total Sales Tax Rate will change to 7.350% in all areas of the City except those located in TDDs where the rate is higher. This is due to expiration of a temporary County sales tax of 0.20%.**
- Gross Receipts Tax Rates (No increase over the 7% current rate). The state legislature has now ruled that gross receipts must be paid on wireless services.

Utility Rate Changes - Average Monthly Customer Impact

| | Average Monthly Customer Impact |
|--|---------------------------------|
| • Refuse Rate (No residential rate increase) | |
| • Sewer (15% Rate Increase) - 13% approved by voters in April 2008 and 2% to cover operating expenses | \$2.11 |
| • Water (8% Rate Increase) - 3.5% approved by voters Nov 2003, 1.5% approved by voters in Nov 2008, and 3% to cover increased operating expenses | \$1.73 |
| • Electric (5% Rate Increase) - 1% approved by voters in August 2006 and 4% to cover the increased cost of purchased power | \$4.86 |
| | \$8.70 |

Monthly Utility Rate Comparisons with Proposed Rate Increases

| Water Residential Rate Comparison <i>Based on average usage of 7 ccf</i> | |
|---|----------------|
| Consolidated # 1 (Boone County) | \$36.68 |
| Jefferson City, MO | \$32.23 |
| St. Joseph, MO | \$30.63 |
| Water Dist. # 9 (Boone County) | \$27.02 |
| St. Louis Co., MO | \$22.98 |
| Columbia, MO (FY 10) | \$22.76 |
| Sedalia, MO | \$19.12 |
| Independence, MO | \$17.59 |
| City of Fulton, MO | \$16.74 |

| Electric Residential Rate Comparison Residential Charges for 822 kWh | | |
|---|----------------|----------------|
| Utility name | Summer | Non-Summer |
| Kansas City Power & Light | \$94.96 | \$77.87 |
| Boone Electric | \$88.99 | \$88.99 |
| Columbia W&L (FY 10)* | \$85.61 | \$84.26 |
| Independence MO | \$85.11 | \$78.89 |
| Empire Utilities MO | \$83.34 | \$77.04 |
| Ameren UE | \$78.19 | \$56.12 |
| Springfield IL | \$73.45 | \$61.53 |
| Springfield MO | \$63.87 | \$60.58 |

* Columbia rates do not include a summer discount for load management.

| Sewer Residential Rate Comparison <i>Based on average usage of 7 ccf</i> | |
|---|----------------|
| Boone County Regional Swr Dist. | \$36.13 |
| Des Moines, IA | \$26.39 |
| Kansas City, MO | \$24.56 |
| St. Louis, MO | \$24.34 |
| Independence, MO | \$22.90 |
| Fulton, MO | \$21.66 |
| Jefferson City, MO | \$18.91 |
| Norman, OK | \$17.28 |
| Columbia, MO (FY 10) | \$16.16 |
| Springfield, MO | \$15.95 |
| Cedar Rapids, IA | \$15.35 |
| Sedalia, MO | \$12.67 |

| Refuse Residential Rate Comparison | |
|--|-------------------|
| Denton, TX * | \$15.50 - \$18.75 |
| Veolia (Superior/Onyx) Columbia, MO + | \$16.25 |
| Allied Waste (Mid State) Jeff City, MO + | \$14.88 |
| Columbia, MO (FY 10) | \$14.42 |
| College Station, TX ++ | \$14.40 |
| Waco, TX ** | \$14.20 |
| Lubbock, TX + | \$13.53 |
| Fulton, MO ^ | \$12.00 |

* Price varies depending on type of container and recycle option. Recycling charge of \$4/month per container

+ No recycling or yard waste options available.

** Includes 3 containers for trash, yard waste, and recycling.

++ \$14.40 base fee, \$10.10 for additional cart for recycling and yard waste.

^ \$12 base fee for one can, \$12 for each additional can. Services include weekly pick-up of recycling and yard waste.

Fees and User Charge Changes

For the past few years, per Council directive, staff has started the process of establishing, reviewing, and updating cost recovery goals for various operations. These fee increases proposed have been developed by reviewing the cost of providing service and cost recovery goals. The development fee increase was outlined in the 2005 ballot to fund the City's transportation plan.

For more detailed information about these fee and user charge changes, please refer to the last pages of this Budget in Brief.

