



Debt Service Funds, Internal Service Funds, & Special Revenue Funds

PRESENTED TO THE CITY COUNCIL ON JUNE 17, 2024

Presentation Overview

- Debt Service Funds
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 - TIF2
 - 4A
 - 4B
- Health Insurance
- Support Services Fund - IT
- Medical Transport Fund
- Solid Waste Fund
- Cemetery
 - Operating
 - Endowment
- Equipment Replacement Funds
 - Governmental
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- Equipment Services Fund
- ARPA Fund
- HOT/MOT
- PEG
- MC Funds
 - Building Security Fund
 - Juvenile Case Management Fund
 - Technology Fund

General Debt Service Fund

	FY 22-23 Actual	FY 23-24 Adopted	FY 23-24 Revised	FY 23-24 Year-End	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected
Beg Fund Balance*	\$ 2,682,954	\$ 5,492,377	\$ 5,492,377	\$ 4,379,377	\$ 6,545,650	\$ 4,260,480	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Property Tax Revenue	\$ 9,704,713	\$ 9,843,000	\$ 9,843,000	\$ 9,843,000	\$ 10,482,625	\$ 11,059,170	\$ 11,667,424	\$ 12,309,132	\$ 12,986,135
TIF2 Transfer-In	\$ 618,942	\$ 653,013	\$ 653,013	\$ 653,013	\$ 695,375	\$ 735,351	\$ 734,701	\$ 732,876	\$ 731,301
4A Transfer-In					\$ 4,216,828	\$ 3,898,364	\$ 5,480,832	\$ 6,277,969	\$ 5,891,316
4B Transfer-In					\$ 3,168,584	\$ 3,551,944	\$ 3,469,964	\$ 3,823,110	\$ 3,090,243
Other Revenue	\$ 213,422	\$ 150,000	\$ 150,000	\$ 300,000	\$ 150,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Revenue	\$ 10,537,077	\$ 10,646,013	\$ 10,646,013	\$ 10,796,013	\$ 18,713,412	\$ 19,344,829	\$ 21,402,921	\$ 23,193,087	\$ 22,748,995
General Debt Service	\$ 7,108,712	\$ 7,976,727	\$ 7,976,727	\$ 7,976,727	\$ 12,917,795	\$ 14,419,650	\$ 11,717,424	\$ 12,359,133	\$ 13,036,134
TIF2 Debt Service	\$ 618,942	\$ 653,013	\$ 653,013	\$ 653,013	\$ 695,375	\$ 735,351	\$ 734,701	\$ 732,876	\$ 731,301
4A Debt Service					\$ 4,216,828	\$ 3,898,364	\$ 5,480,832	\$ 6,277,969	\$ 5,891,316
4B Debt Service					\$ 3,168,584	\$ 3,551,944	\$ 3,469,964	\$ 3,823,110	\$ 3,090,243
Total Expenditures	\$ 7,727,654	\$ 8,629,740	\$ 8,629,740	\$ 8,629,740	\$ 20,998,582	\$ 22,605,309	\$ 21,402,921	\$ 23,193,088	\$ 22,748,994
Change in Fund Balance	\$ 2,809,423	\$ 2,016,273	\$ 2,016,273	\$ 2,166,273	\$ (2,285,170)	\$ (3,260,480)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 5,492,377	\$ 7,508,650	\$ 7,508,650	\$ 6,545,650	\$ 4,260,480	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Debt rate per \$100 value	\$ 0.1923	\$ 0.1923	\$ 0.1923	\$ 0.1923	\$ 0.1923	\$ 0.1923	\$ 0.1923	\$ 0.1923	\$ 0.1923
FB% to Expenditures	71.07%	87.01%	87.01%	75.85%	20.29%	4.42%	4.67%	4.31%	4.40%

* Audit Adjustment of (\$1,113,000) to Debt Service Beginning Fund Balance in FY 23-24

Health Insurance Fund Discussion

- The Health Insurance Fund projection assumes a cap of 5% annual increase in contributions
- HUB is projecting between 7% - 10% annual increases based on the current plan
- Staff has been engaged in an RFP that will limit our annual cost increases

