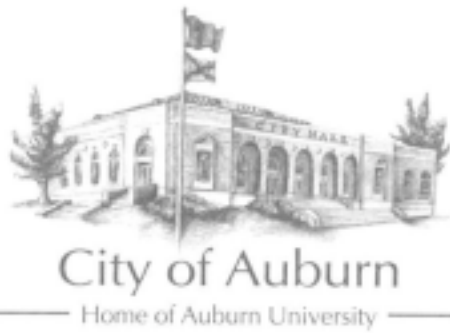


Triennial Revenue Review 2003



City of Auburn Alabama

April 3, 2003



MEMORANDUM

To: City Council

From: City Manager

Date: April 3, 2003

Re: Revenue Review

Over the past two decades, the City of Auburn has followed several principles in its budgeting and financial management:

1. **Establish priorities and set goals to address the priorities.** Through Auburn 2000, Auburn 2020, and the annual/biennial budgets, the City Council has agreed upon the most important projects and services and has budgeted money to provide for them. Specific goals have been written and approved by the members of Council as part of the budgeting process. The Capital Improvement Program outlines major expenditures over the next six years and the Long Range Goals provide consensus on the projects and programs considered most important by the Council.
2. **Build flexibility into the budget by controlling operating expenses.** The greatest expense for most governments is personnel cost, some as high as 80 percent of their total budgets. The problem with personal service expenses at that high level is that the government has little choice but to lay off employees when the budget becomes tight. Evidence of this problem is abundant in Alabama at this time. We have had a goal of keeping our personal services budget under 50 percent of the total General Fund budget. On the other hand, we have had a commitment to pay our employees well and to provide excellent benefits.
3. **Have reasonable reserves.** Through careful budgeting and financial management, the City has been able to create a reasonable reserve to help us through difficult times or to face emergencies. When the Governor declared proration two years ago, the City Council was in a financial position to provide assistance to the Schools. When Hurricane Opal struck in 1994, the City had the funds to provide a quick and effective cleanup prior to receiving

any reimbursement from the federal government. Two years ago, the Council agreed to the establishment of a \$4 million permanent reserve fund to supplement the City's normal ending balance.

4. **Maintain an excellent credit rating for the issuance of debt.** We have used debt service on occasion for major projects. Most of our bond issues have been for the Schools' benefit or for projects approved by the voters using the Five Mill Bond Fund. As a result of our stewardship of the City's funds, the City enjoys one of the highest bond ratings in the State of Alabama from both Moody's and Standard and Poor's. Since the ratings reflect strongly on the City, we have worked hard to maintain our excellent standing on a national level.

The Challenges

School Funding Crisis- We are now facing a critical time in the City's history because of the "financial crisis of historic proportions" that is facing the State of Alabama. School funding from the State is generally acknowledged to be inadequate to provide quality education for the school children of the State. Now, the State has informed school systems that they can expect reductions in their appropriations by six percent next fiscal year. Superintendent Terry Jenkins has informed the Council that the Auburn City Schools will need an additional \$2.1 million to maintain its current programs (see Appendix G).

Jail Expansion Costs- Lee County is working actively on an expansion of its jail that may cost the City up to \$5 million. Last year, we entered into a contract with the County for the incarceration of our prisoners. The contract has worked well for both Auburn and the County. It has relieved a major liability for us and has resulted in approximately the same costs that we had in providing our own jail. However, with the growth of the County and mandatory jail sentencing, the need for an expansion of the jail is here.

Appendix A shows the projected effect on the balance of the General Fund at the end of fiscal 2004, assuming that additional funding is provided to the City Schools and that the City makes annual repayments on debt issued to finance the City's share of the jail expansion. If the reduction in fund balance is as significant as projected, it is very likely that the City's bond rating will be adversely affected

The Options

In order for the City to maintain the four financial objectives described above, it will be necessary for the Council to consider various options for the next three years. Some of the options involve raising additional revenue. An additional option involves eliminating major projects that are scheduled in the Capital Improvement Program and a

gradual dwindling of our reserves. This latter strategy may get us through this term of office but will certainly jeopardize the City's excellent financial standing. We recommend against this option. The other options to raise revenue to put the Schools on a firm financial basis and pay for our share of the new jail are as follows:

Increase the sales tax by one-half of one percent- Among the largest cities in the State, Auburn has the lowest sales tax. In Appendix B, we have included the tax rates of all the major cities in Alabama, in addition to Opelika, Phenix City, and Columbus. Other than Montgomery, it is most likely that Auburn shoppers will spend their money in one of the three nearby cities. We estimate that a one-half of one percent increase will generate \$2.6 million, which will be sufficient to appropriate the additional money needed by the Schools and pay our portion of the jail expansion. This option may also provide some money that could be appropriated for other high priority projects over the next several years. Our proposal would be to have the additional tax go into effect on August 1, 2003.

