



The City Council of the City of Auburn was sworn into office on October 2, 2006. Council members, seated from left to right, are Arthur Dowdell, Sheila Eckman, Tom Worden, Brent Beard, Mayor Bill Ham, Robin Kelley, Dick Phelan, Gene Dulaney, and Bob Norman.

City of Auburn, Alabama

BIENNIAL BUDGET

*Fiscal Years Ending
September 30, 2007
and September 30, 2008*



City of Auburn

FY 07 & FY 08 Biennial Budget

Management Team

Charles M. Duggan, Jr. City Manager

Andrea E. Jackson Finance Director

Jeffery L. Ramsey Director of Public Works

Phillip Dunlap Director of Economic Development

Steven A. Reeves Director of Human Resources

William H. James Director of Public Safety

Forrest Cotten Director of Planning

Rebecca O. Richardson Director of Parks & Recreation

Margie B. Huffman Director of City Library

Timothy L. Woody Director of Environmental Services

James C. Buston, III Director of Information Technology

Scott Cummings Director of Water Resource Management

Joe S. Bailey Municipal Judge

The City of Auburn
Biennial Budget for FY 2007 & FY 2008
Table of Contents

Introductory Information

Budget Message.....	1
Key Decisions	15
Community Profile	18
Results of Economic Development Activity	26
Personnel Authorization Summary	28
Miscellaneous Statistical Data	29
Organization Chart	30

General Information

GFOA Distinguished Budget Presentation Award.....	31
Description of the Budgetary System	32
Budget Calendar	36
Citizen Survey	38
22 Goals for <i>Auburn 2020</i>	39
Financial Overview	41
Revenue Overview	45
Overview of Outstanding Debt	51
Proposed Financial Policies	57
Description of All Budgeted Funds	68
Overview of Budgeted Revenues and Expenditures – All Budgeted Funds	69
Overview of Projected Resources and Planned Spending	70
Details of Financing City Operations	71
Summary of Capital Outlay by Fund and Department	73
Summary of Conditional Capital Outlay	75
Capital Improvement Program	79
Capital Improvement Program – Future Projects	83

General Fund

Overview of Changes in Fund Balance	84
General Fund Revenues	87
General Fund Expenditures	94

Departmental Budgets

Trends in Expenditures by Department.....	100
Overview of Expenditures by Department.....	101
City of Auburn Mission Statement.....	108
<i>General Fund Departments</i>	
City Council	109
Office of the City Manager.....	110
Judicial	113
Information Technology.....	118
Geographic Information System.....	125
Finance	126
Economic Development	134
Human Resources	145
Risk Management	150

The City of Auburn
Biennial Budget for FY 2007 & FY 2008

Table of Contents

Public Safety	151
Administration.....	158
Police.....	159
Fire	160
Communications.....	161
Codes Enforcement.....	162
Public Works	163
Administration.....	170
Construction and Maintenance.....	171
Engineering Design	172
Inspection	173
Traffic Engineering	174
Environmental Services	175
Administration.....	179
Recycling.....	180
Solid Waste	181
Animal Control.....	182
Right of Way Maintenance	183
Fleet Services.....	184
Auburn Public Library.....	185
Parks and Recreation.....	189
Administration.....	194
Leisure Services.....	195
Parks and Facilities	196
Planning	197
Non-Departmental	203
<i>Water Resource Management</i>	<i>204</i>
 Sewer Fund.....	 213
 Special Revenue Funds.....	 219
 Debt Service Fund.....	 226
 Special Activities of the General Fund.....	 232
 Glossary.....	 237

City of Auburn
FY 07 & FY 08
Biennial Budget
Table of Contents
Section 1

Introductory Information

Budget Message	1
Key Decisions	15
Community Profile.....	18
Results of Economic Development Activity.....	26
Personnel Authorization Summary.....	28
Miscellaneous Statistical Data	29
Organization Chart.....	30



The City of Auburn

Biennial Budget for FY 07 & FY 08

Budget Message

June 15, 2006
Honorable Mayor and Council Members
City of Auburn, Alabama

Dear Members of Council:

It is my pleasure to present the biennial budget for the City of Auburn, covering fiscal years 2007 and 2008. This is the City's fourth biennial budget and I believe the City has greatly benefited by utilizing this innovative approach to budgeting. We face the 2007 and 2008 biennium with a strong financial condition. The Management Team continues to control expenditures and our revenue is stable, thanks to our strong local economy and our economic development efforts.

The Government Finance Officers Association presented the City with its Award for Distinguished Budget Presentation for the seventh consecutive time for the FY 05-06 Biennial Budget. We are pleased that our professional peers acknowledge our budget as one worthy of recognition and I hope that you find it valuable in making the important decisions that will impact Auburn citizens and the City government over the next two years and into the future.

Citizen Survey

For over twenty years, the City of Auburn has conducted an annual citizen survey to identify priorities and strategic goals that guide the budget in the development and implementation process. The 2006 Survey was completed in March 2006 and was statistically valid within a 4% range with a 95% confidence level. The major findings of the Survey were an overall strong satisfaction rating for the service delivery by City of Auburn departments, a high trust level by the citizenry for the City Council, and an appreciation of the overall quality of life that Auburn offers.

Of the citizens responding to the Citizen Survey...

- 95% were satisfied with Auburn as a place to live
- 94% were satisfied with Auburn as a place to raise children (20% above national average)
- 90% were satisfied with the quality of Auburn's school system
- 86% were satisfied with Auburn's overall quality of life
- 85% were satisfied with overall quality of public safety services (Police & Fire)
- 83% were satisfied with Auburn as a place to work
- 83% were satisfied with City parks facilities and programs

Residents think more emphasis should be given to:

- Management of traffic flow in the City
- Maintenance of City streets, buildings, and facilities
- Adequacy of street lighting
- Enforcement of speed limits in neighborhoods

Several areas of concern were highlighted through the survey. One new issue that the survey identified as an emerging issue was adequacy of street lighting. Working with Alabama Power, we have created a plan to upgrade street lighting throughout the City by increasing the wattage on many existing streetlights and placing additional street lights on existing poles. The only cost to the City will be the additional electricity required to power the lights. This is an example of how we use the Survey to identify areas for improvement before a minor concern becomes a major concern for our citizens. Additional resources are budgeted to address street maintenance, traffic flow, and speeding in neighborhoods, which are detailed later in this message.

Accomplishments for the Quadrennium

As members of the Auburn City Council for the past four years, you should be proud of the long list of significant accomplishments by the City government. So often, we get caught up in the issues of the moment and do not reflect on where we have been and where we are now. Since this will be the last budget that this Council considers, I thought it would be worthwhile for you to review some of the major accomplishments of your term of office.

From your first day in office, you identified school funding as your top priority. Over the past four years, the City has appropriated over **\$22.5 million** to the Auburn City Schools from the General Fund alone. In addition, you authorized the issuance of \$33 million in bonds to finance major facility expansions and improvements at virtually all school campuses. You also revised the appropriation formula so the School's appropriation grows with the City's revenues- directly linking the schools' funding to our overall growth in the General Fund.

One of the City's challenges is to maintain adequate infrastructure to accommodate the needs of current citizens, as well as those who are moving to Auburn because of the educational opportunities and quality of life found here. You have invested heavily in infrastructure to ensure that the City's streets, drainage, and sanitary sewer system provide high quality service to our citizens. New sections or extensions of existing streets to make traffic flow more smoothly are being constructed on Richland Road and Veterans Boulevard. Traffic flow was also improved with the realignment of Mall Parkway and the Wynnsong Driveway. Traffic safety has been improved through the installation of traffic signals on East University Drive at Donahue Drive and Wrights Mill Road and the new traffic calming devices that have been installed on Windway Road, Azalea Drive, Summertrees Drive, Woodfield Drive, and in Asheton Park subdivision.

A high percentage of the streets within the City have been resurfaced over the past four years because of the priority you have placed on street maintenance. The City has spent **\$5.25 million** over the past four years resurfacing and restriping a total of **66 lane miles** in the City. Sidewalks have been built at a much greater rate than at any time in the City's history. The City has constructed over **6 miles** of sidewalks during the past four years along Dean Road, North Ross Street, Shelton Mill Road, Boykin Street, Foster Street, Clark Avenue, Old Mill Road, Dumas Drive, Genelda Avenue, Thomas Street, South College Street, Bedell Avenue, Woodfield Drive, Chewacla Drive, Armstrong Street, and East University Drive (Gatewood to Dean).

You have continued to address drainage problems throughout the City. We have completed **11 major drainage projects** which have greatly reduced flooding issues that plagued several areas. You unanimously voted for much stiffer requirements for detention facilities and erosion control measures to prevent future drainage issues from developing.

This Council has actively pursued the expansion of recreational facilities. You have built the 12-field **Soccer Complex** on Wire Road, made tremendous improvements at the **Duck Samford Park**, which is now one of the finest youth baseball-softball complexes in the State of Alabama, as evidenced by its selection to serve as the site of the 2005 Dixie Youth World Series. **Duck Samford Stadium** received an \$800,000 facelift. You have supported the creation and opening of **Town Creek Park** and **Town Creek Cemetery** on South Gay Street. You supported the development of the **Yarbrough Tennis Center** off Richland Road, which will provide clay courts, hard courts, and an indoor facility for our citizens.

Our recreational facilities and programs continue to receive honors. The Softball Complex was awarded the **2005 Alabama Amateur Softball Association Complex of the Year Award** and has also been selected for induction into the **Alabama Softball Hall of Fame** by the Amateur Softball Association. Auburn CityFest was awarded the **Event of the Year** by the Alabama Parks and Recreation Association for the State of Alabama District V in 2005. Auburn CityFest 2006 drew a record crowd of 35,000. We were also honored to be named a **Tree City USA** by the National Arbor Day Foundation in recognition of our commitment to the community forest.

In addition to investments in recreational facilities, the City has constructed several bikeways and bike paths. The **Wire Road Bikeway** was officially opened last month, and construction is currently underway on the **Thach Avenue Bike Lane** project. Bike lanes were also added along Wrights Mill Road, and the **Grove Hill multi-use path** has been a welcome addition for residents in the southern part of town. The annual Bike Bash continues to be a popular event and our local schoolchildren are learning about cycling through the Bicycle Storage Trailer & Safety Program used by the school system. In recognition of these projects and efforts, the City was designated a **Bronze Level Bicycle Friendly Community** last fall. Auburn is the only city in Alabama to receive this honor.

During the past four years, this Council has continued to improve our departmental facilities. There have been great changes on Tichenor Avenue with the remodeling of the Annex to house the Human Resources Department and the downstairs area of City Hall to make room for additional work and office space for Finance, Economic Development, and Information Technology. The building at 120 Tichenor was renovated to provide the City Meeting Room and offices for the City Attorney. Lighting improvements have been made on Tichenor Avenue and at the Douglas J. Watson Municipal Complex. We recently celebrated with the Water Works Board the dedication of the **Bailey-Alexander Water and Sewer Complex**, the new home of the Water Resource Management Department on West Samford Avenue.

The Library has continued to provide high-quality services to our community. Your support was instrumental in the recent Five Mill Referendum where Auburn voters overwhelmingly approved issuing bonds for a **12,000 square foot addition** to the Library. A city based on education should have a fine public library and we have the opportunity to expand our wonderful Library so it can continue to serve the needs of our citizens.

You have recognized the need for more affordable housing in the City specifically to benefit low and moderate income families and individuals. Through the North Auburn Housing Development Corporation and using CDBG funds, infrastructure installation for the **Northwest Village Subdivision** is currently underway. When completed, Phase One of this neighborhood will offer 25 low- to moderate-income families the opportunity to become homeowners. Auburn is the first community in Alabama to utilize CDBG funds sponsored by Housing and Urban Development (HUD) to construct single-family affordable housing units.

This Council has recognized the benefits of maintaining and improving upon the City's relationship with Auburn University. To this end, the City has formed a strategic partnership with the State of Alabama and Auburn University to develop the **Auburn University Research Park**. This 156-acre park will offer more opportunities for commercialization of research developments that occur at Auburn University. The park should be open by the end of 2006. We are also working with the University to improve area recreational facilities. With the participation of the Athletic Department, we are able to build the entire Tennis Complex all at once, rather than in stages as we had originally planned. The University benefits by getting improved facilities for the varsity men's and women's tennis teams, and our citizens benefit by having a larger and better facility than we could afford to build at once on our own. We will also be able to bid on large, revenue-generating tournaments once the Complex is complete. Of course, another example of our partnership with the University is the 2004 merger of police services. The merger has reduced duplication of services while improving police protection on campus and in the City.

You have also recognized that these improvements for our Schools, streets, sidewalks, bikeways, parks, buildings, and other infrastructure are dependent upon a strong economic base. Under the Alabama Constitution and laws, there are severe limitations on the use of property taxes to pay for the costs of government and the ability of local governments to set their own property tax rates. Therefore, if a city is to be successful, it must generate resources from commercial and industrial businesses. You have been extremely supportive of our efforts to enlarge and diversify the City's employment and retail base. The strong growth in occupation license fees and business licenses over the past 5-10 years shows the results of our economic development efforts.

Since you have been in office, the following major companies have come to Auburn: Weidmann Plastics, Electric Fuel Corporation, CV Holdings, SCA Inc., Pyongsan Inc., Leggett & Platt, and J&S/AST North America. Numerous smaller projects, such as MDT Armor, ATS Engineering, Hightex, Inc., and KC Sol-Tech have brought additional jobs to Auburn. In addition, Sommer Metalcraft, Rexnord, and Briggs & Stratton, and others have announced major additions to their workforces and facilities. During your term in office, over **2,000 jobs** have been created through our industrial recruitment activities, bringing a capital investment of **\$261 million**. The investments you have made in enlarging and diversifying our local economy are paying off and will continue to benefit the City for years to come.

The City of Auburn has made significant progress during the past four years. The projects and actions mentioned above represent only a few of the Council's accomplishments. Importantly, you have dealt with issues that will face Auburn in the future. You authorized the parking study to determine the urban core's current and future parking needs. The decisions you have made on streets were based on the Major Street Plan, sewers on the long-range Sewer Plan, and all projects on the Capital Improvements Program. The City is not strictly reacting to immediate problems but is placing them within long-term context in each of these critical areas.

On-Going Projects - The City has many projects that are underway that will be completed by the end of FY 06 or will be under construction during the next few months that may not be completed until FY 07 or FY 08. They include the following:

- Construction of the Tennis Center on Richland Road
- Construction of major sewer lines in west and southwest Auburn
- Widening of the Bent Creek Bridge at I-85 and related infrastructure improvements
- Construction of Fire Station #5 in south Auburn
- Infrastructure installation for the Auburn University Research Park

- Construction of a new interchange off I-85 at Cox Road/Beehive Road
- Improvements to the Dean/Samford Intersection
- Phase 2 extension of Richland Road
- Construction in the Northwest Village Subdivision
- Widening and repaving of Shelton Mill Road
- FY06 Resurfacing Project

Council Priorities

The Council provides the direction for the staff in a number of essential ways. One of the important things that you do is to set priorities that the staff strives to reflect in the budget that we develop and present to you. Especially helpful are the comments that you include on your priority rating sheets. They give us a better understanding of the issues and projects you consider most pressing. The final budget approved by the Council is based on a consensus of the members. Not every project or funding level by every member of Council is included in the budget, but through priority setting, we can learn the judgment of the Council as a whole. For the next biennium, you have placed the needs of the community in this order:

1. School funding
2. Commercial development
3. Industrial development
4. Street maintenance
5. Downtown parking
6. Traffic signal improvements
7. Pay raises for employees
8. Intersection/street improvements
9. Stormwater utility
10. Wireless for City departments
11. Bikeways/greenways
12. Sidewalk construction
13. Additional employees
14. Parks facilities
15. Outer loop project
16. Funding for other agencies
17. Televising public meetings
18. Wireless for entire City

Clearly, the Council has a strong interest in education, economic development, transportation infrastructure, the downtown area, and employees. The consistency of the Council priorities indicates that there is a general consensus among members on the direction in which the City is heading. All of the Council priorities are critical for the City to maintain and improve the quality of life that we now have in Auburn. The high quality of our school system has made Auburn an even more attractive place to live and has helped fuel significant residential development. This, of course, creates the need for infrastructure to accommodate the growth, as well as to maintain the older infrastructure.

Auburn's growth over the past forty years has meant that we consistently have had to widen streets and intersections, build new roads, install sewers, and construct water treatment and distribution facilities, parks, and departmental buildings. Council priorities target our limited

resources to address the most important needs of a growing community. We believe that the City has been effective in using its resources wisely to maintain and improve schools, services, and infrastructure.

Obviously, the City cannot do everything that everyone wants us to do because of limited resources. Several of the highest priorities of the City are demanding greater resources to maintain the quality that citizens have come to expect. Of course, using our resources to address these items limits what we can do in other areas. It requires that we manage our resources closely so that the priority items are addressed adequately. In the paragraphs that follow, I will explain how we are addressing the Council's top priorities.

Schools- In 1981, the City Council adopted an Ordinance that guaranteed the City Schools the equivalent of fifteen mills of property taxes from the City's General Fund. In 2003, this was adjusted to a twenty-mill equivalent. With the growth of the property tax base and the change to annual property appraisals, the City was put in a position where the appropriation to the Schools was increasing at a faster rate than revenue growth. With the support of the School Superintendent, you changed the appropriation formula from property tax equivalent to a percentage of general fund revenues. The City Schools will receive the greater of 13% of general fund revenues, based on actual revenues from two years prior, or \$6,795,523. Tying school funding to our overall revenue growth is a much more sustainable formula that hopefully will prevent future City Councils from having to make a tough choice between funding schools and other vital City services.

The Council's increasing commitment to School funding can be seen by the following historical data:

Fiscal Year	General Fund Appropriation	General Fund Supplement	Total
1995	\$ 2,036,976	\$ 157,924	\$ 2,194,900
1996	2,273,325		2,273,325
1997	2,504,616		2,504,616
1998	2,699,250		2,699,250
1999	2,822,247		2,822,247
2000	2,977,260	325,000	3,302,260
2001	3,307,014	825,000	4,132,014
2002	3,918,522	143,403	4,061,925
2003*	4,110,444		4,110,444
2004	4,357,070		4,357,070
2005	5,939,173		5,939,173
2006^	6,795,523		6,795,523
2007	6,795,523		6,795,523
2008	6,795,523		6,795,523

* Change from 15 to 20-mill equivalent

^ Change from 20-mill equivalent to percentage of General Fund revenues

Revenue from the two School property tax funds managed by the City is projected to increase by \$777,943 in FY 07 and by \$345,348 in FY 08. Direct City funding to the Schools from these sources will exceed \$9.5 million during the biennium

Economic Development- You rated commercial and industrial development as your second and third highest priorities this year. Sales tax is the City's single largest source of revenue, providing approximately forty percent of General Fund resources. Another thirty-five percent of General Fund revenues is obtained from business licenses, occupational license fees, and property taxes. Because of the difficulty to raise revenue through property tax increases under Alabama laws, the City will continue to derive its revenue from business-based taxes. Continued success in commercial and industrial development is crucial to the City's financial stability.

The planned major new developments at the Bent Creek/I-85 interchange are welcome additions to our retail base. The Economic Development Department has done an excellent job promoting Auburn to national retailers in obtaining this commitment. We have also continued our success with industrial development, evidenced by the recent location of GMB Automotive USA, Cumberland Plastics, Nikki America Fuel Systems, and others. Several of our existing industries have announced expansions, such as Health Information Design, CV Holdings, and Hoerbiger Hydraulics.

Transportation-Streets, Traffic Signals, Intersection Improvements- This City Council, like our citizens, has identified street maintenance, street and intersection improvements, and traffic signal installation as high priorities for the City. Your commitment to this important part of the City's infrastructure is reflected well in the summary of the accomplishments of the past four years. In addition to the streets, we have built many sidewalks and bikeways to offer alternative modes of transportation to the public.

The proposed budget includes funds for road resurfacing and restriping in FY07 and FY08. This Council's and prior Councils' strong commitment to street maintenance during the past decade has made a noticeable improvement in the condition of the streets in Auburn. However, since traffic and weather continually contribute to the degradation of asphalt, we must maintain an annual commitment to resurfacing if we expect to keep our streets in excellent condition. In addition, improving intersections to handle traffic movements more efficiently and constructing new street segments has led to improved traffic flow through and around the City over the past decade.

Over the next two years, we expect to continue to have significant improvements in our street network. The most visible change to City intersections will be the realignment of Martin Luther King Boulevard to connect to Bragg Avenue. The importance of this change will be to move the intersection away from the railroad tracks, thereby improving safety at this busy crossing. In addition, the extension of Samford Avenue to East Glenn Avenue, which is part of our Master Street Plan, should be completed. The Dean/Samford intersection improvement is slated to be finished before school begins in August. This will greatly improve visibility and safety at this busy intersection.

Traffic light installation is another priority of the Council addressed in the budget. We are planning for the installation of traffic lights at South College/Shell Toomer and West Samford/Shug Jordan. ALDOT has scheduled traffic studies for these two intersections during the fall. We are hopeful that the studies will indicate both signals are warranted and ALDOT will give us approval to proceed with installation. When the Samford Avenue road extension proceeds, we will install traffic

signals on East University Drive and Glenn Avenue to improve traffic flow and safety along this new road.

The Citizen Survey showed that our citizens are concerned about traffic in neighborhoods and residential areas. The traffic calming devices we have installed through the Traffic Calming Policy have shown to be effective and efficient at reducing speeds. We are encouraged by the results we have seen and plan to continue to install these devices when conditions are warranted and the area residents are supportive. In addition to the Traffic Calming Policy, we will continue to address concerns about neighborhood speed through educational campaigns and the use of our motorcycle patrols to increase police visibility in residential areas.

Downtown Parking- The Parking Study you commissioned in 2005 is almost complete and will be presented to the Council on July 18. City staff is working to formulate a plan to implement the study's recommendations. One major component of the plan will be the construction of a new parking deck in the downtown area. We are working to identify the most suitable site and develop a plan to finance the deck. The addition of a parking deck could lead to major new redevelopment of the urban core. We will come back to the Council with some recommendations for your consideration in the next few months.

Employee Pay and Benefits- In every department, we have well-educated and well-trained employees that are highly dedicated to the City of Auburn and its citizens. I believe that you would have a difficult time finding the level of ability and commitment among any group of employees that we have with the people that work for Auburn's City government. It is gratifying to work with the department heads and other employees because they truly care about this City and the kind of work they do on behalf of Auburn residents. We were pleased recently to receive the Leadership in Institution Award from the Lee County United Way recognizing the example we set by our employees' commitment to the United Way and the local charities it supports. The high regard that citizens have for our employees is reflected in the positive ratings given them by the annual citizen survey.

I believe we have this outstanding workforce as a result of City Councils over the years understanding that for the City to be successful it is necessary to invest in our most important asset, our employees. It sends a very strong positive message to our employees when you rate pay raises in the top ten. You have made a commitment that employees should be compensated well, should have opportunities through training and development for personal and professional growth, and should have excellent benefits. As a result, the City of Auburn is a very good place to work. The City's reputation as a quality employer is reflected in the statistics on longevity. Over 33% of the City's regular workforce has been with us for ten years or longer, despite absorbing 27 new police officers from Auburn University in 2004. We are recruiting qualified personnel and they are staying with the City in all of our departments.

This year's budget is again pro-employee with money invested in pay raises, training and education, and benefits. The proposed budget includes a three percent cost-of-living adjustment for regular employees in FY 07 and FY 08, as well as money necessary to fund the merit raises granted to employees based on their performance. Lee County is experiencing record low unemployment, which is beneficial to employees and the local economy; but it makes it more difficult for employers to attract and retain highly skilled and qualified employees. By maintaining your commitment to our employees, we remain competitive in the job market for employees. Through our training and development programs, we have many young professionals in our departments that have the potential to assume higher-level supervisory and managerial roles

within the City. This commitment to the future will provide long-term stability for the City government.

Other Key Recommendations- We have included in the budget funds to supplement the State's upcoming flood plain study. The last flood map update was done in 1991, and is in need of updating. The State is funding the most basic level of the study and we will pay for additional detail which will benefit us as we plan for the City's future.

Additionally, included in the budget are funds for our estimated share of the new terminal at the Auburn-Opelika Robert G. Pitts Airport. Lee County and the City of Opelika are also contributing to this project.

Issues and Initiatives for the Biennium

During the upcoming biennium, there will be major issues and projects for us to address:

Planning Study. The Planning Department has included funds in their budget to conduct a detailed planning study including population/demographic forecasting and compiling detailed inventories for current development such as housing unit by type, population by age groups, retail space by gross area, etc. This will help the creation of the Auburn Interactive Growth Model (AIGM) that forecasts the spatial distribution of the population over time and the apportionment of land uses necessary to meet the needs of the population. The AIGM will be used to update our future land use plan and annexation policy.

Development Review Task Force. I have formed an internal Task Force comprised of the Directors of Economic Development, Information Technology, Planning, Public Works, and Water Resource Management to review the City's entire development process from start to finish. The Task Force is charged with identifying opportunities for improving the process and helping to set realistic and consistent expectations for developers, citizens, City staff, Planning Commission members, and elected officials.

Other Post Employment Benefits (OPEB). The Governmental Accounting Standards Board (GASB) has produced Statement No. 45 regarding the funding requirements for other post-employment benefits (OPEB), such as retiree health care. The City will be required to have an actuarial valuation of plan assets, and the actuarial accrued liability every 2 years. We are required to implement GASB 45 by the end of FY09 and have included funds in FY08 to conduct the actuarial valuation.

Cox/Beehive Interchange. We are very thankful to Senator Shelby, Senator Sessions, and Congressman Rogers for their assistance obtaining federal funding to construct a new interstate interchange near Cox and Beehive Roads. This \$18.4 million project will be a catalyst for further economic growth in west Auburn and provide relief to the congestion and safety problems on College Street. The new interchange will also provide for easy access to the Auburn Technology Park West. Currently, we are acquiring the needed right-of-way.

Auburn University Research Park. As mentioned earlier, the City has joined forces with the State and Auburn University to develop the Auburn University Research Park. The Research Park will support the research and academic mission of Auburn University, while also adding jobs and revenue to our local economy. Envisioned as a "research village," the Park will feature laboratory space, a business incubator, and office spaces to facilitate the commercial development of AU research technologies and products. The first buildings will be ready for occupancy by 2007.

Water and Sewer Projects. The Water Resource Management Department will be working to develop a long-range plan for the sewer system and to identify and secure future water supply sources. The Cost of Services Study will be complete soon, which will help identify appropriate charges for water and sewer access fees and tap fees.

Quadrennial Revenue Review. Next spring, the Finance Department will conduct a comprehensive review of all current revenue sources and identify any adjustments that could improve the equity and efficacy of our tax structure.

Keep Auburn Beautiful. Earlier this year, the Environmental Services Department and Auburn Beautification Council presented a proposal to expand our beautification efforts through a program of education, advocacy, and involvement. We are planning to move forward with this program and introduce new events in Auburn aimed at "Keeping Auburn Beautiful."

Financial Overview

The past quadrennium has been a time of progress for the City. Our high quality of life and excellent school system has continued to fuel residential growth. This residential growth has been accompanied by employment growth, especially in our industrial sector. Our revenue growth has been strong, enabling us to undertake more projects and offer more amenities to our citizens. However, due to increased retail competition in our area we are now faced with slowing growth of our major revenue source, sales tax. While the city has undertaken wise investment choices, we must be patient while these investments mature. There are increased demands on the General Fund's resources to pay for salaries, appropriations to outside agencies, and debt service. As we cautiously enter the FY 2007 & FY 2008 biennium, it is time to thoughtfully prioritize the use of our resources in order to maximize the services provided to our citizens.

When we set out to develop the biennial budget, two main targets were kept in mind for the General Fund:

1. Personal services (salaries and benefits) should be no more than 50% of total expenditures and Other Financing Uses
2. Ending fund balance must be no less than 25% of budgeted expenditures

The budget I present to you tonight meets those two objectives. Keeping our personnel costs down while maintaining a strong ending fund balance allows us the flexibility to deal with changing economic conditions.

Achieving a balanced budget for FY2007 and FY2008 presented a particular challenge. We are no longer experiencing double-digit revenue growth due to increased retail competition and a cooling national economy. We are projecting about 4.5% annual growth in our top four revenue sources- sales taxes, occupation license fee, business licenses, and property taxes. Revenue projections tend to err on the side of conservatism, but we feel these projections are realistic.

In order for us to maintain our strong financial position, we must keep our operating expenses at reasonable levels, so that we do not create an unsustainable operating budget. Our Department Heads have risen to the challenges of the FY07 & FY08 biennium and submitted fiscally responsible budget requests.

The main expense in City government is personal services- salaries and benefits for our employees. This is why we strive to keep this amount at 50% or less of our total expenditures. Since FY 2003, we have added 64 regular, full-time employees to our workforce. The police merger with Auburn University accounts for 42% of these positions, and we are fully reimbursed for

all of those costs. In the FY 07 budget, the cost for Personal Services is 49 percent of the total General Fund and in FY 08, the percentage is 50 percent. As you see, we have met our goal, but our capacity to add additional positions is limited by future revenue growth. The proposed budget does include 7 new full-time positions: 2 - Detectives, 2 - 911 Communications Officers, a Principal Planner, and a Tennis Coordinator and Maintenance Worker for the Yarbrough Tennis Complex. By maintaining the number of employees at a level where efficiency is optimized, we are able to pay employees well, provide developmental opportunities for employees, fund the Schools, and have resources to provide the high levels of services that our citizens have come to expect.

The proposed budgets for FY 07 and FY 08 will maintain the City's strong financial position with an ending balance in excess of at least \$13.5 million each year. The \$13 million excludes the \$4.5 million Permanent Reserve Fund that the Council established in 2002. The ending fund balance exceeds the Council's formal policy requirement of six percent, and meets our informal goal of twenty-five percent. Due to our heavy reliance on sales tax, it is prudent for the City to have a healthy ending fund balance. Sustaining this level of fund balance helps us maintain our excellent credit ratings of AA- and Aa3 from Standard & Poor's and Moody's Investor Services. A second reason is that, while we pride ourselves on planning, no amount of planning can predict every event that may require the use of our resources.

Revenues- Excluding debt proceeds and transfers, the biennial budget includes an increase in projected total revenue in the General Fund of \$135,195 (0.3%) for FY 07 over the FY06 Mid-Biennium projection and \$1,780,811 (3.7%) for FY 08. The major sources of revenue are expected to remain steady through next two fiscal years, as shown in the table following this paragraph. Sales taxes are estimated to increase by 2.9 percent in FY 07 and by 4.3 percent in FY 08; property taxes by 5.9 percent in FY 07 and FY 08; and occupation license fees by 3.5 percent in FY 07 and by 4 percent in FY 08. The projected increase in business licenses in FY07 is larger than normal due to the change in payment schedule for residential rental fees. We are cautiously optimistic about the local economy based on the recent numbers that we have.

	FY06	FY07			FY08		
	Budget*	Projected	Increase	As a %	Projected	Increase	As a %
Sales Tax	\$ 19,100,000	\$ 19,650,000	\$ 550,000	2.9%	\$ 20,500,000	\$ 850,000	4.3%
Occupation Lic. Fee	7,000,000	7,245,000	245,000	3.5%	7,535,000	290,000	4.0%
Business License^	5,924,205	6,717,400	793,195	13.4%	6,995,300	277,900	4.1%
Property Tax	2,375,000	2,515,500	140,500	5.9%	2,664,330	148,830	5.9%

* As amended at mid-biennium or proposed to be amended at end of biennium

^ Includes franchise fees, residential and commercial rental fees, and construction license fees

The budget has no recommendations for any General Fund revenue increases. A 5% sewer rate increase is proposed for FY07. Costs of providing sewer services has increased over the past few years due to stricter environmental regulations and increased costs of maintaining our system. This five percent increase is projected to result in an increase of approximately \$1.00 in the average residential monthly bill. The need for an increase in the sewer service charge is not based on the improvements to the plants that will be made over the next two years or current and future expansions planned for our sanitary sewer system. A sewer bond issue will pay for those

projects. Future revenue from new customers will pay the cost of debt service for these improvements.

Next spring, the Finance Department is scheduled to conduct a quadrennial review of the City's revenue structure. Following this review and analysis, the staff will report on the growth and stability of the City's various revenue sources and will make recommendations concerning methods for strengthening the City's financial position and improving the equity of the licenses, taxes and fees that support the provision of the various City services.

General Fund Expenditures-The departmental budgets are projected to decrease by 2 percent in FY 07 and increase by 3.4 percent in FY 08. The decrease in departmental spending for FY 07 is \$670,712 and increase for FY 08 is \$1,128,091. The increases in department budgets are primarily due to the three percent cost-of-living adjustment for regular employees and the funding of the merit pay plan for both fiscal years. Departmental spending on contractual services and commodities is fairly level. Also, the last of our capital leases will pay out in FY 06, eliminating the need for debt service in the departmental portion of the General Fund budget. The result is that we have fairly tight departmental budgets.

General Fund - Comparative Expenditures by Category

	FY06 Mid-Bi Budget	Proposed Budget - FY07				Proposed Budget - FY08			
		Budgeted	Increase/(Decrease)			Budgeted	Increase/(Decrease)		
			Amount	As a %			Amount	As a %	
Departments									
Personal Services	\$ 24,313,528	\$ 25,447,550	\$ 1,134,022	4.7%	\$ 26,488,743	\$ 1,041,193	4.1%		
Contractual Services	4,395,018	4,406,658	11,640	0.3%	4,525,085	118,427	2.7%		
Commodities	2,775,477	2,891,610	116,133	4.2%	2,974,222	82,612	2.9%		
Capital Outlay	2,172,971	308,337	(1,864,634)	-85.8%	194,196	(114,141)	-37.0%		
Debt Service	67,873	-	(67,873)	-100.0%	-	-	-		
Total Departmental	33,724,867	33,054,155	(670,712)	-2.0%	34,182,246	1,128,091	3.4%		
Non-Departmental									
General Operations	1,295,850	1,191,866	(103,984)	-8.0%	1,137,054	(54,812)	-4.6%		
Project Operations	2,622,650	1,250,000	(1,372,650)	-52.3%	1,500,000	250,000	20.0%		
Agency Funding	8,097,283	8,212,194	114,911	1.4%	8,213,494	1,300	0.0%		
Transfers to other funds	17,728,727	1,829,300	(15,899,427)	-89.7%	2,154,300	325,000	17.8%		
Debt Service	5,632,372	6,368,429	736,057	13.1%	5,890,054	(478,375)	-7.5%		
Total Non-Departmental	35,376,882	18,851,789	(16,525,093)	-46.7%	18,894,902	43,113	0.2%		
General Fund Totals	\$ 69,101,749	\$ 51,905,944	\$ (17,195,805)	-24.9%	\$ 53,077,148	\$ 1,171,204	2.3%		

In order to present a balanced budget, we have had to reduce the amount of capital outlay for our departments. The budget includes the purchase of two vehicles for the new detectives and the replacement of several vehicles in the Environmental Services Department, including two mini-trucks that service our backdoor garbage customers, as well as furnishings for the Library expansion. Each department has provided a list of their capital outlay request, which has been prioritized by the department head. During the second quarter of FY07, we will look at revenues, and if they are performing better than expected, we will begin to purchase those capital items and make adjustments at mid-biennium.

The non-departmental budget is also very lean. We reduced the amount of the Capital Improvements Program (CIP) that is funded by the General Fund to a level that is affordable within

our budget constraints. Funding is provided for upgraded 911 equipment, the flood map update, traffic signal installation, and road resurfacing. As with the departmental capital outlay, we will work to fit more projects in if revenues outperform our projections. The increase in Agency Funding in FY07 is due to the funding formula for the Convention & Visitor's Bureau. Earlier this year, Council approved increasing the City's lodging tax rate to 7% and providing 1/7 of that revenue to the CVB. Auburn City Schools will receive \$6,795,523 each year of the next biennium. Additionally, we have provided level funding for all of the other agencies currently receiving appropriations. Debt service will peak in FY07, as several older issues will be retired next year. The debt service budget includes funding for the Samford Avenue extension.

Capital Improvements Program (CIP). The FY07 & 08 CIP includes over \$65 million of projects on roads, sewers, recreational facilities, bridges, and other infrastructure improvements and expansions. Major projects in the CIP include the Bent Creek Bridge widening, Cox/Beehive Interchange project, Tennis Center, Library Expansion, road resurfacing, Hwy 14/Bragg Avenue realignments, Samford Avenue Extension, Fire Station #5, S5 Sewer sections, and Northside Transfer improvements.

