



M E M O R A N D U M

DATE: April 17, 2006
TO: Mayor, City Council, and Budget Committee
FROM: Carole M. Benedict, Finance Director
Laurie LeCours, Technical Services Accountant
SUBJECT: Budget Overview Charts

Introduction --- The five charts following this memorandum summarize a variety of information contained in the Proposed Budget and attempt to illustrate financial relationships and comparisons.

Chart #1 --- All City Funds – Revenue

Summary: Chart #1 summarizes all City fund revenues excluding beginning fund balances and transfers from other funds. Even though the entire City budget totals ~\$86,725,000, when the Proposed Budget is analyzed for pure revenues, the total is ~\$46,700,000 as Chart #1 illustrates. City revenues are then categorized by either governmental revenue category or when specific charges are of importance for illustrative purposes; for example, the enterprise operations of wastewater services and ambulance, categories are broken out separately. Looking at Chart #1 should help one better understand the overall sources of City revenues and their relative sizes.

Chart #2 --- All City Funds – Expenditure

Summary: Chart #2 summarizes all City fund expenditures excluding ending fund balances and transfers to other funds. As in the case of revenues, even though the entire City budget totals ~\$86,725,000, when the Proposed Budget is analyzed for pure expenditures, the total is ~\$48,700,000 as Chart #2 illustrates. City expenditures are then categorized by significant City service function. Looking at Chart #2 should help one better understand the overall department/fund expenditures of the City and their relative sizes.

The comparison of overall City revenues and expenditures shows a deficit of ~\$2,000,000. This deficit will thus lower the City's budget fund balances by this amount.

Chart #3 --- Property Tax Supported Operating Funds – Revenues by Sources: Chart #3 illustrates the sources of revenues excluding beginning fund balances for the property tax operating funds; i.e., General Fund, Fire Fund, Parks & Recreation Fund, and Capital Improvement Fund. Of note is that operating property taxes fund ~51% of the property tax supported operating funds as compared to comprising only 16% when all of the City funds are included, as in Chart #1.

Chart #4A --- Property Tax Supported Operating Funds – Expenditures by Fund: Chart #4A illustrates the relative size of the property tax supported operating fund expenditures, excluding ending fund balances and transfers between property tax funds. Also illustrated on Chart #4A are the size of the individual departments within the General Fund and the Parks & Recreation Fund.

Of note is that the property tax operating fund expenditures total ~\$16,685,000 as compared with the property tax operating fund revenue total of ~\$15,283,000. Thus, this ~\$1,402,000 deficit will lower operating property tax budget fund balances by this amount.

Chart #4B --- Property Tax Supported Operating Funds – Expenditures by Category: Chart #4B illustrates the magnitude of each category of expenditures; i.e., personal services, 68%; materials and services, 20%; capital outlay, 5%; leases and notes payable, 2%; and transfers to non-property tax funds, 5%.

Summary --- These illustrative charts attempt to combine individual fund 2006 – 2007 Proposed Budget dollars to help provide a more illustrative view of the City budget.

