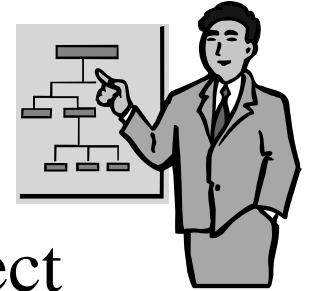


2007 Budget Outlook

City Wide Issues



- Organizational/Accounting Changes that will affect budget.
 - Move CATV to Public Communications (Organizational Change)
 - Increases in Web and City Channel fees to departments
 - Full year for new positions added – Communication Director, Planner – GIS Coordinator, Rail Road Administrator, & Planning and Development Manager (Organizational & Accounting Change)
 - Move Cultural Affairs and Volunteer Services into the General Fund (Accounting Change) .

City Wide Issues – Personnel Issues

- OPEB (Other Post Employment Benefits) – cost of providing health premium subsidies to retirees - need to start phasing out subsidized rate structure
- Healthcare cost – goal to reduce \$500,000 subsidy - will also need to increase premiums to cover anticipated increase in medical/dental claims cost - total increase of 15% - 20% is likely
- Pay Package at least sufficient to cover increased costs of insurance to employees
- Address issues identified in Employee Survey
- Cost of implementing reclassification study
- Salary survey issues
- Objective to also improve bottom end of pay scale





City Wide Issues – Other Costs

- Space needs – increases in leased space
- Self Insurance increase of 25% city wide
- Fuel costs
- Anticipate rate increases in Electric, Water, Sewer, and Solid Waste

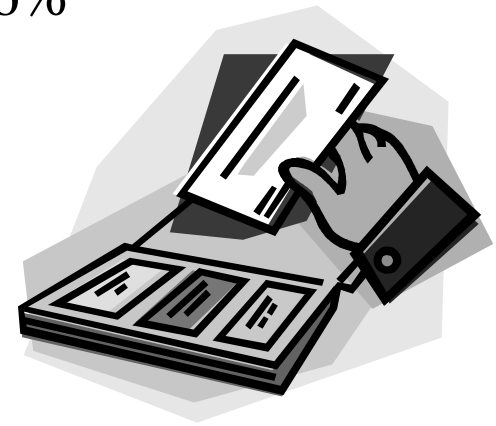
General Fund Revenues

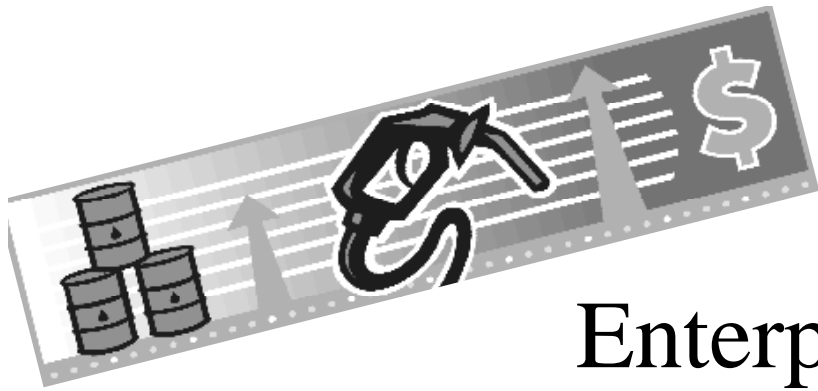
- Sales Tax growth continues to be strong 5.9% through May
- Property Tax revenue continues strong growth, maintain our current levy amount of \$0.41
- Anticipate good growth in PILOT
- Need to monitor Fine Revenue
- Shift \$90,000+ Cable Franchise fee from General Fund to Public Communication



General Fund Expenditures

- Cost before any pay package enhancements or increases in health insurance cost are up 1.6% due primarily to pension costs
 - LAGERS rate stayed same at 13.9%
 - Police Pension changed from 30.54% to 30.56%
 - Fire Pension changed from 34.68% to 41%
- Increased fuel costs
- Self Insurance costs are increasing more in General Fund due to claims history in Public Safety