Property tax increase- Enclosed as Appendix C is a memo summarizing the options the City has for increasing property taxes. Essentially, under State law, the County has the ability to hold an election to determine if the voters are willing to add three mills of property taxes Countywide. The three mills would generate approximately \$1 million in additional revenue for Auburn Schools. Any other increase in property taxes will have to be authorized by the State Legislature prior to a referendum. In effect, the City has no authority without the State Legislature authorizing it to hold an election to increase property taxes.

Increase the occupational license fee by one-half percent- Currently, Auburn is one-half percent lower than Opelika. If the occupational license fee were raised by one-half percent to the same level as Opelika, it would generate approximately \$2.5 million per year.

Combination of smaller taxes- It would be difficult to raise sufficient revenue through the increase in a number of smaller taxes and fees. For example, if the Council doubled the tobacco tax, the City would realize approximately \$105,000 in new revenue. If the City's lodging tax were doubled, it would produce an additional \$500,000 in revenue. If the business license fees for commercial rental were increased to a more equitable rate, the increase would net the City \$94,500. The Public Safety staff is now reviewing the latest version of the building codes and may recommend increased building permit fees as a result of that review. The total of the increases in these revenue sources will not address the financial shortfall of the City Schools, let alone the jail and other capital needs.

Appendix D shows the projected revenue increases resulting from each of the options described above.

The Proposal

In order to fund the Schools adequately, we propose that the Council increase our General Fund commitment to the Schools to the equivalent of 20 mills of property taxes. Since 1981, the City has budgeted the equivalent of 15 mills of property taxes for the Schools. The actual amount given to the Schools has risen from under \$700,000 to well over \$4 million during that period. However, as a percentage of the City's General Fund budget, the amount given to the Schools has been stable at approximately twelve percent. That indicates that the 15-mill equivalent has been a fair way to appropriate money to the Schools because the Schools have received increases yearly as the City's revenue has grown. The State has recently mandated annual reassessments of property that will mean annual increases in the property taxes. Therefore, in addition to benefiting from the City's growing tax base, the Schools will also benefit from the increase in taxes generated by the annual reassessment.

In addition, the City will continue to work with Lee County to ensure that the expansion of the Jail will take place and then we will have our funding in place to pay our share. If we did not contract with the Sheriff for the care of City prisoners, we would be looking at the need to build our own jail because the old jail was completely inadequate. We determined last year that the cost and liability of having a City jail were too high. We are convinced that the most cost effective solution for the provision of jail services is to contract with the Sheriff's Office.

Other Issues

Franchise Fees- At a recent Council meeting, representatives of Lightwave, LLC appeared before the Council to request that you lessen the amount of the franchise fee charged to telecommunications companies that use the City's right of way. We have requested financial statements from the company and have been assured that they are being sent to us. There is one other company, Interstate Fibernet (ITC Deltacom), paying the City right of way usage fees under the telecommunications ordinance that was passed several years ago. The ordinance requires these companies to pay the greater of five percent of their gross revenue or two dollars per linear foot of right of way occupied as a franchise fee. Charter Communications' franchise was granted prior to the adoption of the telecommunications ordinance. Charter's franchise fee is five percent of gross revenue. We will schedule the discussion on Lightwave's request for a Committee of the Whole agenda as soon as we receive its financial information.

Procedural Changes- There are two procedural changes in the City's business license ordinance that we recommend to Council for favorable action. The first is that rental real estate companies, both residential and commercial, be required to provide a detailed listing by property of the gross rents with each quarterly payment. Currently, we receive a check from rental property owners or their agents with no explanation of the properties for which the payment is being made. The difficulty comes when we are trying to determine if the rental license fee is being paid on a particular property. If we

have the listing, that problem will be addressed. The second is that we change the requirement for a triennial revenue review to a quadrennial review. This change will fit more closely with the City's two year budgeting cycles.

