

Projected Changes in Fund Balances - Fund 320 Municipal Construction

Municipal Construction Fund - To account for financial resources used in the acquisition or construction of major capital facilities such as parks, improvements to parks, housing residences, schools and various public safety facilities.

	2008-09 Actual	2009-10 Actual	2010-11 Budget	2011-12 Budget	% of Total	% Change from 2010-11
Beginning Balance	\$ 32,013,985	25,217,942	27,102,188	(4,348,746)	-	-
Revenues/Sources						
Franchise Fees	2,298,024	2,242,686	2,551,225	2,574,874	96.8%	0.9%
Intergovernmental Revenue	8,361,209	2,575,837	1,623,594	-	-	(100.0%)
Investment Income	345,408	516,684	-	-	-	-
Miscellaneous Revenues	4,597,826	415,130	310,806	86,207	3.2%	(72.3%)
Total Revenues	15,602,467	5,750,337	4,485,625	2,661,081	100.0%	(40.7%)
Expenditures/Uses						
General Government Service	18,316	909,489	11,921,137	-	-	(100.0%)
Transportation	9,595,927	859,402	6,089,206	-	-	(100.0%)
Human Services	1,955,808	443,762	563,214	-	-	(100.0%)
Economic Environment	605,731	-	230,400	961,000	26.8%	317.1%
Culture-Recreation	10,222,728	1,653,437	17,132,602	2,624,874	73.2%	(84.7%)
Total Expenditures	22,398,510	3,866,091	35,936,559	3,585,874	100.0%	(90.0%)
Excess (Deficit)	(6,796,043)	1,884,246	(31,450,934)	(924,793)		
Ending Balance	\$ 25,217,942	27,102,188	(4,348,746)	(5,273,539)		
Percent Change		-	7.5%	(116.0%)	21.3%	

Note(s):

The Municipal Construction Fund is established on a project-length basis that spans multiple fiscal years and is used to account for revenues and expenditures during the construction or acquisition of major capital facilities and projects. The fund is financed mainly by market borrowings and negotiated contributions from developers and is not used to accumulate resources for future capital improvements.

The decrease in fund balance for fiscal year 2008-09 was the result of debt proceeds that were received and recorded as revenues in prior years having been spent in 2008-09.

The main component of revenues is "franchise fees" (privilege fee) paid by the Utility Fund budgeted at \$2.6 million in fiscal years 2010-11 and 2011-12. This is the source of funding for the repayment of an internal loan taken from the Utility fund.

The current budget shows an operating deficit of \$31.5 million, which would create a negative fund balance of \$4.3 million. The negative fund balance is mainly comprised of \$2.6 million owed to the Utility Fund.

Because this fund is on a project-length basis, additional spending plans for 2011-12 will be recognized as revisions to the adopted budget when the unspent balances are carried forward.