- **Health Department**

- * Increase Administrative fees for vaccines and drawing fees for lab work
- * Creation of STD Exam Fee
- * Increase Food Inspection Fees and Temporary Food Inspection Fees
- * Increase Swimming Pool Operating Permit Fees

- **Planning Department**

- * Increase zoning and plat fees
- * Creation of annexation fee

- **Recreation Services:**

- * Increase in Shelter Reservation Fees
- * Increase in Sports Programs/Activities
- * Increase Athletic Field Rental Fees
- * Increase Camp Fees
- * Increase Aquatic Fees
- * Increase Golf Fees
- * Increase 50+ Program Fees
- * Increase Adaptive Recreation Fees
- * Increase ARC Fees

- **Water Fund:**

- * Creation of Backflow Prevention Administration Fee of \$0.77/month

- **Sewer:**

- * Increase Sewer connection fees

- **Streets:**

- * Increase Development Charges from \$0.25/sq ft to \$0.50/sq ft per voter approval in 2005

Department Budget Highlights

| PUBLIC SAFETY DEPARTMENTS | | | | | |
|-----------------------------|---------------------|---------------------|-------------------------|-------------------|---------------------|
| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| Police | \$19,166,023 | \$19,632,643 | \$466,620 | 2.4% | 5.0% |
| Fire | \$14,234,456 | \$14,255,658 | \$21,202 | 0.1% | 5.5% |
| Municipal Court | \$722,156 | \$733,782 | \$11,626 | 1.6% | 3.9% |
| Emer. Mgmt & Communications | \$2,775,938 | \$2,733,167 | (\$42,771) | (1.5%) | 1.8% |
| Total Public Safety | \$36,898,573 | \$37,355,250 | \$456,677 | 1.2% | 4.9% |

Police Department

- Includes a reorganization which eliminates (1) Community Service Aide and (2) Police Officers and adds (2) Lieutenants.
- Adds (2) traffic police officers and (2) police officers to staff a DWI unit.
- Due to budget constraints, capital outlay is down \$44,939. In an effort to lower annual capital outlay needs, the department is beginning the process of eliminating take home cars for detectives. There will be no replacement of detective cars for FY 2010.
- The department is also eliminating (2) community service aide vehicles as officers will be reassigned to work as booking officers to provide better supervision of detainees and allow arresting officers to return to the street more quickly.
- The department will be purchasing (2) hybrid vehicles for the remaining (2) community service aide officers.
- Community Service Aides will no longer work accidents where there is no injury and minimal property damage.
- Due to budget constraints, the over hire of six positions to cover vacancies caused by military leave will not be funded.

Fire Department

- Due to budget constraints there are (4) fire fighter positions that are authorized but unfunded.
- Operating expenses have been included for the opening of Fire Station 9 during FY 2010.
- Staffing for Fire Station 9 will be accomplished temporarily by moving Ladder 2 from Worley Street Station to reserve and shifting personnel to new Engine 9.
- Includes paramedic pay benefit for those fire fighters who qualify.
- Includes significant reductions in materials and supplies, travel and training, and miscellaneous contractual due to budget constraints.

Municipal Court

- No significant changes.

Emergency Management and Communications

- (1) Systems Support Analyst position has been added which will be split between PSJC and Emergency Management. This position will be the project manager for new system applications, implementation and installation of emerging equipment and technology. In addition, they will be assisting and providing service to the user agencies with projects and requests in the CAD system.

| HEALTH AND ENVIRONMENT | | | | | |
|-------------------------------------|---------------------|---------------------|-------------------------|-------------------|---------------------|
| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| Public Health & Human Services | \$7,636,144 | \$8,024,864 | \$388,720 | 5.1% | 5.5% |
| Planning | \$1,663,699 | \$1,549,677 | (\$114,022) | (6.9%) | 9.2% |
| Economic Development | \$381,737 | \$419,379 | \$37,642 | 9.9% | 5.0% |
| Cultural Affairs | \$424,186 | \$372,595 | (\$51,591) | (12.2%) | 1.1% |
| Neighborhood Services | \$272,169 | \$732,067 | \$459,898 | 169.0% | |
| Total Health and Environment | \$10,377,935 | \$11,098,582 | \$720,647 | 6.9% | 7.1% |

Public Health and Human Services

- Increases due to two H1N1 flu grants and a Homeless Prevention & Rapid Re-housing Stimulus Grant.
- Movement of (1) Sr. Environmental Health Specialist into the newly created Neighborhood Services Department in an effort to focus on neighborhood issues and the enforcement of rental house codes.
- Reduction in Environmental Health temporary help due to budget cuts which will result in a delay in the hiring of seasonal staff for vector control and weed ordinance violations.
- Food inspection and community health fees have been increased after reviewing cost of providing the services and cost recovery goals.