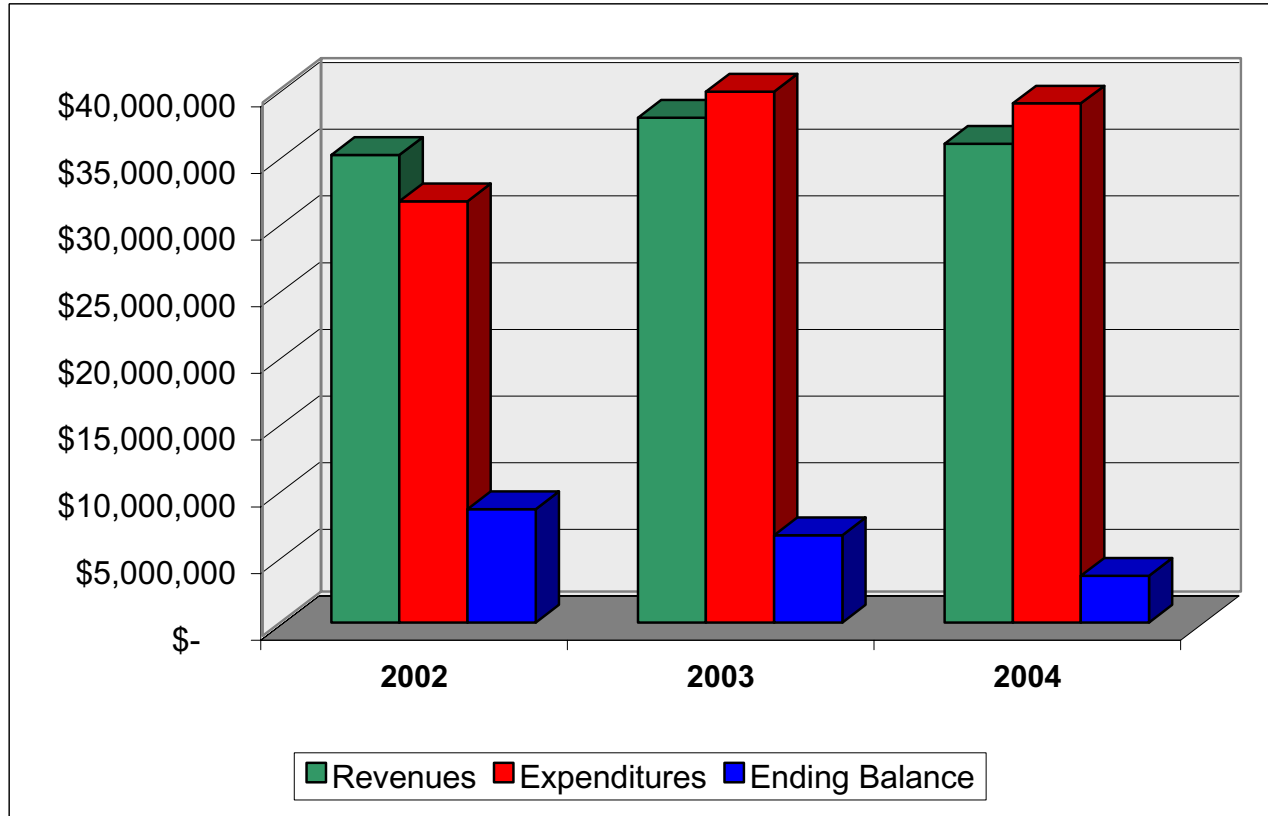
In Conclusion

As shown in Appendix E, the City has taken a restrained approach over the years toward increasing the tax rates and license fees under its control. A quadrennial revenue review will help provide funding that will be sufficient to provide for the citizens' top priorities and to maintain an adequate fund balance, as well as to ensure that taxes and fees are increased only when absolutely necessary.

Appendix A

City of Auburn Revenue Review 2003

General Fund ~ Fund Balance Review



	Audited FY 02	Budgeted	
		FY 03 [^]	FY 04 [~]
Revenues and Resources	\$ 35,059,333	\$ 37,854,796	35,891,585
Expenditures and Uses	<u>31,584,152</u>	<u>39,804,979</u>	<u>38,927,639</u>
Excess (deficit) of sources > uses	3,475,181	(1,950,183)	(3,036,054)
Beginning fund balance*	<u>5,028,160</u>	<u>8,503,341</u>	<u>6,553,158</u>
Ending fund balance*	<u><u>\$ 8,503,341</u></u>	<u><u>\$ 6,553,158</u></u>	<u><u>\$ 3,517,104</u></u>
Ending balance as % of expenditures	26.92%	16.46%	9.03%

* Excludes Permanent Reserve of \$4.1 million

[^] FY 03 budgeted amounts have been revised to reflect updated revenue projections, unbudgeted expenditures approved by Council and departments' prior year carryover from FY 02.