Capital Improvements Program by Category

	FY07	FY08
Leisure Facilities	\$ 9,172,246	\$ 348,000
Bikeways/Greenways	749,000	-
Sidewalks	60,000	75,000
Road Resurfacing	899,248	1,500,000
Traffic Signal Installation	150,000	175,000
Intersection Improvements	1,370,000	279,000
Future Roads	-	1,000,000
Bridge Improvements/Replacements	16,018,005	1,560,000
City Buildings	360,000	10,000,000
Other	494,679	95,000
Information Teachnology	2,200,000	295,000
Public Safety	1,708,000	1,158,000
Sewer	8,242,344	7,200,000
Total CIP Spending	\$ 41,423,522	\$ 23,685,000
Two Year CIP Total	<u>\$ 65,108,522</u>	

The CIP for FY09-FY12 provides for over \$80 million in future spending. The projects in FY09 and later are all subject to change, given future Council and citizen preferences and available resources, but it does address our community's needs as expressed through the citizen survey, various City Boards and Commissions, and the Auburn 2020 plan.

The sections of the budget following this Budget Message will provide detailed analyses of the City's revenues and expenditures.

Conclusion

I firmly believe that the proposed biennial budget addresses the priorities of the City Council and meets the needs of the departments. Of course, it does not address every need that everyone wants the City to fund; but it will result in two solid years of achievement for the Auburn City government. The Schools will continue to receive a healthy appropriation and our immediate capital outlay needs will be met. The pay raises for employees will help us attract and retain excellent employees and maintain the City's position as a competitive employer in a very tight labor market.

The budget document also includes mission statements and annual goals for each department; revenue projections and proposed expenditures for the General Fund, the Sewer Fund, and all the other budgeted funds of the City, including analyses by category and function; overviews of revenue and debt; data on the number of authorized personnel; and the capital improvements program.

I want to express my appreciation to the department heads for their excellent work on the budget this year and their willingness to work together in the best interest of the City and their desire to be fiscally responsible. I especially appreciate the work of Finance Director Andrea Jackson and her staff and Human Resources Director Steve Reeves and his staff. Their fine work has resulted in a solid proposed budget that allows the Council to make well-informed decisions. Finally, this budget is a result of the hard work of Meagan Kramer, the city's first budget analyst. Meagan has worked many extra hours on the information contained within this budget and she has delivered to us a superb biennium budget proposal. I hope that after reviewing this document the council will feel very optimistic about the future of the city's financial state.

Sincerely,



Charles M. Duggan, Jr.
Acting City Manager

CITY OF AUBURN

Key Decisions

FY 2007 & FY 2008 Biennial Budget

1. Should the following positions be added in the General Fund? In budget.

- a. Public Safety – Police Division
Two (2) Detectives (\$92,544)

Yes X No

- b. Public Safety – Communications Division
Two (2) Communications Officers (\$74,157)

Yes X No

- c. Parks & Recreation – Leisure Services Division
Tennis Center Coordinator (beginning in February 2007) (\$29,555 FY07;
\$53,199 FY08)

Yes X No

- d. Parks & Recreation – Parks & Facilities Division
Park Maintenance Worker (beginning in February 2007) (\$14,000 FY 07;
\$24,000 FY 08)

Yes X No

- e. Planning Department
Principal Planner (\$60,772)

Yes X No

2. Should regular City employees receive three percent across the board pay raises and the merit raises included in the pay plan in FY 07 (\$595,559) and FY08 (\$623,332)? In budget.

Yes X No

3. Should sewer service charges be increased by 5% effective October 1, 2006? In budget. (Monthly increase for average residential bill will be approximately \$1).

Yes X No

4. Should the following equipment be purchased? In budget.

- | | | | |
|----|---|------------------|------------------|
| a. | Police Cars (2) – Public Safety
(\$46,200 FY07) | Yes <u> X </u> | No <u> </u> |
| b. | 911 System – Public Safety
(Replacement; \$180,000 FY07) | Yes <u> X </u> | No <u> </u> |
| c. | 12 Passenger Van – Environmental Services
(Replacement; \$20,000 FY07) | Yes <u> X </u> | No <u> </u> |
| d. | Mini Trucks (2) - Environmental Services
(Replacement; \$44,000 FY07) | Yes <u> X </u> | No <u> </u> |
| e. | Pickup Truck – Environmental Services
(Replacement; \$18,137 FY07) | Yes <u> X </u> | No <u> </u> |
| f. | Knuckle Boom Loader Truck – Environ. Svcs
(Replacement; \$96,196 FY08) | Yes <u> X </u> | No <u> </u> |
| g. | Furnishings for Building Expansion – Library
(\$100,000 FY08) | Yes <u> X </u> | No <u> </u> |
| h. | Tractor – Sewer Maintenance
(\$35,000 FY07) | Yes <u> X </u> | No <u> </u> |
| i. | Pickup Trucks (3) – Sewer Maintenance
(Replacements; \$25,000 FY07; \$40,000 FY08) | Yes <u> X </u> | No <u> </u> |
| j. | Portable Pump – Sewer Maintenance
(\$40,000 FY07) | Yes <u> X </u> | No <u> </u> |
| k. | Jet Truck – Sewer Maintenance
(Replacement; \$130,000 FY08) | Yes <u> X </u> | No <u> </u> |
| l. | Camera Transporter – Sewer Maintenance
(Replacement; \$15,000 FY08) | Yes <u> X </u> | No <u> </u> |
| m. | Water Quality Testing Equipment – Watershed
(\$7,500 FY07) | Yes <u> X </u> | No <u> </u> |

5. Should the following General Fund expenditures for capital improvement projects, as listed in the long-term Capital Improvement Program, be approved? In budget.

Yes X No

- | | |
|----|---|
| a. | Road Resurfacing (\$899,248 FY07; \$1,500,000 FY08) |
| b. | Shell Toomer/South College Traffic Signal, pending ALDOT approval (\$75,000 FY07) |
| c. | West Samford/Shug Jordan Traffic Signal, pending ALDOT approval (\$75,000 FY07) |
| d. | FEMA Flood Map Update – City's Share (\$200,752 FY07) |

6. Does the City Council adopt the Capital Improvements Plan (CIP) with the understanding that projects included in FY 07 and FY 08 are budgeted, but projects listed for FY 09-12 are subject to change, dependent upon future economic conditions and changing citizen preferences?

Yes X No

7. Should the City Council continue providing level funding for agencies receiving City support? In budget.

For a listing of each agency's request, please see Section 6 of the Proposed Budget Document.

Yes X No

8. If Opelika and Lee County both choose to increase their appropriations to the Lee-Russell Council of Governments, should the City match that contribution level? (\$8,350 FY07 and \$12,850 FY08 increase requested for operations; \$7,000 FY07 for vehicle replacement) Not in budget.

Yes X No

9. Should the City appropriate funding for the following first-time requests? Not in budget.

Yes No X

- a. \$5,000/year for Lee County Crimestoppers
- b. \$10,000 for Miracle Field (FY07)

The City of Auburn, Alabama

“Home of Auburn University”
www.auburnalabama.org



Welcome to Auburn, Alabama

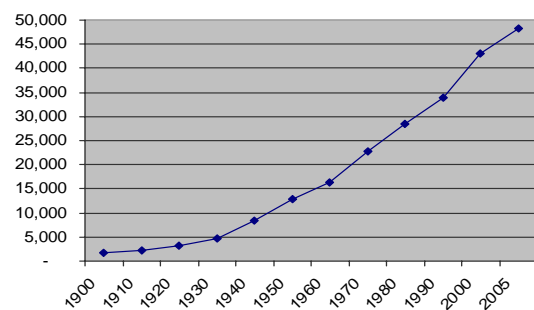
The City of Auburn, located in east central Alabama, is a thriving and diverse university-based community. The City was incorporated in Lee County in February of 1839. The establishment of Auburn University in 1856 marked the beginning of a mutually beneficial partnership producing what *Demographics Daily* recognized as a small city “dream town,” offering a high quality of life to all its citizens.

Located near Georgia’s west central border, Auburn is conveniently located on Interstate Highway 85, 115 miles southwest of Atlanta and 60 miles east of Montgomery, the Alabama State Capitol. Auburn is 120 miles southeast of Birmingham, the largest city in Alabama, and is 40 miles northwest of Columbus, Georgia. With easy access to highway, rail, and air transportation, Auburn’s location has been a significant factor in its continuing growth.



Auburn’s population has grown from 1,831 in 1900 to an estimated 49,928 in 2005. Population growth has averaged 2.5% per year since 2000. As the population has grown and the economic base has diversified, the City of Auburn has responded with expanded and innovative government services to provide for the needs and the expectations of a highly educated and multi-cultural citizenry.

Auburn Population



Auburn’s population has grown steadily since 1960

Auburn has a Council/Manager form of municipal government. The City Council consists of nine members, eight elected from single member wards, and the Mayor, who is elected at large. This legislative body establishes policy to guide the various City departments in providing services to its citizens. The City Manager is the chief executive officer of the City, directing and managing the daily activities of the City Government. Charles M. Duggan, Jr., a graduate of Auburn University, has served as City Manager since February 2006. The City departments include:

Office of the City Manager	Judicial
Information Technology	Library
Human Resources	Finance
Economic Development	Planning
Parks and Recreation	Public Works
Environmental Services	Public Safety
Water Resource Management	

Approximately 400 regular, full-time employees staff these departments, producing high-quality and cost-effective public services.

Government Services

Public Safety Services. The Public Safety Department is comprised of five divisions: Police, Fire, Communications, Codes Enforcement, and Administration. The Police Division includes 106 police officers, providing an average emergency call response time of 2-3 minutes. The Auburn University Campus Police department merged with the City of Auburn Police Department effective July 1, 2004. Now all law enforcement and public safety services for the campus are handled by the City. This merger allows for more comprehensive and higher quality public safety protection for residents and students living in Auburn, without duplication of services.

The Fire Division includes 36 regular, full-time firefighters and 95 student firefighters, manning four fire stations. Design for a fifth fire station began during fiscal year 2005, and construction is scheduled to begin in FY 2007. The staffing, training, and equipment levels in the Fire Division enable City residents to enjoy a Class 2/9 fire insurance rating. Communications provides E-911 emergency response and dispatch services to the public. Codes enforcement monitors construction activities within the City and compliance with public safety ordinances. Ambulance services are provided via a contract with East Alabama Medical Center.

Public Works Services. The City's Public Works Department oversees the development and maintenance of the City's transportation systems. The City's roadway system currently includes over 597 miles of paved streets and less than 2.5 miles of unpaved road. Public Works will expend approximately \$2.4 million on road resurfacing during fiscal years 2007 & 2008.

The Engineering Division of the Public Works Department performs planning and design services for the City's future highway, bikeway, and sidewalk systems. In addition, Public Works also monitors and inspects the construction and renovation of City facilities, including buildings, and parks.

Environmental Services. Given Auburn University's origins as an agricultural and mechanical college, it is not surprising that Auburn's residents give a high priority to its environmental quality of life. The City's Environmental Services Department maintains the cleanliness of the City's rights of way to a standard considered remarkable for a university town. Environmental Services collects household waste, recyclables and yard waste, offering citizens their choice of lower-cost curbside collection or higher-fee back yard collection service. Environmental Services is also responsible for animal control and maintenance of the City's vehicle fleet.

Leisure Services. In addition to the many diverse cultural opportunities afforded by Auburn University, the City's Parks and Recreation Department and City Library provide many leisure time choices to residents. The Library has 26 internet-connected computer workstations available to the public, which had 94,202 patron sign-ins during fiscal 2006. In fiscal 2005, the Library installed wireless internet access so that patrons may use their laptop computers in the facility. The Library also added a children's edition of the public access catalog to provide younger users with an easy and graphically appealing way to search the library catalog.

Due to the increased popularity of the City Library, a \$1.75 million, 12,000 square foot expansion is planned for fiscal year 2007 to accommodate the growing number of patrons. This new expansion will house Youth Services, additional public-use computers, and two offices.



The Parks and Recreation Department maintains sixteen City parks, four cemeteries, numerous recreation facilities - including three recreation centers, two pools, ten tennis courts, four youth baseball complexes, a seven-field soccer complex, a two-field football complex, 30

miles of bike paths, an award-winning five-field competition class softball complex, a community arts center and more. The citizens of Auburn voted to use the Special Five Mill Fund in April 2006 to construct a new tennis center that will house 28 outdoor tennis courts and 6 indoor tennis courts to be used by both the citizens of Auburn and Auburn University. Parks and Recreation also provides programs ranging from organized team sports leagues for football, basketball, soccer, baseball, and softball to music and dancing lessons to summer day camps and swimming teams.

Education Services. The Auburn City Schools provide services to more than 5,300 students. The City Schools' facilities include an early education center, five elementary schools, one middle school, one junior high school, and one high school. Teacher to student ratios range from 1:18 in the early education center to 1:23 in the middle and high schools. Of its teachers and administrators, 70% have advanced degrees and their average employment within the Auburn City system is twelve years. The City Schools expend an average of \$7,664 annually per pupil.

The City school system is accredited by the State Department of Education and the Southern Association of Colleges and Schools. It has been rated among the top 100 school systems in the nation by *Offspring Parenting* magazine (a subsidiary of *The Wall Street Journal*). The system consistently produces an average of six National Merit Scholars out of a graduating class of 290. Auburn High School offers the International Baccalaureate (IB) Program, a rigorous program based on the syllabi for 11th and 12th grades used by outstanding education systems throughout the world. Excellent choral, art, band, sports, and other extra curricular programs are offered and encouraged. Music and art teachers are in all the schools beginning with first grade. Participation in athletic programs begins in Grade 7.

Enrichment classes and programs are provided for all students throughout the system. Auburn High School offers 12 Advanced Placement (AP) classes. Concurrent college enrollment, through Auburn University and Southern Union State Community College, is available for students

who wish to take courses not taught at Auburn High School. The quality of the school system is a significant factor in the City's recent residential and industrial growth.

There are numerous colleges and technical schools within a 50-mile radius of Auburn:

- Auburn University, in Auburn
- Columbus State University, Columbus, GA
- Tuskegee University, Tuskegee, AL
- Southern Union State Community College, Opelika, AL
- Chattahoochee Valley Community College, Phenix City, AL
- LaGrange College, LaGrange, GA
- Central Alabama Community College, Alexander City, AL
- Auburn University at Montgomery, Montgomery, AL
- Huntingdon College, Montgomery, AL
- Alabama State University, Montgomery, AL
- Troy State University at Montgomery, Montgomery, AL
- Faulkner University, Montgomery, AL
- Patterson State Technical College, Montgomery, AL

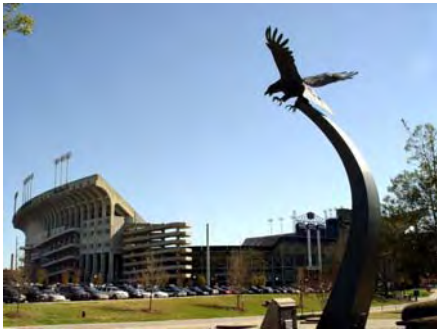
Auburn University has been rated among the top 50 public institutions in the nation for providing a quality education at an exceptional value by *US News & World Report* for twelve consecutive years.

Auburn University's student body is taught by 1,177 full-time and 299 part-time faculty members. Approximately 96% of Auburn students receiving their degrees are employed full-time after graduation. The University is nationally known for the achievements of its veterinary medicine, engineering, and business graduates.

As the City's largest employer, Auburn University is a major contributor to the local economy. Enrollment, which has remained steady over the past ten years, was 22,498 for

The Auburn City Schools system has been rated among the top 100 school systems in the nation... The quality of the school system is a significant factor in the City's recent residential and industrial growth.

the fall semester 2006. Included in the total enrollment are approximately 3,200 graduate students.



Jordan-Hare Stadium at Auburn University

Southern Union State Community College is located in Auburn's sister city, Opelika, which is also the Lee County seat. Southern Union is less than ten miles from Auburn and offers courses in business, accounting, computer science, industrial electricity and electronics, automotive technology, welding, and more. Fall 2006 enrollment was approximately 3,700.

Utilities. The City's Water Works Board, drawing from Lake Ogletree as its main source, provides water services. The City's Water Resource Management department also operates two wastewater treatment plants with a total treatment capacity of 7 million gallons per day and is currently expanding their production and treatment capacities to 9 million gallons per day to accommodate the City's projected population growth. During fiscal year 2005, the City's stormwater program was moved from Public Works to the Water Resource Management department. The intent of this move is to manage water supply, treatment and distribution, wastewater collection, treatment and disposal, and stormwater quality using a water quality approach. This division will coordinate and implement the Phase II Stormwater Regulations published by the federal government in 1999, while offering educational opportunities about stormwater issues and enforcing the City's erosion and sediment control ordinance.

The City's Economic Development Department, in partnership with the City's Industrial Development Board, has achieved an outstanding level of success in this effort, having assisted in the recruitment of more than thirty-five companies that have resulted in the creation of more than 4,000 jobs.

Healthcare. The Auburn area is served by the East Alabama Medical Center, an outstanding regional medical facility. EAMC's cardiac and cancer treatment programs have received national recognition. EAMC was named as one of the top 100 cardiac care hospitals in the United States and ranked 18th on *Fortune's* "100 best companies to work for" list in 2002.



*East Alabama Medical Center,
a regional medical facility*

East Alabama Medical Center's main campus has 314 beds and is located in Opelika. EAMC provides emergency medical transport services to the City of Auburn. An auxiliary campus in Auburn provides assisted living, hospice care and fitness facilities.

Transportation. The Auburn area is highly accessible by various transportation modes. Situated at the intersections of Interstate 85 with US Highways 280 and 29, the cities of Atlanta, Montgomery and Birmingham are all within an easy two-hour drive. Auburn is served by four trucking terminals, all within 25 miles of the City; three overnight package carriers and two commercial bus lines.

Auburn University operates the Auburn-Opelika Airport with the financial support of the three local governments in Lee County. Federally funded improvements are currently underway to accommodate the airport's growth in corporate jet activity. Other conveniently accessible airports include Hartsfield International Airport in Atlanta (100 miles by Interstate 85), the Columbus (Georgia) regional airport (40 miles

by US 280) and the Montgomery regional airport (60 miles by Interstate 85).



CSX Transportation provides local mainline rail service through its Southern Railway and Western Railway of Alabama divisions.

Factors Affecting Financial Conditions

Local Economy

From the founding of Auburn University in 1856, the City's economy has been dominated by the University's presence. The University's students and faculty were attracted to the quality of life in Auburn and wanted to remain in the City on a long-term basis. Consequently, many were overqualified for the available jobs, but chose to accept underemployment in order to remain in Auburn.

In the mid-1980's, the City government began a conscious effort to strengthen the City's economic base through diversification. The City government created an Economic Development Department, whose mission it is to recruit small to medium-sized technology-based companies that could offer a high level of employment to citizens, with the corresponding improvements in salaries and benefits.

The City's Economic Development Department, in partnership with the City's Industrial Development Board, has achieved an outstanding level of success in this effort, having assisted in the recruitment of more than thirty-five companies that have resulted in the creation of more than 4,000 jobs. The location of these many companies in Auburn has meant that the City had to acquire and develop three industrial-technology parks, with a fourth currently under development. In addition, the City is partnering

with Auburn University and the State of Alabama to construct a University-based research park.

The City's innovative economic development tools include a Revolving Loan Fund program funded from a loan repayment stream that was the product of certain federal grant programs, facilitation of public-private technology partnerships with Auburn University, a small-business incubator facility, a comprehensive workforce development program, and property tax abatements. The focused and creative use of these tools resulted in the location of the following companies, among others, in the City's industrial parks and the Auburn Center for Developing Industries: ATS Wheels, Briggs & Stratton Corporation, Falk Corporation, Donaldson Company, EPOS Corporation, Hoerbiger Automotive Comfort Systems, Leggett & Platt, Inc., MasterBrand Cabinets, Inc., Nikki America Fuel Systems, Touchstone Precision, Inc., and Weidmann Plastics.

The Auburn Center for Developing Industries (ACDI), a small business incubator facility, opened in 1989 to enable new business ventures to become established in a cost-controlled environment while adding jobs to the community. This project has been very successful, graduating more than four tenants to the City's industrial and technology parks and expanding its facilities three times. Current tenants located in the incubator include an automotive textile manufacturer and a software engineering company.

Auburn Technology Park North (ATPN) now stands at full capacity with 7 tenants, totaling more than 500 jobs. In 2006, Leggett & Platt, Inc., a Fortune 500 company headquartered in Carthage, Missouri, began production in their 140,000 square foot facility in ATPN. Once in full production, Leggett & Platt will have contributed over \$25 million in capital investment to the community.

Construction of the 450-acre Auburn Technology Park West is expected to begin in 2007. Plans are underway to construct Auburn's 3rd interchange along Interstate 85. This interchange will service the future site of the West Technology Park. Construction is expected to get underway in the last part of 2007.

Commercial development continues to be strong in Auburn. Numerous projects, including banks,

restaurants, and other retail operations, have opened along the U.S. Highway 29/South College corridor, just off Interstate Highway 85. A \$40 million expansion of Colonial University Village retail shopping mall was completed with the expansion of Dillards and JC Penney's. New national retailers and streetscape tenants at Colonial University Village include Belk, Ann Taylor Loft, Chico's, Coldwater Creek, Jos. A Bank, Lane Bryant, and Talbots. Several other major national retailers are currently considering lease options at University Village. In addition, major infrastructure improvements at the Bent Creek Interchange, Exit 57, are currently underway. These improvements will make way for additional retail outlets, including Sam's Club.

In addition to its business recruitment programs, the City's Economic Development Department has worked to improve housing opportunities within the Auburn city limits via an Affordable Housing Program, partnering with Habitat for Humanity, and administering numerous housing rehabilitation and other public service programs funded by federal Community Development Block Grants. The North Auburn Housing Development Corporation (NAHDC), a non-profit dedicated to affordable housing in Auburn, and the City of Auburn recently broke ground on the Northwest Village Subdivision. This subdivision is a partnership between the City and the NAHDC to provide an affordable housing subdivision for residents in Northwest Auburn. Tentative plans are to complete five houses this year. Phase I of the project should be complete in 3-5 years.



Northwest Village Subdivision Groundbreaking

Financial activities in Auburn are anchored by thirteen different banks with eighteen locations (excluding ATMs). These financial institutions have combined assets of approximately \$758 million. The largest bank in the City is an independent bank and the State's four largest

bank holding companies all have offices in Auburn. In addition, there are two federal credit unions and six nationally associated investment brokers providing financial services to Auburn's residents and businesses.

The physical boundaries of the City continue to expand with residential, commercial, and industrial growth. During fiscal 2006, the City annexed 1,278 acres into the City limits as part of the City's long-range plan for growth through annexation. All annexations are initiated by request of the property owners. The City's Planning Commission approved twenty-nine new subdivisions, incorporating 1,051 single-family residential lots and several multi-family residential lots which will include nearly 1,000 units.

In fiscal 2006, building permits were issued for 480 new single-family residences valued at \$111,572,248 million (↑17.7 %), 135 of which had valuations in excess of \$250,000 each. Also permitted during fiscal 2006 were 31 multi-family buildings valued at \$43.4 million (↑ 87.6%) and 8 new commercial and industrial facilities valued at \$16.7 million (↑ 36%). In response to several years of significant growth, the City completed construction of three new fire stations in fiscal 1998 and another fire station is planned for construction in FY 07.

Community Life. The Auburn area, through its ties to the University, its convenient accessibility to larger cities, and its active and diverse citizenry, enjoys a rich, varied and multi-cultural community life.

Community gathering places include the Auburn University Hotel and Dixon Conference Center, which was constructed in partnership with the City; Kiesel Park, a 127-acre pastoral park that includes the recently restored Nunn Winston House and a pavilion; the Jan Dempsey Community Arts Center; the Auburn Technology Park common area and gazebo; Chewacla State Park with its lake, waterfall and hiking trails; the City Library; Boykin Community Center; Hickory Dickory Park, a community-built children's playground; Frank Brown Recreation Center; Dean Road Recreation Center; and the Foy Student Union Building, Davis Arboretum, Graves Amphitheater and Samford Park, all on the campus of Auburn University.

Auburn's multi-cultural population is evident from the variety of the religions represented by

the more than 50 churches in the area: Catholic, Baptist, Jewish, Muslim, Unitarian, Presbyterian, Church of God, Church of Christ, Methodist, Seventh Day Adventist, Episcopal, Assembly of God, Lutheran and the Church of Jesus Christ of Latter Day Saints.

Cultural interests are promoted by the Auburn Arts Association and the various liberal arts schools at the University. The University and the City's Community Arts Center host plays, ballets, art exhibits and musical performances. The 1200-seat Performing Arts Center in nearby Opelika features world-class operas, playwrights, musicians and other forms of entertainment, including the San Francisco and New York City Opera Companies and Houston's Alley Theater.

Auburn University opened the Jule Collins Smith Museum of Art in October 2003. The 40,000 square foot museum houses the University's permanent collection of American art that includes works by Georgia O'Keeffe, Jacob Lawrence, Arthur Dove, and other internationally noted artists. The museum features a 120-seat auditorium, restaurant, grand rotunda, and eight exhibition galleries. The museum gardens feature walking paths, fountains, and large-scale sculpture.



The Jule Collins Smith Museum of Art recently celebrated its first birthday.

The Alabama Shakespeare Festival is just 60 miles away in Montgomery's Winton M. Blount Cultural Park. Also located in Montgomery is the Alabama Archives and History Museum and the Alabama State Capitol, one of only a few state capitols to be designated a National Historic Landmark. The State Theater of Georgia, the Springer Theater, is located in Columbus, Georgia. Columbus, about 45 minutes from Auburn, also hosts the Columbus Symphony, the Confederate Naval Museum, the Columbus Ballet and the U.S.

Army Infantry Museum in the adjacent military installation, Fort Benning.

Special events unique to the Auburn area include:

- Floral Trail in late March and early April, a self-driving tour showcasing the area's azaleas and dogwoods.
- Auburn University's A-Day weekend in April, the annual intra-squad football game and University class reunions.
- Auburn City Fest, an annual outdoor festival including: music, arts & crafts, food, and children's activities
- Mayor's Memorial Day Breakfast in honor of the area's war veterans.
- Summer concert series in Kiesel Park
- The Loachapoka Syrup-Sopping festival and historical fair held at the Lee County Historical Society Museum.
- The annual Dogwood Dash, a road race comprised of two running segments and one biking segment.



Auburn maintains a Veterans Memorial, funded in part by donations from the sale of bricks engraved with the names and armed services data of local veterans.

- Football Fan Day at Auburn University, preceding the start of each football season.
- Auburn Spirit Triathlon, consisting of a 200 meter swim, eight mile bike ride and 1.8 mile run.
- Pine Hill Cemetery Lantern Tour, a walking history tour of Auburn's oldest cemetery, sponsored by the Auburn Heritage Association.

- Fourth of July Fireworks Celebration at Duck Samford Park
- Labor Day Freedom Celebration at Duck Samford Park.
- Holiday Tour of Homes sponsored by the Auburn Heritage Association.
- Victorian Front Porch Christmas Tour in neighboring Opelika, where historical homes and their front porches are decorated for the holidays in Victorian style.

What makes Auburn unique? The presence of Auburn University creates a cosmopolitan feeling in this Alabama city. An estimated two out of three people living in Auburn are from other parts of the country or the world. The University's membership in the Southeastern Conference brings an influx of

visitors, not only for home football games, but also for the University teams' basketball, baseball and women's softball games and swimming, tennis and gymnastics meets.

Auburn feels like a much larger city in many respects. But residents still enjoy the amenities of smaller town life: friendly townspeople, helpful neighbors, ease of movement from one part of town to another, a feeling of community and a sense of security. They also enjoy a spirit that is difficult to define or to describe: The Auburn Spirit.



Industrial Development Board of the City of Auburn, Alabama
Results of Economic Development Activity ~ 1994 – 2006

Year	Company	Product	Corporate Headquarters	Capital Investment*
1994	KD Industries	Metal stamping	Valley View, OH	\$ 1,300,000
	Langcourt, Ltd.	Re-manufactured engines and parts	Auburn, AL	650,000
	Briggs & Stratton Corp.	Gasoline engines	Milwaukee, WI	100,000,000
1995	Capitol Vial (expansion)	Sterile plastic vials	Fultonville, NY	25,000,000
	Auburn Millworks	Windows, doors, wood mouldings	Auburn, AL	1,000,000
	Falk Corp. (expansion)	Power transmitting gears	Rockford, IL	20,000,000
1996	Craftmaster, Inc.	Commercial printing	Auburn, AL	3,268,000
1997	Capitol Vial (expansion)	Sterile plastic vials	Fultonville, NY	3,950,000
	Family Properties, LLC	Office furniture	Auburn, AL	1,200,000
1998	Environmental Resource Analysts	Environmental Engineering	Auburn, AL	500,000
	Hoerbiger Drivotech USA	Clutch plates	Vienna, Austria	3,700,000
1999	Donaldson Company, Inc.	Air filtration systems	Bloomington, MN	25,000,000
	EPOS Corporation	Computer hardware & software	Auburn, AL	2,100,000
	Masterbrand Cabinets	Kitchen cabinets	Jasper, IN	13,500,000
2000	Prostarr Plastics	Plastic injection moulding	Auburn, AL	1,100,000
	National Center for Asphalt Technology	Asphalt research	Auburn University	4,000,000
	Health Information Design	Drug Utilization Review	Auburn, AL	1,000,000
2001	Touchstone Precision, Inc.	Automotive injection moulding	Kyoto, Japan	10,000,000
	ATS Light Alloy Wheels	Automotive wheels	Werdohl, Germany	49,000,000
	CoachComm	Wireless Communication	Auburn, AL	2,000,000
	Hoerbiger Automotive Comfort Systems, Inc.	Automotive hydraulics	Vienna, Austria	3,000,000
2003	Intramicon	Microfibrous materials	Auburn, AL	1,300,000
	Electric Fuel	Zinc-air batteries	Bet Shemesh, Israel	1,500,000
	Weidmann Plastics	Automotive plastics	Rapperswil, Switzerland	10,000,000
	Technology North America, Inc.			
	CV Holdings	Specialty Packaging	Amsterdam, NY	39,100,000
2004	MDT Armor	Armoring vehicles	Bet Shemesh, Israel	500,000
	SCA Inc.	Injection moulding - automotive	Asan, Korea	5,654,500
	Pyongsan Inc.	Automotive HVAC tubing	Asan, Korea	2,735,314
	RE Hodges	Paper Manufacturing Solutions	Auburn, AL	150,000
	Hightex, Inc.	Automotive textiles	Althengstett, Germany	569,948
	Leggett & Platt Aluminum Group	Aluminum Castings	Carthage, Missouri	25,000,000

PROJECTED NUMBERS FROM CURRENT ANNOUNCEMENTS

Year	Company	Product	Corporate Headquarters	Capital Investment*
2005	J&S North America	Seatbelt Components	Wustermark, Germany	\$ 4,000,000
	Briggs & Stratton Corp. (Exp)	Gasoline engines	Milwaukee, WI	13,000,000
	Rexnord (formerly Falk) (Exp)	Power transmitting gears	Rockford, IL	9,000,000
	Nikki America Fuel Systems	Fuel systems	Kawakawa, Japan	9,200,000
2006	Cumberland Plastic Systems, LLC	Injection molding	Auburn, AL	5,000,000
	Health Information Design (Exp)	Drug Utilization Review	Auburn, AL	2,500,000
	CV Holdings (Exp)	Specialty Packaging	Amsterdam, NY	41,000,000
	Weidmann Plastics Technology North America, Inc. (Exp)	Automotive Plastics	Rapperswil, Switzerland	8,000,000
	Capitol Vial (Exp)	Sterile Plastic Vials	Auburn, AL	2,225,000
	ATS Light Alloy Wheels (Exp)	Automotive Wheels	Hagen, Germany	17,000,000
	Donaldson Company, Inc. (Exp)	Air filtration systems	Bloomington, MN	4,000,000
	Hoerbiger Automotive Comfort Systems, Inc. (Exp)	Automotive Hydraulics	Zug, Switzerland	2,500,000
	Leggett & Platt Aluminum Group (Exp)	Aluminum Castings	Carthage, Missouri	7,000,000
	Cylpro Auburn, Inc.	Precision machining and complex turning	Hengelo, Netherlands	3,700,000
	Aluminum Technology Schmid North America, Inc.	Precision CNC machining	Suttgart, Germany	5,000,000
	Total Capital Investment*			\$506,402,762
	Total Employment*			3,890

(Exp) – Expansion of current production

*Includes total created and projected as of November 1, 2006.

City of Auburn

Personnel Summary by Department and Division

The City Council has long recognized that employees are the City's most important asset and has invested substantially in employees' training and development over the years. The City Council has adopted the position that the City should limit the number of employees to the absolute minimum "to get the job done" while ensuring that employees are fairly compensated and receive ample opportunities for professional growth. This policy has resulted in having well trained and highly motivated employees providing excellent services to the citizens of Auburn.

Authorized Regular Full Time Positions						
Department	Division	FY 04	FY05	FY06	FY07	FY08
City Manager		5	4	5	5	5
Judicial		7	7	6	6	6
Information Technology	Info Tech	7	7	7	7	7
	GIS	5	3	3	3	3
Finance		17	17	17	17	17
Economic Development		11	12	14	14	14
Human Resources		6	6	6	6	6
Public Safety	Administration	4	4	4	4	4
	Police	82	109	110	112	112
	Fire	30	31	43	43	43
	Communications	6	6	7	9	9
	Codes Enforcement	7	8	9	9	9
Public Works	Administration	6	6	6	6	6
	Construction and Maintenance	15	18	18	18	18
	Engineering	10	11	12	11	11
	Inspection	4	4	6	6	6
	Traffic Engineering	3	3	3	3	3
Environmental Services	Administration	6	6	6	6	6
	Recycling	16	16	16	16	16
	Solid Waste	14	15	16	16	16
	Animal Control	2	2	2	2	2
	Right of Way Maintenance	7	6	7	7	7
	Fleet Services	9	10	10	10	10
Library		19	19	19	19	19
Parks and Recreation	Administration	5	5	5	5	5
	Leisure Services	15	19	19	18	18
	Parks and Facilities	24	25	26	26	26
Planning		7	7	7	8	8
Totals - General Fund		<u>349</u>	<u>386</u>	<u>409</u>	<u>412</u>	<u>412</u>
Water Resource Management	Sewer Maintenance	11	12	15	15	15
	Watershed Division	0	0	4	4	4
Grand Totals - City Employees		<u>355</u>	<u>398</u>	<u>428</u>	<u>431</u>	<u>431</u>
Water Works Board	Water Operations Admin	3	5	4	4	4
	Water Pumping and Purification	8	8	8	8	8
	Water Distribution	14	12	12	12	12
	Meter Reading	4	4	4	4	4
	Water Revenue Office Admin	2	2	2	2	2
	Billing and Collections	7	8	8	8	8
Totals - Water Works Board Employees		<u>38</u>	<u>39</u>	<u>38</u>	<u>38</u>	<u>38</u>

Miscellaneous Statistical Data

Auburn, Lee County, Alabama

Date of Incorporation: February 2, 1839

Form of Government:

Municipal: Council-Manager
County: Commission

City Council Meetings:

First and Third Tuesdays each month
at 7:30 PM in the Council Chambers,
141 N. Ross Street

City in Square Miles: 55

Location: Auburn is located in east central Alabama at the junction of the Piedmont Plateau and the Coastal Plains, 50 miles northeast of Montgomery, 120 miles southeast of Birmingham, 112 miles southwest of Atlanta and 20 miles northwest of Columbus, Georgia.

Elevation: 732 feet. Auburn is the highest point between Atlanta and New Orleans.