Planning Department

- Reduction due to funds budgeted in FY 2009 for the Comprehensive Master Plan Update.
- Reflects movement of Planning and Zoning meeting packets from paper to electronic form.
- (1) Housing Planner was added to CDBG to administer the Neighborhood Stabilization Program, set up a housing trust fund, administer the Homeownership Assistance Program, and NRT demolition program. This will be a two year grant funded position.

Economic Development

- Increase due to the hiring of the Director.

Cultural Affairs

- Decrease due to the Columbia Festival of the Arts being discontinued.
- Other decreases reflect efforts to tighten the budget due to budget constraints.

Neighborhood Services

- Newly created office for FY 2010.
- The Office of Volunteer Services became one of the divisions and the other division is Neighborhood Programs.
- The purpose of this new office is to focus on neighborhood issues and the enforcement of rental house codes.
- Staff have been assembled from Volunteer Services, Public Communications, Public Works and Health and Human Services. There will also be a full-time police officer dedicated to assisting this office and one (0.5) Assistant City Counselor III position was added to the budget.

| PARKS & RECREATION DEPARTMENT | | | | | |
|-------------------------------------|---------------------|---------------------|-------------------------|-------------------|---------------------|
| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| Parks & Recreation | \$4,916,978 | \$4,966,693 | \$49,715 | 1.0% | 4.8% |
| Recreation Services Fund | \$7,776,401 | \$7,410,263 | (\$366,138) | (4.7%) | 1.8% |
| Total Excluding CIP Projects | \$12,693,379 | \$12,376,956 | (\$316,423) | (2.5%) | 2.9% |

Parks and Recreation General Fund Operations

- Includes a reduction of one unit in CARE (15 youth/1 coach) back to FY 2008 level of 185 youth.
- Includes a reduction in the number of new trees planted from 240 to 165.
- Eliminates one temp help staff in Horticulture's mowing program.
- Reduction in sponsorships by \$1,500 for Senior Show-Me State Games, Boone County Historical Society Buildings, and First Night.

Recreation Services Fund

- Elimination of (1) vacant Recreation Supervisor in the Senior and Life Enrichment program.
- Elimination of (1) Recreation Specialist in the Golf program.
- Includes a reduction of \$100,000 in temporary help in various areas.
- Includes a reduction of 7% in materials and supplies and a 10% reduction in miscellaneous contractual services.
- A significant number of fees have been increased after review of the cost of providing programs and cost recovery goals.

| PUBLIC WORKS DEPARTMENT: | | | | | |
|--|---------------------|---------------------|-------------------------|-------------------|---------------------|
| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| Public Works - Gen. Fund Oper. | \$13,491,407 | \$10,736,403 | (\$2,755,004) | (20.4%) | 6.4% |
| Public Transportation Fund | \$5,686,317 | \$5,493,258 | (\$193,059) | (3.4%) | 7.3% |
| Airport Fund | \$2,519,155 | \$2,591,391 | \$72,236 | 2.9% | 6.0% |
| Sanitary Sewer Utility Fund | \$12,983,041 | \$13,889,952 | \$906,911 | 7.0% | 6.2% |
| Parking Utility Fund | \$1,522,737 | \$2,084,373 | \$561,636 | 36.9% | 4.3% |
| Solid Waste Utility Fund | \$16,230,565 | \$16,172,220 | (\$58,345) | (0.4%) | 4.7% |
| Storm Water Utility Fund | \$1,904,292 | \$1,472,806 | (\$431,486) | (22.7%) | 0.3% |
| Custodial / Maintenance Fund | \$1,347,202 | \$1,439,585 | \$92,383 | 6.9% | 6.4% |
| Fleet Operations Fund | \$8,368,982 | \$7,058,179 | (\$1,310,803) | (15.7%) | 12.0% |
| Total Public Works Dept. Excluding CIP Projects | \$64,053,698 | \$60,938,167 | (\$3,115,531) | (4.9%) | 5.9% |

Public Works - General Fund Operations

- Eliminates (1) vacant Equipment Operator III in Streets.
- Eliminates (3) vacant Building Inspector positions in Protective Inspection.
- (2.50) Building Inspectors and (1) Administrative Support Assistant positions were moved to the newly created Neighborhood Services Department in an effort to focus on neighborhood issues and the enforcement of rental house codes.
- Adds (1) Engineering Aide II to provide permanent staff for a second survey crew which is offset by a reduction in a temporary position.
- Reduction of \$100,000 in temporary help in Streets due to budget constraints.
- Non-motorized grant funding is down \$2.3 million.