Health Insurance Fund

	FY 22-23 Actuals	FY 23-24 Adopted	FY 23-24 Revised	FY 23-24 Year-End	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected
Beginning Fund Balance	\$ 3,826,214	\$ 3,462,577	\$ 3,462,577	\$ 3,462,577	\$ 3,530,219	\$ 3,713,199	\$ 3,850,619	\$ 3,409,326	\$ 2,862,861
Health and Dental Premium- City	\$ 4,930,372	\$ 5,094,499	\$ 5,094,499	\$ 5,203,207	\$ 5,463,367	\$ 5,736,536	\$ 6,023,363	\$ 6,324,531	\$ 6,640,757
Health and Dental Premium- Other	\$ 606,260	\$ 562,401	\$ 562,401	\$ 727,900	\$ 764,295	\$ 802,510	\$ 842,635	\$ 884,767	\$ 929,005
Other Revenues	\$ 1,220,978	\$ 709,000	\$ 709,000	\$ 979,941	\$ 1,139,740	\$ 1,151,138	\$ 1,162,649	\$ 1,174,276	\$ 1,186,018
Total Revenues	\$ 6,757,610	\$ 6,365,900	\$ 6,365,900	\$ 6,911,048	\$ 7,367,403	\$ 7,690,183	\$ 8,028,647	\$ 8,383,573	\$ 8,755,781
Claims	\$ 5,339,794	\$ 4,815,000	\$ 4,815,000	\$ 4,815,000	\$ 5,100,500	\$ 5,426,150	\$ 6,208,765	\$ 6,601,028	\$ 6,799,059
Other Expenditures*	\$ 1,781,452	\$ 2,051,688	\$ 2,051,688	\$ 2,028,406	\$ 2,083,923	\$ 2,126,613	\$ 2,261,175	\$ 2,329,010	\$ 2,398,880
Total Expenditures	\$ 7,121,247	\$ 6,866,688	\$ 6,866,688	\$ 6,843,406	\$ 7,184,423	\$ 7,552,763	\$ 8,469,940	\$ 8,930,038	\$ 9,197,939
Net revenue (loss)	\$ (363,637)	\$ (500,788)	\$ (500,788)	\$ 67,642	\$ 182,979	\$ 137,420	\$ (441,293)	\$ (546,465)	\$ (442,158)
Ending Fund Balance	\$ 3,462,577	\$ 2,961,789	\$ 2,961,789	\$ 3,530,219	\$ 3,713,199	\$ 3,850,619	\$ 3,409,326	\$ 2,862,861	\$ 2,420,703
FB % to Expenditures	48.62%	43.13%	43.13%	51.59%	51.68%	50.98%	40.25%	32.06%	26.32%

Support Services Fund - IT

	FY 22-23 Actual	FY 23-24 Adopted	FY 23-24 Revised	FY 23-24 Year-End	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected
Beg Fund Balance	\$ 1,138,754	\$ 1,132,531	\$ 1,132,531	\$ 1,132,531	\$ 265,242	\$ 318,810	\$ 557,493	\$ 811,732	\$ 1,041,648
Contributions	\$ 5,050,992	\$ 5,548,089	\$ 5,548,089	\$ 5,548,089	\$ 6,539,835	\$ 6,736,030	\$ 6,938,111	\$ 7,146,254	\$ 7,360,642
Other Revenues	\$ 638,740	\$ 1,176,000	\$ 1,176,000	\$ 206,000	\$ 61,500	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Revenues	\$ 5,689,732	\$ 6,724,089	\$ 6,724,089	\$ 5,754,089	\$ 6,601,335	\$ 6,756,030	\$ 6,958,111	\$ 7,166,254	\$ 7,380,642
Personnel	\$ 1,424,378	\$ 1,833,935	\$ 1,833,935	\$ 1,740,157	\$ 1,899,271	\$ 1,967,083	\$ 2,037,471	\$ 2,110,540	\$ 2,186,397
Operations	\$ 4,271,577	\$ 5,321,227	\$ 5,539,716	\$ 4,881,221	\$ 4,533,557	\$ 4,431,878	\$ 4,544,463	\$ 4,700,203	\$ 4,608,604
Radio & Comms Tech					\$ 114,938	\$ 118,386	\$ 121,938	\$ 125,596	\$ 129,364
Total Expenditures	\$ 5,695,955	\$ 7,155,162	\$ 7,373,651	\$ 6,621,378	\$ 6,547,766	\$ 6,517,347	\$ 6,703,872	\$ 6,936,338	\$ 6,924,366
Change in Fund Balance	\$ (6,223)	\$ (431,073)	\$ (649,562)	\$ (867,289)	\$ 53,569	\$ 238,683	\$ 254,239	\$ 229,916	\$ 456,276
Ending Fund Balance	\$ 1,132,531	\$ 701,458	\$ 482,969	\$ 265,242	\$ 318,810	\$ 557,493	\$ 811,732	\$ 1,041,648	\$ 1,497,925
FB% to Expenditures	19.88%	9.80%	6.55%	4.01%	4.87%	8.55%	12.11%	15.02%	21.63%

