

## ENDING FUND BALANCES

Table 1 and Graph 1 illustrate the City's ending fund balances between 2004 and 2008. The fund balances are segregated into three major components; reserved/designated (such as Strategic Reserve), contingency and unreserved/undesignated.

**Table 1**

### ENDING FUND BALANCES - GENERAL GOVERNMENT FUNDS:

	2004	2005	2006	2007	2008
	Actual	Actual	Revised	Adopted	Adopted
<b>Reserved/Designated</b>					
General Fund	\$ 774,556	\$ 869,588	\$ 729,820	\$ 672,383	\$ 710,006
Street Operating Fund	184,777	628,484	206,239	-	-
Recreation Fund	-	24,426	-	-	-
Strategic Reserve Fund	846,041	881,210	916,332	952,985	991,104
Equipment Rental Fund	2,158,815	2,150,271	2,292,982	2,447,166	2,669,084
Hotel/Motel Tax Fund	19,429	28,449	25,778	20,000	-
Solid Waste Service Fund	68,725	66,058	53,558	44,631	35,704
Accumulated Leave Reserve	955,495	732,414	758,659	278,659	289,819
<b>Subtotal Reserved/Designated</b>	<b>5,007,838</b>	<b>5,380,900</b>	<b>4,983,368</b>	<b>4,415,824</b>	<b>4,695,717</b>
<b>Contingency</b>					
General Fund	-	-	-	268,952	284,001
Contingency Fund	-	-	-	-	-
<b>Subtotal Contingency</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>268,952</b>	<b>284,001</b>
<b>Unreserved/Undesignated</b>					
General Fund	2,089,494	4,083,361	3,282,806	1,964,899	1,615,098
Recreation Fund	40,219	-	15,000	-	-
Debt Service Fund	246,798	-	6,551	-	-
Hotel/Motel Tax Fund	-	-	-	3,209	1,239
<b>Subtotal Unreserved/Undesig.</b>	<b>2,376,511</b>	<b>4,083,361</b>	<b>3,304,357</b>	<b>1,968,108</b>	<b>1,616,337</b>
<b>Total Ending Fund Balances</b>	<b>\$ 7,384,349</b>	<b>\$ 9,464,261</b>	<b>\$ 8,287,725</b>	<b>\$ 6,652,884</b>	<b>\$ 6,596,055</b>

### ENDING FUND BALANCES - CAPITAL FUNDS:

	2004	2005	2006	2007	2008
	Actual	Actual	Revised	Adopted	Adopted
<b>Reserved/Designated</b>					
Real Estate Excise Tax Fund	\$ 1,331,528	\$ 667,623	\$ 843,322	\$ 91,557	\$ -
Street Construction Fund	2,950,040	2,746,471	2,721,347	1,997,900	1,377,144
Capital Improvement Fund	274,468	161,076	95,099	415,059	20,870
Facilities Construction Fund	1,694,804	330,736	291,556	-	-
<b>Subtotal Reserved/Designated</b>	<b>\$ 6,250,840</b>	<b>\$ 3,905,906</b>	<b>\$ 3,951,324</b>	<b>\$ 2,504,516</b>	<b>\$ 1,398,014</b>

**ENDING FUND BALANCES - UTILITY FUNDS:**

	2004	2005	2006	2007	2008
	Actual	Actual	Revised	Adopted	Adopted
<b>Reserved/Designated</b>					
Storm Water Utility Fund	\$ 113,679	\$ 126,536	\$ 134,776	\$ 139,349	\$ 142,504
Sewer Utility Fund	351,192	420,422	396,852	379,510	401,816
Water Utility Fund	344,471	332,569	400,552	345,558	355,505
Storm Water Construction Fund	1,082,792	1,142,291	324,540	49,955	3,624
Sewer Construction Fund	776,859	983,751	302,764	499,635	271,766
Water Construction Fund	1,857,783	604,052	448,498	1,491,847	565,678
Water/Sewer Revenue Bond Fund	235,438	149,590	150,838	-	-
<b>Subtotal Reserved/Designated</b>	<b>4,762,214</b>	<b>3,759,211</b>	<b>2,158,820</b>	<b>2,905,854</b>	<b>1,740,893</b>
<b>Contingency</b>					
Sewer Utility Fund	250,000	250,000	-	-	-
Water Utility Fund	250,000	250,000	-	-	-
<b>Subtotal Contingency</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unreserved/Undesignated (for future construction projects)</b>					
Storm Water Utility Fund	616,268	555,408	373,773	817	655,171
Sewer Utility Fund	679,923	699,842	369,138	39,426	846,195
Water Utility Fund	1,635,534	1,771,632	1,315,527	2,514	5,505
<b>Subtotal Unreserved/Undesig.</b>	<b>2,931,725</b>	<b>3,026,882</b>	<b>2,058,438</b>	<b>42,757</b>	<b>1,506,871</b>
<b>Total Ending Fund Balances</b>	<b>\$ 8,193,939</b>	<b>\$ 7,286,093</b>	<b>\$ 4,217,258</b>	<b>\$ 2,948,611</b>	<b>\$ 3,247,764</b>
Total Reserved/Designated	\$ 16,020,892	\$ 13,046,017	\$ 11,093,512	\$ 9,826,194	\$ 7,834,624
Total Contingency	500,000	500,000	-	268,952	284,001
Total Unreserved/Undesignated	5,308,236	7,110,243	5,362,795	2,010,865	3,123,208
<b>ENDING FUND BALANCE TOTALS</b>	<b>\$ 21,829,128</b>	<b>\$ 20,656,260</b>	<b>\$ 16,456,307</b>	<b>\$ 12,106,011</b>	<b>\$ 11,241,833</b>

**Reserved/Designated Ending Fund Balances:**

The first component of ending fund balances, totaling \$9,826,194 in 2007 and \$7,834,624 in 2008, are those moneys which have been earmarked for a strategic reserve fund (\$952,985 in 2007 and \$991,104 in 2008), equipment replacement reserves and accumulated leave reserves (\$278,659 in 2007 and \$289,819 in 2008), and General Fund reserves totaling 5% of operating expenditures (\$672,383 in 2007 and \$710,006 in 2008). The purpose of the strategic reserve is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters, or similar major, unanticipated events. Equipment replacement reserves are collected through charges to the City's General Fund and Utility Funds, permit the accumulation of cash for future replacement of the City's equipment and vehicles to smooth out further budgetary impacts.

Also included in reserved/designated ending fund balances are operating reserves for the three utility funds that total 15% of total operating expenditures in the funds. The utility construction fund balances are included in the reserved/designated fund balance as these funds are reserved for construction. All Capital Fund balances are reserved for capital construction projects.

**Contingency Reserve Ending Fund Balances:**

The second component of ending fund balances are those funds reserved for unanticipated future expenditures. For 2007, contingency reserves total \$268,952. For 2008, contingency reserves total \$284,001. These amounts represent 2% of General Fund operating expenditures and are reserved within the General Fund. This reserve replaces the Contingency Fund that was previously used for reserves for contingencies. The contingency reserves in the Utility funds no longer exist in 2007 and 2008 due to a change in the financial policies in 2006.

**Unreserved/Undesignated Fund Balances:**

The unreserved/undesignated fund balance is the balance of net financial resources that are available for appropriation. This portion of funding is not legally restricted and is available to the Council for one-time appropriation in 2007 or 2008. The 2007/2008 Adopted Budget estimates the unappropriated fund balance to total \$2,010,865 in 2007 and \$3,123,208 in 2008.