Public Transportation

- Decrease reflects lower fuel costs budgeted for FY 2010.

Airport

- No significant changes.

Sanitary Sewer

- Includes 15% rate increase - necessary to support ballot issue passed by voters in April 2008 and increased operating costs.
- Adds (1) WWTP Operator I and (1) Utility Maintenance Mechanic to begin staffing for the Waste Water Treatment Plant expansion.
- Adds (0.50) Engineer II which is converted from temporary to permanent.
- Adds (1) Equipment Operator II and (1) Public Works Supervisor I to assist in television inspection of new underground capital construction infrastructure (sanitary and storm sewers).

Parking Utility

- No significant changes.

Solid Waste Utility

- Adds (1) Bioreactor Specialist position to monitor compliance issues with DNR.
- Operating expenses down due to lower cost of fuel being budgeted for FY 2010.
- Capital Additions have increased \$427,000 as the 4th of a five year aggressive schedule to replace 20 year old vehicles.

Storm Water Utility

- Budget constraints have resulted in the movement of 5.15 FTE positions from Storm Water to Engineering and Sewer departments.

Custodial and Building Maintenance

- Includes lease payment for newly renovated office space.

Fleet Operations

- The lower cost of fuel budgeted for FY 2010 is the primary reason for the decrease in this budget.

| WATER AND ELECTRIC DEPARTMENT | | | | | |
|--|---------------------------|----------------------------|---------------------------------|---------------------------|-----------------------------|
| Water & Electric Department | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| Water Utility Fund | \$18,189,080 | \$19,676,556 | \$1,487,476 | 8.2% | 7.2% |
| Electric Utility Fund | \$121,634,175 | \$128,309,080 | \$6,674,905 | 5.5% | 10.0% |
| TI. Water & Electric Dept. Excluding CIP Projects | \$139,823,255 | \$147,985,636 | \$8,162,381 | 5.8% | 9.6% |
| Railroad Fund Excluding CIP Projects | \$1,130,477 | \$985,384 | (\$145,093) | (12.8%) | 3.2% |

Water Utility

- Includes an 8% water rate increase. Of that amount, 3.5% is to address debt service requirements of the bond issue passed by voters in November 2003. An additional 1.5% is to address debt service requirements of the water bond issue passed by voters in November 2008. The remaining 3% is to address the increased cost of materials and services used by the utility.

Electric Utility

- A 5% revenue increase is included. Of that amount, 1% is to address debt service requirements of the electric bond issue passed by voters in August 2006. The remaining 4% is to cover part of the increased cost of purchased power.
- Capital Additions have increased \$272,000 to include the replacement of a line truck and several other large dollar items.

Railroad

- (1) vacant Railroad Administrator position has been deleted due to budget constraints.

| ADMINISTRATIVE DEPARTMENTS | | | | | |
|--------------------------------|--------------------|--------------------|-------------------------|-------------------|---------------------|
| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| City Council | \$260,784 | \$287,532 | \$26,748 | 10.3% | 7.1% |
| City Clerk | \$272,208 | \$333,846 | \$61,638 | 22.6% | 6.9% |
| City Manager | \$1,137,687 | \$1,061,104 | (\$76,583) | (6.7%) | 6.7% |
| Finance | \$3,479,337 | \$3,522,464 | \$43,127 | 1.2% | 4.3% |
| Human Resources | \$983,957 | \$1,030,559 | \$46,602 | 4.7% | 7.8% |
| Law | \$983,466 | \$1,034,332 | \$50,866 | 5.2% | 4.8% |
| Total Administrative | \$7,117,439 | \$7,269,837 | \$152,398 | 2.1% | 5.3% |
| General City (Nondepartmental) | \$5,732,331 | \$5,377,855 | (\$354,476) | (6.2%) | 0.2% |

City Council

- Includes funds to purchase and maintain three computers and a printer for City Council offices in the newly renovated office space.

