

City of Columbia Financial Review

June 12, 2006

Financial Review

- Six months 2006 – Oct1st – Mar 31st
- Fiscal 2006 Estimates
- Projections 2007
- Capital Improvement Plan

Overall Financial Status

6 Months

- City continues to be in sound financial condition.
- Most but not all organizational changes have been implemented.
- General Fund has favorable budget variances in both revenues & expenditures.

Overall Financial Status

6 Months

- Enterprise funds – The use of cash for Capital Improvements has reduced cash balances.
- Fuel cost – Up significantly from last year but still under 50% of budget.
- Health and Self Insurance operating losses are better than last year but not as positive as budgeted.



Six Month Financial Review General Fund

- Revenues

- Overall revenues up 7.8% from last year at this time – budget 4.6%
- Sales tax growth rate 6.5% at 6 months- budget 4.5% (Growth rate varies significantly from month to month. As of May 5.9% increase)
- Property tax \$250,000 over budget due to reassessment.

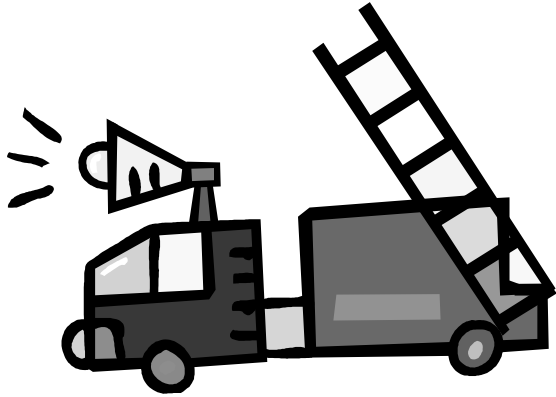
Six Month Financial Review

General Fund

- Revenues

- PILOT growth rate 5.2% - budget 8.8% (Most revenue is generated in summer months and is weather dependent)
- Fine Revenue lower than last year.
- Gasoline Tax lower than last year. Tax based on number of gallons and higher prices generally mean fewer gallons sold.

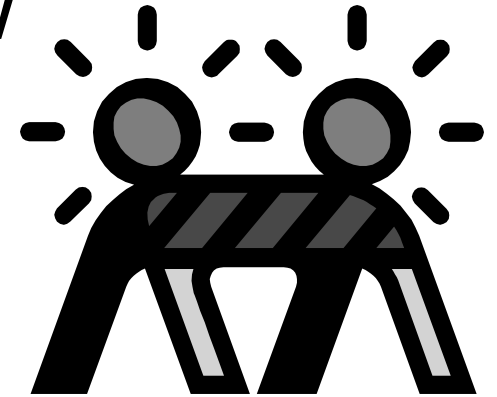




Six Month Financial Review General Fund

- Expenditures
 - Overall expenditures up 2.5% – budget 4.6%. Only purchased 14% of capital items, most will be purchased in last 6 months.
 - Personnel cost up 4.5% - budget increase 6.6%. At 46.5% of budget due to vacancies.
 - Supplies & Materials up 18.2% - purchased communications equipment with grant funding.

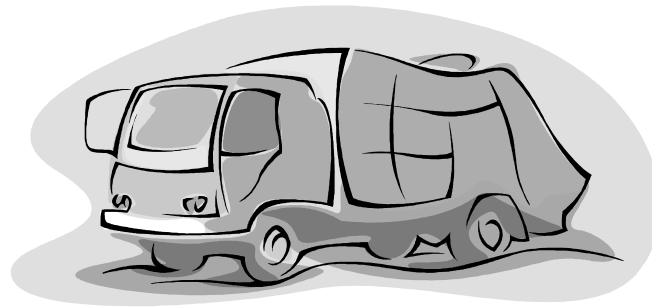
Six Month Financial Review General Fund



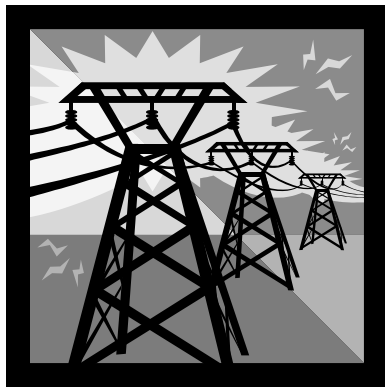
- Expenditures
 - Fuel up 16% over last year
 - Street Division over 50% of budget
 - Parks (46% of budget) is lower due to seasonality of use
 - Utilities, Services & Misc. up 14.6%
Increase over last year due to budgeted increase for street maintenance - Spent 42% of budget