[~] FY 04 budgeted amounts have been revised to reflect a 20 mill equivalent appropriation to the Auburn City Schools and an estimated amount for debt service on borrowing for the jail project.

Appendix B

**City of Auburn Revenue Review 2003
Comparison of Selected Revenue Sources with Other Cities**

City	Population (per 2000 Census)	Mills of Ad valorem Tax		Sales Tax		Occupation License Fee Rate ⁽¹⁾	Lodging Tax Rate	Business License Fee Structure ⁽²⁾	Telecom Franchise Fee Rate
		General Purposes	Schools	Total Rate	City Rate				
Anniston	25,622	19	8	8.0%	4.0%	n/a	10.0%	Gross receipts	None
Auburn	42,601	10	16	7.5%	2.5%	1.0%	4.0% ⁽³⁾	Gross receipts	Greater of \$2/ft ROW or 5% GR
Birmingham	249,459	28.5	12.8	8.0%	3.0%	1.0%	3.0%	Gross receipts & flat rate	\$30/annually
Columbus, GA	181,601	16.63	23.37 ⁽⁵⁾	6.0%	2.0%	n/a	7.0%	Gross receipts	5% of GR
Decatur	54,988	6	22	9.0%	4.0%	n/a	12.0%	Gross receipts & flat rate	2 at 5% of GR 1 at 3% of GR
Dothan	58,383	5	3.5	8.0%	3.0%	n/a	5.0%	Flat rate	1% of GR
Enterprise	21,562	17.5	7	8.0%	3.0%	n/a	2.0%	Flat rate	1% of GR
Florence	39,028	7	7	8.0%	3.5%	n/a	0.0%	Gross receipts & flat rate	5% of gross receipts
Gadsden	42,120	12	10	8.0%	3.0%	2.0%	5.0%	Gross receipts	5% of GR
Hoover	61,406	30.5	13.9	8.0%	3.0%	n/a	3.0%	Gross receipts & flat rate	5% of gross receipts
Huntsville	177,893	6.5	6.5	8.0%	3.5%	n/a	5.0%	Gross receipts & flat rate	5% of GR or \$4.50/ft of ROW
Mobile	200,206	8.5	29.5	9.0%	4.0%	n/a	6.5%	Gross receipts	3% of GR ⁽⁴⁾
Montgomery	195,690	12.5	8	9.0%	3.5%	1.5% ⁽⁶⁾	8.5%	Gross receipts & flat rate	5% of gross receipts
Opelika	24,902	5	19	7.5%	2.5%	1.5%	4.0% ⁽³⁾	Gross receipts & flat rate	3% of gross receipts
Ozark	15,997	21	20	8.0%	3.0%	n/a	4.0%	Gross receipts & flat rate	5% GR cable 1% GR phone
Phenix City	27,550	5	7	7.0% 8.0%	3.0% 3.0% ⁽⁷⁾	n/a	2.0%	Gross receipts	None
Tuscaloosa	85,171	13.5	15.5	9.0%	2.0%	n/a	7.0%	Gross receipts	5% of GR

Notes to Appendix B

- (1) There is a bill pending in the Alabama Legislature that would prohibit the levy of new occupation license fees and void existing occupation license fees within two years unless the city's voters approve the continuation of the occupation license fee.
- (2) State law requires certain business license fees to be levied as a flat rate. Cities with a gross receipts structure are required to have flat fees for those few business license categories for which fees are regulated by the State.
- (3) Half of the 4% lodging tax levied by Auburn and Opelika is paid to the Auburn-Opelika Convention and Visitors Bureau; so each city only receives 2% lodging tax revenue.
- (4) Mobile will consider an increase to 5% of gross revenues on April 1.
- (5) The millage for schools may vary, depending on the amount of the approved budget for schools. Georgia's local governments set the school millage at a rate that will generate adequate revenue to fund the approved budget for schools.
- (6) Montgomery's occupation license fee is levied by Montgomery County on all persons working within the county. Montgomery's occupation license fee was levied recently and was upheld as to constitutionality by the Circuit Court. The County is proceeding with plans to begin collecting the tax. There have been assertions that the Circuit Court's opinion will be appealed. Also, see Note (1).
- (7) Most of Phenix City is in Russell County and the remainder is in Lee County. The 7% rate is collected in Russell Co.; the 8% rate collected in Lee Co.

Appendix C

City of Auburn

Interdepartmental Memo

To: Doug Watson, City Manager
From: Andrea Jackson, Finance Director
Subject: School property tax options
Date: February 18, 2003

Here is a summary of the school property tax options that attorney Alan Zeigler presented to me today by telephone.