City Clerk

- Adds (1) Administrative Support Assistant II to handle general citizen inquiries.

City Manager

- (1) vacant Ombudsmen position was deleted due to budget constraints.

Finance

- Adds (1) Compliance Officer to ensure proper compliance with federal grant requirements.

Human Resources

- Includes \$50,000 to develop a City workforce development plan.

Law Department

- Adds (0.50) Assistant City Counselor III position for nine months to staff a Police Review Board.

City General (Non-Departmental)

- Subsidy to Recreation Services has been reduced \$149,000.
- Transfer to Parking Fund of \$75,000 has been eliminated.
- Adds a Transfer to the Sustainability Fund of \$65,000.
- Includes \$10,000 in Council Reserve and \$100,000 in Contingency

| OTHER DEPARTMENTS | | | | | |
|--------------------------------|---------------------|---------------------|-------------------------|-------------------|---------------------|
| | Budget FY 2009 | Adopted FY 2010 | Increase/ (Decrease) | Percent Change | 5 Year Avg. Inc. |
| Convention & Tourism Fund | \$1,905,408 | \$1,758,254 | (\$147,154) | (7.7%) | 4.2% |
| Office of Sustainability | \$0 | \$128,368 | \$128,368 | | |
| Employee Benefit Fund | \$12,260,349 | \$12,369,733 | \$109,384 | 0.9% | 4.0% |
| Self Insurance Reserve Fund | \$4,191,178 | \$4,397,340 | \$206,162 | 4.9% | 11.9% |
| Information Technologies Fund | \$4,699,745 | \$5,128,575 | \$428,830 | 9.1% | 5.3% |
| Public Communications Fund | \$1,880,340 | \$1,808,270 | (\$72,070) | (3.8%) | 14.0% |
| Utility Customer Services Fund | \$2,189,665 | \$2,273,716 | \$84,051 | 3.8% | 8.7% |
| Contributions Fund | \$43,060 | \$12,138 | (\$30,922) | (71.8%) | (39.0%) |
| Total Other Funds | \$27,169,745 | \$27,876,394 | \$706,649 | 2.6% | 5.9% |

Convention & Tourism

- No significant changes

Office of Sustainability

- New office for FY 2010
- Partially funded by a Department of Energy Stimulus Block Grant
- Focus of the office will be to implement business style plans to establish targeted energy reduction goals and achieve other cost savings.
- This office will coordinate all sustainability efforts and develop and implement a citywide sustainability action plan.

Employee Benefit Fund

- Health insurance premiums for active employee, dependent coverage, and retirees increases are budgeted at 7%.

Self Insurance Reserve Fund

- Reflects increases in claims and administration costs.
- Includes lease payment for newly renovated office space.

Information Technologies Fund

- Reflects a full year of the Business Analyst position added in FY 2009 to coordinate move document imaging.
- Increases in contractual services to provide an additional internet bandwidth.
- Includes lease payment for newly renovated office space.

Public Communications Fund

- Includes lease payment for newly renovated office space.
- Decreases in capital equipment budgeted and purchased in FY 2009.

Utility Customer Services Fund

- Includes increases in mailing costs and bank fees for accepting credit card payments.

Contributions Fund

- No significant changes. Donations are not budgeted. They are appropriated when they are received.

Capital Project Highlights - Major Projects Scheduled/Funded

Streets and Sidewalks

- Clark Lane - PP to St. Charles Road (2 Lanes) - Construction
- Highview Avenue: Jewell-Jefferson - Design
- Mexico Gravel Road - Vandiver-PP (2 lanes) - Construction
- Rolling Hills Road: New Haven to Route WW - City's portion of County project
- Williams Street with Williams-Broadway Intersection Improvements
- Broadway Study - Garth Ave to West Blvd
- Maguire/Warren to New Haven - Design
- East Side Sidewalk replacements

Parks and Recreation

- American Legion Renovation
- Brown Station Park Improvements
- Hickman Pool Renovation & Repairs
- Indian Hills Park Improvements
- Lange Neighborhood Park Development
- Russell Property Development - Phase I
- Hominy Branch Trail: Stephens-Woodridge Ph I
- Scott's Branch Ph I: Russell Prop-Scott Blvd