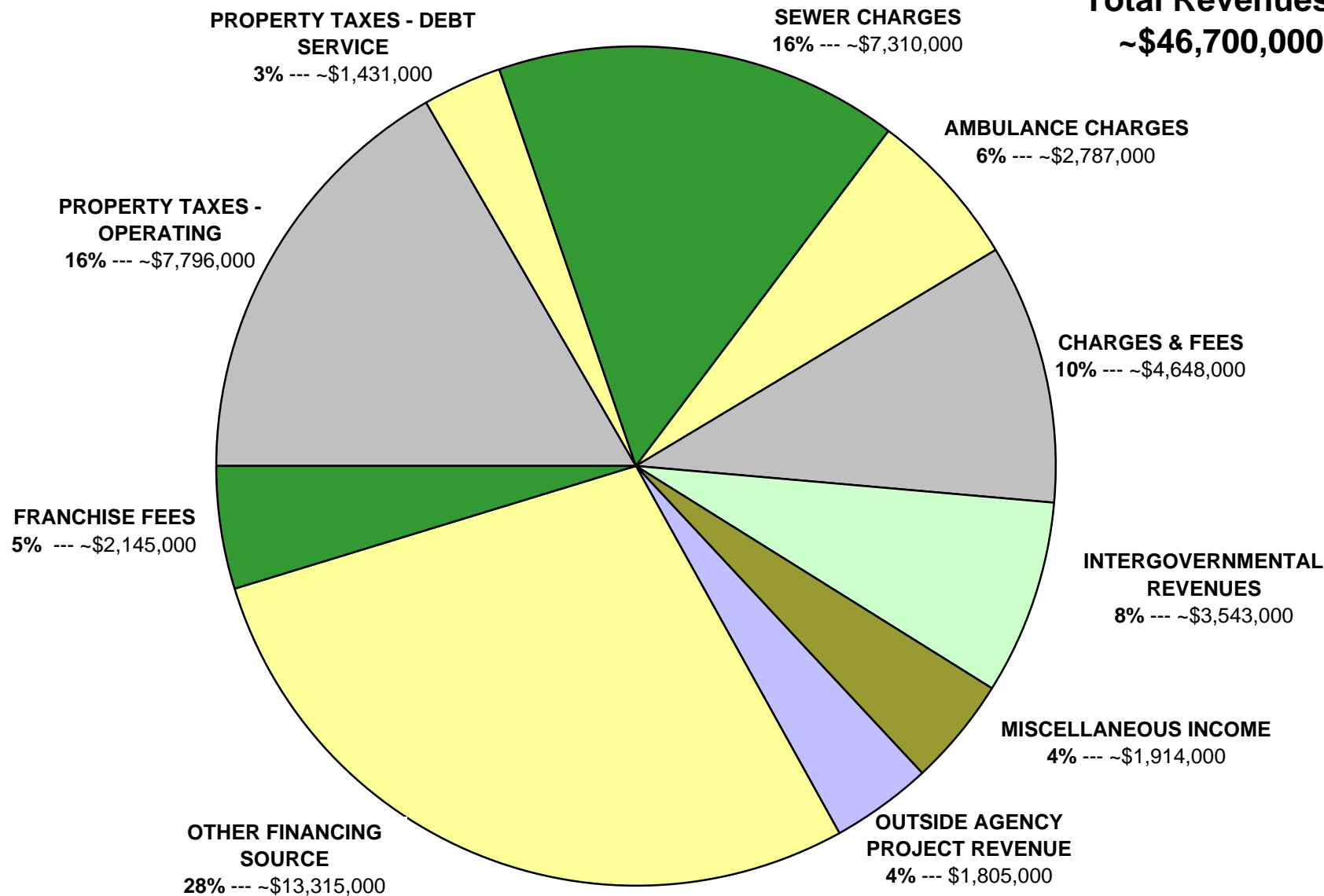
If you have any questions regarding the charts or would like to discuss these charts further, please call Carole Benedict at 503-434-2350.

City of McMinnville - All City Funds

CHART #1

Revenues - Summary --- Without Beginning Fund Balances and Transfers From Other Funds
2006 - 2007 Proposed Budget