City of Auburn Population:

1900 Federal Census	1,831
1910 Federal Census	2,145
1920 Federal Census	3,338
1930 Federal Census	4,727
1940 Federal Census	8,380
1950 Federal Census	12,939
1960 Federal Census	16,261
1970 Federal Census	22,767
1980 Federal Census	28,471
1990 Federal Census	33,830
2000 Federal Census	42,987
2005 Census Bureau estimate	49,928

Sales Tax Rates: 8.0%
(4.0% State, 3.0% City, 1.0% County)

Number of Schools:

City Schools:	9
Private School:	1
County Schools:	11

Recreation:

Number of parks/playgrounds	15
Number of tennis courts	14
Number of golf courses	5
Recreation/community centers	6

Major Employers:

Auburn University:	6,871 employed
Briggs & Stratton:	1,100 employed
Auburn City Schools:	552 employed
MasterBrand Cabinets	496 employed
City of Auburn	450 employed

City Police Force: 105 Officers

Response time: 3 minutes

City Fire Division: 36 career firefighters
55 student firefighters

Fire Insurance Rating: Class 2/9

Financial Institutions:

Banks	13
Credit Unions	2

Health Care Facility:

East Alabama Medical Center: 352 beds

Railroads with local mainline services:

Southern Railway
Western Railway of Alabama
(CSX Transportation)

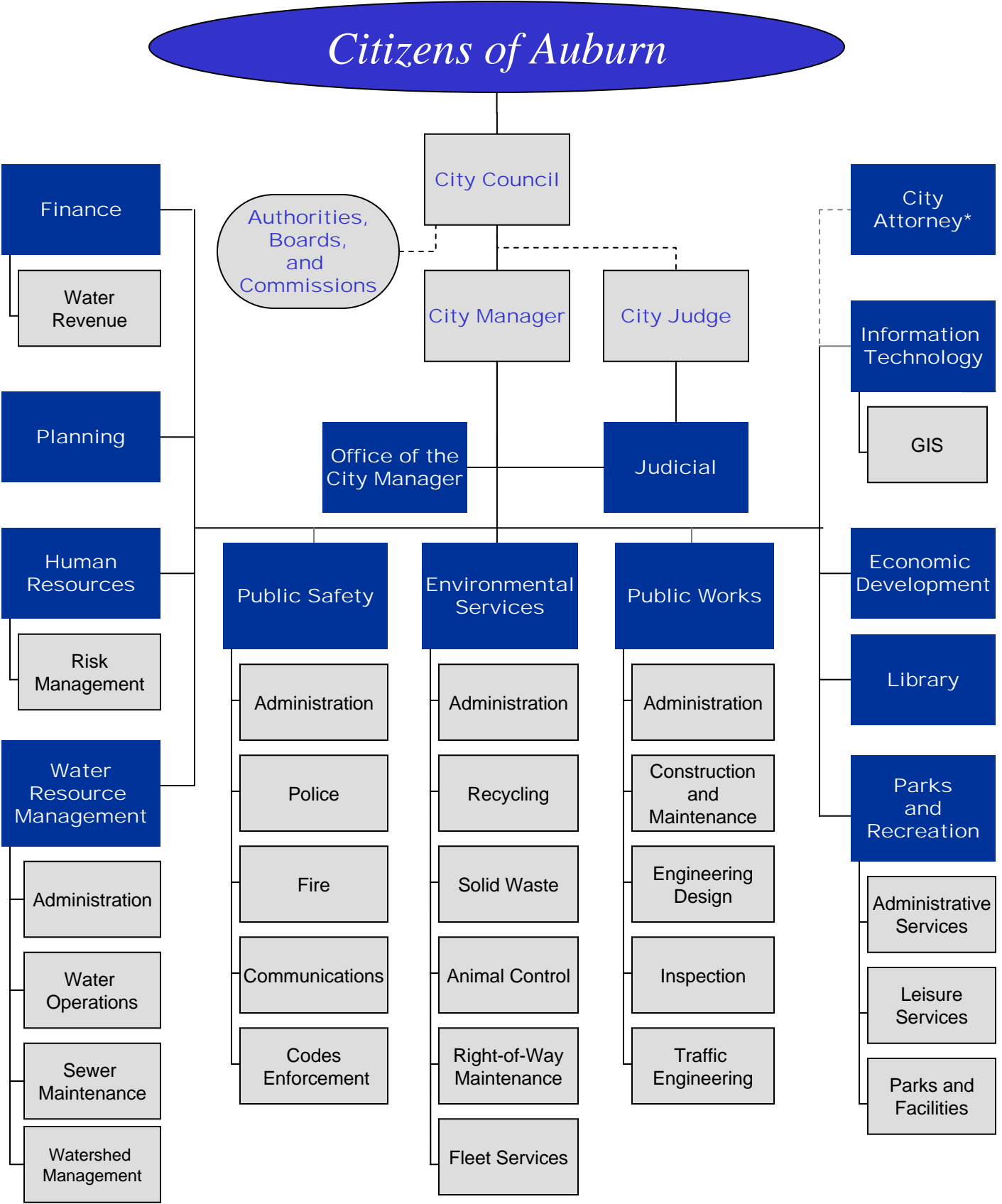
Airports:

Auburn-Opelika Airport, local
Columbus, Georgia, 40 miles
Montgomery, Alabama, 60 miles
Atlanta, Georgia, 115 miles

Climate:

Average Annual Rainfall: 52.60"
Average Annual Snowfall: 0"
Average Annual Temperature: 63°F

Organization Chart



* City Attorney services are contracted outside the organization

Legend:	Policy or Judicial Authority	Department	Division or Sub-Departmental Unit
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City of Auburn
FY 07 & FY08
Biennial Budget
Table of Contents
Section 2

General Budgetary Information

GFOA Distinguished Budget Presentation Award	31
Description of the Budgetary System	32
Budget Calendar.....	36
Citizen Survey.....	38
22 Goals for <i>Auburn 2020</i>	39
Financial Overview	41
Revenue Overview	45
Overview of Outstanding Debt.....	51
Proposed Financial Policies.....	57
Description of All Budgeted Funds	68
Overview of Budgeted Revenues and Expenditures – All Budgeted Funds	69
Overview of Projected Resources and Planned Spending.....	70
Details of Financing City Operations	71
Summary of Capital Outlay by Fund and Department.....	73
Summary of Conditional Capital Outlay.....	75
Capital Improvement Program.....	79
Capital Improvement Program – Future Projects	83



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Auburn
Alabama**

For the Biennium Beginning

October 1, 2004

Nancy L. Zelle

President

Jeffrey R. Evers

Executive Director

The City of Auburn

Description of the Budgetary System

Auburn follows a comprehensive budgeting process that is founded in the priorities set by the City Council and Auburn residents. One document that has served as a source of Auburn's long-term priorities is the City's comprehensive plan, *Auburn 2020*. In 1980, the City's leaders decided to take a more systematic approach to managing municipal affairs. They organized a community-based process through which many people examined Auburn's problems and potentials, and defined programs and projects through which the problems could be solved and the potentials exploited. The result of this process was *Auburn 2000*, a plan that set forth goals, policies, and programs for encouraging and influencing positive change. Since their adoption, the City's officials have used these goals, policies, and programs to guide their decisions.

In May 1998, the City Council followed the *Auburn 2000* process model and adopted *Auburn 2020*, the document that sets forth suggestions and recommendations on how to manage the inevitable changes Auburn will face during the next twenty years. As Auburn moves through the first decades of the 21st Century, the City will depend on the *Auburn 2020* plan to guide the decisions that will maintain the impetus for quality growth that has occurred in the past decade. The major goals identified in *Auburn 2020* are presented later in this section.

In the summer of 2000, the City Manager recommended and the City Council approved a change from an annual budget to a two-year or biennial budget for fiscal years 2001 and 2002. The objectives of a biennial budget process were two-fold: to give the Council and City management a longer budgeting horizon and to reduce the amount of staff time required for developing and adjusting the budget. Under the annual budgeting process, Auburn conducted a Mid-Year Budget Review process each April

that was nearly as rigorous as the budget development each summer. With a Biennial Budget, the Mid-Year Review process has been streamlined, while adding an in-depth Mid-Biennium Review process to the two-year period.

The City of Auburn's budget process begins in late winter with the annual Citizens' Survey. This process involves conducting telephone interviews of approximately 600 randomly selected Auburn residents. Based on a thorough analysis of the citizens' responses, rankings are given to the priorities expressed therein. This survey is reviewed carefully by management and the City Council, and is an influential element in discussions as the City Council sets the priorities for the upcoming fiscal year. The City Council considers the results of the Citizens' Survey when prioritizing the various initiatives for consideration in the upcoming biennium. Each Council member decides on priorities individually and then the individual priorities are consolidated to produce a prioritized list of initiatives that represents the Council's consensus. The consensus priorities are then used by department heads to develop proposed goals for the departments in the new biennium. More detailed information about the citizens' survey is included in this section of the budget document.



After the first half of each fiscal year is complete (March 31), the Finance Department reviews the budget to actual performance of revenues, updates revenue trend data and determines whether the current fiscal year's revenue projections should be adjusted. If this Mid-Year review of revenues shows that existing revenue projections may not be met, the City Manager directs department heads on the amount and manner of expenditure reductions that will be needed.

After completing the Mid-Year review in even numbered years, Finance proceeds with developing revenue projections for the upcoming biennium, incorporating the most recent budget to actual revenue results and current information about the economy and legislation that may affect revenue sources. The City Manager reviews these revenue projections, as well as fund balance projections, to develop a budget strategy for the new biennium.

After the initial revenue projections and budget strategy are complete, the City Manager holds the Biennial Budget Kick-Off meeting with the department heads, discussing the biennial budget strategy and distributing the budget request forms and instructions. At this meeting, the City Manager gives the department heads an overview of the expectations for the upcoming budget: the prospects for revenue growth and/or borrowing proceeds to fund increased expenditures, the amounts needed to fund cost of living pay increases at various levels, the amount by which the School Board's legislated appropriation will increase, etc. An overriding budgetary goal is to maintain salaries and benefits costs at less than 50% of the General Fund's budgeted expenditures.

Department heads are required to justify all budget requests, whether for personnel, services, commodities or equipment, specifying the expected cost savings, additional operating and maintenance expenses, and budgetary impact. At the same time, the Finance Director continues to review current year actual revenues and to evaluate the need to adjust the initial revenue projections.

The departmental goals are also developed during this time and are submitted to the City Manager for approval as part of the development of the proposed budget. Departmental goals are based on the Council's strategic goals and on carrying out the priorities that the City Council set based on the Citizens' Survey results. The department heads present their departments' approved goals to the City Council during budget hearings. Departmental goals are an integral part of the budget process and serve to focus the activities of the departments throughout the year. (All

departmental goals for FY07 & FY 08 are provided in Section 4 of this document.)

Upon receipt of the departmental budget requests, which include requests for capital equipment and projects, the City Manager develops a balanced budget and presents it to the City Council in the form of a proposed budget. The City Manager's proposed budget also addresses the Council's goal of maintaining a projected ending fund balance in the General Fund of at least 20% of budgeted expenditures. The proposed budget document also identifies the key decisions to be addressed by the Council.



The Council holds public budget work sessions with the City Manager and all department heads. Copies of the proposed budget are made available to the public at City Hall and the City Library, as well as via the City's web site. A public hearing on the proposed budget is advertised and held during a regular City Council meeting prior to adopting the budget. The Council finalizes the key decisions following the public hearing and prior to consideration of the budget ordinance for adoption. State law requires that the budget be approved no later than the first regular Council meeting each October (the City's fiscal year begins on October 1). The expenditures authorized by the budget ordinance are detailed by fund and, within the General Fund, by departments and divisions.

The City Council and City Manager monitor revenues and expenditures on a monthly basis during the fiscal year and review progress on departmental goals at the end of each calendar quarter. The City Manager holds department heads accountable for their departments' overall budgetary performance. Auburn has a strong track record for conservatively realistic revenue projections, as well as for controlling expenditures within the budget. Careful budget administration typically results in changes to

fund balances that are better than budgeted. The table shown below illustrates the variance of actual results from the budgeted, and the net effect on fund balance in the City's General Fund.

General Fund (includes special activities)			
Fiscal Year	Variance of Budget* to Actual Favorable (Unfavorable)		Net Effect on Fund Balance
	Revenues & Transfers	Expenditures & Transfers	Favorable (Unfavorable)
1999	\$ (270,908)	\$ 2,427,923	\$ 2,427,923
2000	582,557	3,257,615	3,840,172
2001	(1,246,466)	(255,656)	(1,502,122)
2002	679,827	2,196,037	2,875,864
2003	1,121,928	2,720,205	3,842,133
2004	2,867,301	7,855,217	10,722,518
2005 ^	706,811	8,718,091	9,424,902

* Final budget

^ Adjusted to eliminate effect of refinancing transactions

The City Council adjusts the budget in the spring, if necessary, following the Mid-Year Review, to reflect changing conditions. For the Mid-Year Review, the Finance Director reviews revenues and revises projections as appropriate.

- If the revenue projections, as revised, appear adequate to fund the originally budgeted expenditures, no changes are made.
- If the revised revenue projections reflect that resources will not be adequate to cover the budgeted expenditures, department heads are directed to make across the board percentage reductions from the original budgeted amounts.



- If the revenue revisions reflect a significantly greater amount of resources than originally

budgeted, the City Manager considers whether to propose using those projected additional resources to finance additional projects or provide additional services.

After the City Manager's review of the budget status at Mid-Year, he may submit a proposed budget adjustment to the Council. If the Council approves the proposed adjustments, an amending ordinance is adopted. The amending ordinance details expenditures by fund and within the General Fund, by departments and divisions.

In summer of the first year of the biennium, the City Council and staff conduct the Mid-Biennium Review. Once again, revenue projections are reviewed and revised, as appropriate, based on year-to-date actual revenues and other relevant information.

- If the revised revenue projections appear adequate to finance the budgeted expenditures for the biennium, as may have been revised in the Mid-Year Review, those projections are used by the City Manager to determine the strategy for the Mid-Biennium Review.



- If the revised revenue projections are not sufficient to provide for budgeted expenditures, the City Manager directs the Department Heads about the amount of expenditure reductions needed to maintain a balanced budget and the fund balance goal.
- And, if the revised revenue projections indicate a substantial amount of projected revenues in excess of the Mid-Year amended amounts, the City Manager considers whether to propose using those projected additional resources to finance additional projects or provide additional services in determining the Mid-Biennium Review strategy.

- Expenditures are adjusted based for Council-approved unbudgeted items and changes in conditions since the biennial budget was adopted, based on the departments' requests and justifications.
- The proposed revenue projection and expenditure adjustments, and the related key decisions are presented to the Council in a public budget work session.
- After the Council makes the key decisions, a budget amendment ordinance is submitted to the Council for adoption. If the amendments are approved, the budget system is updated accordingly.

In April of the second fiscal year of the biennium, the Mid-Year Review of revenues is conducted in the same manner as during the first fiscal year.

After completion of the Mid-Year Review of revenues is completed, the full-blown budget development process begins again, following completion of the Citizens Survey. As part of the process of preparing a new biennial budget, the City Manager and staff review the actual and budgeted revenues and expenditures of the current biennium and develop proposed amendments to the budget for the current biennium that may be considered necessary. Any proposed amendments to the current biennial budget are included in the Proposed Budget information provided to the City Council.

For a timeline listing of Auburn's budget process, please see the *Biennial Budget Calendar* that begins on the following page.

Auburn's budget is developed based on generally accepted accounting principles (GAAP) for the governmental fund types. The modified accrual basis of accounting is used to project revenues and appropriations for the governmental funds: General, Special Revenue and Debt Service funds. The City has no primary revenue sources that are treated as being susceptible to accrual. The City does not accrue property or sales taxes because those revenue sources are budgeted to finance the fiscal year in which they are scheduled to be received. Each fiscal year's budget and financial statements include twelve months' revenue from these sources. The City accrues grants receivable for the amounts expended from reimbursable-type grants.

For the proprietary funds, a hybrid approach is used for the budget. The full accrual basis of accounting (revenues are recognized when earned) is used for estimating revenues. However, for greater control over Enterprise and Internal Service Funds' expenses, the full accrual basis (expenses recognized when incurred) is modified: in addition to the full accrual basis expenses, including amortization and depreciation, capital outlays and any debt service principal payments are included as budgeted expenses. The basis of accounting used for budgeting is the same as the basis used for accounting and financial reporting for all funds, with the exception of the inclusion of capital outlay and debt service principal expenses in proprietary funds' budgets.

City of Auburn

Biennial Budget Calendar

S	M	T	W	T	F	S
March 2006						

		1	2	3	4	
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April 2006						
------------	--	--	--	--	--	--

					1	
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

May 2006						
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	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June 2006						
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			1	2	3	
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July 2006						
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						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
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August 2006						
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September 2006						
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October 2006						
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March 2006

Conduct the annual Citizens Survey

April 2006

Conduct Mid-Year Review of revenues for fiscal year 2006
 Citizen Survey results presented to City Council
 City Council sets priorities; priorities provided to department heads
 Finance Department submits revenue projections to City Manager
 City Manager develops budget strategy
 Budget Kick-off for 2007 & 2008 biennial budget

May 2006

Department Heads develop and submit proposed goals addressing Council priorities to the City Manager for approval
 City Manager, Finance, and other departments involved in capital projects review and tentatively revise the six-year Capital Improvement Plan (CIP) based on Council priorities
 Budget forms and instructions distributed to Departments
 Department Heads submit budget requests for compilation and review

June 2006

City Manager reviews compiled budget requests and determines strategy for accomplishing priorities and maintaining fund balance goal
 Long-term projection developed based on tentative proposed budget; City Manager makes revisions as necessary
 Long-term projections developed based on tentative proposed budget; City Manager makes revisions as necessary
 Proposed budget document published
 City Council budget work sessions held with City Manager and Department Heads

July 2006

Public hearing on budget held at regular City Council meeting
 City Council makes Key Decisions
 Budget ordinance drafted based on Key Decisions
 City Council considers adoption of budget ordinance
State law requires adoption no later than the first regular Council meeting in October, which is the first month of the City's fiscal year

August 2006

Budget ordinance approved.
 Approved budget line items entered into accounting system and balanced
 Working budget document (line item detail) published for use by departments
 Analysis begins for Fiscal Year-End budget review

September 2006

Development of comprehensive budget document begins
 Ordinance drafted for FY06 year-end adjustments
 Council considers adoption of 06 year-end adjustments
 Ordinance to adopt 06 year-end adjustments approved
 Fiscal year-end closes

October 2006

Begin fiscal year 2007
 Development of comprehensive budget document continues

S	M	T	W	T	F	S
November 2006						
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November 2006

Development of comprehensive budget document continues
Budget in Brief drafted

December 2006						
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December 2006

Comprehensive budget document published, posted to City's website and submitted to GFOA
Budget in Brief published, posted to City's website, and submitted to GFOA

March 2007						
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March 2007

Conduct the Annual Citizens Survey

April 2007						
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April 2007

Conduct Mid-Year Review of revenues for fiscal year 2007
Citizen Survey results presented to Council

July 2007						
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July 2007

Mid-Biennium Review -

Revenue projections reviewed by City Manager and Finance Director
Non-budgeted expenditures approved by Council compiled
Citizen Survey results considered
Department Heads submit requests for expenditure adjustments
City Manager develops proposed adjustments to Biennial Budget
City Council work session to review proposed adjustments

August 2007						
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26	27	28	29	30	31	

August 2007

Council considers ordinance to amend biennial budget
Budget amendment ordinance adopted
Working budget document (line item detail) published for use by departments
Analysis begins for Fiscal Year-End budget review

September 2007						
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September 2007

Ordinance drafted for FY07 year-end adjustments
Council considers adoption of 07 year-end adjustments
Ordinance to adopt 07 year-end adjustments approved
Fiscal year-end closes

March 2008						
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March 2008

Conduct the annual Citizens Survey (begin another biennial cycle)

City of Auburn

Annual Citizen Survey

Many citizens do not become actively involved in local government affairs unless they feel they are directly affected. Sometimes it appears that citizen participation tends to be dominated by highly organized permanent or ad hoc special interest groups. The views and interest of many people remain unheard.

In an effort to overcome this problem and to demonstrate its commitment to strong citizen participation, the City of Auburn decided to survey each year a representative cross section of the community on issues of governmental importance and community priorities. Auburn's citizen survey is conducted each year at the beginning of the priority setting process in preparation for the proposed budget. The first citizen survey in Auburn was completed in the spring of 1986. The City's annual Citizen Survey was awarded a 1999 City Livability Award by the United States Conference of Mayors.

Many of the survey questions have remained constant, allowing the City leaders to track public opinion over time. Other questions are added each year to reflect public sentiment on current issues. In years past, the Planning Department administered the survey. In 2004, the City hired a firm that specializes in survey development, administration, and analysis to conduct the Citizen Survey.

The 2006 Citizen Survey was conducted during Spring 2006 in preparation for the FY 07 & FY 08 biennial budget process. A six-page survey was mailed to a random sample of 1,500 households in the City of Auburn.

Responses to the survey were entered into a computer database, enabling the survey results to be tabulated promptly. The confidence interval calculated for the 2006 survey indicates a 95% level of

confidence with a precision of at least $\pm 3.7\%$. In order to better understand how well services are being delivered by the City, the home addresses of the responses were geocoded into the database.

The survey results reflect high levels of satisfaction with City services and the overall quality of life in Auburn. The areas that residents thought should receive the most increase in emphasis from the City over the next two years were (1) management of traffic flow in the City and (2) maintenance of City streets, building, and facilities. The complete results of the Citizen Survey are available from the City's website at www.auburnalabama.org/citizensurvey.

Once the survey results are summarized and presented to the City Council for review, the Council establishes the priorities for the next budget cycle. The survey results are publicized through the City's web page, the monthly newsletter distributed with the water bills, and the local media. Publicity makes the survey results available to the entire community, which has helped institutionalize the annual survey as a tool used by the City Council and management to address the desires of the citizenry.



Auburn 2020

22 Goals for 2020

The Auburn City Council involved the community in developing the following goals (not in priority order) during the *Auburn 2020* long range planning process. A group of over two hundred citizen volunteers joined with City staff and members of the various City boards and agencies to envision the City of Auburn in the year 2020. Committees were formed to address major areas of concern and develop long range goals to address those concerns. These major goals present a blueprint for Auburn's future. The accomplishment of these goals over the next twenty years will enable the citizens of Auburn to make their collective vision of Auburn a reality.

1. Continue strong community financial support of the Auburn City Schools with the goal of retaining the reputation as one of the outstanding public school systems in the Southeast.
2. Provide adequate facilities for all City departments to fulfill their missions of providing services to the Auburn community. ***The former City Hall was renovated to become the Development Services Building, the Human Resources Department and the City Meeting Room have been constructed in the City Hall Complex, additional offices have been added to the Public Works Construction and Maintenance Facility, and a new complex was constructed to house the Water Resource Management Department.***
3. Establish a community learning center that will offer learning opportunities for Auburn adults, such as literacy schooling, GED training, high school diploma classes, and computer oriented activities.
4. In cooperation with other local governments and school systems, establish an area-wide alternative school to serve at-risk children.
5. Establish an accredited educational program for three and four year old children in the Auburn City Schools.
6. Update the land use plan periodically over the next 20 years, including a comprehensive review prior to 2000. ***The City has endorsed the "City of Villages" concept which served as the focus of the City of Auburn Land Use Plan, adopted in October 2004. In 2007, the City will embark on a comprehensive growth modeling effort. The results of the model will serve as the basis for amendments to the land use plan. Amendments will occur during FY 2008,***
7. Construct with Auburn University a technology transfer center to promote the commercialization of technology developed at the University.
8. Complete the construction of the infrastructure of the Auburn Technology Park expansion north of I-85, including an east/west boulevard from South College Street to Cox Road. ***Completed***
9. Identify and purchase additional suitable property for future industrial parks in order to maintain the City's positive industrial recruitment program.
10. Build additional parking facilities in downtown Auburn to ensure the prosperity and viability of the central city. ***The City has completed the new Parking Study to evaluate locations for a new parking deck.***
11. In conjunction with the Alabama Department of Transportation, Auburn University, and other local governments, expand the mass transit program so that all citizens will have access to public transportation.
12. Construct the roads and streets shown on the current Master Street Plan and update the Master Street Plan at least every five years. ***Continual process.***
13. Acquire funding from the Alabama Department of Transportation for the widening of the bridge over I-85 at South College Street and to construct a new interchange at I-85 and Cox Road. ***Completed***
14. Establish a community network of sidewalks and bicycle trails that will allow all citizens to use alternative modes of transportation. ***Progress is ongoing each year. In the past five years the City has built more than six miles of sidewalks, and the extensive bike program was nationally recognized by the League of American Bicyclist.***
15. Facilitate community-wide access to the Internet with a goal of becoming a "wired city" to improve the quality and quantity of information sharing between City government and citizens. ***Completed***
16. Identify and develop water sources that will provide the City with an adequate quantity of

potable water. ***After analysis of potential water sources, a water supply master plan will be developed in FY 2007 to identify the most technically sound and economically feasible solution for Auburn.***

17. Upgrade the City's wastewater treatment plants to ensure sufficient capacity to serve the needs of Auburn University and the community. ***The City has begun to implement the wastewater treatment and disposal master plan recommendations in FY 2006. The first phase of upgrades to the Northside WPCF is currently underway and design is underway on the Northside Transfer Pump Station and Forcemain and the S-5 Gravity Sewer, Pump Station and Forcemain. Portions of the S-5 Gravity Sewer and Forcemain will be bid for construction in the coming months.***
18. Provide funding for facilities and programs for the arts through the Auburn City Schools and the Parks and Recreation Department. ***The Jan Dempsey***

Community Arts Center provides art programs for the schools and for citizens of Auburn.

19. Construct a senior citizens center to house expanded programs for Auburn's seniors and a teen center for afternoon and evening recreation for Auburn teenagers.
20. Acquire and develop additional parks, green spaces, playgrounds, and recreation facilities. ***Town Creek Park, the Duck Samford Park expansion and the Yarbrough Tennis Center (under construction) have been constructed to accomplish this goal.***
21. Acquire and develop a new cemetery of sufficient size to serve Auburn through the year 2020. ***Town Creek Cemetery was opened in 2006.***
22. Continue the strong commitment to maintaining a city where citizens are safe from crime and fire hazards.



City of Auburn *Financial Overview*



The City of Auburn's financial outlook is significantly and positively impacted by several factors:

- ◆ The economically stabilizing influence of Auburn University, the State's second largest public university;
- ◆ The diversity of the City's economic base that has been achieved through the City Industrial Development Board's and Economic Development Department's efforts to attract financially sound, small to medium-sized technology companies that employ moderately to highly skilled persons in environmentally responsible business activities;
- ◆ The excellence of the Auburn City Schools, which produces well-educated and productive citizens and which has attracted families whose jobs are not in Auburn, spurring residential and service sector growth;
- ◆ The openness and the frequency of the communication between the City government and the citizens results in consensus building about the City's priorities and informed governmental decision-making; and
- ◆ The City's successful management and fiscal practices that enable the government to achieve its numerous goals for enhancing citizens' "quality of life," while maintaining a prudently conservative financial condition.

The City government takes pride in the continuous and diligent efforts of its employees to find new and better ways to achieve improved results. Many of the City's upper and middle management employees have won national, regional and statewide

recognition for their professionalism and innovation.

The Financial Foundation – Diversified Revenue Base

As is typical in the State of Alabama, City of Auburn property taxes are relatively low and therefore, are not the City's primary revenue source. Sales taxes are the primary revenue source in the City's General Fund, providing approximately 40% of revenue. The second largest revenue source for the General Fund is the City's occupation license fee, which consists of 1% of the gross salaries and wages earned within the City, and produces around 15% of General Fund revenues. The third largest revenue source, business license fees provide about 12% of revenue in the General Fund. Property taxes generate nearly 7% of total General Fund revenue.

Together, the top four revenue sources provide approximately 74% of the funds to finance the City services provided by the General Fund. The three largest revenue sources can be increased by a vote of the City Council without a citizens' referendum. Property tax increases are governed by the State Constitution and do require approval from the taxpayers via a referendum.

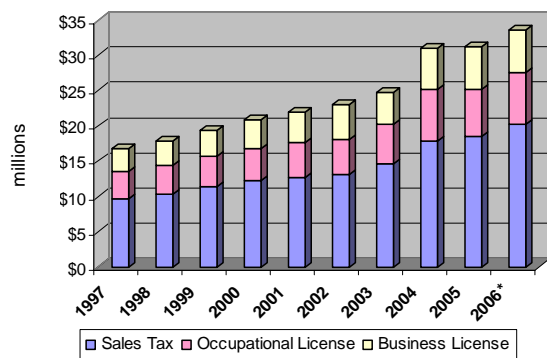
While property tax increases are often denied by voters, Auburn's university-based population has historically approved the conservative property tax increases for education that have been proposed by the Council and the City's Board of Education. The City's revenue structure and the citizens' strong support of education give the Council a great deal of flexibility in providing the financial resources needed to fund municipal

services within the confines of political realities.

Growth in the City's sales tax revenue has mirrored the measured, steady expansion of the City's economic base; and also reflects an increase in the sales tax rate from 2.5% to 3.0%, effective August 1, 2003. From fiscal year 1999 to 2005, revenue from sales taxes has grown an average of 10.5% per year; the average annual increase in sales taxes is 6.0% per year adjusted for the sales tax rate increase.

The second largest General Fund revenue source, occupation license fee revenue has shown even more robust growth than sales taxes, increasing an average of 9.9% per year from 1999 to 2005. The occupation license fee rate has not changed from the 1% of gross wages as originally enacted in 1970. Growth in this revenue source is attributable to both job and wage growth within the City. All persons employed within the City of Auburn are subject to the 1% occupation license fee, which is withheld from wages and remitted to the City by employers.

The growth in business license fee revenue has been even more vigorous: an average annual increase of nearly 10.9% per year from 1999 to 2005. The City's business license fee ordinance was revised in FY 99 to provide a more equitable fee structure. Except for those set by State law, business license fees are calculated as a percentage of the business' gross receipts for the prior calendar year, so increasing business license fees represents growth in Auburn's economy.



*unaudited

Property taxes are the fourth largest General Fund revenue source, providing about 7% of total revenue in the General Fund. Property tax revenue growth has averaged 14.2% per fiscal year from 1999 to 2005. The City's reputation for high quality of life and an exceptional school system have driven property values upward for a number of years. Property tax revenue is also affected by annexations of property into the City, which are frequently requested by property owners in order to obtain access to the City school system, and by infill development, which has increased along with property values.

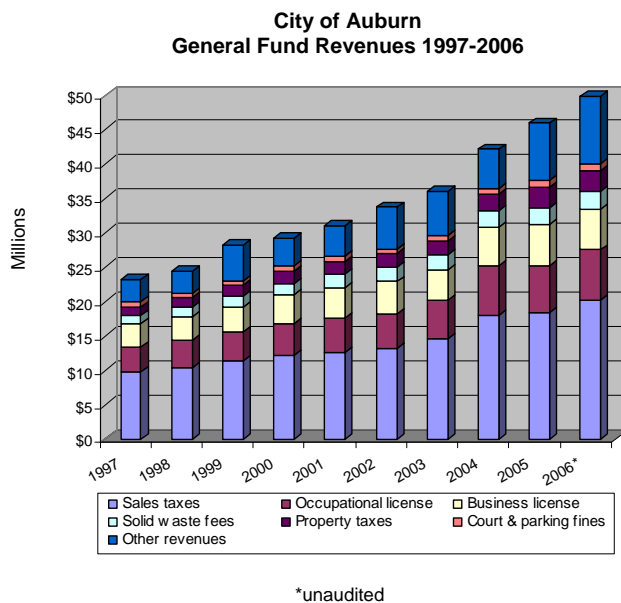
The State purchases all property for which the ad valorem taxes are not paid by the delinquent date, paying the amount of the unpaid property taxes to the county. So, the City's property taxes are collected at virtually 100% of taxes billed. The State conducts a reappraisal of all real property every year, allowing the increases in appraised values to be reflected in the City's property tax revenue.

Service charges for solid waste collection are the fifth largest revenue source in the City's General Fund, comprising about 5.3% of total revenue. Revenue from solid waste fees has increased 9% on average from 1999 to 2005. A lower service level for solid waste collection services was first offered in limited areas of the City in FY 97, and became available in all areas of the City in FY00. Except in certain areas, where the lower service level is required, citizens may choose the service level they desire: back yard or curb side, with a significantly higher fee charged for the back yard service.

Historically, solid waste collection fee revenues had not been sufficient to finance the total cost of providing the services. In order to reduce the amount of General Fund revenues that are used to subsidize the solid waste services, the Environmental Services Department developed several programs designed to increase the efficiency of the resources used in the solid waste collection activities. These programs have resulted in reduced overtime expenses as well as

reduced costs to acquire, operate and maintain the department's equipment. Review of unaudited amounts for FY 06 show that direct costs of solid waste collection will be fully funded from solid waste collection fees.

Total revenues of the General Fund, excluding other financing sources, exhibited a solid growth trend similar to the top five sources. Total revenues increased 62.9% from 1999 to 2005, an average of 10.5% annually. The chart below shows the growth in General Fund revenues.



In addition to the robust growth in the City's primary revenue sources, residential development has fueled significant increases in revenue from building permits. The City's population and geographic expansion account for increases in many other revenue streams, as well.

The City's second largest fund is its Sewer Enterprise Fund. All the revenues generated from the sewer services provided by the City and all the expenses incurred to provide those services are accounted for in this fund. Management's goal with respect to sewer services is to provide the services in a cost efficient manner and to maintain sewer rates at an amount that will cover the full amount of the related expenses.

In fiscal 2006, the stormwater management function was moved from the Public Works Department in the General Fund to the Sewer Fund and additional staffing was provided for this function. The addition of the stormwater function to the Sewer Fund will increase the fund's expenses initially; however, it is anticipated that increased focus on stormwater management activities will ultimately produce lower costs to operate the wastewater treatment facilities.

Operating revenues in the Sewer Fund have increased an average of 2.3% per year from fiscal 1999 to 2005. Operating expenses have decreased an average of 3.6% per year over the same period. For that six-year period, the Sewer Fund's net assets have increased 82.4%, averaging a 13.7% increase per year.

The FY 07 & 08 Sewer Fund Budget includes a 5% sewer service charge rate increase effective October 1, 2006 (FY 07). No rate increase was budgeted for fiscal 2008. The most recent previous rate increase was a similar 5% increase in sewer service charges that was effective October 1, 2005.

For more information about the City funds' various revenue sources, please see the *Revenue Overview* in this section.

Debt Status

The City maintains a conservative debt policy, issuing debt only for the acquisition of property, the construction of capital projects and the purchase of major capital equipment. The Auburn City Schools follows an approach similar to the City, which is the issuer for School Board debt. To minimize total interest costs, debt terms are as short as feasible, taking projected revenues, expenditures or expenses and cash flows into consideration. For more details on debt policy and debt service requirements, please see the *Financial Policies* information in this section.

Under State law, the amount of debt issued by municipalities is limited to 20% of the assessed valuation of the taxable property within the city limits. The City of Auburn's

percentage of outstanding debt applicable to its legal debt limit has been well this limit since 1984, when this statistic was first reported in the audited financial statements.

The City's net bonded general obligation debt per capita first approximated \$1,000 in FY96, following the sale of an \$11M School Board issue to finance the construction of two new schools. General obligation debt per capita at the close of FY05 was \$2,304. Projected general obligation debt per capita at the close of fiscal 2006 is \$2,390.

Credit Rating

The City's credit ratings were most recently reviewed in December 2006; Moody's confirmed the Aa3 rating and Standard & Poors upgraded the City's credit rating from AA- to AA. The Water Board's Aa3 from Moody's was confirmed in 2002. As noted by the rating agencies, significant stability is provided the City's economy by the presence of Auburn University. In addition, the City has expanded its economic diversity by growing the City's industrial and retail bases through an active economic development function, supported by the City's Industrial Development Board and newly created Commercial Development Authority. The City's economy is also characterized by expanding residential development and lower than average unemployment rates. Other factors considered by the rating agencies are the City's budget development and monitoring processes and conservative fiscal management practices.

The City has not budgeted for the issuance of any General Fund supported debt to finance the budgeted activities of the City in the 07 & 08 biennium. The City does anticipate issuing \$5M of general obligation debt to be repaid from the Special Five Mill Property Tax Fund in fiscal 2007 and will request a review of its

bond ratings from both Moody's and Standard & Poors in connection with that issue.

The City has budgeted to maintain prudent balances in its General Fund during the 2007 and 2008 biennium and anticipates a positive review from the rating agencies. For more information on the trends and growth in the City's General Fund balance, please see the Overview of Fund Balance Trends in Section 3, General Fund.

For the Future

The City's solid financial position and track record for sound budgetary practices and conservative debt policy bode well for the future. While there are no plans for specific General Fund tax and fee revenue increases, citizens' high expectations and expense pressures in both the General and Sewer funds could result in the need for additional revenue at some time in the foreseeable future.