Public Safety

- Radio system enhancements for Public Safety Joint Communication Center

Other General Government

- Funding for furnishings for remodeled buildings

Electric

- Annual Commercial Expansion
- Annual distribution transformers and capacitors
- Annual new electric connections
- Annual residential expansion
- Annual Substation feeders
- Annual underground conversion
- Annual street light additions
- 161 Transmission-McBaine Sub to New S Sub
- Bus Loop 70 - Phase 4 Undergrounding
- New South Side 161/13.8 Kv Substation
- Power Plant Repairs
- William Street Undergrounding

Water

- Annual new service connections
- Annual water main replacements
- Bus Loop 70 Phase 2: Jackson-Jefferson Main Rpl
- Bus Loop 70 Phase 6B - 3,400' Main Replacement
- Drill Alluvial Wells #17 and #18
- Route PP Main Upgrade
- Paint WTP Basins

Sewer

- Gans Creek Pump Station
- Hominy Branch Outfall Relief Sewer
- N Grindstone Outfall Extension Phase II
- N Grindstone Outfall Extension Phase III
- Upper Hinkson Creek Outfall Ext Phase I
- WWTP Improvement Project Phase I

Storm Water

- No new projects due to fiscal constraints

Solid Waste

- Methane Gas Extraction Wells
- Landfill Cell #5

Parking

- 10th & Cherry Garage Restoration Repairs

Transit

- Replace (8) Paratransit Vehicles
- Rpl (2) 40' Buses
- Shelters and Benches - Stimulus funded

Airport

- Main terminal roof replacement
- Realign Route H for RW Expansion
- Snow Removal Equipment (SRE) High Speed Broom
- Upgrade Crosswind Runway 13-31 (Design only)

Fees and User Charge Changes Detail

| Fee | Current Fee | Proposed Fee | Estimated Revenue to be Generated from the Fee Increase |
|---|---------------------------------|--------------------------|---|
| Health - Community Health: | | | |
| Vaccine Administration Fee - State Vaccines (Children) - Per Visit | \$10 | \$15 | \$10,000 |
| Vaccine Administration Fee - Purchased Vaccines - Per Vaccine | \$10 | \$15 | \$19,000 |
| PPD (TB Test) | Cost + \$5 Admin Charge | Cost + \$10 Admin Charge | \$11,385 |
| Sports / Work Physicals (Service Eliminated) | \$20 | N/A | (\$2,300) |
| Daycare Physicals (Service Eliminated) | \$10 | N/A | (\$200) |
| STD Clinic Visit - Boone County Resident | \$0 | \$10 | \$30,000 |
| Pregnancy Test | Cost + \$2 Admin Charge | Cost + \$5 Admin Charge | Unknown |
| Laboratory Testing | Lab Work Cost + \$5 drawing fee | + \$15 drawing fee | Unknown |
| Health - Environmental Health | | | |
| Food Inspection Fees (Based on Annual Gross Receipts AGR) | | | \$21,500 |
| AGR < \$250,000 | \$155 | \$165 | |
| AGR \$250,000 to \$750,000 | \$210 | \$225 | |
| AGR > \$750,000 | \$395 | \$420 | |
| Fees will now apply to all schools and licensed child care centers | | | |
| Temporary Food Inspection Fees | | | \$1,860 |
| 1-3 Day Event | \$15 | \$30 | |
| 4-14 Day Event | \$30 | \$60 | |
| No exemptions for non-profits | | | |
| Swimming Pool Operating Permit | | | \$21,900 |
| Seasonal Permit | \$125 | \$250 | |
| Annual Permit | \$200 | \$400 | |
| Total Health Fee Increases | | | \$113,145 |
| Planning | | | |
| Minor subdivision | \$200 + \$1/lot | \$300+\$5/lot | \$1,080 |
| Preliminary plat | \$200+\$1/lot | \$400+\$5/lot | \$950 |
| Final plat | \$200+\$1/lot | \$200+\$5/lot | \$600 |
| Replat | \$180.00 | \$200+\$5/lot | \$150 |
| Subdivision variance | \$120.00 | \$250.00 | \$130 |
| Street/alley vacation | \$150.00 | \$250.00 | \$100 |
| Zoning map amendment (rezoning) | \$200.00 | \$200 to \$1,000 | \$200 |
| Planned District zoning (rezoning) | \$200.00 | \$200 to \$1,000 | \$1,300 |
| Development plan amendment - minor | no charge | \$100.00 | \$300 |
| Development plan amendment - major | \$200.00 | \$200.00 | \$400 |
| PD development plan | \$200.00 | \$200 to \$1,000 | \$2,200 |
| Annexation | no charge | \$250.00 | \$1,250 |
| Easement vacation | \$120.00 | \$250.00 | \$1,300 |
| | | | \$9,960 |
| Where applicable, advertising, mailings, and document recording fees shall be charged separately. | | | |
| Total General Fund Fee Increases | | | \$123,105 |