**Total Revenues =
~\$46,700,000**

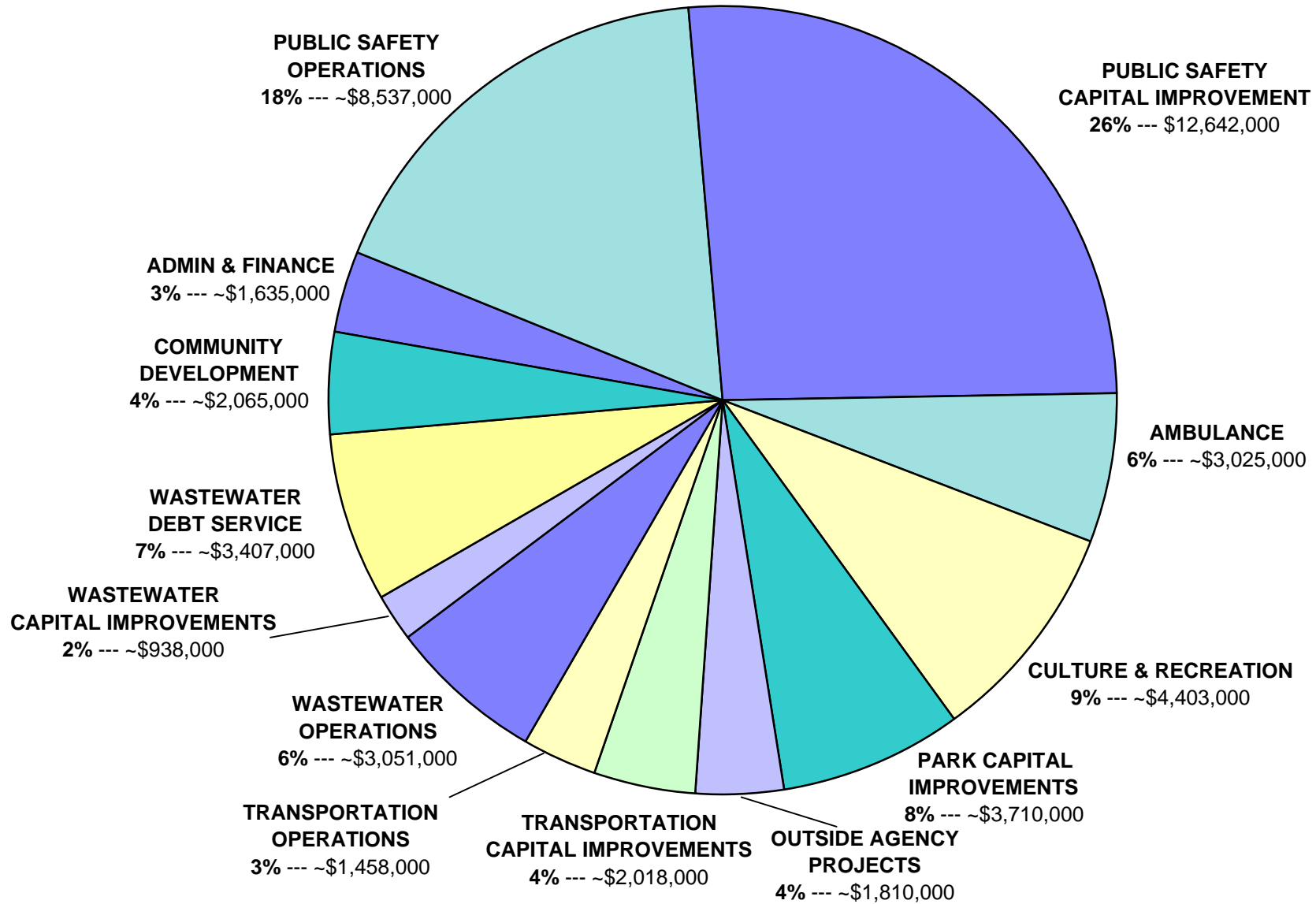


City of McMinnville - All City Funds

CHART #2