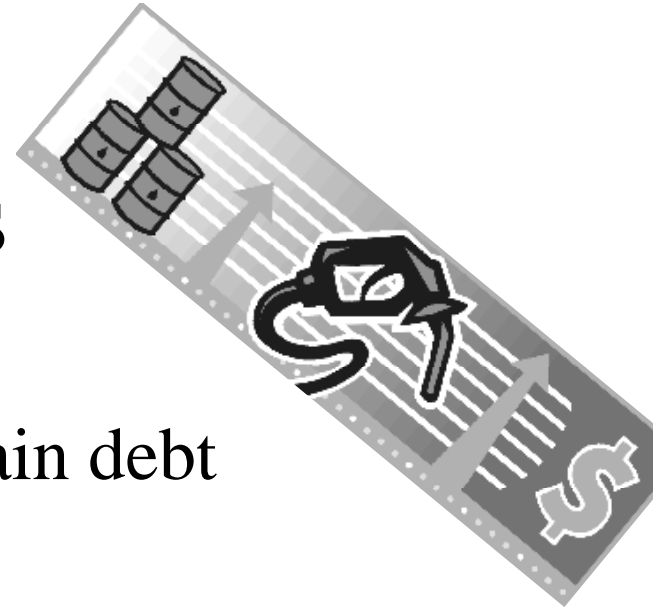




Enterprise Fund Projections

- Electric – need to start phasing in rate increases in 2007 to offset significant cost increases for power contract in 2008
 - Number of customer increase Mar 2005 – Mar 2006:
1,473 customers or 3.6%
- Water – scheduled 3.5% rate increase to cover bonds - additional rate increase needed to cover cost of operations
 - Number of customer increase Mar 2005 – Mar 2006:
1,420 customers or 3.6%

Enterprise Fund Projections



- Sanitary Sewer – Increase to maintain debt coverage and cover operating costs
 - Number of customer increase Mar 2005 – Mar 2006:
1,478 customers or 3.9%
- Solid Waste – Rate increase to cover higher operational and fuel costs
 - Number of customers increase Mar 2005 – Mar 2006:
1,452 customers or 3.9%



Internal Services Funds

- Continue to plan to reduce balances in:
 - Custodial & Building Maintenance
 - Information Technology
 - Self Insurance
 - Utility Customer Services
- Employee Benefit Fund – will again require some subsidy to maintain minimal balance
- Fleet has no increase in labor-charge out rate to departments or planned use of balances

Budget Guidelines

- Generally 2% increases for most categories
- 2% increase for Arts Contract funding
- 2% increase for Social Services



Capital Balances

	Estimated Ending 2006 Available	
Transportation		
Capital Balance (Accum Int.)	\$2,970,000	
Transportation Sales Tax	\$15,000	
Special Road District Tax	\$2,900,000	
Development Charges	\$1,000,000	
Total	\$6,885,000	
Less Reserve Requirement	\$1,500,000	
Estimated Ending FY 2006	\$5,385,000	Allocated to Road Plan

Capital Balances

	Estimated Ending 2006 Available
Parks	
Capital Balance (Accum Int.)	\$825,000
Parks Sales Tax	\$3,430,000
Total	\$4,255,000
Less Reserve Requirement	\$1,000,000
Estimated Ending FY 2006	\$3,255,000

Capital Plan is totally funded with 1/8th cent tax extension. Operating transfers are less than permanent 1/8th cent tax.

Capital Balances

	Estimated Ending 2006 Available
Public Safety	
Quarter Cent Sales Tax Collections	\$260,000
Capital Balance (Accum Int.)	\$1,750,000
Total	\$2,010,000
Less Reserve Requirement	\$750,000
Estimated Ending FY 2006	\$1,260,000

Capital Balances

	Estimated Ending 2006 Available	
Other		
Capital Balance (Accum Int.)	\$350,000	
2001 Public Bldgs Bond Bal.	\$1,100,000	Reserve for Public Buildings
Public Improvement Fund	\$1,500,000	Reserve for Public Buildings
Quarter Cent Sales Tax Collections	\$1,640,000	Reserve for Debt Service
GO Bond Reserve	\$500,000	Reserve for Public Buildings
Total	\$5,090,000	
Less Reserve Requirement	\$1,500,000	
Estimated Ending FY 2006	\$3,590,000	
Designated Loan Fund	\$2,600,000	

Capital Improvement Plan

The City of Columbia's Capital Improvement Program (CIP) is a multi-year plan for capital investments in the City's infrastructure, facilities and equipment that is designed to address the challenges for supporting future infrastructure needs, while also addressing the City's current facility requirements.

CIP Building Blocks

The CIP includes projects that are founded in the City's Master Plans, including:

Planning Department Master Plans

- o Sidewalks
- o Bicycles
- o Metro 2020
- o 2025 Transportation
- o Metro Greenbelt/Trails

Master Plans

- Fire FLAME Study
- Airport Master Plan
- Parks & Recreation Master Plan
- Water & Light
 - Electric Distribution
 - Water Distribution
 - Water System
- Sewer Facility Plan

Development of the CIP

Month	Task
January	Projects discussed within departments
February	Project priorities are discussed between departments and City administration.
March	Final project requests are submitted by departments.
April	Requests are compiled into a CIP document.
May/June	Preliminary CIP is compiled and is reviewed by City Manager. CIP is also reviewed by the Planning & Zoning Commission.
Late June	Council reviews and approves the CIP and the CIP document is finalized. CIP then becomes a financial document.
July	CIP is presented to Council with budget document.
August	Budget hearings are held.
September	Budget hearing incorporating final revisions and adoption of yearly CIP with approved adjustments.

Funding the CIP

- Capital Improvement Sales Tax
- Parks Sales Tax
- Development Charges
- Special Road District Tax Fund
- Transportation Sales Tax Fund
- Designated Loan Fund
- Public Improvement Fund
- Other Capital Funds (Bond Funds)
- Revenue Bonds
- Enterprise Revenues
- Grants as available