Management continuously monitors the budgetary and net assets status of City funds and uses a long-term financial projection model to assess the effects on fund balances/net assets of financial trends and decision alternatives. The General Fund's six-year trend data and the model projecting the operating results in the General Fund through fiscal 2014 are presented on the immediately following pages.

Aside from the circumstances described above, it appears that the General Fund's solid upward revenue trend will be adequate to finance the costs of providing quality services to an expanding population and city limits. City management's continuous monitoring of both revenue and expenditure budgetary performance will enable the government to address changing conditions in a timely manner and to make well-informed, well-planned economic decisions.



City of Auburn
Revenue Overview
FY 07 & 08 Biennial Budget

Revenue projections form the foundation of the budget. The Council considers the City Manager's budget proposal in the context of the following revenue policies:

- New or increased taxes or fees will be enacted in response to citizen approved referenda or to finance increased costs to provide citizen-desired services after all cost containment innovations have been exhausted.
- Fees for City services or fines and court costs will be set at amounts consistent with State requirements and at rates that are intended to promote positive citizen behaviors.
- Idle funds will be invested as permitted by State law in a manner that will "provide the highest investment return with the maximum security while meeting the City's daily cash flow demands" as provided by the City's Investment Policy.
- Adequate revenue must be produced to finance all operating costs for providing City services. Borrowed funds will be used only to finance capital acquisition and construction costs.
- Projected revenues and borrowing coupled with the projected fund balance at the beginning of the new fiscal year must provide for a projected ending fund balance of at least 20% of the budgeted expenditures.

The City Manager proposes a revenue budget that is consistent with revenue and debt policy. The proposed revenues must finance a balanced budget while meeting the Council's ending fund balance goals. The Finance Director develops revenue projections based on historical revenue data as well as input from the Finance staff and the department heads of those departments that generate revenue. Then, the projections are reviewed and approved by the City Manager and incorporated into the proposed budget.

The Finance Department's Revenue Office maintains at least ten years' history on all major and many of the less significant revenue sources of the City's funds. Initial revenue projections are formulated in the following manner:

1. A projection is made extrapolating from the ten-year trend data.
2. A projection is made assuming that the change for the year to be budgeted will be the same as the current year's change over the prior year.
3. Socio-economic factors affecting specific revenue sources are identified. These factors include—
 - relevant new national, state and city statutes, changes in those statutes and recent court decisions,
 - national and regional economic trends as reported in national and state media,
 - residential and commercial building permit data from the City's Codes Inspection Office,
 - annexation and planned residential and commercial development data from the City's Planning Department,
 - enrollment projections from Auburn University and the City Board of Education,

- business and industrial expansion and downsizing data from the City's Economic Development Department,
 - estimates from all City departments concerning grant applications and awards, and
 - estimates from various City departments concerning staffing and activity levels that affect revenue sources.
4. The Finance Director determines the initial revenue estimates, considering the two projections and the various known socio-economic indicators outlined above. The Finance Director also considers pending grant applications, planned debt issuances and interfund transfers, and other relevant factors.

The City Manager then reviews the initial revenue projections and the various factors considered during the estimation process with the Finance Director. The City Manager's review ensures that relevant factors known at the chief executive level are considered in projecting the financing sources for the fiscal year's operation. If projected revenues are not adequate to fund the expenditures to be proposed to Council, the Finance Director provides an analysis of the capital spending included in the proposed expenditures; then reductions of proposed expenditures and borrowing options and the related debt service costs are considered by the City Manager. After any revisions resulting from this executive level review, the Finance Director makes additional revisions of the revenue projections as new information develops during the process of developing the budget proposal to Council and to incorporate the effect any debt issuances that will be proposed.

In April of each year, the City's management team reviews the operating results of the first half of the fiscal year (October through March). The City Manager and Finance Director compare budgeted revenues with actual revenues recorded through March 31. Then, they revise the revenue estimates as considered necessary. If the revised revenue projections at mid-year are adequate to fund the expenditures budget originally approved by the City Council, no expenditure revisions are recommended. If the revised projected revenue and debt proceeds are inadequate to fund the originally approved expenditures, the City Manager directs the department heads in developing expenditure budget cuts.

At the mid-biennium review in the summer of the first fiscal year of the biennium, the City's management team reviews the operating results of the first nine months of that first fiscal year. The Finance Director updates the known socio-economic factors and conducts a thorough analysis of the actual revenues received and projected to be received for the first year of the biennium. Then, Finance revises the revenue projections for both fiscal years of the biennium as necessary. Finance compiles the City departments' revised expenditure requests for the biennium and provides the revised revenue and expenditures data to the City Manager for executive review. The City Manager determines if the revenues and debt proceeds projected and the revised expenditures proposed for the remaining year in the biennium should be adjusted. These revised revenue and expenditure amounts are reflected in the mid-biennium budget amendment ordinance presented to the Council for adoption prior to the beginning of the second fiscal year in October.

Following the mid-year mark in the second fiscal year of the biennium, a revenue review is conducted as described above for the mid-year review during the first biennium year. During the summer of the second fiscal year, a new biennial budget is prepared for the upcoming biennium. As part of this process, the revenues for the second year of the current biennium are reviewed and revised as necessary based on actual revenues to date, other known factors and the status of the actual expenditures compared to the budget in light of action plans for the remainder of the biennium.

In September of each fiscal year, the Finance Director performs a final review of actual revenues, as well as non-budgeted expenditure items approved by the Council since the budget was last amended by ordinance. Typically, there will be a final budget amendment in September of each fiscal year, to incorporate any approved non-budgeted expenditures and adjust revenue projections as may be considered necessary.

General Fund Revenues

The top five revenue sources of the General Fund typically comprise about 70-80% of the total projected resources available to finance the annual expenditures of the Fund:

	FY 06	FY 07		FY 08	
Sources	Actual (Unaudited)	Budgeted	% of Available Resources	Budgeted	% of Available Resources
Sales and use taxes	\$20,805,169	\$19,650,000	40.2%	\$20,500,000	40.4%
Occupation license fees	7,402,470	7,350,000	15.0%	7,535,000	14.9%
Business license fees	5,771,745	5,914,000	12.1%	6,167,800	12.2%
Ad valorem (property) taxes	2,337,814	3,311,100	6.8%	3,475,830	6.9%
Solid waste collection fees	2,557,582	2,587,800	5.3%	2,665,550	5.3%
Totals	<u>\$38,874,780</u>	<u>\$38,812,900</u>	<u>79.4%</u>	<u>\$40,344,180</u>	<u>79.7%</u>

Sales and use tax: The City's sales and use tax rate is 3.0%. The State sales tax is 4% and the county sales tax is 1%, for a combined sales tax rate within the City of 8.0%. This rate is comparable to that levied in the neighboring city and compares favorably with other Alabama cities nearby. The City sales tax is administered by the Finance Department staff. Growth in the sales tax is attributed to geographic expansion (annexations) and economic development of the City. Fiscal year 2000 was the first year in Auburn's history that the sales and use tax revenue averaged more than \$1 million per month. Sales tax revenue for fiscal 2005 was 35.7% higher than in FY99, averaging growth of 6% per year in the City's largest revenue source.

Occupation license fee: Auburn levies a 1% occupation license fee on the compensation of all employees who work within the city limits. Generally, the employer withholds the occupation license fee and remits the taxes withheld to the City. If the occupation license fee is not withheld and remitted by the employer, the employee is individually responsible, under the City's ordinance, for remitting the license fee to the City. This revenue source directly reflects the impact of Auburn University's presence and the City's economic development effort. The recent locations of J & S North America, K C Sol Tech, Nikki Fuel and other companies in Auburn's Technology Parks are examples of the City's ability to recruit new industries creating a diversified economy for the Citizens of Auburn. The City's effort to diversify the economic base has produced growth in the occupation license fee revenue source averaging approximately 9.9% per year since 1999. Revenue from this source in fiscal 2005 was 59.5% more than in FY99, without an increase in the fee rate.

Business license fee: City ordinance requires that each business obtain a license annually before conducting business operations within the City. The amount of the business license fee is dependent upon the nature of the business and the amount of its previous year's gross receipts. Typically, this revenue source reflects changes in economic conditions, an increase in the number of businesses conducting operations in Auburn as well as the success of individual businesses and the Finance Department's business license enforcement efforts.

The City Council enacted an ordinance, effective January 1, 2000, revising the business license ordinance fee structure. The objective of the revised ordinance was to increase the equity and

consistency of the fee structure, not to increase business license revenue. Under the previous fee structure, some business license fees were calculated based on the business' gross receipts in the prior year, some were flat fees, some were per-item fees, some had maximum fees and some fees were unlimited. An analysis conducted at the end of the business license renewal period in March 2000, showed that the growth in business license fee revenue was the result of growth in the businesses' gross receipts, i.e. that the goal of a revenue-neutral change in the license fee structure was achieved. In the six years since the ordinance was adopted, business license fees have increased by 65.5%, averaging growth of 10.9% per year.

Ad valorem (property) tax: Since October 1, 1996, when the City's millage for education increased from 10 to 16 mills, the City's property tax rate has been 54 mills on the assessed value of all taxable property within the city limits. Of this amount, 5 mills are revenue to the General Fund for general governmental purposes, 5 mills are allocated to a debt service fund to amortize bonded debt for capital improvements approved by the City's voters, 19 mills (16 City mills and 3 county mills) provide revenue for the school board, 6.5 mills are earmarked for State purposes, 4 mills are revenue to the county hospital and the children's home and 14.5 mills directed to the county treasury. Increases in this revenue source, an average 14.7% for the six years from fiscal 1999 to 2005, reflect increases in assessed valuations and significant residential and commercial construction activity, as well as continuing annexations by the City. Property tax revenue in fiscal 2005 was 88.2% higher than in FY99 and so has moved from the fifth to the fourth largest revenue source in the General Fund.

Solid waste collection fee: The City currently provides solid waste collection services for residential customers and small business operations. Residential customers receive once-weekly collection of household garbage, recycling and trash. A per household monthly fee increase from \$24.50 to \$26.50 for back yard service went into effect October 1, 2004. The rate for curbside service remains \$17.00 per month. Residential customers are given the option to choose the less costly curbside pickup service, with the exception that in certain residential area where back yard service is complicated by the logistics of the housing, in which cases curb service is required. The option to choose service levels and the differential fee structure which became effective in October 1999, have resulted in approximately 85% of households electing to have curb service. The robust new housing market in Auburn contributes to the increase in this revenue source. Customers shifting to the lower cost curb service reduces the amount of revenue received from this source; however, the City's residential growth offsets the increased percentage of customers opting for the lower cost service. Since fiscal 1999, solid waste collection fee revenue has increased by an average of 9.0% per year.

Less significant General Fund revenue sources include court fines; franchise fees; building permit fees; lodging taxes, gasoline, liquor and cigarettes; grants; interest on idle funds; fees for services; and revenues shared by the State government. Of these less significant revenue sources, the lodging tax rate was increased by the City Council effective February 1, 2006. This increased the City's rate from 4% to 7%, with 1% of the tax appropriated to the local Convention and Visitor's Bureau via the City's budget ordinance.

Total revenue of the General Fund has seen robust growth since fiscal 1999, increasing 62.9% from \$29.6 million to \$47.1 million, an average annual increase of 10.5%. General Fund revenue per capita has increased during this period (FY99 – FY05) from \$649 to \$951, which increase reflects price level increases, the sales tax rate increase in 2003 and the business license fee restructuring in 2000, as well as vigorous growth in the City's economy.

Special Activities of the General Fund Revenues

The City separately accounts for special activities of the General Fund, which include employee group insurance benefits and liability risk retention. The special activities sub-funds of the General Fund receive revenues from charges to City employees for health and dental insurance services provided and from the transfer of resources from the General Fund. These sub-funds are budgeted separately from the General Fund, but are consolidated with the General Fund for financial reporting purposes in the City's Comprehensive Annual Financial Report.

Special Revenue Funds Revenues

The largest revenue sources for the City's budgeted special revenue funds include the ad valorem tax described above, which provides resources to the two school tax funds for education purposes, and gasoline taxes levied by the City and the State, which are earmarked for street construction and maintenance.

Debt Service Funds Revenues

The primary revenue sources of the City's debt service funds are the ad valorem tax described above, investment income and resources transferred from the General Fund.

Enterprise Funds Revenues

The operations of the City's enterprise fund are financed primarily by sewer system service charges collected from customers. The Sewer Fund's operating revenues have increased 13.8%, an average of 2.3% per year, from 1999 to 2005. Fees for general sewer service were increased by 5% effective October 1, 2005 and 2007. In addition to charges for general sewer services, the City charges access fees for connection of previously undeveloped properties to the City's sewer system. Access fees are restricted for expansion of the sanitary sewer collection, treatment and disposal system.

Total City Revenues

The following page presents data on the growth in total City revenues for fiscal years 1999 through 2005. These data reflect solid, steady growth with an average increase in total revenues of 57.9% over this six-year period. The City's Industrial Development Board has had significant success in developing a more diversified economy for the City that in turn, stabilizes the tax base. The City Schools' reputation for excellence has stimulated residential construction and an accompanying expansion of the retail and service components of the economy.

As a result of these factors, combined with the economic resources provided by the presence of Auburn University, revenue rate increases have been held to a minimum. The City sales tax rate was increased by 0.5% in 2003. Prior to that, the most recent increase in the sales tax rate occurred in 1991. There have been no increases in the occupation license fee since 1983. The business license fee schedule was revamped for the year 2000 resulting in the first rate restructuring since 1977. Solid waste collection fees have been increased by small amounts over the years, in an effort to generate revenues adequate to cover the costs of providing the related services. Projected increases in the revenues from these and other sources included in the budgeted revenues is attributable to the stability and vitality of the City's economy. Growth in total revenues of the City by fund type is illustrated on the following page.

City of Auburn
Growth in Total City Revenues ~ Fiscal Years 1999-2005

Fiscal Year	Governmental Funds ⁽¹⁾			Proprietary Fd ⁽²⁾	Total City Revenues ⁽⁴⁾	Increase over Prior Year
	General Fund ⁽³⁾	Special Revenue Fds	Debt Service Fund	Enterprise Fund ⁽⁵⁾		
1999	\$ 28,217,199	\$ 5,310,019	\$ 1,303,311	\$ 4,659,615	\$ 39,490,144	
2000	29,189,221	5,335,091	1,538,265	5,006,562	41,069,139	4.0%
2001	30,976,507	6,353,794	1,554,205	4,562,913	43,447,419	5.8%
2002	33,712,967	6,817,921	1,594,936	3,251,995	45,377,819	4.4%
2003	36,024,052	7,167,153	1,651,287	5,464,467	50,306,959	10.9%
2004	43,739,241	6,694,071	1,959,505	6,443,875	58,836,692	17.0% ⁽⁶⁾
2005	45,964,980	7,729,424	2,277,805	6,695,720	62,667,929	6.5%
<i>Increase from 1999 to 2005</i>						<i>58.7%</i>

(1) Excludes Capital Projects Funds, for which the resources are primarily the proceeds of borrowing.

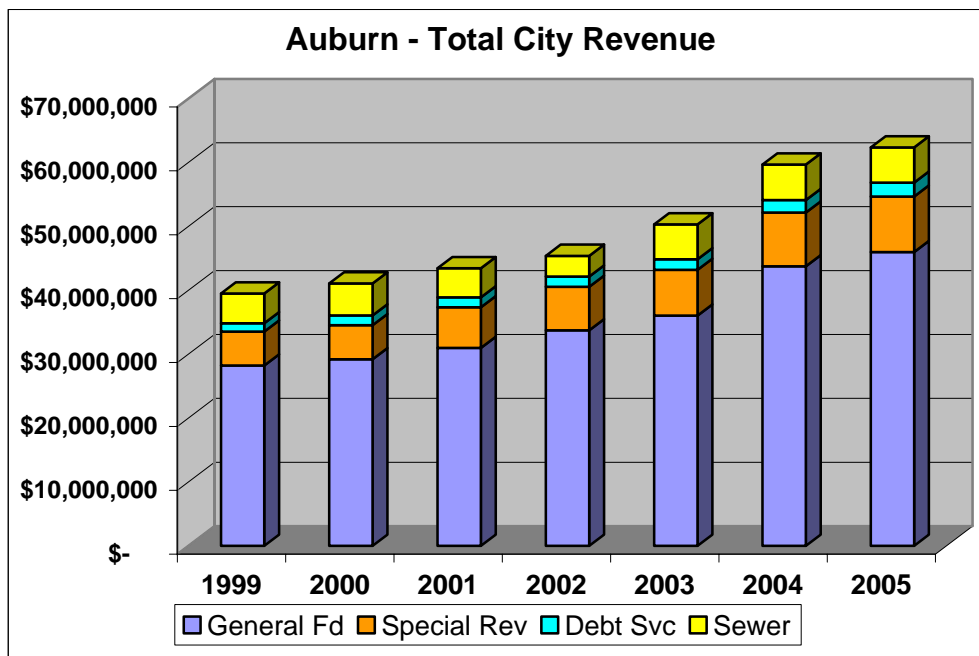
(2) Includes both operating and non-operating revenues.

(3) Includes special activities of the General Fund.

(4) Excludes other financing sources (borrowing proceeds and transfers in from other funds).

(5) Includes the Sewer Fund only, for comparability. Two small enterprise funds open in FY99 have been closed. Sewer Fund revenues are affected by weather since sewer billings are based on water usage.

(6) First full year of sales tax increase from 2.5% to 3.0%.



City of Auburn, Alabama

Overview of Outstanding Debt

The City's annual revenues typically are not adequate to finance all the expenditures proposed to and approved by the Council. Expenditures that benefit the citizens for the long term generally have significant costs and it is reasonable to spread the cost of such expenditures over more than one year. Borrowing is the mechanism through which the City is able to allocate the costs of large purchases so their costs can be paid from the revenues of several years. Balancing this advantage is the cost of borrowing, which includes interest and administrative costs. To manage public debt in a responsible manner requires consistent application of sound debt management policies.

Debt Repayment Resources

The Special Five Mill Tax Fund's revenues, expenditures and ending fund balances for the past eight fiscal years demonstrate the stability and conservative use of this source for debt repayment:

City of Auburn Five Mill Tax Fund History FY 1999-2006

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006*
Revenues	\$ 1,302,251	\$ 1,535,557	\$ 1,551,649	\$ 1,593,477	\$ 1,649,777	\$ 1,959,505	\$ 2,181,464	\$2,464,844
Expenditures								
Debt Service								
-Principal	765,000	830,000	905,000	1,275,000	915,000	930,000	732,663	1,095,000
-Interest	497,585	647,987	623,584	627,355	832,346	797,126	781,680	891,719
Tax Collection Fees	44,834	53,843	65,266	66,075	64,605	69,710	74,386	100,189
Refunding issue costs	-	-	-	-	-	-	96,342	-
Other Sources (Uses)	-	(759,781)	-	-	-	-	(96,342)	-
Ending Fund Balance	\$ 2,659,154	\$ 1,903,100	\$ 1,860,899	\$ 1,485,946	\$ 1,323,772	\$ 1,486,441	\$2,079,176	\$2,457,112

* Unaudited

General Obligation Debt

General obligation debt is supported by the full faith and credit of the City of Auburn. This debt form is used to finance various types of capital projects of the City and the City's Board of Education. The City issues debt on behalf of the School Board to finance the board's capital projects. School Board debt is repaid from property taxes received by the City, which are earmarked for education purposes.

The City's general obligation debt outstanding at September 30, 2006 is as follows:

Issue	Payment Source	Principal Issued	Outstanding at 9/30/06	Calendar Year of Maturity
East Alabama Medical Center Note (96)	General Fund	250,000	50,000	2007
East Alabama Medical Center Note (97)	General Fund	250,000	60,201	2008
G.O. Refunding Warrants (98)	General Fund	3,370,000	445,000	2007
G.O. Warrant (98)	General Fund	810,672	196,963	2008
G.O. Warrant (98)	General Fund	1,200,000	295,025	2008
G.O. Refunding School Warrants (98)	School Tax	8,170,000	3,450,000	2011
G.O. Bonds (98)	Five-Mill Tax	2,000,000	1,230,000	2015
G.O. School Warrant (99)	School Tax	857,750	312,834	2009
G.O. Bonds (99)	Five-Mill Tax	3,700,000	2,760,000	2014
G.O. Warrant (99)	General Fund	4,110,000	3,100,000	2019
G.O. Warrant (00)	General Fund	1,507,034	703,366	2010
G.O. Warrant (01)	General Fund	1,035,400	588,806	2011
G.O. Warrants (01)	Sewer Fund	24,765,000	23,055,000	2024
G.O. Warrant (02)	General Fund	1,937,000	1,246,484	2012
G.O. Bonds (02)	Five-Mill Tax	7,250,000	5,590,000	2016
G.O. School Warrants (02)	School Tax	27,275,000	27,275,000	2026
G.O. Warrant (03)	General Fund	1,065,500	367,724	2008
G.O. Warrant (03)	General Fund	6,300,000	4,809,197	2013
G.O. Warrant (03)	General Fund	2,056,598	960,230	2008
G.O. Warrant (05)	School Tax	33,010,000	33,010,000	2035
G.O. Warrant (05)	General Fund	10,000,000	9,463,979	2014*
G.O. Bonds (05)	Five-Mill Tax	9,905,000	9,550,000	2021
G.O. Warrant (05)	General Fund	6,000,000	5,570,160	2015
G.O. Warrant (06)	General Fund	5,000,000	4,728,492	2015
G.O. Warrant (06)	General Fund	3,700,000	3,700,000	2026
Total general obligation debt at September 30, 2006			\$ 142,518,461	

*Balloon payment of \$5 million due in 2014.

Special Five Mill Tax bonds with a face value of \$9,905,000 were issued in March 2005, in part to defease an existing issue to take advantage of interest rate savings and to fund road construction and reconstruction, a new fire station, new sidewalks and bikeways, and intersection and traffic signal improvements. In July 2005, the City issued its \$10 million general obligation warrant for the purchase of property and construction of infrastructure in support of the public-private partnership to expand the primary retail center within the City. Warrants were issued on behalf of the Auburn City Schools in August 2005 for \$33,010,000. Proceeds of this school issue are being used to construct additions to every existing school in the system and to build a new elementary school. These capital facilities will accommodate the City's residential growth while also maintaining the low pupil-to-teacher ratios characteristic of the Auburn public schools. In December 2005, general obligation warrants in the principal amount of \$6 million were issued to finance the construction of infrastructure in the Industrial Development Board's Technology Park West and other infrastructure projects in the City.

The City is providing \$5 million of infrastructure for the Auburn University Research Park; a general obligation warrant for this amount was issued in February 2006. In another partnership effort with Auburn University, the City issued a \$3.7 million general obligation warrant to finance a portion of the City's Tennis Center which will be leased to the University as a home base for the University's Tennis Team.

Enterprise Fund Debt

Sewer Enterprise Fund

In August 2001, the City issued a general obligation warrant for \$24,765,000 and a non-interest bearing (zero coupon) General Obligation Warrant with a maturity value of \$9,400,000 to finance the de-privatization and expansion of the Northside and Southside Sewer Treatment Plants. In addition, the net proceeds were used to purchase sewer system equipment and several miles of interceptor lines and to provide funds for plant and line improvements and expansion. Debt service on the \$24,765,000 issue is paid from the Sewer Fund. The non-interest bearing General Obligation Warrant was issued in favor of the seller of the sewer plants as an additional purchase price of the assets. In order to provide for the payment of the Warrant at its maturity, the City began making semi-annual sinking fund payments in January 2002. The sinking fund payments required each fiscal year are \$672,518 through 2011. The final payment in 2012 is \$336,259. The sinking fund is invested in the repurchase agreements fully collateralized by securities authorized by State law so that the earnings, together with the deposit, will be sufficient to pay the maturity value in January 2012.

Legal Debt Limit

The Code of Alabama establishes the legal debt limit for Alabama municipalities. The State government's ceiling for municipal debt is 20% of the assessed value of property within the city limits that is subject to ad valorem taxation. Excluded from the legal debt limit computation is debt payable from property assessments and debt issued for schools, waterworks and sewer systems.

Computation of the legal debt margin for the City of Auburn at September 30, 2005, is as follows:

Assessed value of property subject to taxation	<u>\$490,731,975</u>
Debt Limit: Twenty percent of assessed valuation	\$ 98,146,395
Amount of debt applicable to debt limit:	
Total bonded debt	\$140,713,975
Less: Exempt indebtedness	<u>(95,096,606)</u>
Net debt applicable to legal debt limit (46.5%)	<u>45,617,369</u>
Legal debt margin (limit of additional debt capacity)	\$ 52,529,026

This computation demonstrates that the City is well within the legal debt limit set by State law.

Debt Per Capita

Debt per capita, or the amount of bonded debt per citizen, is a typical measurement of a government's debt status. Debt per capita is calculated below using the U.S. Bureau of the Census population count, which is revised once every ten years. These amounts were calculated using population estimates based on the City's 1990 and 2000 Census Bureau population counts. Auburn's debt per capita statistics as of the end of fiscal years 1998-2005 are as follows:

Net Bonded Debt per Capita, September 30, 1998-2005
(includes debt issued by the City on behalf of the City Board of Education)

Fiscal Year End	1998	1999	2000	2001	2002	2003	2004	2005
Population	41,158	42,074	42,987	44,033	45,389	46,932	48,098	48,353
Debt per Capita	\$ 1,031	\$ 1,114	\$ 1,073	\$ 1,731	\$ 2,125	\$ 2,114	\$ 1,609	\$ 2,304

In 2001, GO warrants with a face of \$24.8 million were issued to de-privatize and expand the City's sewer treatment plants.

In 2002, GO warrants in the principal amount of \$27.3 million were issued on behalf of Auburn City Schools.

In 2005, GO warrants for \$33 million were issued on behalf of Auburn City Schools, \$10 million for the Mall expansion project and \$6 million for the Technology Park West and other infrastructure projects.

Five Mill Tax Fund Debt Issuances

The City's Five Mill Tax Fund receives property taxes that are earmarked by State law for the repayment of bonded debt issued to finance the construction of voter-approved capital improvements.

▪ 1999 Five Mill Tax Fund Capital Projects

In August 1999, the City issued a \$3,700,000 general obligation warrant to finance the construction of a new municipal Library (\$3.2 million) and the renovation of the existing library and old City Hall buildings for use as office space (\$500,000). The construction of the new Library was completed in April 2001. The renovation of the office space was completed in 2003. Debt service on the \$3,700,000 issue is paid from the Five Mill Tax Fund.

▪ 2001 Five Mill Tax Fund Capital Projects

In May 2002, the City issued a general obligation warrant for \$7,250,000 to finance the construction of a new Soccer Complex (\$2.5 million), park improvements (\$2 million) and cemetery development (\$2 million). The Soccer Complex was officially dedicated on March 20, 2004. The park improvements and cemetery developments are ongoing and completion is anticipated in early 2005. Debt service on the \$7,250,000 issue is paid from the Five Mill Tax Fund.

▪ 2005 Five Mill Tax Fund Capital Projects

In August 2004, City voters overwhelmingly approved the City's plan to issue a \$5 million general obligation warrant for the purposes listed below. This debt will be issued in fiscal 2005 and will be paid from the Five Mill Tax Fund.

2005 Five Mill Tax Capital Projects Fund

Sidewalks, bikeways, greenways	\$ 494,000
Bridge improvements	860,000
Street reconstruction	1,500,000
Street construction	460,000
Intersection improvements	645,000
Traffic signal improvements	325,000
Fire Station #5	700,000
Bond issue costs	16,000
Total	\$ 5,000,000

- In April 2006, the City held a referendum asking approval to issue \$5.2 million in general obligation bonds for the expansion of the City's library and the construction of a Tennis Center on property that had been donated to the City. The City's intent is to pay the debt service on the borrowing for these projects from the resources in the Special Five Mill Tax Fund.

Issuances on Behalf of the City of Auburn Board of Education

In August 2005, the City issued \$33.01 million of general obligation school warrants on behalf of the City of Auburn Board of Education. The proceeds of this issue are being used to expand each of the schools currently in operation and a new elementary school will be constructed with a planned opening date of fall 2008. School Board debt is repaid from property taxes received by the City, which are dedicated for education purposes. Debt service on school debt issues is paid from the Special School Ad Valorem Tax Fund.

Special Capital Improvements Projects Financing

Under the State law, Alabama cities may construct public improvements that will benefit specific property owners and then assess the costs of the improvements to those property owners. The City of Auburn initiates the special capital improvement projects to construct streets through undeveloped properties. First, the property owner and City come to agreement on the scope of the project and the City obtains collateral in the form of letters of credit and personal guarantees. Then, the City secures construction financing by inviting bids from local banks. After project construction is complete and the total project costs (including construction period interest and City administrative costs) are known, permanent financing is arranged with a local bank through the competitive bid process. The property owner then executes a promissory note to the City, the terms of which are structured to provide a cash flow stream to cover the City's debt service requirements for the permanent financing. As a result of the special capital improvement project process, the City's infrastructure is expanded or improved at no cost to the taxpayers. The City currently has one special capital improvement project: the improvement and extension of Richland Road.

Debt Issuances Planned for the Biennium including Fiscal Years 2007 and 2008

There are no borrowings budgeted to be expended for any of the City's budgeted funds for either fiscal year 2007 or fiscal 2008.* The biennial budget is reviewed during the summer of the first fiscal year of the biennium and may be amended at that time to reflect updated revenue projections and changing conditions, priorities and capital projects' status.

Debt Service Requirements to Maturity

The following schedule shows the City's debt service requirements, including both principal and interest, to maturity for all debt obligations as of September 30, 2006. This schedule includes the debt service requirement for all the recent issues mentioned above (debt issued through September 30, 2006). The schedule below does not reflect the non-interest bearing (zero coupon) general obligation warrant will mature at the principal amount of \$9,400,000 in 2012. As of September 30, 2004, the total remaining sinking fund payments are \$3,698,849. The sinking fund payments required each fiscal year are \$672,518 through 2011; the final payment in 2012 is \$336,259. At present, the City has no debt service requirements beyond the year 2026, except for the 2005 Schools issue which pays out in 2035.

*The City's Capital Improvement Plan includes a road extension projection to be financed through borrowing. Proceeds of a general obligation warrant will be expended from a separate Capital Projects fund.

<i>Debt Service to Maturity - Principal and Interest</i>					
Fiscal Yr	General Fd	Five Mill Tax	School Tax	Sewer Fd	Total
2007	\$ 5,770,177	\$ 2,084,735	\$ 3,977,721	\$ 1,564,467	\$ 13,397,100
2008	5,210,874	2,183,300	3,988,813	1,561,580	12,944,567
2009	4,479,650	2,253,953	4,637,441	1,559,943	12,930,987
2010	4,317,612	2,325,288	4,620,050	1,561,908	12,824,858
2011	4,171,306	2,393,197	4,640,358	1,559,907	12,764,768
2012	3,964,665	2,456,749	4,637,588	1,561,279	12,620,281
2013	3,771,592	2,473,412	4,639,093	2,225,097	13,109,194
2014	8,021,701 *	2,522,720	4,635,183	2,220,399	17,400,003
2015	1,089,578	2,108,995	4,637,783	2,221,580	10,057,936
2016	617,253	1,848,137	4,637,803	2,218,284	9,321,477
2017	616,853	411,375	4,642,913	2,214,875	7,886,016
2018	615,613	397,375	4,639,319	2,211,750	7,864,057
2019	613,533	383,375	4,638,806	2,209,750	7,845,464
2020	275,613	369,375	4,635,906	2,208,625	7,489,519
2021-25	1,378,067	306,188	23,197,281.30	8,813,250	33,694,786
2026-30	275,613	-	13,333,781	-	13,609,394
2031-35	-	-	10,867,813	-	10,867,813
Totals	\$ 45,189,700	\$ 24,518,174	\$ 111,007,649	\$ 35,912,694	\$ 216,628,217

*Includes a balloon payment of \$5 million.

City of Auburn – Proposed Financial Policies

Overview

The City of Auburn establishes these financial policies to provide guidance to the City's management and staff in conducting the financial activities of the City. Financial policy statements provide broad guidance and are not intended to be a detailed statement of procedures to be performed. Financial policies are proposed by the management staff and presented to the City Council for approval via adoption of a Council resolution. The financial policies may be amended from time to time, as conditions change or the need for additional policies is identified.

Legal Compliance

The City of Auburn's financial activities shall be conducted in accordance with the provisions of relevant federal and State of Alabama laws and regulations. Examples of such legal requirements include IRS regulations concerning the use of borrowed monies, SEC regulations concerning financial disclosures, the State bid law, and the State law governing conflicts of interest. The City of Auburn's financial activities shall also be conducted in compliance with City policies that have been approved by the City Council and/or the boards of the City's component units.

Generally Accepted Accounting Principles (GAAP)

The City of Auburn's financial activities shall be accounted for and reported on in accordance with generally accepted accounting principles established for local governments within the United States. At the time of the approval of these financial policies, the primary source for GAAP for local governments is the Governmental Accounting Standards Board. In the event that legal requirements conflict with GAAP, the Finance Department shall account for and report the transactions in accordance with GAAP and also maintained detailed subsidiary records as necessary to demonstrate legal compliance.

Internal Controls

A system of internal control consists of all measures that the management of an organization implements in order to protect the organization's assets from theft, loss, or misuse (intentional and unintentional) and to ensure the accuracy of the City's financial statements. The management of the City of Auburn is responsible for developing, monitoring and maintaining a cost beneficial system of internal control over all financial related activities of the City. The Finance Department shall fulfill this responsibility, under the direction of the City Manager.

The Finance Department shall assess the effectiveness of existing internal controls, taking into consideration their costs and benefits, and make recommendations to the City Manager for improvements. If at any time, the Finance Department identifies a significant weakness in the internal control system, this deficiency shall be reported to the City Manager immediately. At any time that Finance proposes changes in the internal control system, Finance shall evaluate the results of those changes periodically to determine whether the level of internal control has been strengthened and whether the cost of the newly implemented controls does not outweigh the benefits.

Component Units

The City of Auburn's discretely presented component units include the Board of Education (also referred to as Auburn City Schools), the Water Works Board, the Industrial Development Board, the Public Park and Recreation Board, and the Commercial Development Authority. As much as is practical, the financial policies and accounting systems used for the component units shall parallel the City's, in order to streamline processes and increase efficiency of financial operations. It is understood that the Board of Education's financial policies and activities are supervised by the State of Alabama Department of Education.

Financial Reporting

Annual Reports. The City of Auburn Finance Department shall prepare and publish annual financial reports for the City, Water Works Board, Industrial Development Board and Commercial Development Authority as required by generally accepted accounting principles (GAAP). The City's annual financial report shall include all component units required to be included by GAAP. Separately issued annual reports shall be published for the Water Works Board, Industrial Development Board, Public Park and Recreation Board, and the Commercial Development Authority. The annual financial report of the Auburn City Schools(ACS) is prepared and published by ACS. In addition to meeting GAAP requirements, the annual financial reports published by the City shall be prepared to embody a spirit of full disclosure for the benefit of the citizens of Auburn, the City Council and the boards of the component units.

Monthly Reports. The City of Auburn Finance Department shall prepare and publish monthly financial reports for the City and the Water Works Board to demonstrate the budget status of revenues and expenditures/expenses, as well as the entities' financial position as of the end of each month.

Other Interim Reports. The Finance Department shall prepare such other financial reports as may be requested by the City Manager and department heads. Requests for special financial reports by the City Council shall be directed to the City Manager, who shall then make the request to the Finance Department. If City departments request other reports that are available from the City's financial management software system, the Finance Department will train other departments' staff on generating such reports.

Funds Structure

The City of Auburn shall use the fund basis of accounting, as prescribed by generally accepted accounting principles. Within the funds structure requirements prescribed by GAAP, the City shall endeavor to employ the smallest possible number of funds to increase efficiency of financial processes. If grant agreements state that separate accounting funds are required, the Finance Department shall inquire of the grantor to determine whether separate accounting within an existing fund may be used to meet the requirements of the grant agreement. City Council approval shall be required to open or close any City fund. Council approval of any borrowing shall be deemed approval to open a fund to account for receipt and expenditure of the borrowing proceeds.

Interfund Transactions

Any interfund transaction that is not authorized by the budget shall be documented as to amount and purpose; the documentation shall include a statement of whether or not the amount

transferred is intended to be repaid and the repayment timeframe. The proposed interfund transaction shall be approved in writing by the City Manager in advance of recording the transaction. The Finance Department shall develop a form to be used for documenting the request for and approval of interfund transactions. This documentation shall be maintained with the accounting records of the interfund transaction.

