

TO: BOB MOLLETTE, 3RD WARD CITY COUNCILMAN
MEMBERS OF CITY COUNCIL
MAYOR, SOLICITOR, CITY CLERK
FROM: M. TRENT WILLIAMS, CITY AUDITOR
DATE: APRIL 27, 2009
RE: SELECT RESPONSES TO MEMO #09-010 RE: 2009 CIP BUDGET

| | | | |
|----|-------------------------------------|-------------------|---|
| 1. | 2008 Unencumbered Carryover Balance | \$ 391,000 | |
| | 2009 Anticipated Revenue | <u>1,300,000</u> | |
| | | \$1,691,000 | |
| | 2009 Proposed Budget | <u>1,538,600</u> | |
| | 2009 Unencumbered Carryover Balance | <u>\$ 152,400</u> | — |

2. The Income Tax Division has requested a vehicle to replace a 1994 Taurus at a proposed cost of \$25,000. This vehicle is nearly 16 years old and has served well but is now at a point where it is need of constant repair. The amount of \$25,000 is the same amount as was approved for three recent administrative use vehicles. It is used on an everyday basis and may be used at the discretion of the Auditor by the entire department when needed. Reliance upon use of another department's vehicle is not efficient or feasible. The ratio of vehicles to employees of this department is 1:8 as compared to the rate of 5:8 or even higher of some departments. One vehicle for an entire department is certainly not out of line. The current vehicle is anticipated to be replaced with a vehicle that will produce greater fuel economy, possibly of a hybrid variety as have been acquired by a few other departments recently.

11. Repayment for the Energy Conservation Project lease began in July of 2008. The \$120,000 is to make lease payments for a full year rather than the \$65,000 requested last year for only 7 months of payments.

19. Reliance upon Capital or General Funds creates an undue, although currently necessary, burden on these two funds. The City is responsible to maintain certain parks and recreational facilities yet has absolutely no source of revenue dedicated to afford this important obligation. The proposed income tax increase, if approved, would provide the opportunity for the City to fund these programs as more than \$450,000 would be generated specifically and exclusively for creation of new recreation and maintenance of existing recreational facilities.

21. Additional funds are necessary to be appropriated within Fund #606 for the Water Works department share of payments for the Energy Conservation Project lease. Sufficient funds are available within this fund for this appropriation.

24. Same as #21

26. The appropriations requested in Funds #621 and #622 are necessary for sewage system engineering costs previously approved. This will obligate the balance of Fund #622 Capital Outlay.