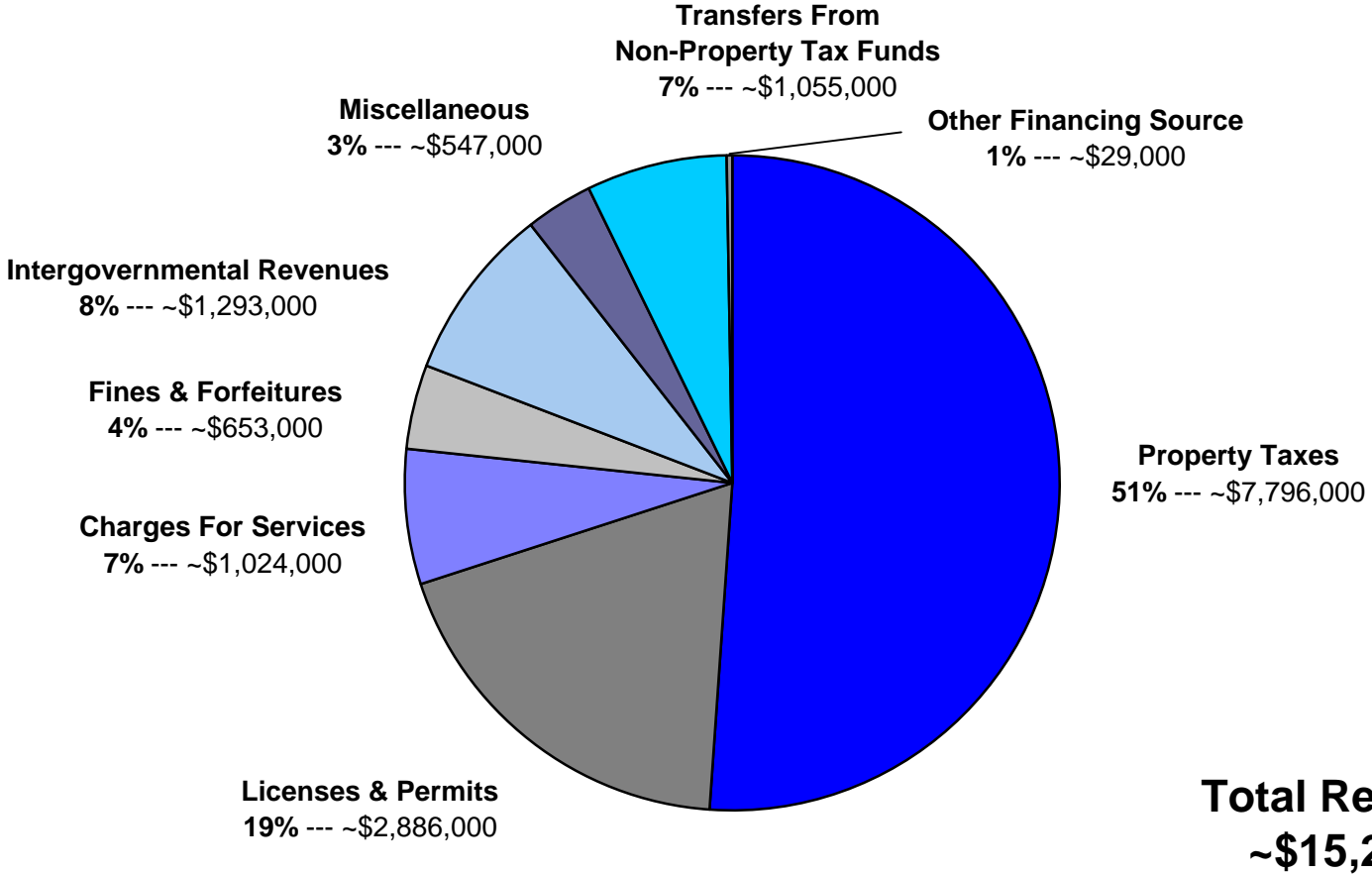
Expenditures - Summary --- Without Ending Fund Balances and Transfers To Other Funds
2006 - 2007 Proposed Budget