**General Fund
Expenditures By Department
Six Months Fiscal Year 2006**

	FY 2006 Revised Budget	Actual FY 2006 6 Months	% of Budget
City Council	\$ 299,263	\$ 136,358	45.56%
City Clerk	\$ 257,828	\$ 155,803	60.43%
City Manager	\$ 880,591	\$ 458,052	52.02%
Finance Department	\$ 3,216,697	\$ 1,523,292	47.36%
Human Resources	\$ 764,026	\$ 367,444	48.09%
Law Department	\$ 934,383	\$ 418,806	44.82%
Municipal Court	\$ 697,796	\$ 302,681	43.38%
Police Department	\$ 16,582,886	\$ 7,638,920	46.07%
Fire Department	\$ 11,963,772	\$ 5,608,841	46.88%
Health Department	\$ 5,406,003	\$ 2,264,325	41.89%
JCIC & Emergency Management	\$ 2,551,121	\$ 1,212,229	47.52%
Planning & Development	\$ 747,939	\$ 332,409	44.44%
Economic Development	\$ 348,431	\$ 171,694	49.28%
Community Services	\$ 1,576,269	\$ 607,950	38.57%
Parks & Recreation	\$ 4,255,636	\$ 1,693,990	39.81%
Public Works	\$ 9,373,344	\$ 4,050,512	43.21%
City General	\$ 5,547,016	\$ 2,489,133	44.87%
Total Department	\$ 65,403,001	\$ 29,432,439	45.00%



Enterprise Funds



Enterprise Funds

	Actual Revenues 3-31-06	Actual Expenses 3-31-06	Net Income or (Loss) Trsf. to R.E.
Electric Utility	\$41,479,134	\$40,651,093	\$828,041
Water Utility	\$6,510,650	\$6,898,217	(\$387,567)
Railroad	\$494,892	\$440,755	\$54,137
Sanitary Sewer Utility	\$4,718,347	\$5,057,354	(\$339,007)
Regional Airport	\$942,245	\$945,804	(\$3,559)
Public Transportation	\$2,942,833	\$1,990,698	\$952,135
Solid Waste	\$5,756,333	\$5,903,040	(\$146,707)
Parking Facilities	\$1,268,302	\$959,626	\$308,676
Recreation Services	\$5,223,887	\$3,562,131	\$1,661,756
Storm Water Utility	\$879,499	\$789,702	\$89,797
Total	\$70,216,122	\$67,198,420	\$3,017,702

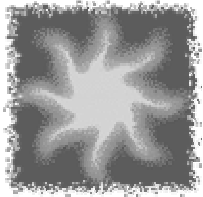


Six Month Financial Status Enterprise Funds

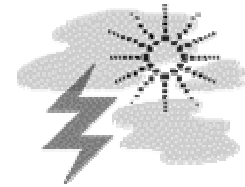


On The Bright Side

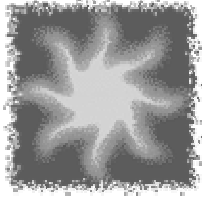
- Total net income exceeded \$3 million
- Public Transportation – Release of federal operating funds increased net income
- Parking Facilities – Net income above budgeted amount
- Storm Water – Operating income increased from last year. Net income lower due to grant receipts in 2005



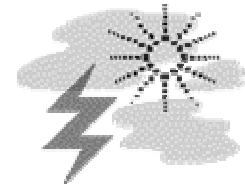
Six Month Financial Status Enterprise Funds - Continued Watching the Forecast



- Electric – Summer season will significantly affect year end results - Temporary plant closures at Sikeston and Nearman increased cost of power for April/May
- Water – Seasonal loss should be reversed during summer. Amount of 2006 loss less than 2005 at 6 months
- Sanitary Sewer – Timing of large maintenance expense caused net income to be lower than 2005 - Will not have this expense in last six months