Fees and User Charge Changes Detail - continued

| Fee | Current Fee | Proposed Fee | Estimated Revenue to be Generated from the Fee Increase |
|--|-------------|--------------|---|
| Reservation & Special Park Use Fees | | | \$4,188 |
| Small Shelter Reservation Fee | \$30.00 | \$32.00 | |
| Large Shelter reservation Fee | \$40.00 | \$42.00 | |
| Island Shelter Special Use fee | \$25.00 | \$30.00 | |
| Special Park Use Fee | \$25.00 | \$30.00 | |
| Park Wedding Fee | \$25.00 | \$30.00 | |
| Sports Program/Activity Increases | | | \$39,369 |
| Adult Volleyball - per game | \$29.00 | \$34.00 | |
| Adult Kickball - per game | \$21.00 | \$26.00 | |
| Adult Softball - per game | \$29.00 | \$34.00 | |
| Adult Basketball - per game | \$35.00 | \$40.00 | |
| Adult Activity Fee | \$1.35 | \$1.60 | |
| Youth Activity Fee | \$1.35 | \$1.60 | |
| Active Kids Club - School -Per day | \$3.00 | \$4.00 | |
| Active Kids Club - Summer - per week | \$25.00 | \$30.00 | |
| Armory Rentals | | | \$1,950 |
| Armory Gym Rental - business hrs. - per hr | \$16.50 | \$25.00 | |
| Armory Gym Rental - after business hrs - per hr | \$33.00 | \$40.00 | |
| Athletic Field Rental Increases | | | \$17,763 |
| Unmarked Baseball/Softball Field w/o lights per hr | \$16.50 | \$18.00 | |
| Unmarked Baseball/Softball field with lights per hr | \$22.00 | \$24.00 | |
| Marked Baseball/Softball Field per game based on 1.5 hrs per game | \$49.00 | \$75.00 | |
| Marked Baseball/Softball Field Full Day | \$160.00 | \$170.00 | |
| Rainbow Softball Field Sunday per day | \$160.00 | \$145.00 | |
| Soccer Fields 1,2,3,6; Football/Lacrosse Fields 5-6; per game based on 1.5 hrs | \$38.00 | \$60.00 | |
| Soccer Fields 1,2,3,6; Football/Lacrosse Fields 5-6; per day | \$160.00 | \$136.00 | |
| Soccer Fields 7-19; Football Fields 1-4; per game based on 1.5 hrs per game | \$24.50 | \$45.00 | |
| Soccer Fields 7-19; Football Fields 1-4 per day | \$138.00 | \$102.00 | |
| Lighted Soccer Fields 4 -5; per game based on 1.5 hrs per game | \$73.75 | \$78.00 | |
| Lighted Soccer Fields 4 -5 per day | \$182.00 | \$187.00 | |
| Tennis Courts - lighted- per game based on 1 hr per game | \$11.00 | \$15.00 | |
| Tennis courts - Lighted - Per day | \$33.00 | \$51.00 | |
| Community Recreation | | | \$600 |
| Stars Summer Camp | \$35.00 | \$50.00 | |
| Sunset Summer camp | \$15.00 | \$25.00 | |
| Aquatics | | | \$12,082 |
| Child Rec Swim day pass | \$2.25 | \$2.50 | |
| Child 20 Swim pass book | \$35.00 | \$37.50 | |
| Adult Rec Swim day pass | \$3.50 | \$3.75 | |
| Adult 20 Swim Pass book | \$54.00 | \$56.25 | |
| Golf | | | \$40,688 |
| Individual Any Day Annual Pass | \$575.00 | \$648.00 | |
| Senior Any Day Annual Pass | \$440.00 | \$518.00 | |
| Family Any Day Annual Pass | \$850.00 | \$1,101.00 | |
| Family - Additional Family Member | \$150.00 | \$200.00 | |
| Senior Family Any Day Annual Pass | \$630.00 | \$829.00 | |
| Individual M-F Annual Pass | N/A | \$560.00 | |
| Senior M-F Annual Pass | N/A | \$448.00 | |
| Family M-F Annual Pass | N/A | \$953.00 | |
| Family M-F - Additional Family Member | N/A | \$150.00 | |
| Senior Family M-F Annual Pass | N/A | \$717.00 | |
| Individual Any Day 10 Rd punch pass | \$150.00 | \$189.00 | |
| Individual Any Day 20 Rd Punch pass | N/A | \$357.00 | |
| Individual Any Day 10 Rd Punch Pass with cart | \$250.00 | \$297.00 | |