There are two possible methods by which the property tax for schools could be increased:

1. Under State Constitution Amendment 382, an additional School District tax of up to 3 mills could be levied. This would be a County levied tax and would require an election, but would not require a Legislative Act. If the election were held before the first County Commission meeting in February 04, the tax could be levied as of October 1, 2004. This means the Schools would not receive any revenue until October 1, 2005.
2. If more than 3 mills are needed, a Legislative act will be required to increase either the existing 11 mill school tax or the 5 mill school tax. Since these two taxes are already unlimited as to time, any increase would also be unlimited as to time. The steps to increase either of these taxes are:
 - The City Council holds a public hearing on the proposed increase
 - The City Council approves holding an election on the proposed increase
 - The Legislature passes an Act authorizing the increase if approved by the voters (the Legislature convenes March 4).
 - The City holds an election on the proposed increase.

If all steps in this process were placed on a "fast track" and *if* the Legislature approved our bill and if the election were held by the end of May 2003, the City could direct the Tax Assessor to assess and collect the tax as of October 1, 2003, which means the Schools would begin receiving the increase immediately.

Another factor that Alan says we should be aware of is the "lid bill" limitation. If the total tax levy within the City exceeds 66 2/3 mills, then each mill in excess of 66 2/3 mills does not produce a whole mill of revenue. Currently, the City's total millage is 54 mills, so we have 12 2/3 mills of capacity before reaching the lid bill limit.

Alan stated that time is of the essence if an increase of more than 3 mills is desired. He asked that we let him know just as soon as a decision is made about how to proceed. Then, he will prepare a calendar of required actions so that all parties involved will know what the deadlines are in order to achieve the desired results.

Appendix D

City of Auburn Revenue Review 2003

Revenue Options

Option 1 - Increase City Sales Tax Rate from 2.5% to 3.0%

Projected increase in General Fund revenue in fiscal 2004		<u>\$ 2,680,000</u>
Growth rate of sales tax revenue: FY 96 - FY 02	6.31%	

Option 2 - Increase Occupation License Fee Rate from 1.0% to 1.5%

Projected increase in General Fund revenue in fiscal 2004		<u>\$ 2,500,000</u>
Growth rate of occupation license fee revenue: FY 96 - FY 02	7.03%	

Option 3 - Increase a Combination of Lesser Revenue Sources

Double the Lodging Tax from 4% to 8%		
Projected increase in General Fund revenue in fiscal 2004		\$ 500,000

Double the Cigarette Tax		
Projected increase in General Fund revenue in fiscal 2004		105,000

Increase Commercial Rental Business License fee rate from 1/40 of 1% to 1/4 of 1% (see data below)		
Projected increase in General Fund revenue in fiscal 2004		<u>94,500</u>

<i>Total projected increase in revenue in fiscal 2004</i>	<u>\$ 699,500</u>
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Hold referendum for 3-Mill Ad valorem Tax for Schools		
Projected increase in General Fund revenue in fiscal 2005		<u>1,000,000</u>

<i>Total projected increase in revenue in fiscal 2005</i>	<u>\$ 1,699,500</u>
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Business license for rental real estate		
<i>Residential ~ current fee rate of 1.5%</i>		
Projected revenue for fiscal 2003		\$ 847,000
Estimated gross receipts for fiscal 2003	\$ 56,466,667	
<i>Commercial ~ current fee rate of 1/40 of 1%</i>		
Projected revenue for fiscal 2003		\$ 10,500
Estimated gross receipts for fiscal 2003	\$ 42,000,000	
Projected revenue for fiscal 2003 at 1/4 of 1%		\$ 105,000

Appendix E

City of Auburn

History of Revenue Adjustments

<u>Revenue Source</u>	<u>Date that Tax Rate or Fees Last Adjusted</u>
<i>General Fund</i>	
Sales Tax	December 1, 1991
Occupation License Fee	January 20, 1970
Business License Fees	January 1, 2000
Property Taxes	
General Fund	Prior to 1948
Five Mill Tax Fund	Prior to 1948
Special School Tax Fund	October 1, 1996
Special Additional School Tax Fund	October 1, 1960
Solid Waste Collection Fees	
Back Yard Service	October 1, 2001
Cart Service	October 1, 2000
Lodging Tax	October 1, 1999
Cigarette Tax	March 10, 1981
Rental and Leasing Tax	April 1, 2001
Gasoline Taxes	March 23, 1976
Construction Permit Fees	1990
Leased Parking	June 1, 1987
Parking Fines	November 5, 2002
Library Fees	late 1970s
<i>Sewer Fund</i>	
Sewer Service Charges	July 1, 1994
Sewer Tap Fees	July 1, 1993
Sewer Impact Fees	May 1, 1993