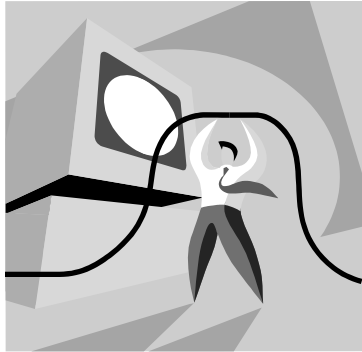


Six Month Financial Status Enterprise Funds - Continued

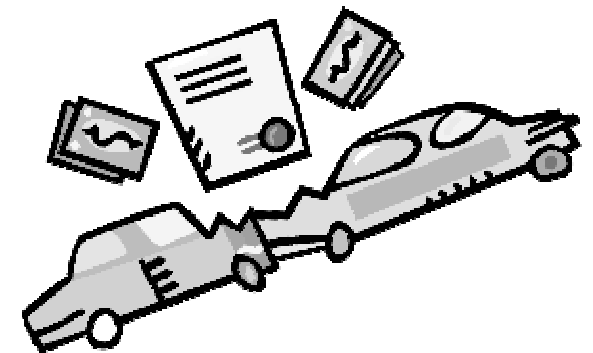


Watching the Forecast

- Airport – Revenues down due to decreased activity
- Solid Waste – Operating loss first six months due to increased costs including fuel
- Recreation Services – Net income includes transfer in for principal payment on ARC - Without this portion of the transfer would have loss of \$760,000
ARC operation break even

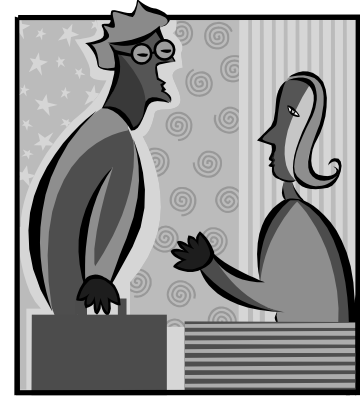


Internal Service Funds



Six Month Financial Status

Internal Service Funds



- Budgeted use of fund balance in most operations - Do not anticipate using total amount budgeted in most funds
- Employee Benefit Fund (Health Insurance) – slight loss in excess of budget - Wellness programs are starting to show results
- Self Insurance Fund – loss is anticipated to exceed budget by year end

Internal Service Funds

	Actual Revenues 3-31-06	Actual Expenses 3-31-06	Net Income or (Loss) Trsf. to R.E.
Custodial & Maintenance Services	\$401,562	\$461,561	(\$59,999)
Utility Customer Services	\$687,771	\$780,475	(\$92,704)
Information Services	\$1,637,663	\$1,764,521	(\$126,858)
Public Communications	\$512,819	\$364,776	\$148,043
Fleet Operations	\$2,929,853	\$2,837,955	\$91,898
Self Insurance Reserve	\$1,127,124	\$1,679,289	(\$552,165)
Employee Benefit Fund	\$4,952,246	\$4,979,627	(\$27,381)
Total	\$12,249,038	\$12,868,204	(\$619,166)



Forecast for FY 2006

Looking to the future

- Better than budget results expected in most funds.
 - General fund expenditures at 98% of budget or less
 - Keeping a close watch on fuel costs
 - General Fund Revenues 101% of budget
 - Telecommunication Tax lower due to timing of changes in state laws
 - Will finalize Sales Tax and PILOT estimates during the budget process as we get closer to year end.

Forecast for FY 2006

Looking to the future



- Seasonal trends in Water, Electric and Recreation Services will determine forecast for these funds.
 - Cost of power will significantly affect income in Electric Utility – highly market dependent
 - Weather will affect revenue in Water Utility Electric Utility and activity in Recreation Services Fund.
- Fuel costs will have major effect on cost for many enterprise funds, especially Solid Waste operations.

Forecast for FY 2006

Looking to the future



- Health Care costs will need to be monitored closely for the remainder of the year. Adjustments will need to be made to next year's budget. Need to plan for OPEB (Other Post Employment Benefits) cost increases.
- Self Insurance claims will also need to be monitored closely for the remainder of the year.
- Continue to monitor Sales tax receipts to determine if rising cost of gas reduces spending.