Fund Balance/Net Assets

General Policies for Fund Balances/Net Assets. It is the City's policy that all funds shall have positive fund balances/net assets. In developing the proposed budget and any budget amendments, City staff shall not propose revenue projections and budgeted expenditures that would result in a deficit fund balance/net assets in any fund. In the event that any City fund other than the General Fund should have a deficit fund balance/net assets at fiscal year-end, the City's General Fund shall extend a short-term loan to such fund and the City's budget staff shall determine how to address the deficit as expeditiously as possible. In such cases, the General Fund shall be reimbursed for the interest foregone on the interfund receivable as soon as the receivable is repaid.

General Fund. The fund balance goal for the City's General Fund (fund 100) shall be 20% of the General Fund's expenditures plus other financing uses. The 20% goal applies to the total fund balance, including all reservations and designations, of the General Fund (fund 100). This goal is established in recognition that the State of Alabama's tax structure is such that a significant amount (40%+) of the General Fund's total revenues is derived from a single source – sales tax, and that sales tax is a revenue source which is highly sensitive to general and local economic conditions. This fund balance goal is a *goal* and is not intended to be a legal requirement; there may be economic conditions under which attainment of this goal is not possible.

In compliance with the requirements of the State workers' compensation program, the total budgeted ending fund balance of the General Fund (fund 100) is pledged to fund the satisfaction of any actuarial liabilities arising from the City's risk retention for worker's compensation and general liability claims. This pledge shall be incorporated into each budget ordinance presented to the City Council for consideration as long as the State requires such pledge.

General Fund – Permanent Reserve. The City Council has established, through various budget ordinances, a Permanent Reserve within the fund balance of the General Fund (fund 100). The City Council's intention in establishing the Permanent Reserve, as first stated in Ordinance 2025 (adopted September 18, 2001), is that the Permanent Reserve is to be maintained for the purpose of providing financial resources to be budgeted by the Council for use only in times of natural disaster or economic downturn. This Permanent Reserve is to be invested in such securities as allowed under the provisions of the Code of Alabama and the City's Investment Policy. Investment earnings on the Permanent Reserve within fund balance shall be added to the Permanent Reserve so long as the balance in the Permanent Reserve is less than fifteen percent (15%) of the General Fund's budgeted expenditures and other financing uses. At such time as the balance of the Permanent Reserve exceeds fifteen percent (15%) of the General Fund's budgeted expenditures and other financing uses, investment earnings on the Permanent Reserve shall be available to finance the budgeted expenditures and other financing uses of the General Fund.

Liability Risk Retention Fund. The City of Auburn is self-insured for workers compensation losses and maintains self-insured retentions (deductibles) for various other risks of loss, including general liability, public officials' liability, and law enforcement liability. Insurance is purchased as recommended by the Human Resources Director and Risk Manager to reduce the risk of loss. The City maintains a separate fund to account for the costs of insurance, payment of liability claims and defense costs, and payment of costs of administration of the risk management

program. To maintain an adequate reserve for the payment of future claims, the fund balance goal for the City's Liability Risk Retention Fund is \$600,000. This fund balance goal is a goal, and is not intended to be a legal requirement. There may be economic or organizational conditions under which attainment of this goal is not achieved; and there may be economic or organizational conditions under which this goal amount will be revised upward. The full faith and credit of the City backs the Liability Risk Retention Fund.

Employee Benefits Self-Insurance Fund. The City of Auburn is self-insured for various benefits provided to its employees, primarily health and dental insurance benefits. Some insurance is purchased as recommended by the Human Resources Director and Risk Manager to reduce the risk of loss for health care expenses. The City maintains a separate fund to account for the costs of insurance, payment of health claims, and payment of costs of administration of the employee benefits program. To maintain an adequate reserve for the payment of future claims, the fund balance goal for the City's Employee Benefits Self-Insurance Fund is \$1,000,000. This fund balance goal is a goal, and is not intended to be a legal requirement. There may be economic or organizational conditions under which attainment of this goal is not achieved; and there may be economic or organizational conditions under which this goal amount will be revised upward. The full faith and credit of the City backs the Employee Benefits Self-Insurance Fund.

Cash Management

The Finance Department shall be responsible for managing the City's cash in compliance with State law (including collateralization requirements) and applicable federal regulations (including regulations governing the use of borrowing proceeds and grant agreement requirements). The Finance Department shall monitor cash balances to ensure that balances are adequate to provide for all anticipated cash disbursements. Any concerns about the adequacy of cash balances shall be reported to the City Manager immediately.

The City Council shall authorize the depositories into which City funds may be deposited; this authorization shall be documented in a Council resolution, duly adopted during a regularly scheduled City Council meeting. However, if a depository that has been authorized by the Council fails to meet criteria for such depositories imposed by State law, the Finance Department shall not maintain City accounts therein until such time as the depository meets the State law requirements. When significant, non-routine deposits or withdrawals of City funds are anticipated, Finance shall notify the affected depository in advance, to ensure that collateralization requirements are satisfied.

Demand deposit accounts shall be reconciled monthly; unrecorded items shall be recorded in the general ledger as appropriate. Each bank account reconciliation shall be reviewed and approved in a timely manner by an appropriate management-level Finance staff member; such review shall be documented in writing and dated. Reconciling items will be reviewed from month to month for reasonableness; unusual and continuing reconciling items shall be promptly investigated.

Investments

City monies shall be invested in accordance with State law and the City's detailed Investment Policy. The priorities for City investments shall be legal compliance, liquidity and safety of the investment, regardless of the amount. The Finance Director shall be responsible for the investment of City funds, even though specific investment duties may be delegated to other staff members. Investment income shall be allocated among City funds based on the allocation of monies that comprised the investment.

Accounts Receivable

Monies due to the City for which amounts are calculable, shall be billed promptly and monitored continuously by the appropriate City and Water Board Revenue Office staff members. Collection efforts for delinquent balances shall begin with a reasonably timed, courteous reminder and shall progress to more rigorous collection procedures which may include use of collection agencies, citations and subpoenas to Municipal Court, recording of liens against real property and other legal actions, as deemed appropriate by the Finance Director in consultation with the City Attorney. All collection efforts shall be conducted in a legally compliant, professional and equitable manner. The extent of collection efforts shall, however, recognize the costs inherent therein; and the Finance Department is authorized to establish *de minimus* delinquent account balances below which only a minimum of collection effort will be employed.

In the case of City license fees and taxes which are based on amounts self-reported by taxpayers and which are unknown to the City Revenue Office until tax returns are filed, the Finance Department shall endeavor to collect delinquencies for failure to file tax returns and pay the related taxes and license fees as provided by the City's license fee and tax ordinances, including the business license ordinance, and in accordance with the procedural requirements of the Municipal Court. In the case of City utility billings, interruption of water service may be used as a collection method in accordance with policies established by the Auburn Water Works Board.

Inventories (non-capital)

Inventories of materials and supplies shall be controlled through the use of physical devices and inventory procedures that account for the receipt and issuance of commodities inventory items, the periodic count of inventories on hand, and which produce written documentation thereof. Inventory items that are issued for use on a work order or project and that are not used for completing the work order or project shall be returned to inventory and the amount of the returned materials documented. Commodities in inventory that are determined to be no longer usable shall be disposed of properly under the procedures for disposal of surplus assets; disposed surplus inventory items shall be accounted for in accordance with GAAP. The disposal of surplus inventory items shall be approved by the appropriate department head; the approval and means of disposal shall be documented in writing. Any resources received on the disposal of surplus assets shall be returned to the fund which owned the surplus assets at the time of the disposal.

The Finance Department is responsible for designing procedures and documents to account for all receipts and issuances of inventories, as well as for periodic physical counts of inventories on hand for all City departments. In developing inventory control procedures, the materiality of the cost of the inventory items will be considered together with the costs of implementing the control procedures; it is expected that inventory control procedures will be cost-beneficial. The operational requirements of the departments that maintain commodities inventories will be taken into consideration in the development of inventory control procedures.

In the event that material inventory losses are detected, such losses shall be reported to the appropriate department head, the Finance Director and the City Manager. Inventory losses shall be accounted for in accordance with GAAP. Each material loss of inventory items shall be analyzed to determine if the loss could have been prevented through stronger internal controls. Stronger controls shall be implemented if an evaluation of the improved controls projects that such would be cost-beneficial.

Capital Assets

The City shall account for its capital assets, including infrastructure assets, in accordance with generally accepted accounting principles (GAAP) for local governments. All items meeting the GAAP definition of capital assets and having a cost of \$5,000 or more and an expected useful life of more than two years shall be accounted for as capital assets. The City shall maintain a detailed inventory of capital assets that identifies the cost and location of each capital asset. For capital assets whose historical cost is unknown, an estimated cost shall be developed as provided by GAAP.

Department heads shall be responsible for all capital assets assigned to their respective departments. Transfers of capital assets from one department or division to another shall be reported to the Finance Department. Missing and surplus capital assets shall also be reported to Finance. Surplus capital assets shall be disposed of in accordance with State law and in a manner that optimizes City resources. A physical inventory of all capital assets, other than infrastructure, shall be conducted at the end of each fiscal year. A portion of infrastructure capital assets shall be inventoried each fiscal year.

Accounts Payable

The City shall record all obligations of funds prior to the issuance of orders for goods and services, to ensure effective budgetary control over expenditures. The City shall pay all legal obligations promptly upon the receipt of original billings therefore which have been generated by the party providing the goods or performing the services for which the billings are submitted, provided that complete documentation of the receipt of the goods or services, including data concerning the degree of completion of construction projects, has been provided to the Finance Department. The Accounts Payable Office shall maintain documentation of all City payments, other than for payroll, in an easily retrievable manner to facilitate the resolution of accounts payable issues as well as the completion of the City's annual audit. The Finance Department is responsible for developing detailed procedures and deadlines for the processing of the City's accounts payable, and for providing training to City staff concerning accounts payable procedures and for notifying City staff of accounts payable deadlines.

Auditing Services

The City of Auburn (primary government) and its component units shall be audited annually as required by State law. The City shall obtain auditing services through a "request for proposal" (RFP) process to identify the best qualified public accounting firm to provide auditing services at a reasonable fee. The RFP process shall be coordinated by the Finance Department and shall invite proposals for a three-year period with the option to renew for two successive one-year periods. Finance shall analyze the proposals, which analysis may include interviews with the respondents to the RFP. Finance shall prepare a report to the City Manager about the responses to the RFP; and the City Manager shall make a recommendation to the City Council. The City may engage one public accounting firm to audit the City (primary government) and a separate firm for its component units. Although it is more expeditious to have the same firm audit all component units, the Board of Education may request to engage its own auditor through a separate process.

Banking Services

The City of Auburn and Auburn Water Works Board shall obtain demand deposit banking services through a "request for proposal" (RFP) process to identify the most advantageous offering of investment income structures and banking services fees. The RFP process shall invite proposals for a three-year period with the option to renew for two successive one-year periods. The RFP shall clearly state that proposals are invited for demand deposit services only and that subsequent investment or borrowing decisions shall be made based on subsequent competitive processes.

Revenue Administration

The City of Auburn shall administer its ordinances concerning and directly collect all taxes, license fees and other revenues as allowed under State law. The Finance Department shall maintain a taxpayer database which documents the collection of such revenues and enables the prosecution of delinquent taxpayers as provided under State law and City ordinances. All revenue administration processes shall be performed in an equitable manner and all taxpayers shall be treated without discrimination. Procedures shall be established to preserve and protect the confidentiality of taxpayer information as required by State law. Taxpayers to be audited shall be selected based on 1) the results of analytical review of the taxpayer database, 2) random selection, 3) the need to verify the validity of a refund request; or 4) creditable evidence of taxpayer non-compliance.

The Finance Department shall conduct a Revenue Review at least once every four years in the spring following the installation of each new City Council. The purposes of the Revenue Review are to 1) evaluate the City's tax structure and consider recommendations for revisions therein based on changes in economic conditions and revenue trends; and 2) evaluate the City's revenue ordinances to determine the need for revision based on changes in circumstances and the identification of procedures in need of improvement. Financial projections shall be used as part of the Revenue Review process to assist in the evaluation of the need for changes in revenue rates. This policy is not intended to restrict the consideration of changes in tax structure or revenue administration procedures to the quadrennial Revenue Review; it is intended to ensure that an overall review of the revenue structure and revenue administration procedures is done once every four years. The results of the Revenue Review shall be completed and a report thereon provided to the City Manager prior to the inception of the Mid-Biennium Budget Review.

Purchasing

All City purchasing activities shall be conducted in accordance with State law governing municipal purchases and the City's detailed Purchasing Policies. Such activities include the maintenance of bidders' lists, the issuance of bid invitations, the receipt and opening of sealed bids, and the awarding of bid contracts. The Purchasing Officer shall be responsible for managing the issuance of bid invitations and the opening of sealed bids, except for bids wherein the preparation of project specifications, the issuance of the bid invitations and the opening of sealed bids shall be conducted by an architectural, engineering or other specialized consulting firm. In such exceptional circumstances, the Purchasing Officer shall be notified by the department head prior to the issuance of the bid invitations and the Purchasing Officer shall review and approve the bid invitation documents and bidders list prior to the issuance of the bid invitations by the consultant.

The purchase of any item with a cost of the State bid law minimum (currently \$7,500) or more, whether or not included in the approved budget, shall be placed upon the City Council agenda for Council consideration. The agenda item shall state whether or not bids or quotes were

taken and if so, the results thereof, as well as whether or not the item is budgeted. For items proposed to Council for purchase that are not budgeted, the department requesting approval of the purchase shall state whether the purchase can be absorbed in the department's approved budget.

In the event that a contract change order is proposed in which the change order amount is an increase in the contract of 10% or more of the original contract amount or in which the change order amount is an increase in the contract price of more than the State Public Works Project bid law amount (currently \$50,000), the change order shall be submitted to the City Council for approval. This policy shall also apply to change orders that in themselves do not constitute 10% of the original contract amount or an amount greater than the State Public Works Project bid law amount, but which, when combined with all previous change orders to that contract, produces a dollar amount that exceeds either of these thresholds (10% of the original contract amount or the State Public Works Project bid law amount).

Debt Management

Overview: The City's annual revenues typically are not adequate to finance all the expenditures proposed to and approved by the Council. The acquisition or construction of capital assets benefit the citizens for the long term and generally have significant costs; therefore, it is reasonable to spread the cost of such expenditures over more than one year. Borrowing is the mechanism through which the City is able to allocate the costs of large purchases so their costs can be paid from the revenues of several years. Balancing this advantage are the costs of borrowing, which include interest and administrative costs.

The City shall strive to maintain conservative policies for managing the City's level of outstanding indebtedness and annual expenditures for debt repayments, as follows:

- All debt issuances will be accomplished in compliance with federal regulations, State law, City ordinances and all other applicable legal constraints.
- The City will retain on a continuing basis, a competent and reputable attorney specializing in municipal financing in the State of Alabama.
- The City will retain on a continuing basis, a competent and reputable bond underwriter specializing in municipal financing in the State of Alabama.
- When issuing bonds that are to be sold in the national bond market and if the bonds are to be sold in a negotiated sale, the City shall consider whether to retain an independent financial advisor; this consideration shall address the dollar amount to be borrowed and the fee structure proposed by potential financial advisors.
- City debt will be issued only to finance the acquisition or construction of capital assets, including land to be held for future use. Annual operating costs, including costs of employees' personal services, will be financed from current revenues or fund equities.
- The repayment periods for long term debt issuances will not be extended beyond the expected useful life of the capital asset being acquired with the proceeds of the financing. Debt repayment periods will be as short as feasibly possible in order to minimize interest costs and maximize flexibility for future financial planning. Financial projections shall be used to evaluate the appropriate repayment period for individual borrowings.
- If the impact of significant capital outlays proposed to be budgeted on projected ending fund equities will cause fund equity to be less than 20% of annual budgeted expenditures, other financing sources (proceeds of long term debt) for specified significant capital outlays will be considered for inclusion in the proposed budget in order to maintain fund equity at an

acceptable level. Financial projections shall be used to evaluate the effect of the repayment of such proposed borrowings on fund balances in future fiscal years.

- The Council and City Manager will engage in capital assets planning and will hold citizen referenda as required by law to enable the use of the City's property tax dedicated to repayment of general obligation long term debt for the construction and acquisition of major capital assets, including infrastructure fixed assets (the Special Five Mill Tax). The City's Special Five Mill property tax is dedicated by law to the payment of debt service on general obligation debt that is issued to finance the construction of capital projects that have been approved by the voters in a public referendum. Before holding any referendum on the use of the Special Five Mill Tax debt service fund as a debt repayment source, financial projections shall be used to evaluate principal amounts and the structure of amortization schedules of proposed debt issues to maintain a positive fund balance in the Special Five Mill Tax Fund.
- Capital leasing may be used for the acquisition of equipment items with an expected useful life of three years or longer and a purchase price of more than \$250,000 with the approval of the City Manager upon the request of the department head for whose department the equipment purchase is proposed. Debt service expenditures (including principal, interest and any related administrative costs) for capital leases will be budgeted in the department for which the equipment was purchased.
- When the City plans to borrow principal amounts that financial institutions can lend and when there are no legal requirements related to the planned debt repayment source that requires the issuance of bonds, general obligation notes or warrants will be issued to the financing source that submits the lowest responsible proposal meeting specifications. All invitations to bid on City borrowings that are issued to financial institutions will be reviewed by and must receive the approval of the City's bond attorneys prior to their issuance. Requests for proposals to lend monies to the City via general obligation warrants or notes shall be sent to all financial institutions within the city limits, as well as to any other financial institutions that have expressed an interest in lending to the City. Proposals for borrowings via general obligation warrants or notes shall be opened in a public meeting set for that purpose. The acceptance of such proposals shall be made by the City Council.
- Debt will be issued on behalf of the City Board of Education as provided under the Code of Alabama upon the official request of the Board. Principal amounts and amortization schedules of proposed education debt issues will be structured in a manner to maintain a positive fund balance in the City's School property tax funds (the Special School Tax and Special Additional School Tax special revenue funds) that are held by the City.
- The City shall engage a properly qualified consultant to perform a review of the City's compliance with federal regulations governing the issuance of tax-exempt debt at least once every three years. The cost of such consulting services shall be allocated among the various funds in which debt repayments are recorded unless such allocation is prohibited by law.

Employee Benefits Management

In an effort to recruit and retain well qualified employees, the City of Auburn shall strive to provide a competitive compensation and a comprehensive benefits package. Employee benefit programs shall be designed to meet the needs of employees, including employees with families. Periodically, the City shall conduct a salary and benefits survey to help ensure that the City retains its competitive position in the employment market. Close attention shall be paid to the design of the

City's employee benefits plan to ensure that benefits are attractive to current and potential future employees, that benefit costs are manageable, that economy is achieved, and that overall performance of the organization is not inadvertently hampered. As in all service areas, the City shall strive to give its citizens good value for their tax dollars through the compensation and benefits available to City employees.

Budgeting

The City of Auburn shall develop and adopt budgets in compliance with State law. City staff shall develop a proposed biennial budget consisting of two one-year budgets and a six-year long-term capital plan (the first two years of which shall be the capital plan for the biennial budget being proposed) for the City Council's consideration. The proposed budget shall be presented to the Council no later than July 31 of the fiscal year prior to the first year of the proposed biennial budget.

The process for developing the budget shall begin with the conduct of an annual Citizen Survey, which shall be based on a random sample of Auburn residents which are questioned about their satisfaction with City services and their priorities for spending of public funds. The City Manager's Office shall be responsible for administering the Citizen Survey process. A report on the results of the Citizen Survey shall be presented to Council and made available to the public.

The Finance Department shall develop revenue projections for the proposed budget, based on trend information available for each revenue source, knowledge of general and local economic trends, new State laws and City ordinances that may affect revenues, and other relevant factors. The City Manager shall review the revenue and revise revenue projections as he/she may consider appropriate.

The City Council shall then engage in a priority-setting process in which each Council member assigns priorities to a list of initiatives that is developed by the City Manager and to which the Council members may add their own initiatives. The City Council shall take into consideration the results of the Citizen Survey in determining their individual priorities. The Office of the City Manager will develop a consensus of the Council's priorities based on the individual Council members' priorities.

The City Manager will determine a budget strategy based on the revenue projections and the Council's consensus priorities and shall communicate the budget strategy to the department heads to guide the development of the departmental goals and proposed budgets. The Office of the City Manager shall also establish procedures for development of the proposed long-term capital plan.

The City Manager's Office shall compile the departments' budget requests and review for consistency with Council priorities. With support from the Finance Department, the City Manager's Office shall review the revenue projections and budget requests to evaluate their effects on fund balance. Then, the City Manager's Office shall determine the extent of reductions in proposed expenditures that may be necessary, the extent to which revenue rate increases may be necessary and the extent to which borrowing may be advisable. A long-term financial projection shall be developed to determine the long-term effects on fund balance of various revenue, expenditure and borrowing alternatives. The City Manager shall determine which alternatives to employ in developing a proposed budget that meets the City's current and long-term goals and that is consistent with the City's financial policies.

The proposed budget shall be presented by the City Manager and management staff to the City Council for its consideration in one or more meetings during which the strategies and components of the proposed budget shall be explained and Council members may pose questions

about the proposed budget. The proposed budget shall identify the key decisions affecting the budget that are to be made by the Council. Upon its initial presentation to the Council, the proposed budget shall be made available to the public for inspection.

A public hearing on the proposed budget shall be publicized in advance and shall be held at a regularly scheduled City Council meeting. The budget adoption ordinance shall be placed on the Council agenda no later than the first regular Council meeting in September of each even-numbered fiscal year. If the City Council fails to adopt a budget prior to any fiscal year-end (September 30), the provisions of State law shall be followed concerning the budget for the new fiscal year.

Budgetary control shall be at the fund level, with managerial control exercised by the City Manager at the department level. The City Manager is authorized to make minor adjustments of appropriated amount between and among the various accounts (line items) of the General Fund and Sewer Fund (but not between the General Fund and the Sewer Fund), as necessitated by changing requirements; the City Council shall be informed of any such adjustments made.

A Mid-Biennium Budget Review shall be held after March (50% of the fiscal year elapsed) in the first fiscal year of the biennium. During the Mid-Biennium Budget Review, the approved budget for both fiscal years of the biennium may be amended by the Council. In addition to the Mid-Biennium Budget Review, the City Manager's Office shall conduct a review of each fiscal year's budget prior to fiscal year-end and may propose a fiscal year-end budget adjustment. Generally, the budget will be amended by ordinance only at the Mid-Biennium Budget Review and just prior to fiscal year-end. The Council may show its commitment to significant changes to the budget at other times during the biennium by approval of a resolution.

Capital Projects

Capital projects shall be managed by the department responsible for operating the project upon its completion; however, the City Manager may designate a specific department head to manage a specific capital project. The Finance Department shall be responsible for assigning project account numbers, which shall be used to accumulate all project costs for capitalization according to GAAP. The Finance Department shall prepare specialized reports as necessary to report on the financial status of all capital projects.

Contracts Management

City contracts for amounts exceeding the State bid law minimum (currently \$7,500) may be executed only by the Mayor and City Manager. Contracts for amounts less than the State bid law minimum may be executed only by the City Manager. Prior to the execution of City contracts, the proposed contract document shall be reviewed by the City Attorney, the Finance Director, and the City's Risk Manager; review by other City staff, as may be appropriate, may be invited.

Originals of all executed contracts shall be routed to the Finance Department for filing in the City Archives; copies of executed contracts shall be routed to affected City departments and other offices, as appropriate.

The Finance Department shall be responsible for establishing detailed procedures for tracking contract payments, include payments of retainage, and shall assign contract codes for managing contracts via the City's financial management software. The City Attorney shall address legal issues that may arise in connection with contracts management.

City of Auburn

Description of All Budgeted Funds

Annual budgets are adopted each fiscal year for the funds described here.

All **governmental funds** are budgeted and accounted for using the modified accrual basis of accounting. Their revenues are recognized when received in cash, except those accruable, which are recorded as receivables when measurable and available to pay current period liabilities. Expenditures are recognized on a modified accrual basis. Governmental funds' expenditures are recorded with the associated liability is incurred, with the following exceptions: general long-term obligations' principal and interest are reported when due; prepaid items are reported as current period expenditures; costs of accumulated unpaid vacation and sick leave are reported in the period due and payable rather than in the period earned.

The City's **proprietary funds** are accounted for on the full accrual basis, wherein revenues are recorded when earned and expenses when incurred. For management control purposes, the proprietary funds' expenses are budgeted on the accrual basis with the exception that capital outlays and repayments of debt principal are budgeted as expenses.

Governmental Funds

General Fund* is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund accounts for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied, as well as special capital improvement projects, the construction of which is financed by the City and then repaid by the property owner without the levy of a special assessment.

- **Employee Benefit Self-Insurance *Special Activity* of the General Fund** accounts for the costs of operating and the reserves provided for the City's self-insured employee benefits program.
- **Liability Risk-Retention *Special Activity* of the General Fund** accounts for the costs of operating and the reserves provided for the

City's general liability and workers compensation self-insurance program.

City Gasoline Tax *Special Revenue* Fund accounts for one-half of the revenues received from the City's two-cent gasoline tax and disbursements related to the construction of and improvements to streets.

Seven Cent State Gas Tax *Special Revenue* Fund accounts for funds received from the State of Alabama and disbursed for street related projects.

Nine Cent Gas Tax *Special Revenue* Fund accounts for Auburn's share of the State of Alabama four cent and five cent gas tax revenues which is disbursed for the resurfacing, restoration of roads, bridges and streets.

Special School Tax *Special Revenue* Fund accounts for eleven mill ad valorem tax revenues used to pay principal and interest on bonds issued for school purposes.

Special Additional School Tax *Special Revenue* Fund accounts for five mill ad valorem tax revenues used for the furtherance of education.

Public Safety Substance Abuse Prevention *Special Revenue* Fund accounts for funds received from the U.S. Marshal used for enforcement of laws against drug trafficking.

CDBG Grant *Special Revenue* Fund accounts for grants from the Dept. of Housing and Urban Development to be used for Community Development Block Program projects.

Special 5-Mill Tax *Debt Service* Fund accounts for general property tax receipts used to pay principal and interest on voted bonds of the City.

Proprietary Funds

Sewer *Enterprise* Fund* accounts for revenue earned from and costs related to the provision of sewer service.

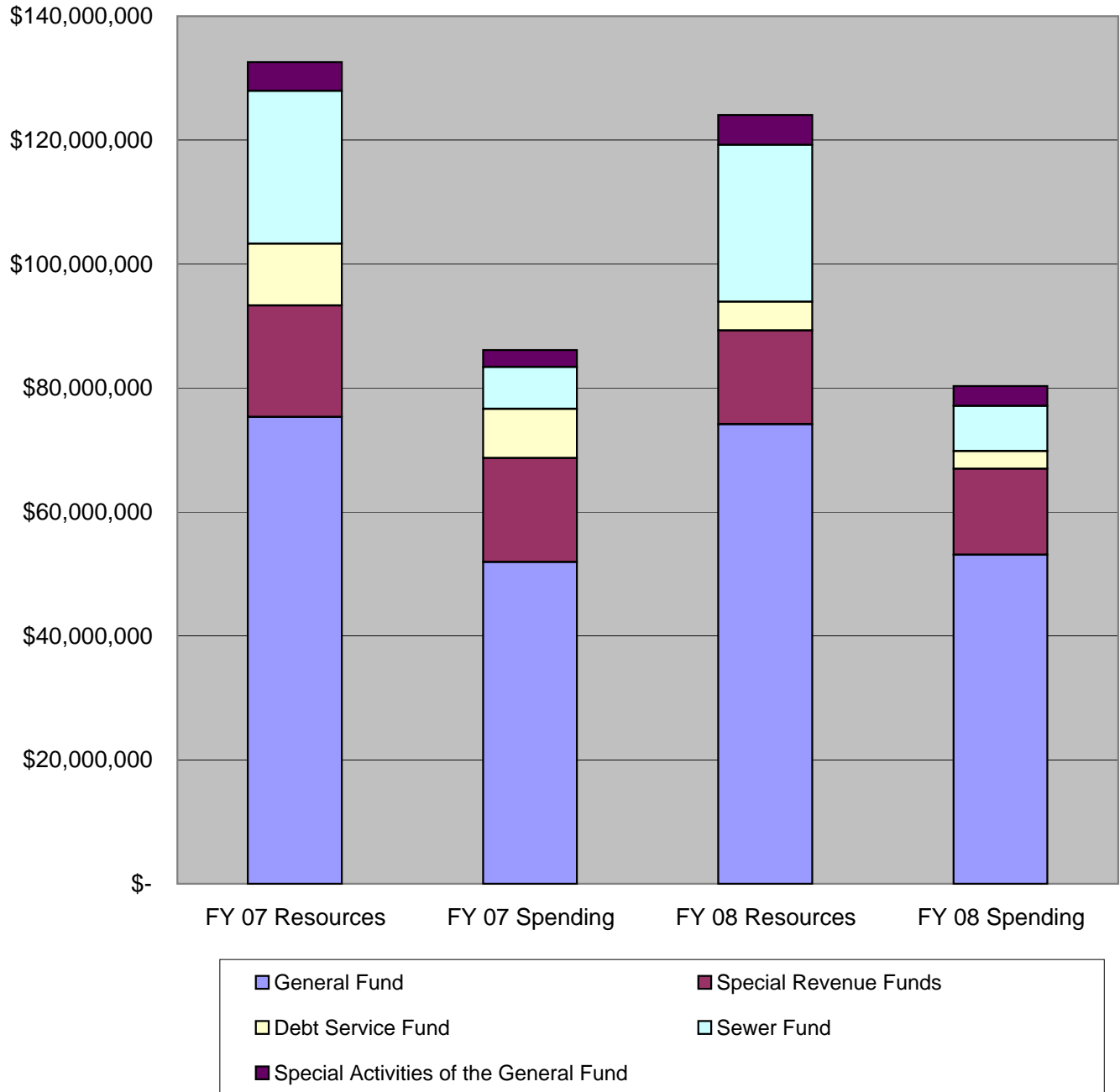
*The General Fund and the Sewer Enterprise Fund are considered major funds.

City of Auburn
Overview of Budgeted Revenues and Expenditures/Expenses by Fund Type
Biennial Budget - FY 07 & FY 08

	Governmental Fund Types				Proprietary Fund Type	Total - All Budgeted Funds
	General ^	Gen. Fd. Spec. Act.	Special Revenue	Debt Service	Enterprise	
FY 07 Budget						
Projected Ending Fund Balance, 9.30.06	\$ 26,550,694	\$ 2,033,970	\$ 4,389,477	\$ 2,457,112	\$20,274,475	\$ 55,705,728
Revenues	48,475,343	2,335,558	8,354,699	2,453,663	7,251,000	68,870,263
Other Financing Sources	415,000	275,000	6,088,770	5,250,000	-	12,028,770
Total Available Resources	75,441,037	4,644,528	18,832,946	10,160,775	27,525,475	136,604,761
Expenditures/Expenses	43,281,121	2,715,165	10,315,743	2,678,479	5,952,365	64,942,873
Other Financing Uses	8,624,823	-	6,465,000	5,250,000	821,366	21,161,189
Total Budgeted Expenditures/Expenses	51,905,944	2,715,165	16,780,743	7,928,479	6,773,731	86,104,062
Projected Ending Fund Balance, 9.30.07	\$ 23,535,093	\$ 1,929,363	\$ 2,052,203	\$ 2,232,296	\$20,751,744	\$ 50,500,699
Ending Fund Balance as a % of Budgeted Expenditures	45.34%	71.06%	12.23%	28.16%	306.36%	58.65%
FY 08 Budget						
Projected Ending Fund Balance, 9.30.07	\$ 23,535,093	\$ 1,929,363	\$ 2,052,203	\$ 2,232,296	\$20,751,744	\$ 50,500,699
Revenues	50,337,066	2,341,352	8,659,558	2,558,210	7,458,250	71,354,436
Other Financing Sources	382,500	500,000	5,300,000	-	-	6,182,500
Total Available Resources	74,254,659	4,770,715	16,011,761	4,790,506	28,209,994	128,037,635
Expenditures/Expenses	44,127,325	3,206,713	8,227,933	2,716,185	6,480,880	64,759,036
Other Financing Uses	8,949,823	-	5,682,500	-	821,366	15,453,689
Total Budgeted Expenditures/Expenses	53,077,148	3,206,713	13,910,433	2,716,185	7,302,246	80,212,725
Projected Ending Fund Balance, 9.30.08	\$ 21,177,511	\$ 1,564,002	\$ 2,101,328	\$ 2,074,321	\$20,907,748	\$ 47,824,910
Ending Fund Balance as a % of Budgeted Expenditures	39.90%	48.77%	15.11%	76.37%	286.32%	59.62%

^ Beginning Fund Balance for the General Fund excludes the \$4,620,015 Permanent Reserve and reflects the FY 2006 unaudited actual balance

City of Auburn
Overview of Projected Resources and Planned Spending
All Budgeted Funds
Biennial Budget - FY 2007 & FY 2008



City of Auburn

Financing City Operations - All Budgeted Funds

FY 07 Budget

	Governmental Fund Types				Proprietary Fund Type	FY 07 Total All Budgeted Funds
	General	Gen. Fd. Spec. Act.	Special Revenue	Debt Service	Enterprise	
Revenues						
Taxes	25,600,504	-	8,129,017	2,363,663	-	36,093,184
Licenses and permits	14,967,400	-	-	-	-	14,967,400
Intergovernmental revenue	10,000	-	-	-	-	10,000
Fines and costs	840,000	-	-	-	-	840,000
Charges for services	5,698,200	2,250,558	-	-	5,819,000	13,767,758
Other revenue	1,359,239	85,000	225,682	90,000	1,432,000	3,191,921
Total revenue	48,475,343	2,335,558	8,354,699	2,453,663	7,251,000	68,870,263
Other financing sources						
Transfers in from other funds	415,000	275,000	6,088,770	-	-	6,778,770
Debt proceeds	-	-	-	5,250,000	-	5,250,000
Total revenue and other sources	48,890,343	2,610,558	14,443,469	7,703,663	7,251,000	80,899,033
Expenditures/expenses						
City Council	174,386	-	-	-	-	174,386
City Manager	531,281	-	-	-	-	531,281
Judicial	602,693	-	-	-	-	602,693
Information Technology						-
IT	1,010,156	-	-	-	-	1,010,156
GIS	338,986	-	-	-	-	338,986
Finance	1,259,169	-	-	-	-	1,259,169
Economic Development	920,558	-	-	-	-	920,558
Human Resources						-
HR	552,600	-	-	-	-	552,600
Risk Management	302,560	2,715,165	-	-	-	3,017,725
Public Safety						-
Administration	1,208,393	-	-	-	-	1,208,393
Police	7,759,168	-	8,000	-	-	7,767,168
Fire	3,711,286	-	-	-	-	3,711,286
Communications	902,755	-	-	-	-	902,755
Codes Enforcement	459,542	-	-	-	-	459,542
Public Works						-
Administration	510,990	-	-	-	-	510,990
Construction and Maintenance	1,071,827	-	-	-	-	1,071,827
Engineering	726,136	-	-	-	-	726,136
Inspection	363,691	-	-	-	-	363,691
Traffic Engineering	293,612	-	-	-	-	293,612
Environmental Services						-
Administration	532,230	-	-	-	-	532,230
Recycling	1,069,074	-	-	-	-	1,069,074
Solid Waste	1,221,765	-	-	-	-	1,221,765
Animal Control	205,176	-	-	-	-	205,176
Right of Way Maintenance	489,252	-	-	-	-	489,252
Fleet Services	656,130	-	-	-	-	656,130
Library	1,272,289	-	-	-	-	1,272,289
Parks and Recreation						-
Administration	839,112	-	-	-	-	839,112
Leisure Services	1,509,678	-	-	-	-	1,509,678
Parks and Facilities	1,923,825	-	-	-	-	1,923,825
Planning	635,835	-	-	-	-	635,835
Water and Sewer						-
Sewer Maintenance	-	-	-	-	1,853,834	1,853,834
Watershed Management	-	-	-	-	309,201	309,201
Total departmental	33,054,155	2,715,165	8,000	-	2,163,035	37,940,355
Non-departmental	10,226,966	-	10,307,743	2,678,479	3,789,330	27,002,518
Total expenditures	43,281,121	2,715,165	10,315,743	2,678,479	5,952,365	64,942,873
Other financing uses (OFU):						
Transfers out	8,624,823	-	6,465,000	5,250,000	821,366	21,161,189
Total expens. and OFU	51,905,944	2,715,165	16,780,743	7,928,479	6,773,731	86,104,062