Appendix F

City of Auburn ~ Ten Year History of Locally Levied Taxes and License Fees

	2002	2001	2000	1999	1998	1997	1996
General Fund							
Sales Tax	\$ 13,160,761	\$ 12,554,602	\$ 12,152,044	\$ 11,313,849	\$ 10,300,115	\$ 9,739,125	\$ 9,545,803
Occupation License Fee	4,981,415	5,063,472	4,654,854	4,654,854	4,253,353	3,969,132	3,715,926
Business License (total)	4,523,664	4,253,822	3,815,736	3,373,027	3,218,052	3,048,127	2,927,977
Business license	3,096,277	2,898,315	2,819,965	2,325,208	2,213,946	2,083,766	2,177,039
Residential rental (1)	822,580	795,593	725,856	809,557	771,179	747,914	700,619
Franchise fee (2)	598,807	552,545	268,379	238,262	232,927	216,447	50,319
Commercial rental	6,000	7,369	1,536	-	-	-	-
Solid Waste Fee	2,097,084	1,975,982	1,745,808	1,587,284	1,382,085	1,174,966	1,105,323
Property Tax	1,529,229	1,435,404	1,360,017	1,146,994	1,038,006	978,153	912,814
Lodging Tax (3)	485,260	380,479	385,507	186,454	175,896	160,997	154,275
Gasoline Tax	262,573	244,387	217,948	210,616	194,904	181,229	177,946
Cigarette Tax	105,414	101,457	102,756	105,079	107,800	99,668	97,132

Sewer Fund

Sewer Service Fee	4,862,710	4,515,765	4,960,076	4,624,501	4,468,169	4,474,530	4,533,889
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	1995	1994	1993	1992	Ten-Year Increase		Avg Annual Increase
					Amount	As %	
General Fund							
Sales Tax	\$ 8,729,493	\$ 7,897,169	\$ 7,451,555	\$ 7,111,981	\$ 6,048,780	85.05%	8.5%
Occupation License Fee	3,503,339	3,385,351	3,026,679	2,837,947	2,143,468	75.53%	7.6%
Business License (total)	2,747,868	2,625,057	2,448,700	2,338,290	2,185,374	93.46%	9.3%
Business license	2,022,174	1,918,759	1,788,429	1,699,499	1,396,778	82.19%	8.2%
Residential rental (1)	673,101	654,329	610,757	590,829	231,751	39.22%	3.9%
Franchise fee (2)	52,593	51,969	49,514	47,962	550,845	1148.50%	114.9%
Commercial rental	-	-	-	-	6,000	n/a	n/a
Solid Waste Fee	1,069,423	1,151,767	1,278,817	1,277,603	819,481	64.14%	6.4%
Property Tax	877,591	797,875	713,909	696,480	832,749	119.57%	12.0%
Lodging Tax (3)	126,016	107,460	96,586	84,378	400,882	475.10%	47.5%
Gasoline Tax	171,510	167,406	154,130	153,276	109,297	71.31%	7.1%
Cigarette Tax	94,716	93,549	87,730	89,773	15,641	17.42%	1.7%

Sewer Fund

Sewer Service Fee	4,365,083	3,891,603	3,154,900	2,733,940	2,128,770	77.86%	7.8%
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(1) Residential rental rate was decreased from 2% to 1.5% effective January 1, 2000.

(2) Prior to 1997, only the franchise fee from Alabama Gas Co. was credited to this account.

(3) Lodging tax rate was increased from 2% to 4% effective October 1, 1999.

Appendix G

BOARD OF EDUCATION
Anne Penney, President
Robert W. Dumas, Vice President
Dolly A. Marshall
Donald L. Large, Jr., Ed. D.
Laura J. Cooper



ADMINISTRATION
J. Terry Jenkins, Ed. D., Superintendent
Jimmy DeVenny, Assistant Superintendent
Joyce Morgan, Assistant Superintendent

December 20, 2002

Dr. Doug Watson, City Manager
City of Auburn
144 Tichenor Avenue, Suite 1
Auburn, AL 36830

Dear Dr. Watson:

The time has arrived for the Auburn City School System to prepare our budget for the 2003-2004 school year. Based on our previous conversation, you are well aware of the financial struggles of the Education Trust Fund for the State of Alabama. The shortfall predictions are between 198 million to 275 million, depending on which governmental agency is presenting the data. Even with the present efforts to repair the damage, the earliest our school system would see an increase in revenue, provided the legislature approves any changes, would be in the year 2005 or 2006. For the Auburn City system to continue to operate quality schools, we cannot wait on the State of Alabama to resolve the issue.