Fees and User Charge Changes Detail - continued

| Fee | Current Fee | Proposed Fee | Estimated Revenue to be Generated from the Fee Increase |
|---|-------------|------------------|---|
| Recreation Services - Golf Continued | | | |
| Individual Any Day 20 Rd punch Pass with Cart | N/A | \$561.00 | |
| Individual M-F 10 Rd Punch Pass | N/A | \$145.00 | |
| Individual M-F 20 Rd Punch Pass | N/A | \$273.00 | |
| Individual M-F 10 Rd Punch Pass with cart | N/A | \$252.00 | |
| Individual M-F 20 Rd Punch Pass with cart | N/A | \$476.00 | |
| Season Individual Cart Pass | \$600.00 | \$624.00 | |
| Season Family Cart Pass | \$1,000.00 | \$1,092.00 | |
| Daily Trail Fee Private Cart | \$8.00 | \$10.00 | |
| Season Trail Fee Private Cart | \$250.00 | \$336.00 | |
| Private Cart Storage Fee | \$250.00 | \$308.00 | |
| Pull Carts Daily Rental | \$3.00 | \$5.00 | |
| Club Rentals | \$8.00 | \$10.00 | |
| 50 Plus Programs | | | \$7,675 |
| Oak Tours Singe Annual Membership | \$10.00 | \$20.00 | |
| Oak Tours Couple Annual Membership | N/A | \$35.00 | |
| SLAC Annual Activity Fee | N/A | \$20.00 | |
| Adaptive Recreation/Sports | | | \$8,935 |
| Adaptive Dances Admission | \$3.00 | \$4.00 | |
| Adaptive Recreation Night Admission | \$3.00 | \$4.00 | |
| Sport Participation Fee | N/A | \$15.00 | |
| Transportation Fee | N/A | \$15.00 | |
| Activity and Recreation Center | | | \$38,178 |
| Youth Daily admission | \$3.15 | \$3.25 | |
| After School Youth admission | \$2.00 | \$2.25 | |
| Adult Daily admission | \$5.25 | \$5.50 | |
| Senior Daily admission | \$3.15 | \$3.25 | |
| Family Daily admission | \$12.60 | \$13.00 | |
| 30 Day Youth pass | \$21.00 | \$23.00 | |
| 30 Day Adult pass | \$33.00 | \$35.00 | |
| 30 Day Family pass | \$49.00 | \$51.00 | |
| 30 Day Senior pass | \$21.75 | \$23.75 | |
| 30 Day Senior Couple pass | \$26.00 | \$28.00 | |
| Camp Adventure Sessions I-IV | \$205.00 | \$215.00 | |
| Camp Adventure Escapade week | \$102.50 | \$107.50 | |
| Sunrise/Sunset camp | \$15.00 | \$20.00 | |
| Water Zone Rental 1-100 people; per hr rate with 2 hr minimum | \$132.00 | \$140.00 | |
| Water Zone Rental 101-150 people; per hr rate with 2 hr minimum | \$176.00 | \$185.00 | |
| Water Zone Rental 151-200 people; per hr rate with 2 hr minimum | \$220.00 | \$235.00 | |
| Water Zone Rental 201-250 people; per hr rate with 2hr minimum | \$330.00 | \$345.00 | |
| Water Zone Rental 251-300 people; per hr rate with 2 hr minimum | \$430.00 | \$445.00 | |
| Total Recreation Services Fees | | | \$171,428 |
| Water Fund | | | |
| Backflow Prevention Administration Fee | N/A | \$0.77 per month | \$62,093 |
| Sewer Fund: | | | |
| Sanitary Sewer Connection Charges 5/8" & 3/4" water meter size (chart change in ordinance for various meter size) | \$700.00 | \$800.00 | \$150,000 |
| Streets: | | | |
| Development charge (per sq. foot of total floor area of new construction) | \$0.25 | \$0.50 | \$360,000 |