City of Auburn

Financing City Operations - All Budgeted Funds

FY 08 Budget

	Governmental Fund Types				Proprietary Fund Type	FY 08 Total All Budgeted Funds
	General	Gen. Fd. Spec. Act	Special Revenue	Debt Service	Enterprise	
Revenues						
Taxes	26,668,570	-	8,478,598	2,458,210	-	37,605,378
Licenses and permits	15,577,500	-	-	-	-	15,577,500
Intergovernmental revenue	10,000	-	-	-	-	10,000
Fines and costs	835,000	-	-	-	-	835,000
Charges for services	5,842,000	2,256,352	-	-	5,990,000	14,088,352
Other revenue	1,403,996	85,000	180,960	100,000	1,468,250	3,238,206
Total revenue	50,337,066	2,341,352	8,659,558	2,558,210	7,458,250	71,354,436
Other financing sources						
Transfers in from other funds	382,500	500,000	5,300,000	-	-	6,182,500
Debt proceeds	-	-	-	-	-	-
Total revenue and other sources	50,719,566	2,841,352	13,959,558	2,558,210	7,458,250	77,536,936
Expenditures/expenses						
City Council	175,337	-	-	-	-	175,337
City Manager	524,344	-	-	-	-	524,344
Judicial	614,219	-	-	-	-	614,219
Information Technology						-
IT	1,026,040	-	-	-	-	1,026,040
GIS	348,542	-	-	-	-	348,542
Finance	1,305,375	-	-	-	-	1,305,375
Economic Development	911,090	-	-	-	-	911,090
Human Resources						-
HR	570,111	-	-	-	-	570,111
Risk Management	314,910	3,206,713	-	-	-	3,521,623
Public Safety						-
Administration	1,235,640	-	-	-	-	1,235,640
Police	8,070,465	-	8,000	-	-	8,078,465
Fire	3,846,457	-	-	-	-	3,846,457
Communications	741,401	-	-	-	-	741,401
Codes Enforcement	479,086	-	-	-	-	479,086
Public Works						-
Administration	524,807	-	-	-	-	524,807
Construction and Maintenance	1,124,126	-	-	-	-	1,124,126
Engineering	771,011	-	-	-	-	771,011
Inspection	376,166	-	-	-	-	376,166
Traffic Engineering	308,027	-	-	-	-	308,027
Environmental Services						-
Administration	541,810	-	-	-	-	541,810
Recycling	1,210,805	-	-	-	-	1,210,805
Solid Waste	1,194,927	-	-	-	-	1,194,927
Animal Control	220,313	-	-	-	-	220,313
Right of Way Maintenance	487,267	-	-	-	-	487,267
Fleet Services	692,104	-	-	-	-	692,104
Library	1,469,785	-	-	-	-	1,469,785
Parks and Recreation						-
Administration	858,447	-	-	-	-	858,447
Leisure Services	1,597,229	-	-	-	-	1,597,229
Parks and Facilities	2,018,773	-	-	-	-	2,018,773
Planning	623,632	-	-	-	-	623,632
Water and Sewer						-
Sewer Maintenance		-	-	-	2,097,886	2,097,886
Watershed Management	-	-	-	-	278,609	278,609
Total departmental	34,182,246	3,206,713	8,000	-	2,376,495	39,773,454
Non-departmental	9,945,079	-	8,219,933	2,716,185	4,104,385	24,985,582
Total expenditures	44,127,325	3,206,713	8,227,933	2,716,185	6,480,880	64,759,036
Other financing uses (OFU):						
Transfers out	8,949,823	-	5,682,500	-	821,366	15,453,689
Total expens. and OFU	53,077,148	3,206,713	13,910,433	2,716,185	7,302,246	80,212,725

City of Auburn
Summary of Capital Outlay by Fund and Department
General Fund - FY 07

	Equipment Replacement	Expansion - Other	Total
Public Safety			
<i>Police Division</i>			
Detective Vehicles (2)		\$ 46,200	
<i>Communications Division</i>			
911 System	\$ 180,000		
Total Public Safety			<u>\$ 226,200</u>
Environmental Services			
<i>Solid Waste Division</i>			
Mini Trucks (2)	44,000		
Pickup Truck	18,137		<u>62,137</u>
Total Solid Waste Division			
<i>Right-of-Way Maintenance Division</i>			
Van	20,000		
Total Environmental Services			<u>82,137</u>
Total - General Fund Departments			<u>\$ 308,337</u>
 Project Operations - Public Works			
FEMA Flood Map Update		200,752	
West Samford/Shug Jordan Traffic Signal*		75,000	
Shell Toomer/South College Traffic Signal*		75,000	
Road Resurfacing	899,248		
Total PW Project Operations			<u>\$ 1,250,000</u>
Total - General Fund	<u>\$ 1,161,385</u>	<u>\$ 396,952</u>	<u>\$ 1,558,337</u>

Sewer Fund - FY 07

Sewer Maintenance			
Pickup Truck	\$ 25,000		
Tractor		\$ 35,000	
Portable Pump		40,000	
Total Sewer Maintenance			<u>\$ 100,000</u>
 Watershed Management			
Water Quality Testing Equipment		7,500	<u>7,500</u>
Total - Sewer Fund			<u>\$ 107,500</u>

City of Auburn
Summary of Capital Outlay by Fund and Department

General Fund - FY 08

	Equipment Replacement	Expansion - Other	Total
Environmental Services			
<i>Recycling Division</i>			
Knuckle Boom Loader Truck	\$ 94,196		\$ 94,196
Library			
Furnishings for Expansion		\$ 100,000	100,000
Total - General Fund			\$ 194,196
Project Operations - Public Works			
Road Resurfacing	1,500,000		\$ 1,500,000
Total - General Fund	\$ 1,594,196	\$ 100,000	\$ 1,694,196

Sewer Fund - FY 08

Sewer Maintenance			
Pickup Truck	\$ 40,000		
Camera Transporter	15,000		
Jet Truck	130,000		
Aerial Photography		\$ 98,333	
Total - Sewer Fund	\$ 185,000	\$ 98,333	\$ 283,333

City of Auburn
*Conditional Capital Outlay**

FY 2007

		<u>Equipment Replacement</u>	<u>Expansion - Other</u>	<u>Total</u>
Information Technology				
Phone System Server	Info Tech	\$ 42,000		<u>\$ 42,000</u>
Public Safety				
Police Cars (11)	Police	254,100		
SCBA Air Bottles (38)	Fire	40,320		
Fire Hose Sections (68)	Fire	20,900		
100 ft Aerial Platform Truck	Fire	850,000		
Design/Eng Station #1	Fire		\$ 25,000	
In-car digital video cameras	Police	67,980		
Electronic Access to PS Building	Administration		30,000	
Ploygraph Instrument	Police	6,500		
911 Recorder Eventide	Communications		23,000	
4-Door Pickup Truck (2)	Fire	54,000		
Digital video cameras for motorcycles	Police		24,000	
Fingerprint Imager	Police		85,000	
Total - Public Safety				<u>1,480,800</u>
Public Works				
Street sign name machine	Traffic Eng.		25,000	
Pickup Truck	Inspection	23,500		
Concrete Truck	Constr & Maint.		160,000	
Crew Cab Truck	Constr & Maint.	40,000		
Hybrid Vehicle	Administration	26,000		
Wide format color scanner/plotter/copier	Administration		35,000	
Total - Public Works				<u>309,500</u>
Environmental Services				
Packer Truck 20-yard	Solid Waste	115,000		
Packer Truck 25-yard	Solid Waste	130,000		
Boom Cutter	ROW Maint.		85,000	
Pickup Truck	Fleet	22,000		
Dump Truck	ROW Maint.	54,000		
Debris Trailer	Recycling	20,000		
Street Sweeper	ROW Maint.	170,000		
Transport Trailer	ROW Maint.	9,000		
Mower (2)	ROW Maint.	18,000		
Heavy Lift Truck	Fleet		53,000	
Total - Environmental Services				<u>676,000</u>
Parks & Recreation				
Mower Exmark	Parks & Facilities	5,300		
Crew Cab Truck	Parks & Facilities	25,000		
Pickup Truck	Parks & Facilities	20,000		
Truplay Leveler & Restorer	Parks & Facilities	6,100		
Samford Pool Renovations	Leisure Services	336,600		
Pickup Truck	Parks & Facilities		16,000	

*Conditional capital outlay is budgeted, but it is conditional based on the City Manager's and Finance Director's review of actual revenues compared to the budgeted.

City of Auburn
*Conditional Capital Outlay**

FY 2007

		<u>Equipment Replacement</u>	<u>Expansion - Other</u>	<u>Total</u>
<i>Parks & Recreation, continued</i>				
Van	Parks & Facilities	20,000		
Motors - Drake Pool	Leisure Services	11,500		
Outdoor movie screen & projector	Leisure Services		10,000	
Boykin Renovations	Leisure Services	50,000		
Pickup Truck	Parks & Facilities	20,000		
Westview Cemetery Improvements	Parks & Facilities	50,000		
Total - Parks & Recreation				<u>570,500</u>
Total - General Fund Departments		<u>\$ 2,507,800</u>	<u>\$ 571,000</u>	<u>\$ 3,078,800</u>

*Conditional capital outlay is budgeted, but it is conditional based on the City Manager's and Finance Director's review of actual revenues compared to the budgeted.

City of Auburn
Conditional Capital Outlay*

FY 2008

		<u>Equipment Replacement</u>	<u>Expansion - Other</u>	<u>Total</u>
Information Technology				
2008 Aerial Photography	GIS		\$ 98,333	<u>\$ 98,333</u>
Public Safety				
Police Cars (10)	Police	\$ 243,000		
Pumper Apparatus (2)	Fire	670,000		
SCBA Air Bottles (38)	Fire	40,320		
Fire Hose Sections (68)	Fire	20,900		
Remodel Station #1	Fire		350,000	
In-car digital video cameras	Police	71,388		
Replace HVAC chiller in PS Building	Administration	50,000		
Voter & satellite radios	Communications		23,000	
Deisgn/eng classroom bldg at training ctr	Fire		35,000	
Land/ROW/Eng Station #6	Fire		250,000	
Utility Vehicles (2)	Police	28,600		
Vehicles for tactial team (3)	Police		72,900	
Total - Public Safety				<u>1,855,108</u>
Public Works				
Pickup Truck	Inspection	20,000		
Pickup Truck	Constr & Maint	25,000		
Total - Public Works				<u>45,000</u>
Environmental Services				
Packer Truck 25-yard	Solid Waste	140,000		
Mower	ROW Maint.	30,000		
Shuttle Truck	Recycling	60,000		
Bike Path/Sidewalk Sweeper	ROW Maint.		60,000	
Service Truck	Fleet	45,000		
Animal Control Van	Animal Control	35,000		
Mini Sweeper - Downtown	ROW Maint.	23,000		
Total - Environmental Services				<u>393,000</u>
Parks & Recreation				
Pickup Truck	Parks & Facilities	20,000		
Tractor	Parks & Facilities	18,000		
Flail Mower	Parks & Facilities	5,500		
Sound System - Softball Complex	Leisure Services	10,000		
Front End Loader & Backhoe	Parks & Facilities		10,500	
Pave DRRC Shop	Parks & Facilities		20,000	
Samford Tennis Resurfacing	Parks & Facilities	198,000		
Kiesel Park Trails	Parks & Facilities		20,000	
Boykin Renovations	Leisure Services		50,000	
SUV	Leisure Services	25,000		
Crew Cab Pickup	Parks & Facilities	25,000		
Trailer	Parks & Facilities	6,000		
Total - Parks & Recreation				<u>408,000</u>
Total - General Fund Departments		<u>\$ 1,809,708</u>	<u>\$ 891,400</u>	<u>\$ 2,799,441</u>

*Conditional capital outlay is budgeted, but it is conditional based on the City Manager's and Finance Director's review of actual revenues compared to the budgeted.

City of Auburn
Summary of Capital Outlay by Fund

2006 Five Mill Capital Projects Fund

	FY 2007	FY 2008
Yarbrough Tennis Center	\$ 3,325,427	
Library Expansion	1,750,000	
Bond Issuance Costs	124,573	
Total - 2006 Five Mill Capital Projects Fund	\$ 5,200,000	

2004 Five Mill Capital Projects Fund

Highway 14 Bikeway/Greenway: Webster Road to Chadwick Lane	\$ 75,000	
Saugahatchee Creek Bikeway/Greenway	224,000	
Town Creek Greenway	150,000	
Hwy 14/Bragg Realignment	250,000	
Hwy 14/Willow Creek Deceleration Lane	120,000	
Bent Creek Bridge Widening at I-85	1,748,485	
Moores Mill Bridge Widening at I-85	60,000	\$ 12,000
Fire Station #5	600,000	
East Samford/East University Traffic Signal		100,000
Total - 2004 Five Mill Capital Projects Fund	\$ 3,227,485	\$ 112,000

2004 Capital Projects Fund - \$6.3M

Historic District Streetscape	\$ 200,000	
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Sewer Capital Projects Fund

S5 Gravity Sewer Line	1,120,000	
Timberwood Subdivision Line Extension	857,966	
S5 Pump Station	1,000,000	1,184,096
Northside Transfer Forcemain	640,448	1,000,000
Northside Transfer pump station/yard piping	1,581,586	334,968
Northside WPCF Improvements	1,800,000	1,300,000
S5 Gravity Sewer North Extension		3,180,936
Total - Sewer Capital Project Fund	\$ 7,000,000	\$ 7,000,000

City of Auburn
Capital Improvements Program (CIP)
FY 2007 - FY 2012

Project	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	Operating Impact (Yearly)
LEISURE FACILITIES							
Yarbrough Tennis Center	\$ 3,325,427						
Tennis Center - General Fund portion	3,660,219						
Library Expansion	1,750,000						
Samford Pool Renovations	336,600						
Westview Cemetery Improvements	50,000						
Boykin Center Renovations	50,000	\$ 50,000					
Kiesel Park Trail Expansion*		20,000					
ADECA Grant Funding		80,000					
Samford Tennis Center Renovations		198,000					
Frank Brown Ctr Renov./Senior Ctr/Park			\$ 400,000	\$ 4,500,000			
Duck Samford Baseball Renovations				425,000			
Soccer Complex Bleachers					\$ 200,000		
Kiesel Park Improvements						\$ 1,200,000	
Town Creek Park Phase 2						1,575,000	
JDCAC Expansion						2,200,000	
Leisure Facilities - Subtotal	\$ 9,172,246	\$ 348,000	\$ 400,000	\$ 4,925,000	\$ 200,000	\$ 4,975,000	\$ -
BIKEWAYS/GREENWAYS							
Highway 14 BW/GW: Webster Road to Chadwick Lane	\$ 75,000						
ALDOT Grant Funding	300,000						
Saugahatchee Creek BW/GW:	224,000		\$ 275,000	\$ 300,000	\$ 383,500		
Town Creek Greenway	150,000						
Wire Rd BW: Webster Road to Cox Road*				37,780			
ALDOT Grant Funding				151,120			
Parkerson Mill Creek Greenway					793,700		
East Glenn BW: EUD to Bent Creek*					98,000		
ALDOT Grant Funding					392,000		
Chadwick Lane Bike Lanes*						\$ 188,600	
ALDOT Grant Funding						754,400	
Bikeway/Greenways - Subtotal	\$ 749,000	\$ -	\$ 275,000	\$ 488,900	\$ 1,667,200	\$ 943,000	\$ -
SIDEWALKS							
Byrd Street: Hwy 14 to Zellars	\$ 60,000						
Town Creek Park Playground Sidewalk^		\$ 75,000					
Sanders Street: Norwood Ave. to Drake Ave.			\$ 40,000				
Sanders Street: Drake Ave. to Bragg Ave.			30,000				
North Gay Street: Halal Court to Shelton Mill			21,700				
East University Drive: Glenn to Samford				\$ 229,000			
N. Donahue Dr: Yarbrough Elem To Bridge				45,800			
N. Donahue Drive: Hwy 14 to Magnolia Ave				97,300			
North Donahue Drive: West Glenn to Hwy 14				11,500			
N. Donahue D.: Greentree Terr to Bedell Ave				34,400			
Zellars Avenue: Byrd Street to Foster Street				34,400			
E. University Drive: Dean Rd to Samford Ave.					\$ 159,300		
Lunsford Drive: end to Bedell					22,000		
Slaughter Ave.: 734 Slaughter to Foster St.					29,400		
E. Veterans Blvd: South College to Sara St.						\$ 59,000	
Boykin St.: Mary Brooks Drive to Stubb Ave.						59,000	
Sidewalks - Subtotal	\$ 60,000	\$ 75,000	\$ 91,700	\$ 452,400	\$ 210,700	\$ 118,000	\$ -
STREETS							
Road Reconstruction	\$ 899,248	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,750,000	\$ 1,750,000	\$ -

Funding Sources Key: General Fund 2006 5-Mill Grant Future 5-Mill GO Warrant 2004 5-Mill
General Fund contingent upon sufficient revenues

^ Dependent upon construction of Kiwanis playground

* Dependent upon receipt of grant funding

City of Auburn
Capital Improvements Program (CIP)
FY 2007 - FY 2012

Project	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	Operating Impact (Yearly)
Traffic Signal Installation							
South College/Shell Toomer^	\$ 75,000						\$ 300
West Samford/Shug Jordan^	75,000						300
East Samford/East University		\$ 100,000					300
East Samford/Glenn		75,000					300
South College/Woodfield^			\$ 75,000				300
Opelika Road/Saugahatchee Road^			80,000				300
Willow Creek Road/Hwy 14^			70,000				300
Shug Jordan/Richland ^			85,800				300
East Glenn/Wright Street			85,800				300
Webster Road/Highway 14^				\$ 91,900			300
Beehive Road/South College Street					\$ 85,800		300
Commerce Drive/Opelika Road					75,000		300
Cox Road/Wire Road					85,200		300
Farmville Road/North College						\$ 91,900	300
Farmville Road/North Donahue						105,200	300
Traffic Signal Installation - Subtotal	\$ 150,000	\$ 175,000	\$ 396,600	\$ 91,900	\$ 246,000	\$ 197,100	\$ 4,500

Intersection Improvements							
Hwy 14/Bragg Avenue Realignment	\$ 250,000						
ALDOT Funding	1,000,000						
Hwy 14/Willow Creek Road Decel Lane	120,000						
Shug Jordan Pkwy/Richland Road		\$ 279,000					
North Donahue Drive/West Magnolia Avenue			\$ 343,800				
South College Street/Shug Jordan Parkway			557,800				
Shug Jordan Pkwy/Hwy 14				\$ 159,000			
EUD/Opelika Road					\$ 578,500		
Hwy 14/Webster Road					361,000		
South College/Samford Avenue					365,000		
Intersection Improvements - Subtotal	\$ 1,370,000	\$ 279,000	\$ 901,600	\$ 159,000	\$ 1,304,500	\$ -	\$ -

Street Segment Improvements							
Bragg Avenue			\$ 474,000				
Moore's Mill Widening: Grove Hill to I-85				\$ 485,000			
Moore's Mill Widening: I-85 to Dean				563,000			
Moore's Mill Widening: Dean to Samford				914,200			
North Donahue: Bridge to Farmville Rd					\$ 1,090,000		
Cox Road Widening: Wire to Veterans					561,000		
Street Segment Improvements - Subtotal	\$ -	\$ -	\$ 474,000	\$ 1,962,200	\$ 1,651,000	\$ -	\$ -

Future Roads							
Samford Avenue Extension to Glenn Avenue		\$ 1,000,000					\$ 1,000
Highway 147 Re-Route (Outer Loop)*			\$ 715,000	\$ 400,000	\$ 4,575,000	\$ 5,300,000	2,000
Future Roads - Subtotal	\$ -	\$ 1,000,000	\$ 715,000	\$ 400,000	\$ 4,575,000	\$ 5,300,000	\$ 3,000

Bridge Improvements/Replacements							
Bent Creek Bridge at I-85	\$ 1,748,485						
FY 06 GO Warrant	5,149,520						
ALDOT	4,520,000						
Cox Road at I-85 Interchange	4,300,000	\$ 1,500,000	\$ 12,400,000				
Moore's Mill Bridge at I-85	60,000	12,000	210,000				
ALDOT	240,000	48,000	840,000				
North Donahue Drive at Saugahatchee Creek			1,725,000				
Wire Road at Choctaw Creek				\$ 225,800			
Bent Creek Road at Moore's Mill Creek				572,500			
Heard Ave. at Town Creek -Culvert Repl.					\$ 159,300		
Samford Ave/Brookwood Dr.-Culvert Repl.					49,000		
EUD at Summertrees Dr.-Culvert Repl.						\$ 268,700	
Gay Street at Town Creek						430,500	
Bridge Imp/Repl - Subtotal	\$ 16,018,005	\$ 1,560,000	\$ 15,175,000	\$ 798,300	\$ 208,300	\$ 699,200	\$ -

Funding Sources Key: General Fund 2004 5-Mill CDBG General Fd contingent upon sufficient revs

^ ALDOT Approval Required

* Contingent upon receipt of grant funding

Grant GO Warrant

City of Auburn
Capital Improvements Program (CIP)
FY 2007 - FY 2012

Project	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	Operating Impact (Yearly)
CITY BUILDINGS							
DSB HVAC Renovations	\$ 360,000						(\$1000 in FY07)
Parking Deck		10,000,000					
PW/ES Complex			\$ 429,000	\$ 6,000,000			
City Buildings - Subtotal	\$ 360,000	\$ 10,000,000	\$ 429,000	\$ 6,000,000	\$ -	\$ -	\$ 1,000
DRAINAGE PROJECTS							
W. Glenn/Toomer St Drainage Improvement			12,700				
County Circle Drainage Improvement *			26,500				
FEMA Grant Funding			79,500				
Opelika Rd at Guthries Improvement Project			\$ 128,000				
Comprehensive Drainage Study			120,000				
Subtotal - Drainage	\$ -	\$ -	\$ 366,700	\$ -	\$ -	\$ -	\$ -
OTHER							
FEMA Flood Map Update	\$ 200,752						
FEMA Grant Funding	93,927						
Historic District Streetscape	200,000						
Magnolia Avenue Lighting Improvements		\$ 95,000					\$ 300
Parking Deck Inspection			\$ 30,000				
Parking Deck Gate Replacement			11,800				
Wetland Banking Study			55,000				
Alabama Street retaining wall				\$ 25,000			
Water Board portion				25,000			
Subtotal - Other	\$ 494,679	\$ 95,000	\$ 96,800	\$ 50,000	\$ -	\$ -	\$ 300
INFORMATION TECHNOLOGY							
City Wireless Project*	\$ 1,700,000						
Work Order System	166,667						
Sewer Fund	166,667						
Water Board	166,666						
Aerial Photography		\$ 98,334			\$ 98,334		
Sewer Fund		98,333			98,333		
Water Board		98,333			98,333		
Information Technology - Subtotal	\$ 2,200,000	\$ 295,000	\$ -	\$ -	\$ 295,000	\$ -	\$ -
PUBLIC SAFETY							
Fire Station #5	\$ 600,000						
911 System Replacement	180,000						
100 ft Aerial Platform Ladder Truck	850,000						
Remodel Fire Station #1	25,000	\$ 350,000					
Controlled Access for PS Buildings	30,000				\$ 40,000		
911 Center Recorder	23,000						
Custom Fire Pumper-Replacement		700,000		\$ 375,000	415,000		
Expansion				375,000			
Police Building Chiller Replacement		50,000					
Voter Radio Expansion		23,000					
PS Classroom Building at Training Center		35,000	\$ 350,000				
Fire Station #6			250,000	800,000			
Fire Rescue Truck				150,000			
Public Safety - Subtotal	\$ 1,708,000	\$ 1,158,000	\$ 600,000	\$ 1,700,000	\$ 455,000	\$ -	\$ -

Funding Sources Key:

General Fund	2004 5-Mill	Grant	GO Warrant	Parking Authority
General Fund contingent upon sufficient revenues				FY04 GO Warrant
Sewer Fund	Proposed Five Mill Issue			

* Dependent upon receipt of grant funding

City of Auburn
Capital Improvements Program (CIP)
FY 2007 - FY 2012

Project	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	Operating Impact (Yearly)
SEWER							
Goose Hollow Drive - Phase II	\$ 300,470						
S5 Force Main	590,326						
I-85/Benk Creek East Extension	151,548						
Wrights Mill Rd, Southview Dr, VFW Rd Line	200,000	200,000					
S5 Gravity Sewer Line	1,120,000						
Timberwood Subdivision Line Extension	857,966						
S5 Pump Station	1,000,000	\$ 1,184,096					
Northside Transfer Forcemain	640,448	1,000,000					
Northside Transfer pump station/yard piping	1,581,586	334,968					
Northside WPCF Improvements	1,800,000	1,300,000	\$ 5,406,600	\$ 6,150,600			
S5 Gravity Sewer North Extension		3,180,936					
Tamplin Farms Outfall/West Tech Park			1,057,517				
The Bottle Gravity Sewer - Phase II				200,000			
Finley Drive/South Wrights Mill Road Line				238,874			
Timberwood Interceptor Reinforcement				450,000	\$ 760,280		
S5A Outfall					1,964,266		
Sewer - Subtotal	\$ 8,242,344	\$ 7,200,000	\$ 6,464,117	\$ 7,039,474	\$ 2,724,546	\$ -	\$ -
Total - CIP	\$ 41,423,522	\$ 23,685,000	\$ 27,885,517	\$ 25,567,174	\$ 15,287,246	\$ 13,982,300	\$ 8,800

Breakdown of Funding Sources:

General Fund	\$ 1,430,000	\$ 1,500,000	\$ 7,331,900	\$ 6,207,780	\$ 7,347,634	\$ 2,893,900
General Fund - contingent upon sufficient revenues	1,891,267	2,048,334	-	-	-	-
CDBG	60,000	-	-	68,800	51,400	59,000
Grant Funding	12,153,927	1,628,000	14,034,500	551,120	4,967,000	6,054,400
2004 5-Mill	3,227,485	112,000	-	-	-	-
2006 5-Mill	5,075,427	-	-	-	-	-
Proposed 5-Mill	-	-	-	5,675,000	-	4,975,000
FY04 GO Warrant	200,000	-	-	-	-	-
FY06 GO Warrant	5,149,520	-	-	-	-	-
Parking Authority	-	10,000,000	-	-	-	-
GO Warrant	3,660,219	1,000,000	-	6,000,000	-	-
Sewer Fund	1,409,011	298,333	55,000	888,874	858,613	-
Sewer Fund Borrowing	7,000,000	7,000,000	6,464,117	6,150,600	1,964,266	-
Water Board	166,666	98,333	-	25,000	98,333	-
Total	\$ 41,423,522	\$ 23,685,000	\$ 27,885,517	\$ 25,567,174	\$ 15,287,246	\$ 13,982,300

Six-Year Total: \$ 147,830,759

City of Auburn

Capital Improvements Program ~ Future Projects

Projects beyond FY 2012

Recreational Facilities

Lake Wilmore Community Center
Lake Wilmore Trails
Performing Arts Center

Bikeways/Greenways

Cox Rd Bike Lanes: Wire Rd to Longleaf Dr

Hamilton Rd Bike Lanes: Bent Creek to Moores Mill
South Donahue Drive Multi-Use Path
Shelton Road Multi-Use Path
Hwy 14 BW: Webster Road to Shug Jordan
EUD Multi-Use Path
Webster Road Bike Lanes

Sidewalks

Magnolia Ave.: Byrd Street to Donahue Dr.
St. James Dr: Wrights Mill Rd to St. John Ct
Drake Avenue: North College to Perry Street
Perry Street: Drake Avenue to Opelika Road
N. College: North Cary Drive to Drake Ave.
Foster Street: Pleasant Ave. to Bedell Ave.
West Glenn Avenue: Byrd St to Donahue Dr
Longleaf Drive: S. Donahue to S. College

Gatewood Drive: end to Academy Drive

North Ross Street: Opelika Rd to Mary Lane
Opelika Rd: Dean Road to Old Stage Road
Opelika Road: East University to Commerce

Traffic Signals

Dean Road/Stage Road Traffic Signal

Bridge Improvements

Wright's Mill Rd at Town Creek-Culvert Repl.

Street Segment Improvements

Sandhill Road: Mill Creek Rd to South College
Mill Creek Road : Sandhill to Shell Toomer
East Glenn Avenue Median
Gay Street Widening: Thach to Samford
Opelika Road Widening: Ross to Dekalb
Shug Jordan Pkwy: N. College to S. College

West Glenn Avenue: N. Donahue to N. College

Intersection Improvements

North College/Shelton Mill Road
North Ross/Magnolia Avenue
Hamilton Road/Bent Creek Road
EUD/Shelton Mill Road
Byrd Street/Hwy 14
North College/Drake Avenue
South College/Southparke Drive
Harper Avenue/Dean Road
South College/Longleaf Drive
Glenn Avenue/Dean Road
Shug Jordan Pkwy/Ware Drive

Future Roads

N. Dean Road Extension: EUD to Academy Drive
Academy Dr. Extension: Lee-Scott to Shelton Mill
Veterans Blvd extension to Southview

Drainage

Cook Street Detention Pond

Other

Intelligent Transportation System Project
Gay Street Streetscape
South College S.Lighting: I-85 to Samford

City of Auburn
FY 07 & FY 08
Biennial Budget
Table of Contents
Section 3

General Fund

<i>Overview of Changes in Fund Balance</i>	84
General Fund History	85
General Fund Projection.....	86

Revenues

Trends in Revenue and Other Financing Sources	87
Overview of Revenues by Source	88
Summary of Revenues and Other Sources – FY 07	89
Summary of Revenues and Other Sources – FY 08	90
Detail of Revenues and Other Financing Sources	91

Expenditures

Expenditures by Program

Trends in Expenditures by Program	94
Overview of Expenditures by Program	95
Summary of Expenditures by Program – FY 07	96
Detail of Expenditures by Program – FY 07	97
Summary of Expenditures by Program – FY 08	98
Detail of Expenditures by Program – FY 08	99

Expenditures by Category

Overview of Expenditures by Category	100
Summary of Expenditures by Category – FY 07	101
Detail of Expenditures by Department and Category – FY 07	102
Summary of Expenditures by Category – FY 08	103
Detail of Expenditures by Department and Category – FY 08	104

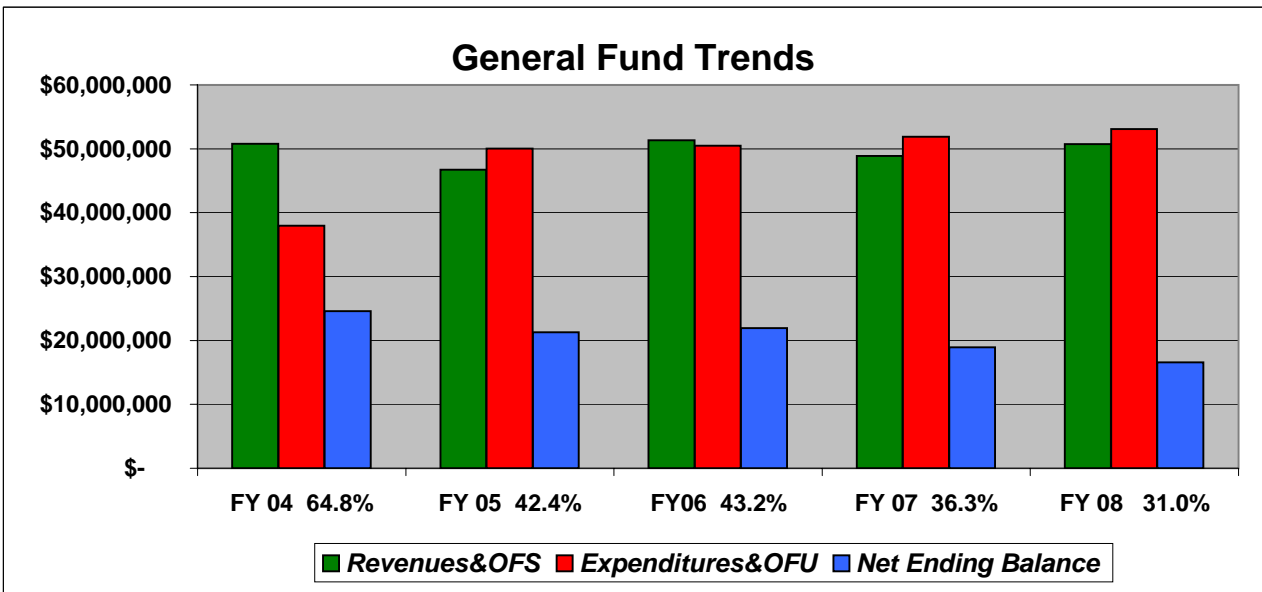
Comparative Expenditures by Department.....	105
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City of Auburn
General Fund - Overview of Changes in Fund Balance

Biennial Budget - Fiscal Years 2007 and 2008

The City Council and staff assure the adequacy of the General Fund's balance in several ways: 1) setting a priority to maintain a fund balance of at least 20% of expenditures and other uses; 2) maintaining a Permanent Reserve within the total fund balance as a buffer to provide for natural disasters and significant economic downturns; and 3) a strong budget administration and monitoring process that enables timely management responses to variations from projected revenues and budgeted expenditures.

	Audited		Unaudited	Budgeted	
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Beginning Fund Balances ⁽¹⁾	\$ 16,060,535	\$ 28,902,049	\$ 25,719,215	\$ 26,550,694	\$ 23,535,093
Revenues	42,159,269	45,620,617	50,265,543	48,475,343	50,337,066
Other Financing Sources (OFS)	8,629,158	1,128,450 ⁽⁴⁾	1,070,272	415,000	382,500
Total Revenues and Sources	50,788,427	46,749,067	51,335,815	48,890,343	50,719,566
Expenditures	30,681,901	41,366,442 ⁽⁴⁾	41,493,784	43,281,121	44,127,325
Other Financing Uses (OFU)	7,265,012	8,657,935	9,010,552	8,624,823	8,949,823
Total Expenditures and Uses	37,946,913	50,024,377	50,504,336	51,905,944	53,077,148
Excess of Revenues and OFS over Expenditures and OFU	12,841,514	(3,275,310)	831,479	(3,015,601)	(2,357,582)
Ending Fund Balances ⁽²⁾	28,902,049	25,719,215	26,550,694	23,535,093	21,177,511
Less: Permanent Reserve ⁽³⁾	4,311,981	4,419,717	4,620,075	4,620,075	4,620,075
Net Ending Fund Balances ⁽⁵⁾	<u>\$ 24,590,068</u>	<u>\$ 21,299,498</u>	<u>\$ 21,930,619</u>	<u>\$ 18,915,018</u>	<u>\$ 16,557,436</u>
Net Ending Fund Balances as % of Expenditures and OFU	64.8%	42.6%	43.4%	36.4%	31.2%



- (1) Beginning fund balances include the Permanent Reserve; FY 2007 and FY 2008 are projected amounts.
- (2) Ending fund balance for FY 2006 is subject to audit adjustment; FY 2007 and 2008 are projected amounts, based on unaudited FY 2006. Ending fund balances include the Permanent Reserve.
- (3) Permanent Reserve for FY 2006 is subject to audit adjustment; Permanent Reserve amounts for FY 2007 and 2008 will be increased by investment income earned on the Permanent Reserve.
- (4) Other Financing Sources and Expenditures have been adjusted to eliminate the effects of refinancing transactions.
- (5) The decrease in fund balance during FY 2007 & FY 2008 is due to a planned draw down to bring the fund balance closer to 25% of budgeted expenditures and other uses.