Dennis Veronese, our Director of Finance, has presented information to me that indicates a need for \$2,098,305.00 in additional revenue for next year. These numbers are based on needs for serving our children. It is my belief that if the commitment from the City for a 15 mill equivalent allocation could be adjusted to a 20 mill equivalent allocation, this amount would be sufficient. Also, as the tax digest grows annually so would the allocation. Our present budget includes a \$488,372.00 withdrawal from our reserve fund to make the budget balance. We have attempted NOT to ask for additional revenue previously, but the state funding leaves a lot to be desired.

Please notify me if I need to meet with you or the Council for further information. I truly appreciate the support from you, Mayor Ham, and the City Council, and I stand ready to provide any background information that you may need. I respectfully request your consideration of this request.

Thank you,

Dr. J. Terry Jenkins, Superintendent

Appendix H

City of Auburn

General Fund - Revenue Overview

page 1 of 2

Description	FY 02 Audited		FY03 Budgeted	FY03 Actual @ 2-28-03 42% of year elapsed		FY 03 Revised Revenue Projections
	Amount	As %*		Amount	As a %	
Cigarette Tax	\$ 105,414	0.33%	\$ 107,500	\$ 35,697	33%	\$ 105,350
Gasoline Tax	262,573	0.82%	235,000	103,017	43.84%	239,700
Sales and Use Tax	13,160,761	40.93%	13,200,000	6,022,409	45.62%	13,400,000
Lodging Tax	485,260	1.51%	415,000	228,042	54.95%	500,000
Rental and Leasing Tax	343,451	1.07%	208,000	175,178	84.22%	473,000
Total - Locally Levied Taxes	14,357,459	44.65%	14,165,500	6,564,343	46.34%	14,718,050
Ad Valorem Tax	1,529,229	4.76%	1,665,000	1,334,545	80.15%	1,665,000
Contrib In-Lieu of Tax	401,480	1.25%	422,000	268,965	63.74%	422,000
Total - Property Taxes	1,930,710	6.00%	2,087,000	1,603,510	76.83%	2,087,000
Franchise Fees	411,202	1.28%	560,000	498,129	88.95%	560,000
General Business License	3,096,277	9.63%	3,080,000	2,755,367	89.46%	3,150,000
Residential Rental Tax	822,580	2.56%	777,000	398,600	51.30%	847,000
Commercial Rental Tax	6,000	0.02%	10,500	4,007	38.16%	10,500
Construction Percent	419,773	1.31%	328,000	193,553	59.01%	425,000
Subtotal - Business License Fees	4,755,831	14.79%	4,755,500	3,849,656	80.95%	4,992,500
Wine Wholesale	24,053	0.07%	25,000	11,763	47.05%	25,000
Construction Permits	373,623	1.16%	310,000	136,959	44.18%	350,000
Occupation License Fee	4,981,415	15.49%	4,950,000	2,560,966	51.74%	5,000,000
Leased Parking	73,257	0.23%	85,000	34,251	40.30%	95,000
Metered Parking - Street	21,627	0.07%	21,000	8,385	39.93%	10,000
Dog License	10,684	0.03%	10,000	5,822	58.22%	10,000
Licenses and Permits	10,240,491	31.84%	10,156,500	6,607,802	65.06%	10,482,500
Court Fines	628,201	1.95%	655,000	284,665	43.46%	655,000
Parking Fines	121,860	0.38%	130,000	59,222	45.56%	130,000
Court Awarded Restitution	460	0.00%	50	531	1062.00%	600
Judicial Fees	27,312	0.08%	12,500	2,340	18.72%	7,000
Drug Screening Fee	8,240	0.03%	4,200	3,690	87.86%	7,000
Correction Collection	188,318	0.59%	170,000	64,793	38.11%	170,000
Fines and Court Costs	974,391	3.03%	971,750	415,241	42.73%	969,600
* As percent of total revenue						