Medical Transport Fund

	FY 22-23 Actual	FY 23-24 Adopted	FY23-24 Revised	FY23-24 Year-End	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected
Beginning Fund Balance	\$ -	\$ (224,612)	\$ (224,612)	\$ (224,612)	\$ 867,232	\$ 1,627,072	\$ 1,742,677	\$ 1,826,570	\$ 1,876,701
Ambulance Transport	\$ -	\$ 1,650,000	\$ 1,650,000	\$ 1,387,129	\$ 1,960,251	\$ 1,999,456	\$ 2,039,445	\$ 2,080,234	\$ 2,121,839
Other Revenue	\$ -	\$ -	\$ -	\$ 1,600	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Total Revenue	\$ -	\$ 1,650,000	\$ 1,650,000	\$ 1,388,729	\$ 2,000,251	\$ 2,039,456	\$ 2,079,445	\$ 2,120,234	\$ 2,161,839
Personnel	\$ 1,383,960	\$ 1,584,833	\$ 1,584,833	\$ 1,597,395	\$ 1,656,024	\$ 1,716,948	\$ 1,780,261	\$ 1,846,064	\$ 1,914,460
Reimbursement Personnel	\$ (1,256,462)	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ (614,476)				
Other Expenditures	\$ 97,114	\$ 95,000	\$ 99,445	\$ 199,490	\$ 198,862	\$ 206,904	\$ 215,291	\$ 224,039	\$ 233,164
Total Expenditures	\$ 224,612	\$ 179,833	\$ 184,278	\$ 296,885	\$ 1,240,411	\$ 1,923,852	\$ 1,995,552	\$ 2,070,103	\$ 2,147,624
Change in Fund Balance	\$ (224,612)	\$ 1,470,167	\$ 1,465,722	\$ 1,091,844	\$ 759,840	\$ 115,604	\$ 83,893	\$ 50,131	\$ 14,214
Ending Fund Balance	\$ (224,612)	\$ 1,245,555	\$ 1,241,110	\$ 867,232	\$ 1,627,072	\$ 1,742,677	\$ 1,826,570	\$ 1,876,701	\$ 1,890,915
FB % of Expenditure	-100.00%	692.62%	673.50%	292.11%	131.17%	90.58%	91.53%	90.66%	88.05%

*excludes 6 FF supporting EMS operations currently in the GF

Solid Waste Fund Discussion

- Proprietary fund – charge customers for refuse, recycling and city administrative cost
- Refuse and recycling operations outsourced to Waste Connections
 - No SW rate increases – FY2019-2023
 - Financial strategy was to draw down fund balance in Solid Waste Fund – (FY2019- FB% was 63%)
 - Council approved new 5-year contract on May 1, 2023
 - Extend Contract through September 2029
 - Prior year CPI increases (22%) - Waste Connections' Contract
 - FY2022 – 4% Increase
 - FY2023 – 10% increase
 - FY2024 – 8% increase
 - Future CPI
 - FY 2025 – 6% or CPI increase whichever is greater
 - FY2026-2029 – CPI Increase

Solid Waste Fund Discussion

- Proposed SW Customer Rate Projections:
 - FY2024 – 20% - “True up” Contract CPI adjustments
 - Average residential cost - \$3.64 a month
 - Did not cover all increases as CPI was 8%
 - FY2025 – 6% increase or CPI
 - FY2026-2029 – CPI increase