City of Auburn

General Fund Operating Results and Fund Balances

All general funds consolidated (financial reporting presentation)

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	Adjusted- FY 2005	FY 2005 > FY 1999 As %	6-Year Avg %	Per CAFR FY 2005
Revenues										
Sales taxes (1)	\$ 11,313,849	\$ 12,154,032	\$ 12,554,602	\$ 13,160,761	\$ 14,589,315	\$ 17,959,076	\$ 18,429,013	35.7%	6.0% *	\$ 18,429,013
Occupation license fees	4,253,353	4,654,854	5,063,472	4,981,415	5,557,851	7,197,943	6,785,103	59.5%	9.9%	6,785,103
Business license fees (2)	3,674,222	4,122,191	4,011,900	4,344,630	4,476,765	5,732,245	6,080,533	65.5%	10.9%	6,080,533
Property taxes (3)	1,537,655	1,761,488	1,844,582	1,930,710	2,045,242	2,433,164	2,893,436	88.2%	14.7%	2,893,436
Solid waste collection fees	1,587,285	1,745,809	1,975,982	2,102,764	2,130,705	2,288,184	2,441,380	53.8%	9.0%	2,441,380
Court and parking fines	695,051	754,366	816,976	750,521	829,147	876,748	1,013,374	45.8%	7.6%	1,013,374
Interest	343,034	390,165	456,753	397,990	294,710	418,683	496,081	44.6%	7.4%	496,081
Lodging taxes (4)	186,454	385,507	380,479	485,260	584,362	568,887	668,094	179.2%	13.2% *	668,094
State shared taxes	272,419	224,210	363,038	428,757	485,362	582,317	760,445	179.1%	29.9%	760,445
Grants	1,754,370	328,229	276,760	422,582	419,961	589,310	520,061	-70.4%	-11.7%	520,061
Contributions from the public	220,593	62,192	71,946	112,652	295,114	1,354,061	152,598	-30.8%	-5.1%	152,598
Other revenues	2,378,914	2,606,178	3,160,017	4,594,925	4,351,518	3,738,623	5,724,862	140.7%	23.4%	5,724,862
Total revenues	28,217,199	29,189,221	30,976,507	33,712,967	36,024,052	43,739,241	45,964,980	62.9%	10.5%	45,964,980
Other financing sources										
Transfers in from other funds	321,465	745,031	526,750	853,750	714,168	629,158	509,450	58.5%	9.7%	509,450
Borrowing proceeds	1,044,013	3,810,608	5,149,620	1,937,000	5,196,627	8,000,000	670,646 >	-35.8%	-6.0%	15,920,646
Total OFS	1,365,478	4,555,639	5,676,370	2,790,750	5,910,795	8,629,158	1,180,096	-13.6%	-2.3%	16,430,096
Total revenues and OFS	29,582,677	33,744,860	36,652,877	36,503,717	41,934,847	52,368,399	47,145,076	59.4%	9.9%	62,395,076
Expenditures										
General govt and administration	2,429,832	3,009,853	2,841,877	3,023,125	3,397,476	4,133,887	4,409,741	81.5%	13.6%	4,409,741
Public works	1,383,577	1,527,151	1,686,608	1,623,529	2,065,180	2,236,624	2,433,580	75.9%	12.6%	2,433,580
Environmental services	2,608,180	2,918,925	2,974,879	2,840,590	3,113,710	3,564,533	3,630,390	39.2%	6.5%	3,630,390
Public safety	7,105,414	7,261,944	7,762,650	7,929,064	8,435,925	10,140,821	11,734,485	65.1%	10.9%	11,734,485
Library	405,091	524,062	598,854	709,907	782,875	973,762	1,049,762	159.1%	26.5%	1,049,762
Parks and recreation	2,562,971	2,840,584	2,840,715	2,897,477	3,032,220	3,370,517	3,799,044	48.2%	8.0%	3,799,044
Planning	297,658	317,167	315,014	355,626	346,760	373,985	507,098	73.4%	11.7%	507,098
Economic development	390,174	316,925	329,237	340,668	386,923	513,539	598,636	50.4%	8.9%	598,636
Total departmental expenditures	17,182,897	18,716,611	19,349,834	19,719,986	21,561,069	25,307,668	28,162,736	63.9%	10.6%	28,162,736
General operations	583,137	723,764	728,298	2,156,396	2,456,814	1,110,397	1,098,695	88.4%	14.7%	1,098,695
Project operations	-	-	2,368,236	1,646,674	2,210,336	811,967	1,356,199	136.6%	13.6%	1,356,199
Debt service	1,173,521	1,676,478	4,117,381	3,065,825	2,797,260	4,811,992	3,983,751 >	239.5%	39.9%	19,233,751
Capital outlay	4,197,981	6,998,086	3,370,542	700,913	1,808,371	853,943	6,504,152	54.9%	9.2%	6,504,152
Intergovernmental	816,976	708,522	852,705	805,749	796,317	809,166	1,177,306	44.1%	7.4%	1,177,306
Total expenditures	23,954,512	28,823,461	30,786,996	28,095,543	31,603,167	33,705,133	42,282,839	76.5%	12.8%	57,532,839
Other financing uses										
Transfers to component units	3,820,321	3,302,260	4,132,014	4,061,925	4,110,444	5,852,620	5,939,173	55.5%	9.2%	5,939,173
Board of Education	406,091	877,911	1,413,513	1,029,351	1,052,767	1,395,632	1,400,705	244.9%	40.8%	1,400,705
Industrial Development Board	-	-	-	-	-	-	374,083	-	-	374,083
Water Board	-	-	-	-	-	-	374,083	-	-	374,083
Total trfrs to component units	4,226,412	4,180,171	5,545,527	5,091,276	5,163,211	7,248,252	7,713,961	82.5%	13.8%	7,713,961
Transfers to other funds	443,601	216,000	1,000	521,669	200,000	16,759	218,056	-50.8%	-8.5%	218,056
Total other financing uses	4,670,013	4,396,171	5,546,527	5,612,945	5,363,211	7,265,011	7,932,017	69.8%	11.6%	7,932,017
Total expenditures and OFU	28,624,525	33,219,632	36,333,523	33,708,488	36,993,378	40,970,144	50,214,856	75.4%	12.6%	65,464,856
Excess (def) of revs & OFS over exps&OFU	958,152	525,228	319,354	2,795,229	4,941,469	11,398,255	(3,069,780)	-420.4%	-70.1%	(3,069,780)
Extraordinary item (Indian Pines insurance)	5,684,710	6,852,931	7,302,533	9,777,794	14,098,786	19,040,257	255,000	0.0%	0.0%	255,000
Beginning fund balance	210,069	(75,626)	2,155,907	1,525,764	-	(314,530)	30,123,982	429.9%	71.7%	30,123,982
Prior period adj./residual equity transfers	-	-	-	-	-	-	(210,069)	-100.0%	-16.7%	-
Ending fund balance	\$ 6,852,931	\$ 7,302,533	\$ 9,777,794	\$ 14,098,787	\$ 19,040,255	\$ 30,123,982	\$ 27,309,202	298.5%	49.8%	\$ 27,309,202
Fd bal as % of exps and OFU	23.94%	21.98%	26.91%	41.83%	51.47%	73.53%	54.38%			

(1) Sales tax rate increased from 2.5% to 3.0% effective August 1, 2003.

(2) Includes general licenses, residential rental, commercial rental, construction percent and franchise fees.

(3) Includes contributions in lieu of property taxes

(4) Lodging tax rate (City's share) increased from 2% to 4%, October 1, 1999. Recent growth due to construction of additional hotels.

Lodging tax rate increased from 4% to 7% effective February 1, 2006 (FY06); City will appropriate 1% of lodging tax to Tourism Bureau following rate increase.

* Adjusted to eliminate effect of tax rate increase.

> Debt proceeds and debt service expenditures include effects of refinancings. These items have been adjusted to eliminate "double counting."

City of Auburn - General Fund Financial Projection

Financial projections are based on assumptions and are subject to continuous change as actual revenue and expenditure information is updated and assumptions are revised. These projections do not include the effect of any borrowings.

	Audited FY 2005	Unaudited FY 2006	Original Budget		Percentages		Projected					
			FY 2007	FY 2008	Historical Annual Avg#	Projection	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Population estimate	48,348	49,929	51,562	53,248	3.27%	3.27%	54,989	56,787	58,644	60,562	62,542	64,587
Revenues												
Sales taxes	\$18,429,013	\$20,805,169	\$19,650,000	\$20,500,000	13.62%	7.18%	\$22,242,500	\$24,133,113	\$26,184,427	\$28,410,103	\$30,824,962	\$33,445,084
Occupation license fees	6,785,103	7,402,470	7,350,000	7,535,000	9.92%		8,024,775	8,546,385	9,101,900	9,693,524	10,323,603	10,994,637
Business license fees (1)	6,006,681	5,771,745	5,914,000	6,167,800	10.92%		6,692,063	7,260,888	7,878,064	8,547,699	9,274,254	10,062,565
Property taxes (2)	2,193,799	2,337,814	3,311,100	3,475,830	14.70%		3,753,896	4,054,208	4,378,545	4,728,828	5,107,135	5,515,705
Solid waste collection fees	2,441,380	2,557,582	2,587,800	2,665,550	8.97%		2,772,172	2,883,059	2,998,381	3,118,316	3,243,049	3,372,771
Court and parking fines	985,981	1,076,705	840,000	835,000	7.63%		851,700	868,734	868,734	868,734	868,734	868,734
Construction permit fees	794,430	942,508	813,200	853,800	30.14%		939,180	1,033,098	1,136,408	1,250,049	1,375,053	1,512,559
Lodging taxes (3)	668,094	1,085,063	1,163,664	1,187,000	105.68%	43.05%	1,329,440	1,488,973	1,667,650	1,867,767	2,091,900	2,342,928
Other revenues	7,660,499	8,286,487	6,950,579	7,117,086	7.73%		7,330,599	7,550,517	7,777,032	8,010,343	8,250,653	8,498,173
Total revenues	45,964,980	50,265,543	48,475,343	50,337,945	10.48%		53,936,325	57,818,975	61,991,141	66,495,364	71,359,343	76,613,156
Revenue per capita	951	1,007	940	945			981	1,018	1,057	1,098	1,141	1,186
Other financing sources												
Transfers in from other funds	509,450	1,070,271	415,000	382,500	9.75%		390,150	397,953	405,912	414,030	422,311	430,757
Borrowing proceeds	15,920,646	-	-	-	-5.96%		390,150	397,953	405,912	414,030	422,311	430,757
Total OFS	16,430,096	1,070,271	415,000	382,500			54,326,475	58,216,928	62,397,053	66,909,395	71,781,654	77,043,913
Expenditures												
General government	4,490,811	4,648,602	4,771,831	4,878,878	13.58%		5,293,583	5,743,537	6,231,738	6,761,436	7,336,158	7,959,731
Public works	2,735,838	3,324,204	2,966,256	3,104,137	12.65%		3,367,989	3,654,268	3,964,880	4,301,895	4,667,556	5,064,299
Environmental services	3,830,164	4,553,721	4,173,627	4,347,226	6.53%		4,716,740	5,117,663	5,552,664	6,024,641	6,536,735	7,092,358
Public safety	11,844,044	13,324,592	14,041,144	14,373,049	10.86%		15,594,758	16,920,313	18,358,539	19,919,015	21,612,131	23,449,162
Library	1,032,991	1,191,356	1,272,289	1,469,785	26.52%		1,594,717	1,730,268	1,877,340	2,036,914	2,210,052	2,397,906
Parks and recreation	3,942,165	4,354,930	4,272,615	4,474,449	8.04%		4,854,777	5,267,433	5,715,165	6,200,954	6,728,035	7,299,918
Planning	516,451	514,218	635,835	623,632	11.73%		676,641	734,155	796,558	864,266	937,728	1,017,435
Economic development	598,629	829,200	920,558	911,090	8.90%		988,533	1,072,558	1,163,725	1,262,642	1,369,967	1,486,414
Total departmental expenditures	28,991,093	32,740,823	33,054,155	34,182,246	10.65%		37,087,737	40,240,195	43,660,611	47,371,763	51,398,363	55,767,224
General operations	952,042	1,005,297	1,191,866	1,137,054	14.74%		1,233,704	1,338,568	1,452,347	1,575,796	1,709,739	1,855,067
Project operations	1,356,199	645,214	1,250,000	1,500,000	9.16%		1,627,500	1,765,838	1,915,934	2,078,788	2,255,485	2,447,201
Debt service	18,990,900	5,455,335	6,368,429	5,890,054	39.91%	am sched	4,479,650	4,317,613	4,171,306	3,964,665	3,771,593	3,021,701
Support for outside agencies	1,177,307	1,647,115	1,416,671	1,417,971	7.35%		1,460,510	1,504,325	1,549,455	1,595,939	1,643,817	1,693,132
Total expenditures	51,467,541	41,493,784	43,281,121	44,127,325	12.75%		45,889,101	49,166,539	52,749,653	56,586,951	60,778,997	64,784,324
Total expend as % of revenue	111.97%	82.55%	89.28%	87.66%			85.08%	85.04%	85.09%	85.10%	85.17%	84.56%
Other financing uses												
Transfers to component units												
Board of Education	5,939,173	6,795,523	6,795,523	6,795,523	9.24%	formula	6,795,523	6,795,523	7,011,722	7,516,467	8,058,848	8,644,397
Industrial Development Board	1,774,788	1,824,209	1,554,300	1,654,300	40.82%	0.00%	1,654,300	1,654,300	1,654,300	1,654,300	1,654,300	1,654,300
Transfers to other funds	943,974	390,820	275,000	500,000	-8.47%	10.00%	550,000	605,000	665,500	732,050	805,255	885,781
Total OFU	8,657,935	9,010,552	8,624,823	8,949,823	11.64%		8,999,823	9,054,823	9,331,522	9,902,817	10,518,403	11,184,478
Total expenditures and OFU	60,125,476	50,504,336	51,905,944	53,077,148			54,888,924	58,221,362	62,081,175	66,489,768	71,297,400	75,968,802
Excess (def) of revs&OFS>expend&OFU	2,269,600	831,478	(3,015,601)	(2,357,582)			(562,449)	(4,434)	315,878	419,627	484,254	1,075,111
Beginning fund balance (total*)	23,449,674	25,719,274	26,550,752	23,535,151			21,177,569	20,615,120	20,610,686	20,926,564	21,346,191	21,830,445
Ending fund bal (total*)	\$25,719,274	\$26,550,752	\$23,535,151	\$21,177,569			\$20,615,120	\$20,610,686	\$20,926,564	\$21,346,191	\$21,830,445	\$22,905,556
As % of expend & OFU	42.8%	52.6%	45.3%	39.9%			37.6%	35.4%	33.7%	32.1%	30.6%	30.2%

* Total fund balance includes the Permanent Reserve established by Council

^ Excludes \$5M balloon payment due on Mail GO warrant

Historical is average annual percentage increase from FY 2002 - 2006.

~ Adjusted to eliminate effects of tax rate changes

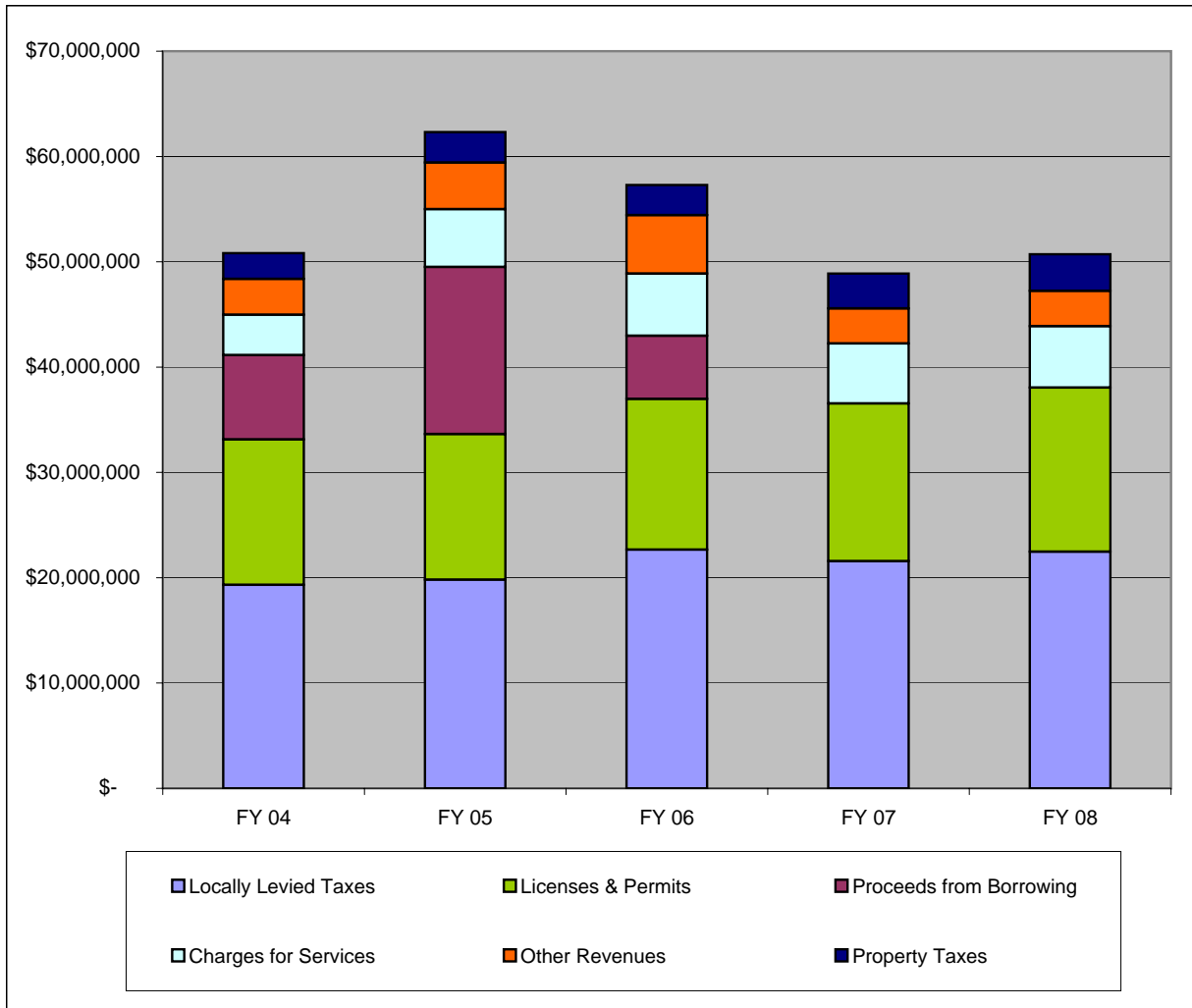
(1) Includes general business licenses, commercial and residential rental, contractors 1/4 of 1% and franchise fees.

(2) Excludes payments in lieu of property taxes

(3) Recent growth in lodging tax resulting from construction of additional hotels.

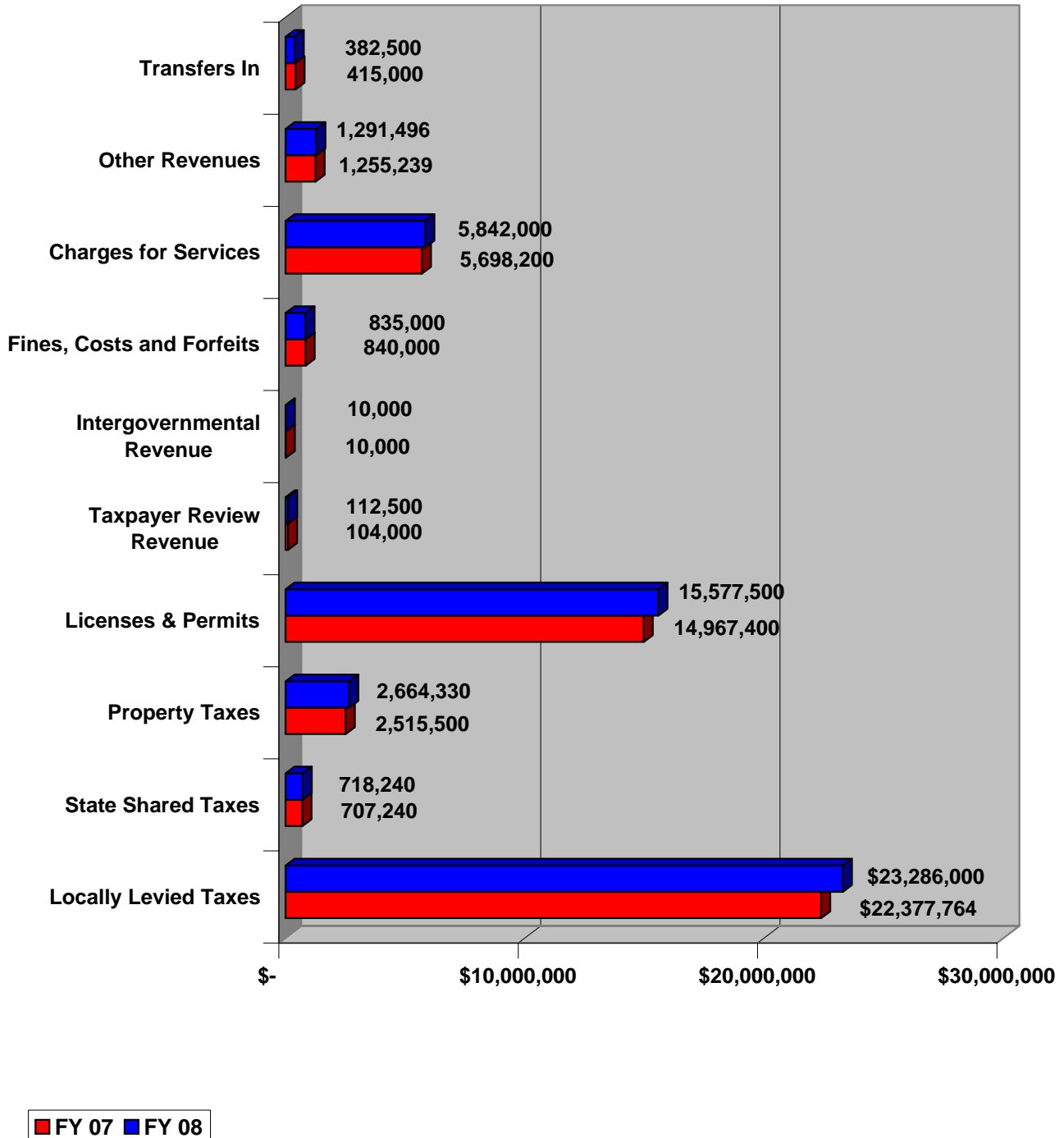
City of Auburn

Trends in Total Revenue and Other Financing Sources - General Fund

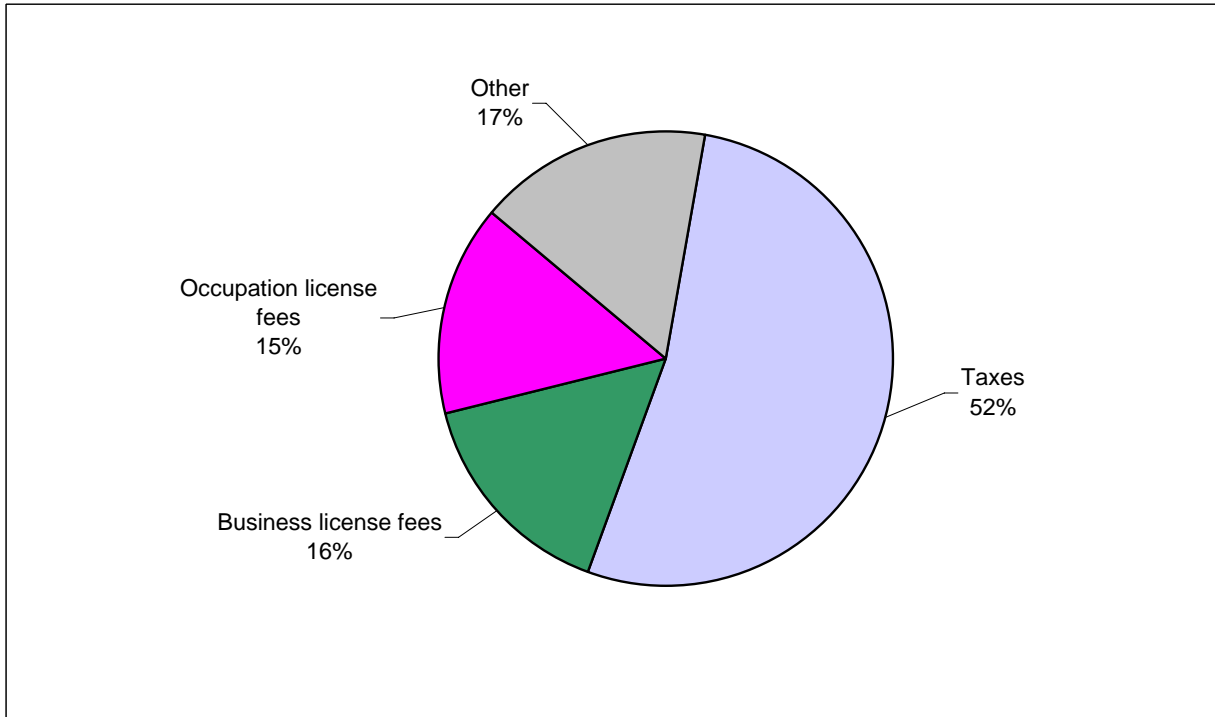


	Audited		Unaudited	Budgeted	
	FY 04	FY 05	FY 06	FY 07	FY 08
Locally Levied Taxes	\$ 19,330,168	\$ 19,822,772	\$ 22,659,790	\$ 21,582,164	\$ 22,474,500
State Shared Taxes	596,457	774,584	1,040,720	707,240	718,240
Property Taxes	2,433,164	2,893,436	2,871,974	3,311,100	3,475,830
Licenses & Permits	13,808,336	13,816,128	14,234,743	14,967,400	15,577,500
Taxpayer Review Revenue	30,718	42,427	83,141	104,000	112,500
Intergovernmental Revenue	589,310	520,061	308,595	10,000	10,000
Fines, Costs and Forfeits	876,747	1,013,211	1,076,705	840,000	835,000
Charges for Services	3,832,277	5,490,257	6,027,417	5,698,200	5,842,000
Other Revenues	662,092	1,572,643	1,962,458	1,255,239	1,291,496
Transfers In from Other Funds	655,657	509,450	1,070,272	415,000	382,500
Proceeds from Borrowing	8,000,000	15,869,000	-	-	-
Totals	\$ 50,814,926	\$ 62,323,969	\$ 51,335,815	\$ 48,890,343	\$ 50,719,566

The City of Auburn
General Fund - Overview of Projected Revenues by Source
 Biennial Budget Projections - FY 07 & FY 08



The City of Auburn
General Fund - Summary of Projected Revenues by Source
Budget - FY 07

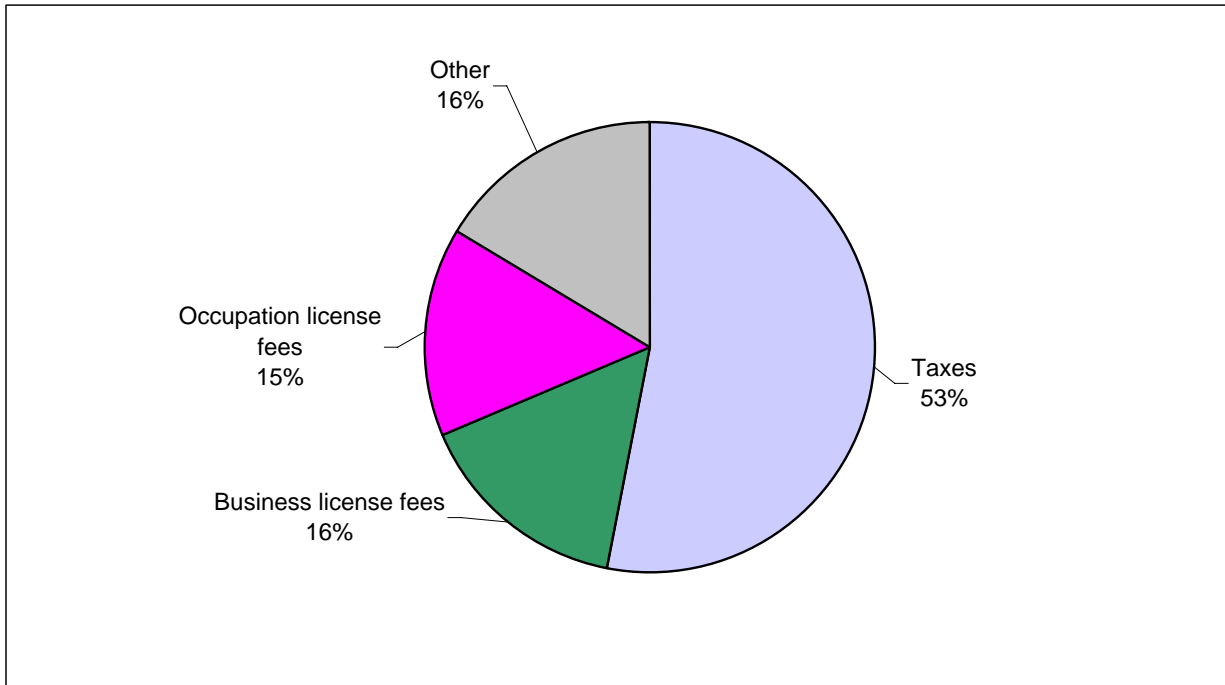


Projected Revenues

Sales taxes	\$ 19,650,000	40.19%
Other locally levied taxes	1,898,664	3.88%
Total locally levied taxes	21,582,164	44.14%
State shared taxes	707,240	1.45%
Property taxes	3,311,100	6.77%
Total taxes	25,600,504	52.36%
Business license fees*	7,567,400	15.48%
Occupation license fees	7,245,000	14.82%
Other licenses and permits	155,000	0.32%
Taxpayer Review Revenue	104,000	0.21%
Intergovernmental	10,000	0.02%
Court fines and costs	995,500	2.04%
Solid waste collection fees	2,587,800	5.29%
Other charges for services	2,954,900	6.04%
Investment income	827,739	1.69%
Other miscellaneous revenue	427,500	0.87%
Total projected revenues	48,475,343	99.15%
Other financing sources		
Transfers in from other funds	415,000	0.85%
Total projected other financing sources	415,000	0.85%
Total projected revenues and other sources	48,890,343	100.00%
Projected beginning fund balance	26,550,694	
Total projected available resources	\$ 75,441,037	

* Also includes franchise fees, commercial and residential rental taxes, and construction percent.

The City of Auburn
General Fund - Summary of Projected Revenues by Source
Budget - FY 08



Projected Revenues

Sales taxes	\$ 20,500,000	40.42%
Other locally levied taxes	1,939,500	3.82%
Total locally levied taxes	22,474,500	44.31%
State shared taxes	718,240	1.42%
Property taxes	3,475,830	6.85%
Total taxes	26,668,570	52.58%
Business license fees*	7,887,500	15.55%
Occupation license fees	7,535,000	14.86%
Other licenses and permits	155,000	0.31%
Taxpayer Review Revenue	112,500	0.22%
Intergovernmental	10,000	0.02%
Court fines and costs	995,600	1.96%
Solid waste collection fees	2,665,550	5.26%
Other charges for services	3,015,850	5.95%
Investment income	908,651	1.79%
Other miscellaneous revenue	382,845	0.75%
Total projected revenues	50,337,066	99.25%
Other financing sources		
Transfers in from other funds	382,500	0.75%
Total projected other financing sources	382,500	0.75%
Total projected revenues and other sources	50,719,566	100.00%
Projected beginning fund balance	23,535,093	
Total projected available resources	\$ 74,254,659	

* Also includes franchise fees, commercial and residential rental taxes, and construction percent.