**Total Expenditures =
~\$48,700,000**

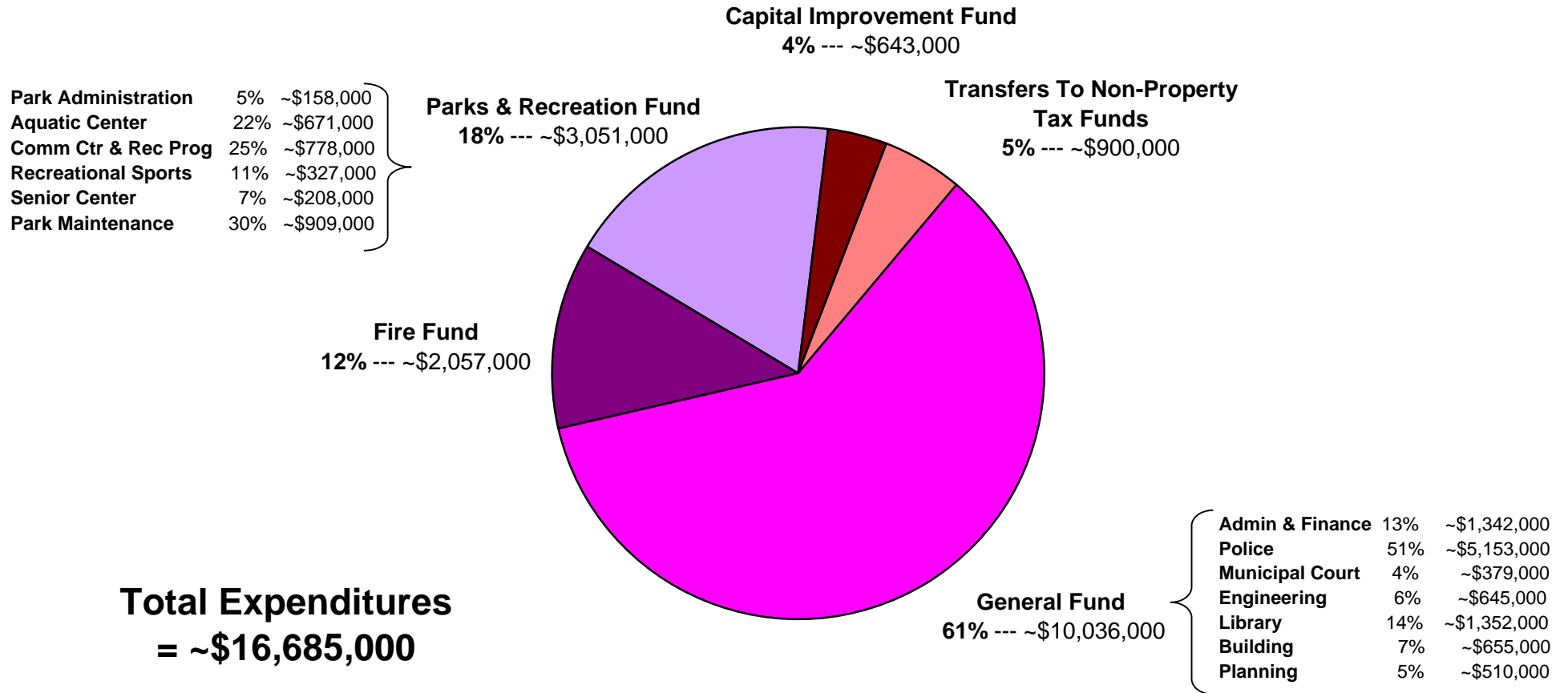


- General Fund
- Fire Fund
- Parks & Recreation Fund
- Capital Improvement Fund

City of McMinnville
Property Tax Supported Operating Funds
Revenues by Sources
2006 - 2007 Proposed Budget



City of McMinnville
Property Tax Supported Operating Funds
Expenditures by Fund
2006 - 2007 Proposed Budget



City of McMinnville
Property Tax Supported Operating Funds
Expenditures by Category
2006 - 2007 Proposed Budget

- General Fund
- Fire Fund
- Parks & Recreation Fund
- Capital Improvement Fund

Total Expenditures
= ~\$16,685,000