Solid Waste Fund Discussion

- Best practice to pass through all expenses and increases from waste hauler
- Based on Council feedback staff has executed an agreement for a consultant to assist in drafting an RFP
 - Potential Savings to incorporate other fees
 - Polycarts, franchise commercial
 - \$40,000
- Based on Council feedback staff has incorporated litter abatement into solid waste fund
 - \$130,000 annual contract reduced from General Fund
 - \$1.00 Monthly Fee added to Administration and Overhead

Solid Waste Fund

	FY 22-23 Year End	FY23-24 Adopted	FY23-24 Revised	FY23-24 Year End	FY24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected
Beginning Fund Balance	\$ 226,234	\$ 519,420	\$ 519,420	\$ 519,420	\$ 416,698	\$ 493,455	\$ 569,274	\$ 644,058	\$ 717,702
Total Revenues	\$ 4,323,806	\$ 4,195,273	\$ 4,195,273	\$ 4,246,426	\$ 4,875,669	\$ 5,154,355	\$ 5,449,649	\$ 5,762,552	\$ 6,094,130
Total Expenditures	\$ 4,030,620	\$ 4,327,057	\$ 4,327,057	\$ 4,349,148	\$ 4,798,912	\$ 5,078,536	\$ 5,374,865	\$ 5,688,908	\$ 6,021,733
Net Revenue (loss)	\$ 293,186	\$ (131,784)	\$ (131,784)	\$ (102,722)	\$ 76,757	\$ 75,819	\$ 74,783	\$ 73,644	\$ 72,397
Ending Fund Balance	\$ 519,420	\$ 387,636	\$ 387,636	\$ 416,698	\$ 493,455	\$ 569,274	\$ 644,058	\$ 717,702	\$ 790,099
Fund Balance % of Expenditure	13%	9%	9%	10%	10%	11%	12%	13%	13%

Cemetery Operating Fund

	FY 22-23 Actual	FY 23-24 Adopted	FY 23-24 Revised	FY 23-24 Year End	FY24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ 301,649	\$ 343,364	\$ 343,364	\$ 343,364	\$ 396,153	\$ 436,621	\$ 476,398	\$ 515,464	\$ 553,796	\$ 591,374
Total Revenues	\$ 56,879	\$ 27,000	\$ 27,000	\$ 75,000	\$ 63,500	\$ 63,500	\$ 63,500	\$ 63,500	\$ 63,500	\$ 63,500
Total Expenditures	\$ 15,164	\$ 22,361	\$ 22,361	\$ 22,211	\$ 23,032	\$ 23,723	\$ 24,434	\$ 25,168	\$ 25,923	\$ 26,700
Net Revenue (loss)	\$ 41,715	\$ 4,639	\$ 4,639	\$ 52,789	\$ 40,468	\$ 39,777	\$ 39,066	\$ 38,332	\$ 37,577	\$ 36,800
Ending Fund Balance	\$ 343,364	\$ 348,003	\$ 348,003	\$ 396,153	\$ 436,621	\$ 476,398	\$ 515,464	\$ 553,796	\$ 591,374	\$ 628,174
Fund Balance % of Expenditure	2,264%	1,556%	1,556%	1,784%	1,896%	2,008%	2,110%	2,200%	2,281%	2,353%

Cemetery Endowment Fund

	FY 22-23 Actual	FY23-24 Adopted	FY23-24 Revised	FY23-24 Year End	FY24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected
Beginning Fund Balance	\$ 152,509	\$ 163,484	\$ 163,484	\$ 163,484	\$ 179,775	\$ 193,275	\$ 206,775	\$ 220,275	\$ 233,775
Total Revenues	\$ 10,975	\$ 7,500	\$ 7,500	\$ 16,291	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Revenue (loss)	\$ 10,975	\$ 7,500	\$ 7,500	\$ 16,291	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500
Ending Fund Balance	\$ 163,484	\$ 170,984	\$ 170,984	\$ 179,775	\$ 193,275	\$ 206,775	\$ 220,275	\$ 233,775	\$ 247,275

Equipment Replacement Fund- Governmental

- Maintains vehicles and equipment replacement schedule
 - Supported by General Fund, PPF and ESF funds
- Estimated FY24 Ending Fund Balance for ERF \$3,817,622
- Projected FY25 Total Revenues - \$1,720,196
- Projected FY25 Total Expenditures - \$905,483
 - Public Safety - \$445,493 (Trailer and Pickup)
 - Public Works - \$327,564 (Backhoe, Dump Truck, Pickup)
 - Building Inspections - \$31,200 (SUV)
 - Code Enforcement - \$50,613 (Pickup)
 - Environmental Services - \$50,613 (Pickup)
- Estimated FY25 Ending Fund Balance for ERF - \$4,632,335