Appendix H

City of Auburn

General Fund - Revenue Overview

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Description	FY 02 Audited		FY03 Budgeted	FY03 Actual @ 2-28-03 42% of year elapsed		FY 03 Revised Revenue Projections
	Amount	As %*		Amount	As a %	
Solid Waste Collection Fees	\$ 2,071,082	6.44%	\$ 2,101,000	\$ 935,509	44.53%	2,151,000
Solid Waste-Special Collections	17,552	0.05%	13,000	10,147	78.05%	13,000
Solid Waste - White Goods	5,680	0.02%	4,600	2,102	45.70%	4,600
Solid Waste - Downtown	8,450	0.03%	12,000	-	0.00%	12,000
Subtotal - Solid Waste Fees	2,102,764	6.54%	2,130,600	947,758	44.48%	2,180,600
Cemetery Fees	75,080	0.23%	68,000	22,150	32.57%	68,000
Cemetery Granite Sales	2,145	0.01%	2,000	1,203	60.15%	2,000
Pool & Recreation Fees	110,828	0.34%	102,000	41,311	40.50%	110,000
Softball Complex Fees	17,145	0.05%	6,000	-	0.00%	6,000
E-911 Service Fee	292,701	0.91%	320,000	118,620	37.07%	295,000
Wireless E-911 Svs Fee	82,661	0.26%	79,000	34,242	43.34%	80,000
Finance Fees	17,051	0.05%	15,500	5,666	36.55%	15,500
Planning Fees	34,847	0.11%	36,000	16,522	45.89%	36,000
Sewer Management Fee	126,000	0.39%	126,000	53,250	42.26%	126,000
Public Works Charges	710	0.00%	750	800	106.67%	1,000
Public Safety Charges	157,070	0.49%	176,000	71,678	40.73%	176,000
PS-Downtown Law Enf Fee	45,000	0.14%	45,000	45,000	100.00%	45,000
Library Fees	11,563	0.04%	11,000	3,837	34.88%	11,000
Charges for Services	3,075,565	9.56%	3,117,850	1,362,037	43.69%	3,152,100
Total - Locally Levied Revenues	30,578,616	95.09%	30,498,600	16,552,933	54.27%	31,409,250
State Shared Taxes	428,757	1.33%	525,000	277,137	52.79%	105,171
Intergovernmental	436,722	1.36%	312,098	87,181	27.93%	312,098
Other Revenue	713,702	2.22%	638,600	303,585	47.54%	638,600
Total Revenue	32,157,796	100.00%	31,974,298	17,220,836	53.86%	32,465,119
Transfers in from Other Funds	1,219,736		1,914,098	63,750	3.33%	1,914,098
Proceeds from Long Term Debt	1,937,000		3,475,579	-	0.00%	3,475,579
Total Other Financing Sources	3,156,736		5,389,677	69,688	1.29%	5,389,677
Total Gen Fd Revenues & OFS	\$ 35,314,532		\$ 37,363,975	\$ 17,290,524	46.28%	\$ 37,854,796
* As percent of total revenue			Increase in projected revenues \$ 490,821			

Appendix H

City of Auburn

Sewer Fund ~ Revenue Overview

Description	FY 02 Audited		FY03 Budgeted	FY03 Actual @ 2-28-03 42% of year elapsed		FY 03 Revised Revenue Projections
	Amount	As %*		Amount	As a %	
Sewer Service Fee	\$ 4,550,600	94.11%	\$ 4,200,000	\$ 1,948,494	46.39%	4,500,000
Sewer Tap Fees	6,590	0.14%	5,000	1,850	37.00%	5,000
Sewer Surcharge	-	0.00%	3,000	-	0.00%	3,000
Sewer Access Fee	231,465	4.79%	200,000	86,569	43.28%	200,000
Misc. Operating Revenue	9,396	0.19%	20,000	-	0.00%	20,000
Total Operating Revenues	4,798,050	99.22%	4,428,000	2,036,913	46.00%	4,728,000
Investment Interest	30,876	0.64%	25,000	17,079	68.32%	50,000
Investment Interest -SSB	6,700	0.14%	-	-	N/A	-
Total Non-Operating Revenues	37,576	0.78%	25,000	17,079	68.32%	50,000
Total Revenues	4,835,626	100.00%	4,453,000	2,053,992	46.13%	4,778,000
Reimbursement/Water Board	71,250		73,500	29,687	40.39%	73,500
Lines Contributed/Developer	788,275		-	-	N/A	-
Proceeds from Borrowing	-		100,000	-	0.00%	100,000
Total Other Financing Sources	859,525		173,500	29,687	17.11%	173,500
Total Sewer Revenues & OFS	\$ 5,695,151		\$ 4,626,500	\$ 2,083,679	45.04%	\$ 4,951,500
* As percent of total revenue			Increase in projected revenues \$ 325,000			