Equipment Replacement Fund-Governmental

- The best practice target funding level is over 80%
- We have developed a number of strategies to reach the best practice level
 - Reevaluate replacement criteria
 - Cash funding large capital expenditures
 - Use of ARPA to purchase police vehicles
 - Timing of vehicle purchases (i.e., Order next fiscal year's fleet in June)

Equipment Replacement Fund- Proprietary

- Maintains vehicle and equipment replacement schedule
 - Water & Wastewater and Golf Funds
- Estimated FY24 Ending Fund Balance - \$160,249
- Projected FY25 Total Revenues - \$605,636
- Projected FY25 Total Expenses - \$207,361
 - W&WW Replacement - \$142,018 (Dump Truck)
 - Russell Farms - \$12,200 (UTV)
 - Golf Maintenance - \$53,143 (Pickup)
- Estimated FY25 Ending Fund Balance for ERF - \$558,524

Equipment Replacement Fund- Proprietary

- The best practice target funding level is over 80%
- We have developed a number of strategies to reach the best practice level
 - Reevaluate replacement criteria
 - Cash funding large capital expenditures
 - Timing of vehicle purchases (i.e., Order next fiscal year's fleet in June)
 - Supplement the fund balance with a transfer from the Water and Wastewater Fund
- The Water and Wastewater Fund's working capital is projected to be \$14.4 million or 49.26% at the end of FY 23-2024

Equipment Services Fund

- Supports maintenance and repairs of the City's fleet and heavy equipment
- Inflation rate increase impacting cost of repairs and fuel prices
- Contributions from operating departments to support operations
- Estimated FY24 Ending Funding Fund Balance - \$307,423
- Proposed FY25 Total Revenues/Contributions - \$2,400,775
- Proposed FY25 Total Expenditure - \$2,338,946
- Estimated FY25 Ending Fund Balance - \$369,252

American Rescue Plan Act (ARPA) Fund

Expenditures	FY24	FY25
Medical Transport Personnel	\$ 1,500,000	\$ 614,476
CAD - Addtl'	\$ 502,316	
Fire and Dispatch Personnel	\$ 339,151	
Police Vehicles	\$ 1,119,840	
Totals	\$ 3,461,307	\$ 614,476

Other Funds

Public Educational and Governmental Fund (PEG) – Revenues to be used for capital expenditures related to a municipal public access channel and the broadcasting of council meetings to the public

- Estimated FY24 ending fund balance: \$129,047
- Proposed FY25 Revenues: \$42,000
- Proposed FY25 Expenses: \$94,556
- Estimated FY25 ending fund balance: \$76,491

Hotel/Motel Fund – Revenues are from a 7% hotel/motel tax imposed on the rental of hotel/motel rooms located within the city – Funds are restricted to promoting tourism, conventions, and related activities within the city

- Estimated FY24 ending fund balance: \$499,176
- Proposed FY25 Revenues: \$530,000
- Proposed FY25 Expenditures: \$562,875
- Estimated FY25 ending fund balance: \$466,301

Municipal Court Funds

MC – Technology Fund – Revenues to be used to purchase or maintain technology enhancements for municipal court operations

- Estimated FY24 ending fund balance: \$134,913
- Proposed FY25 Revenues: \$28,750
- Proposed FY25 Expenses: \$46,773
- Estimated FY25 ending fund balance: \$116,890

MC – Juvenile Case Management Fund – Revenues to be used for personnel cost, travel, supplies and other expenses related to the Juvenile Case Manager

- Estimated FY24 ending fund balance: \$17,491
- Proposed FY25 Revenues: \$26,450
- Proposed FY25 Expenses: \$31,000
- Estimated FY25 ending fund balance: \$12,941

MC – Building Security Fund – Revenues to be used for security personnel, services, and items related to the municipal court building

- Estimated FY24 ending fund balance: \$28,883
- Proposed FY25 Revenues: \$21,085
- Proposed FY25 Expenses: \$10,990
- Estimated FY25 ending fund balance: \$38,978

Questions/Comments