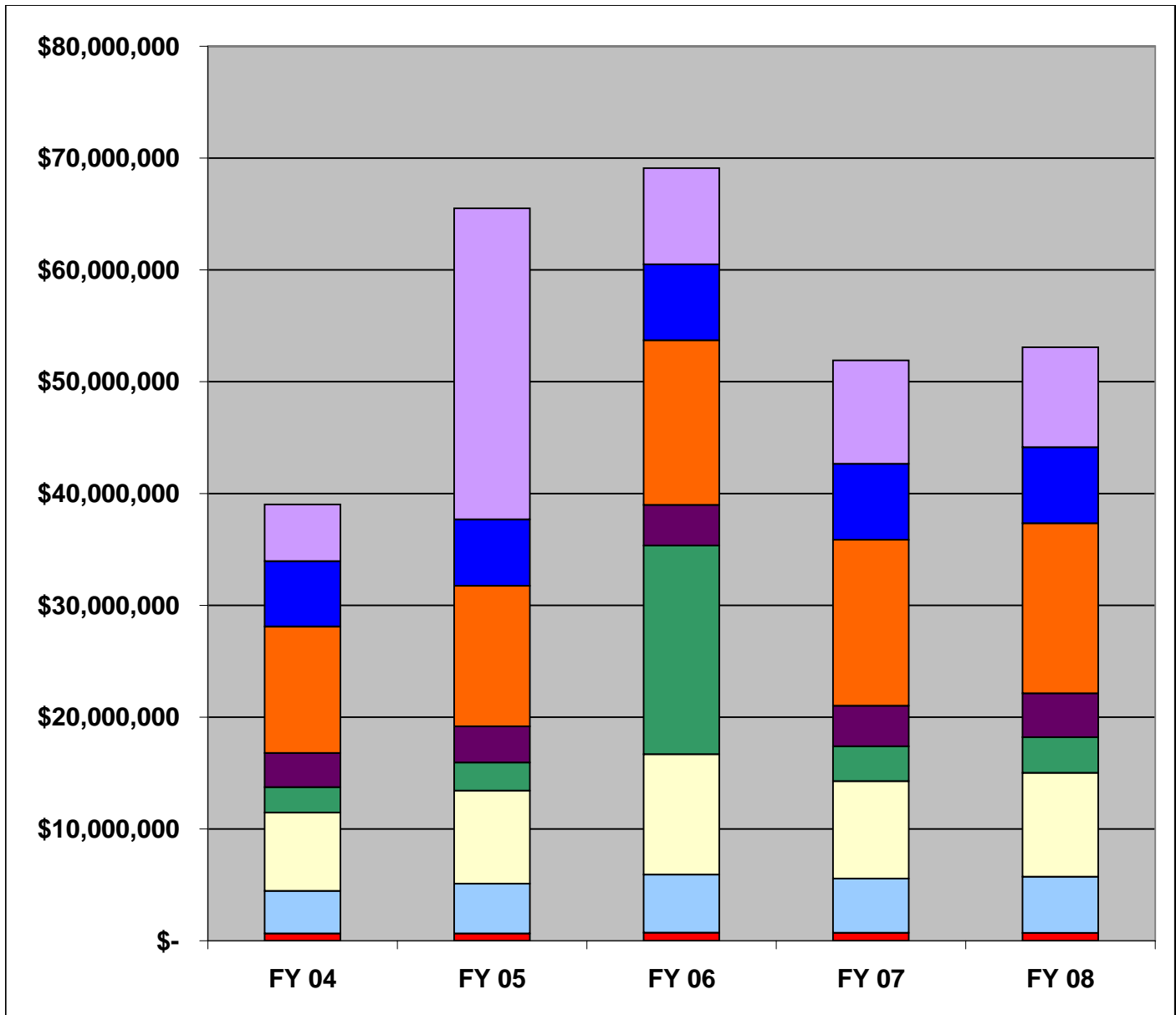
City of Auburn
General Fund - Detail of Projected Revenues
Biennial Budget - FY 07 & FY 08

Description	FY04 Audited	FY05 Audited	FY06 Unaudited	FY07 Budget Projection	Increase (Decrease) Over FY06 EOY Adjustments		FY08 Budget Projection	Increase (Decrease) Over FY07 Proposed Budget	
					Amount	As a %		Amount	As a %
Cigarette Tax	96,708	91,188	\$ 93,177	\$ 80,000	\$ (13,177)	-14.14%	\$ 77,500	\$ (2,500)	-3.13%
Gasoline Tax	258,380	220,541	222,071	185,000	(37,071)	-16.69%	180,000	(5,000)	-2.70%
Sales and Use Tax	17,928,566	18,389,727	20,729,613	19,650,000	(1,079,613)	-5.21%	20,500,000	850,000	4.33%
Lodging Tax	568,887	664,951	1,085,063	1,163,664	78,601	7.24%	1,187,000	23,336	2.01%
Rental and Leasing Tax	450,576	426,891	499,315	470,000	(29,315)	-5.87%	495,000	25,000	5.32%
Wine Wholesale	27,051	29,473	30,551	33,500	2,949	9.65%	35,000	1,500	4.48%
Locally Levied Taxes	19,330,168	19,822,771	22,659,790	21,582,164	(1,077,626)	-4.76%	22,474,500	892,336	4.13%
Financial Inst Tax	79,347	193,876	450,413	10,000	(440,413)	-97.78%	10,000	-	0.00%
Business Privilege Tax	154,923	156,085	157,256	158,800	1,544	0.98%	160,300	1,500	0.94%
A.B.C. Tax	76,076	68,345	77,163	90,300	13,137	17.02%	94,800	4,500	4.98%
Motor Vehicle Tax	89,209	110,811	87,880	175,000	87,120	99.14%	175,000	-	0.00%
State Reimb-Indigent Def	14,140	14,140	14,140	14,140	-	0.00%	14,140	-	0.00%
Alabama Trust Fund	182,762	231,327	253,869	259,000	5,131	2.02%	264,000	5,000	1.93%
State Shared Taxes	596,457	774,585	1,040,721	707,240	(333,481)	-32.04%	718,240	11,000	1.56%
Ad Valorem Tax									
Real Estate	1,922,973	1,849,783	2,104,098	2,305,500	201,402	9.57%	2,443,830	138,330	6.00%
Motor Vehicle	-	275,173	233,716	210,000	(23,716)	-10.15%	220,500	10,500	5.00%
Contrib In-Lieu of Tax	510,191	768,480	534,160	795,600	261,440	48.94%	811,500	15,900	2.00%
Property Taxes	2,433,164	2,893,436	2,871,974	3,311,100	439,126	15.29%	3,475,830	164,730	4.98%
Franchise Fees	687,595	709,981	779,205	803,400	24,195	3.11%	827,500	24,100	3.00%
General Business License	3,454,098	3,667,938	3,910,297	4,020,000	109,703	2.81%	4,180,000	160,000	3.98%
Residential Rental License	1,004,783	1,023,044	314,856	1,074,000	759,144	241.11%	1,127,000	53,000	4.93%
Certificate of Competency	-	1,300	2,400	1,000	(1,400)	n/a	1,000	-	0.00%
Construction Percent	577,195	673,042	754,292	813,200	58,908	7.81%	853,800	40,600	4.99%
Commercial Rental License	8,575	6,528	5,511	6,800	1,289	23.39%	7,000	200	2.94%
Construction Permits	750,488	794,430	942,508	850,000	(92,508)	-9.82%	892,200	42,200	4.96%
Occupational License	7,197,943	6,785,103	7,402,470	7,245,000	(157,470)	-2.13%	7,535,000	290,000	4.00%
Leased Parking	111,855	140,745	105,395	140,000	34,605	32.83%	140,000	-	0.00%
Metered Parking - Street	9,113	7,532	11,423	7,500	(3,923)	-34.34%	7,500	-	0.00%
Dog License	6,691	6,485	6,387	6,500	113	1.77%	6,500	-	0.00%
Licenses and Permits	13,808,336	13,816,127	14,234,744	14,967,400	732,656	5.15%	15,577,500	610,100	4.08%
Taxpayer Review/Sales Tax	30,511	39,285	75,556	33,000	(42,556)	-56.32%	35,000	2,000	6.06%
Taxpayer Review/OCC License	-	-	-	33,000	33,000	n/a	35,000	2,000	6.06%
Taxpayer Review/Business Lic	207	-	7,584	33,000	25,416	335.13%	35,000	2,000	6.06%
Taxpayer Rvw-Lodging Tax	-	3,142	-	5,000	5,000	n/a	7,500	2,500	50.00%
Taxpayer Review	30,718	42,427	83,140	104,000	20,860	25.09%	112,500	8,500	8.17%
Misc Grants	589,310	520,061	308,595	10,000	(298,595)	-96.76%	10,000	-	0.00%
Intergovernmental	589,310	520,061	308,595	10,000	(298,595)	-96.76%	10,000	\$ -	0.00%

Description	FY04 Audited	FY05 Audited	FY06 Unaudited	FY07 Budget Projection	Increase (Decrease) Over FY06 EOY Adjustments		FY08 Budget Projection	Increase (Decrease) Over FY07 Proposed Budget	
					Amount	As a %		Amount	As a %
Court Fines	\$ 734,641	\$ 876,082	\$ 923,228	\$ 700,000	\$ (223,228)	-24.18%	\$ 710,000	\$ 10,000	1.43%
Parking Fines	142,106	137,129	153,476	140,000	(13,476)	-8.78%	125,000	(15,000)	-10.71%
Court Awarded Restitution	-	163	403	100	(303)	n/a	100	-	0.00%
Judicial Fees	6,820	(125)	-	-	-	n/a	-	-	n/a
Drug Screening Fee	34,611	7,680	300	400	100	33.33%	500	100	25.00%
Correction Collection	139,890	168,531	177,371	155,000	(22,371)	-12.61%	160,000	5,000	3.23%
Fines and Costs	1,058,068	1,189,460	1,254,778	995,500	(259,278)	-20.66%	995,600	100	0.01%
Solid Waste - Collection Fees	2,263,278	2,421,233	2,538,264	2,575,000	36,736	1.45%	2,652,250	77,250	3.00%
Solid Waste - Spec. Collect	20,497	14,169	13,869	9,200	(4,669)	-33.67%	9,500	300	3.26%
Solid Waste - White Goods	4,408	5,917	5,229	3,600	(1,629)	-31.15%	3,800	200	5.56%
Solid Waste - Downtown	-	60	220	-	(220)	n/a	-	-	0.00%
Cemetery Fees	58,470	66,050	311,290	100,000	(211,290)	-67.88%	100,000	-	0.00%
Cemetery Granite Sales	4,350	3,250	5,055	3,500	(1,555)	-30.76%	3,500	-	0.00%
Pool & Recreation Fees	121,145	117,170	132,469	105,000	(27,469)	-20.74%	110,000	5,000	4.76%
Softball Complex Fees	8,108	-	-	5,000	5,000	n/a	5,000	-	0.00%
Field Reservation Fees	3,483	1,414	786	1,600	814	103.56%	1,700	100	6.25%
E-911 Service Fee	234,246	370,477	298,713	295,000	(3,713)	-1.24%	297,500	2,500	0.85%
Wireless E-911 Svs Fee	111,283	59,495	117,040	105,000	(12,040)	-10.29%	110,000	5,000	4.76%
Finance Fees	5,149	2,667	3,481	3,100	(381)	-10.95%	3,150	50	1.61%
Planning Fees	58,427	60,323	59,962	62,000	2,038	3.40%	64,000	2,000	3.23%
Info Tech Fees	164,103	12,300	-	-	-	n/a	-	-	n/a
Sewer Management Fee	126,000	126,000	126,000	126,000	-	0.00%	126,000	-	0.00%
Public Works Charges	1,906	(156)	12,889	10,000	(2,889)	-22.41%	10,000	-	0.00%
Public Safety Charges	106,347	228,076	253,182	200,000	(53,182)	-21.01%	190,000	(10,000)	-5.00%
Public Safety Charges to AU	283,244	1,743,959	1,874,898	1,854,000	(20,898)	-1.11%	1,909,600	55,600	3.00%
PS-Downtown Law Enf Fee	57,500	60,000	60,000	60,000	-	0.00%	60,000	-	0.00%
Library Fees	12,427	16,125	30,226	19,500	(10,726)	-35.49%	20,000	500	2.56%
Sale of Publications	6,585	5,479	5,771	5,200	(571)	-9.89%	5,400	200	3.85%
Charges for Services	3,650,956	5,314,008	5,849,344	5,542,700	(306,644)	-5.24%	5,681,400	138,700	2.50%
Rent & Lease Income	92,414	88,617	81,201	85,000	3,799	4.68%	85,000	-	0.00%
Lease Income - Auburn Univ	-	-	-	242,739	242,739	n/a	323,651	80,912	33.33%
Investment Interest	278,535	449,946	814,558	500,000	(314,558)	-38.62%	500,000	-	0.00%
Concessions Income	36,121	27,671	35,353	32,000	(3,353)	-9.48%	34,000	2,000	6.25%
Gifts/Donations - Parks-Rec	10,616	51,567	24,527	1,000	(23,527)	-95.92%	1,000	-	0.00%
Gifts & Donations	19,325	1,000	15,679	1,000	(14,679)	-93.62%	1,000	-	0.00%
Recycling Revenue	15,884	17,646	14,283	10,000	(4,283)	-29.99%	10,000	-	0.00%
Contribution - Auburn University	7,500	-	-	-	-	n/a	-	-	0.00%
Donations/Therapeutic Prog	10,240	5,435	175,000	-	(175,000)	n/a	-	-	0.00%

Description	FY04 Audited	FY05 Audited	FY06 Unaudited	FY07 Budget Projection	Increase (Decrease) Over FY06 EOY Adjustments		FY08 Budget Projection	Increase (Decrease) Over FY07 Proposed Budget	
					Amount	As a %		Amount	As a %
Donations/Environmental Svcs	\$ 950	\$ -	\$ -	\$ -	\$ -	n/a	\$ -	\$ -	n/a
Sales of Surplus Assets	500	18,245	177,942	100,000	(77,942)	-43.80%	50,000	(50,000)	-50.00%
Sale of Assets	27,994	-	2,413	-	(2,413)	n/a	-	-	0.00%
Supplies for Resale	2,712	216	133	200	67	50.38%	200	-	0.00%
Cash Overage	(10)	94	-	-	-	n/a	-	-	0.00%
Miscellaneous Revenue	35,937	362,525	269,475	5,000	(264,475)	-98.14%	5,000	-	0.00%
Reimbursement/WB	123,374	219,213	138,617	221,800	83,183	60.01%	223,600	1,800	0.81%
Reimbursement/BOE	-	48,633	92,277	51,500	(40,777)	-44.19%	53,045	1,545	3.00%
Proceeds from Ins (Ind'n Pines)	-	255,000	-	-	-	n/a	-	-	n/a
Reinsurance Reimbursement	-	26,837	121,000	5,000	(116,000)	n/a	5,000	-	0.00%
Other Revenue	662,092	1,572,645	1,962,458	1,255,239	(707,219)	-36.04%	1,291,496	36,257	2.89%
Total Revenue	\$ 42,159,269	\$ 45,945,519	\$ 50,265,544	\$ 48,475,343	(1,790,201)	-3.56%	\$ 50,337,066	\$ 1,861,723	3.84%
Other Financing Sources:									
Transfer from City Gas Tax	150,000	160,000	160,000	190,000	30,000	18.75%	160,000	(30,000)	-15.79%
Transfer from State 7c Gas Tax	154,000	135,000	135,000	135,000	-	0.00%	122,500	(12,500)	-9.26%
Transfer from State 9c Gas Tax	120,000	100,000	110,000	90,000	(20,000)	-18.18%	100,000	10,000	11.11%
Transfer in from Sewer Fund	120,424	114,450	115,750	-	(115,750)	-100.00%	-	-	0.00%
Transfer in from Other Funds	111,233	-	549,522	-	-		-	-	
Transfers in from Other Funds	655,657	509,450	1,070,272	415,000	(655,272)	-61.22%	382,500	(32,500)	-7.83%
Proceeds from Borrowing	8,000,000	15,869,000	-	-	-	n/a	-	-	0.00%
Proceeds from Long Term Debt	8,000,000	15,869,000	-	-	-	n/a	-	-	0.00%
Total Other Financing Sources	\$ 8,655,657	\$ 16,378,450	\$ 1,070,272	\$ 415,000	(655,272)	-61.22%	\$ 382,500	\$ (32,500)	-7.83%
Total Revs & Other Fin Srcs	\$ 50,814,926	\$ 62,323,969	\$ 51,335,816	\$ 48,890,343	\$ (2,445,473)	-4.76%	\$ 50,719,566	\$ 1,829,223	3.74%

City of Auburn
Trends in General Fund Expenditures by Program
Biennial Budget - FY 07 & FY 08

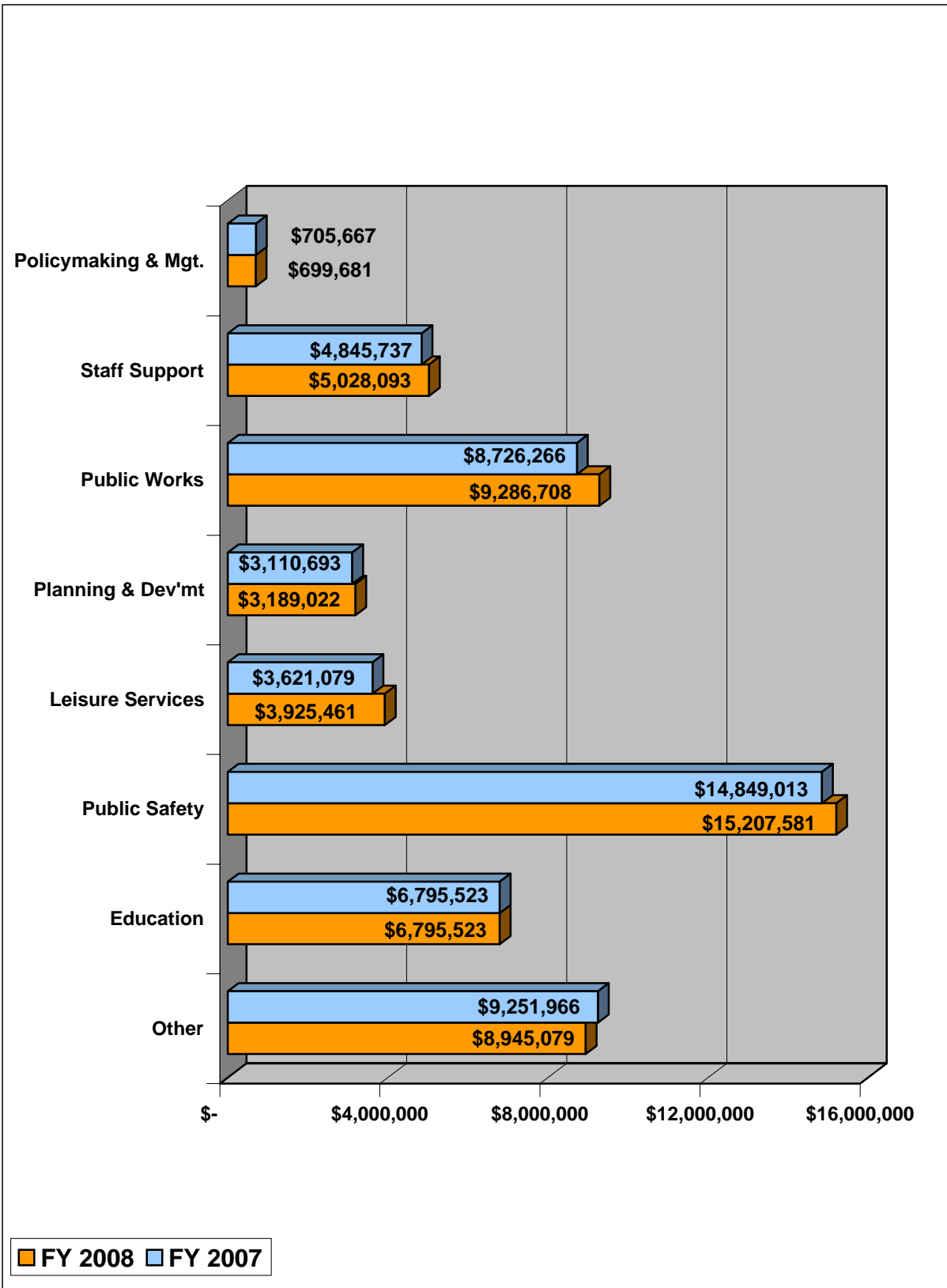


	Audited		Mid-Biennium Budget	Approved Budget	
	FY 04	FY 05	FY 06	FY 07	FY 08
Policymaking and Management	\$ 641,091	\$ 646,181	\$ 724,353	\$ 705,667	\$ 699,681
Staff Support	3,807,703	4,450,472	5,195,334	4,845,737	5,028,093
Public Works	7,010,331	8,321,664	10,759,438	8,726,266	9,286,708
Planning and Development	2,276,966	2,515,789	18,670,435	3,110,693	3,189,022
Leisure Services	3,052,015	3,237,131	3,625,883	3,621,079	3,925,461
Public Safety	11,311,267	12,576,790	14,725,801	14,849,013	15,207,581
Education	5,852,620	5,939,173	6,795,523	6,795,523	6,795,523
Other	5,066,837	27,819,941	8,604,982	9,251,966	8,945,079
Totals	\$ 39,018,830	\$ 65,507,141	\$ 69,101,749	\$ 51,905,944	\$ 53,077,148

City of Auburn

General Fund - Overview of Expenditures by Program

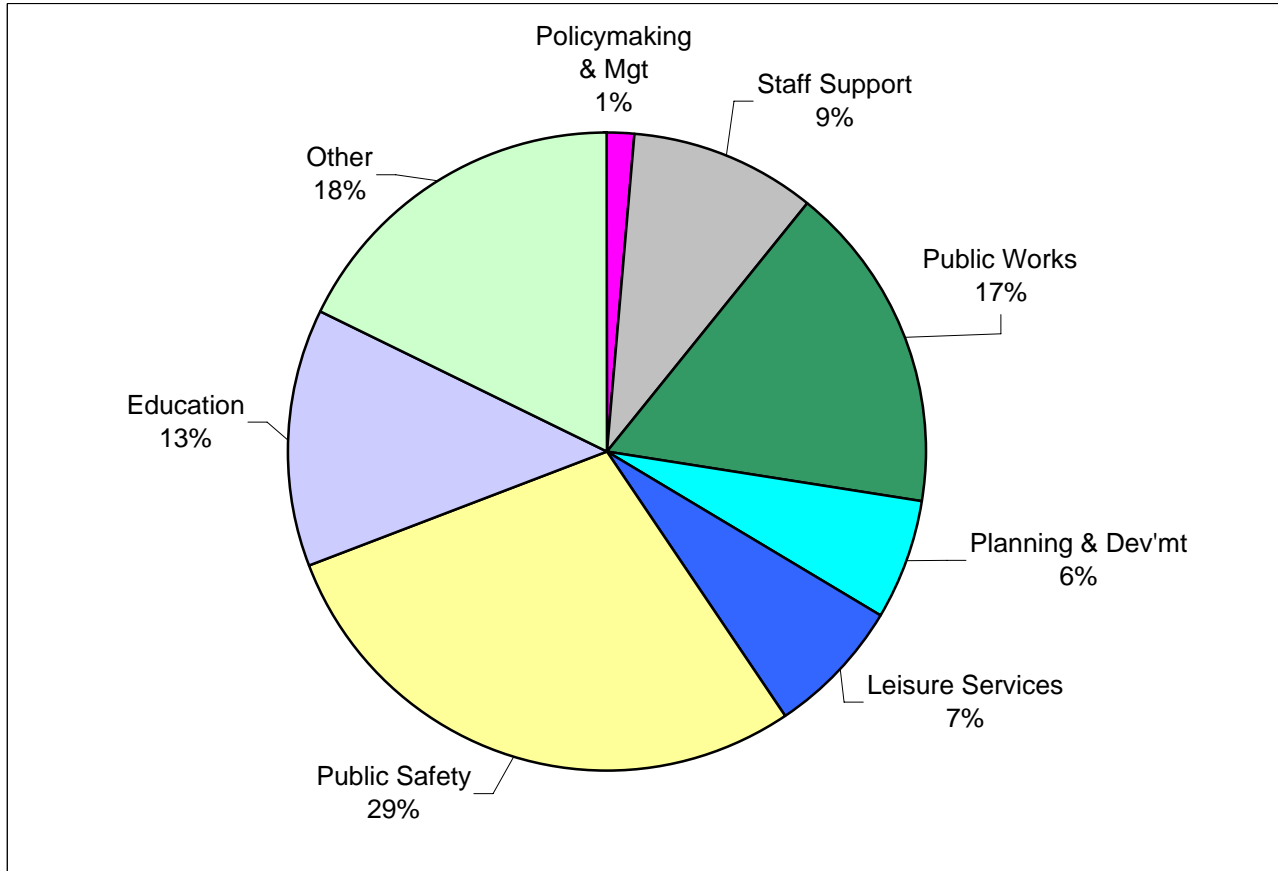
Biennial Budget - FY 07 & FY 08



City of Auburn

General Fund - Summary of Expenditures by Program

Budget - FY 07



Program Areas

Budget - FY 07

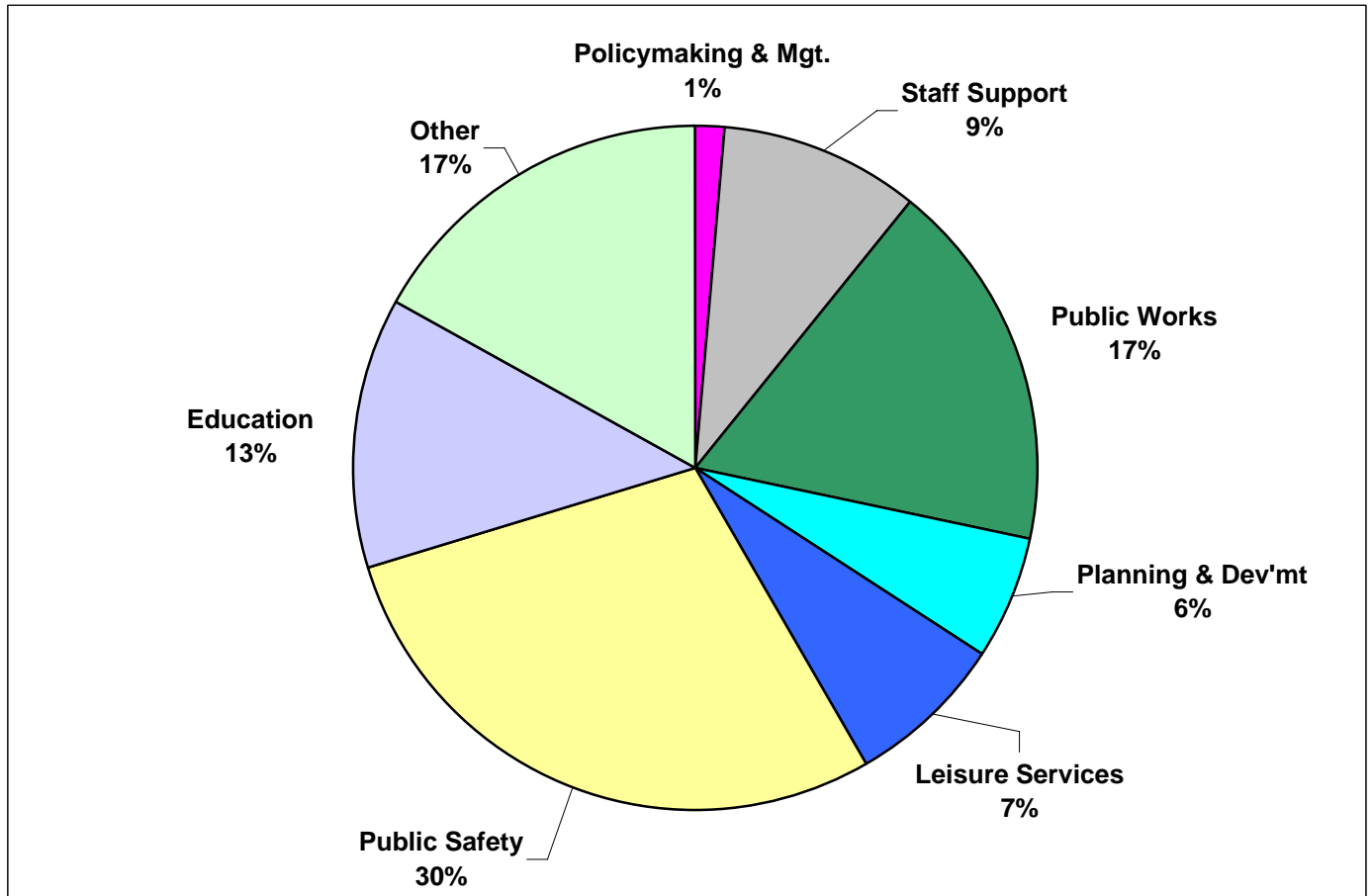
Policymaking and Management	\$ 705,667	1%
Staff Support	4,845,737	9%
Public Works	8,726,266	17%
Planning and Development	3,110,693	6%
Leisure Services	3,621,079	7%
Public Safety	14,849,013	29%
Education	6,795,523	13%
Other	9,251,966	18%
<i>Total Expenditures & Other Uses</i>	<u><u>\$ 51,905,944</u></u>	<u><u>100%</u></u>

City of Auburn
General Fund - Details of Expenditures by Program
Budget - FY 07

Program Area		Program Total	As %
Policymaking and Management		\$ 705,667	1%
City Council	\$ 174,386		
Office of the City Manager	531,281		
Staff Support		4,845,737	9%
Information Technology	1,010,156		
Finance	1,259,169		
Engineering Design	726,136		
Geographic Information System (GIS)	338,986		
Fleet Services	656,130		
Human Resource Mgt.	552,600		
Risk Management	302,560		
Public Works		8,726,266	17%
Public Works Administration	510,990		
Public Works Construction and Maint.	1,071,827		
Public Works Inspection	363,691		
Public Works Traffic Engineering	293,612		
Public Works Project Operations	1,250,000		
Environmental Services Administration	532,230		
Solid Waste	1,221,765		
Recycling	1,069,074		
Rights of Way Maintenance	489,252		
Parks and Facilities	1,923,825		
Planning and Development		3,110,693	6%
Economic Development	920,558		
Planning	635,835		
Industrial Development	1,554,300		
Leisure Services		3,621,079	7%
Parks and Recreation Admin	839,112		
Parks and Rec. Leisure Services	1,509,678		
Library	1,272,289		
Public Safety		14,849,013	29%
Judicial	602,693		
Public Safety Admin	1,208,393		
Police	7,759,168		
Fire	3,711,286		
Communications	902,755		
Codes Enforcement	459,542		
Animal Control	205,176		
Education		6,795,523	13%
Support to Board of Education	6,795,523		
Other		9,251,966	18%
Support to Other Agencies	1,416,671		
Debt Service	6,368,429		
General Operations*	1,466,866		
Total Expenditures and Other Financing Uses		\$ 51,905,944	100%

* Includes transfers to other City funds

City of Auburn
General Fund - Summary of Expenditures by Program
Budget - FY 08



Program Areas

Budget - FY 08

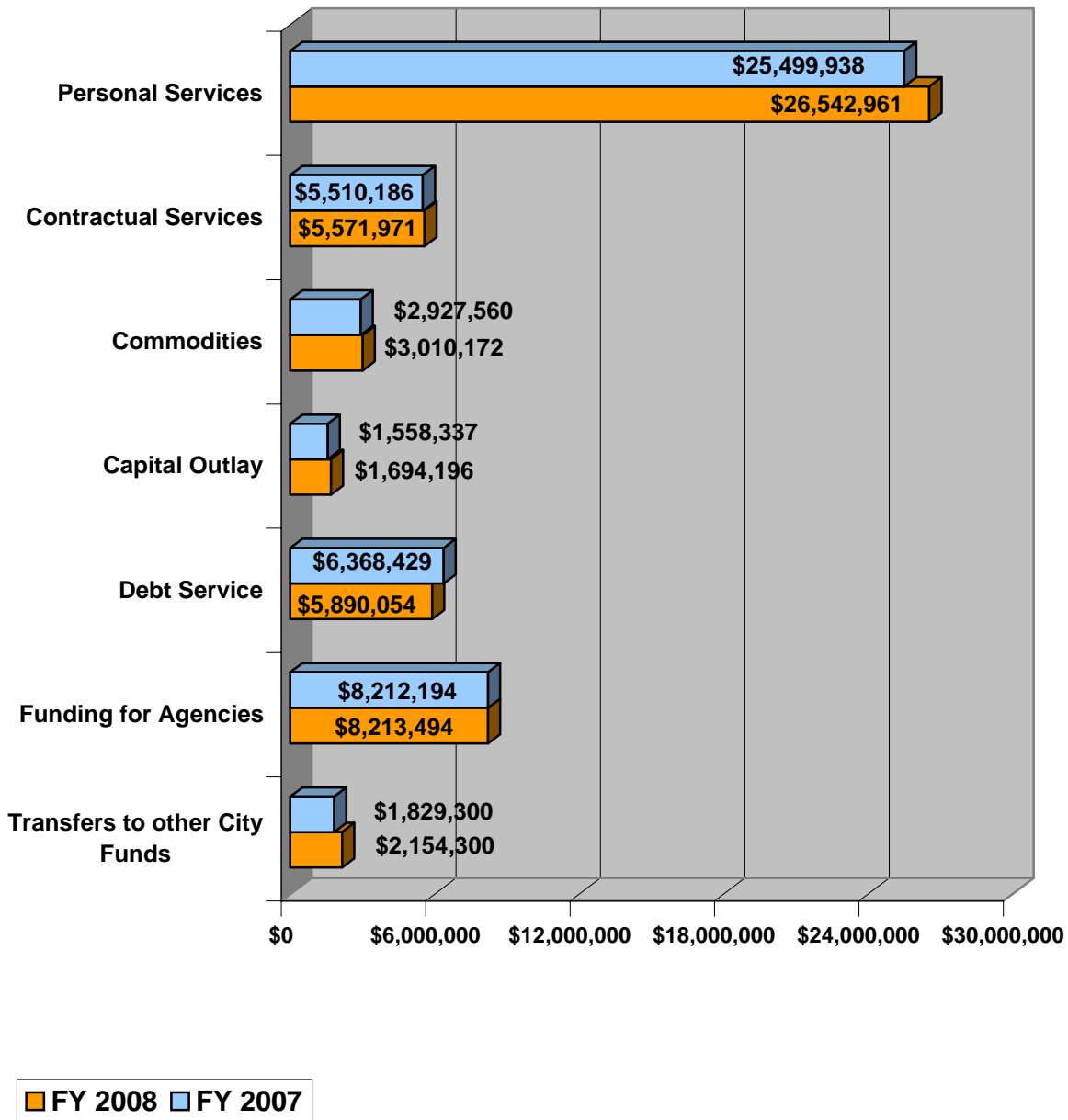
Policymaking and Management	\$ 699,681	1%
Staff Support	5,028,093	9%
Public Works	9,286,708	17%
Planning and Development	3,189,022	6%
Leisure Services	3,925,461	7%
Public Safety	15,207,581	29%
Education	6,795,523	13%
Other	8,945,079	17%
Total Expenditures	\$ 53,077,148	100%

City of Auburn
General Fund - Details of Expenditures by Program
Budget - FY 08

Program Area		Program Total	As %
Policymaking and Management		\$ 699,681	1%
City Council	\$ 175,337		
Office of the City Manager	524,344		
Staff Support		5,028,093	9%
Information Technology	1,026,040		
Finance	1,305,375		
Engineering Design	771,011		
Geographic Information System (GIS)	348,542		
Fleet Services	692,104		
Human Resource Mgt.	570,111		
Risk Management	314,910		
Public Works		9,286,708	17%
Public Works Administration	524,807		
Public Works Construction and Maint.	1,124,126		
Public Works Inspection	376,166		
Public Works Traffic Engineering	308,027		
Public Works Project Operations	1,500,000		
Environmental Services Administration	541,810		
Solid Waste	1,194,927		
Recycling	1,210,805		
Rights of Way Maintenance	487,267		
Parks and Facilities	2,018,773		
Planning and Development		3,189,022	6%
Economic Development	911,090		
Planning	623,632		
Industrial Development	1,654,300		
Leisure Services		3,925,461	7%
Parks and Recreation Admin	858,447		
Parks and Rec. Leisure Services	1,597,229		
Library	1,469,785		
Public Safety		15,207,581	29%
Judicial	614,219		
Public Safety Admin	1,235,640		
Police	8,070,465		
Fire	3,846,457		
Communications	741,401		
Codes Enforcement	479,086		
Animal Control	220,313		
Education		6,795,523	13%
Support to Board of Education	6,795,523		
Other		8,945,079	17%
Support to Other Agencies	1,417,971		
Debt Service	5,890,054		
General Operations*	1,637,054		
Total Expenditures and Other Financing Uses		\$ 53,077,148	100%

* Includes transfers to other City funds

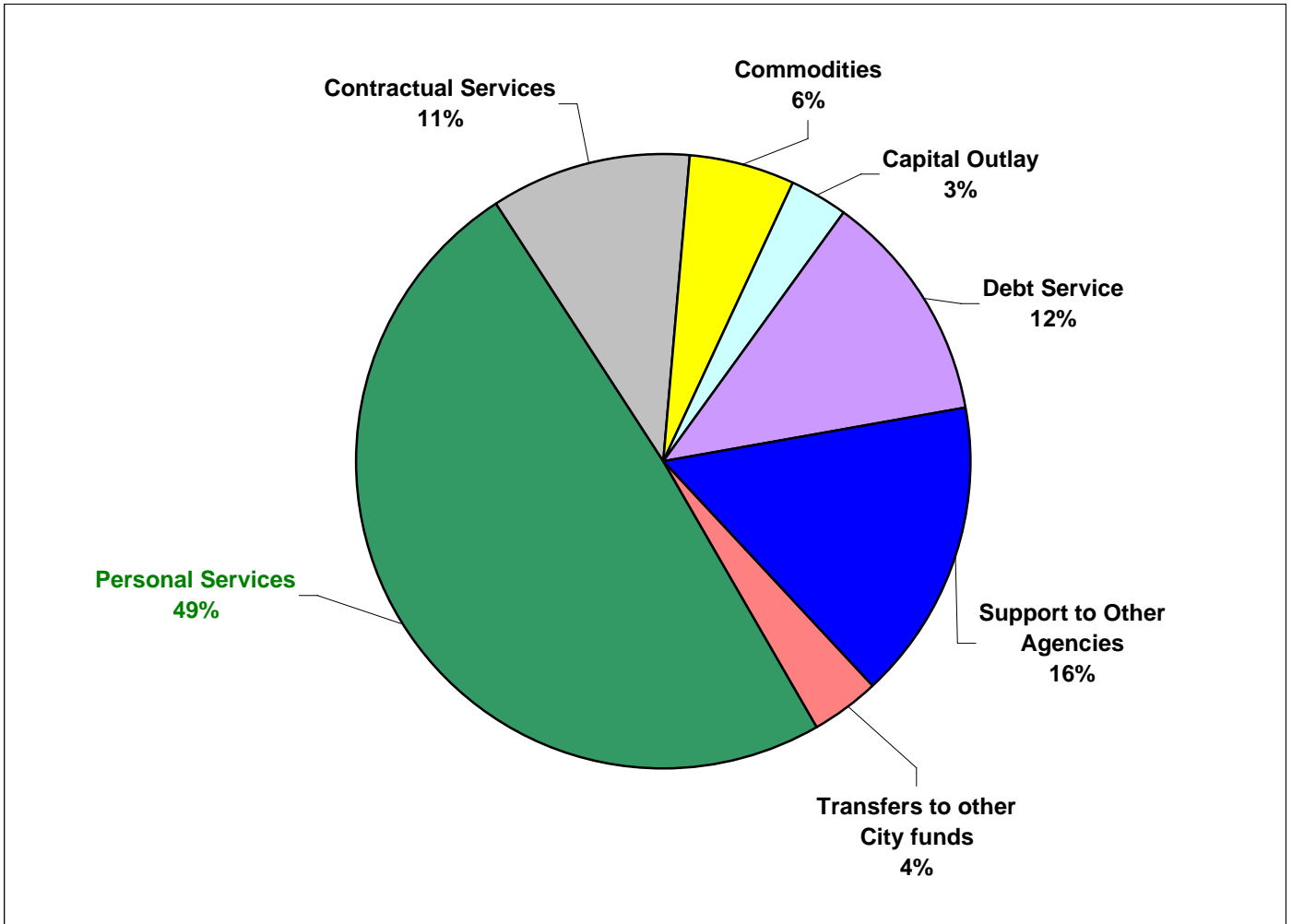
City of Auburn
General Fund - Overview of Expenditures by Category
Biennial Budget - FY 07 & FY 08



City of Auburn

General Fund - Summary of Expenditures by Category

Budget - FY 07



General Fund Expenditures by Category

Personal Services (salaries and benefits to employees)	\$ 25,499,938	49%
Contractual Services	5,510,186	11%
Commodities	2,927,560	6%
Capital Outlay	1,558,337	3%
Debt Service (principal and interest on debt)	6,368,429	12%
Support to Other Agencies	8,212,194	16%
Transfers to other City funds	1,829,300	4%
Total General Fund Expenditures	\$ 51,905,944	100%

City of Auburn
General Fund - Detail of Expenditures by Department and Category
Budget - FY 07

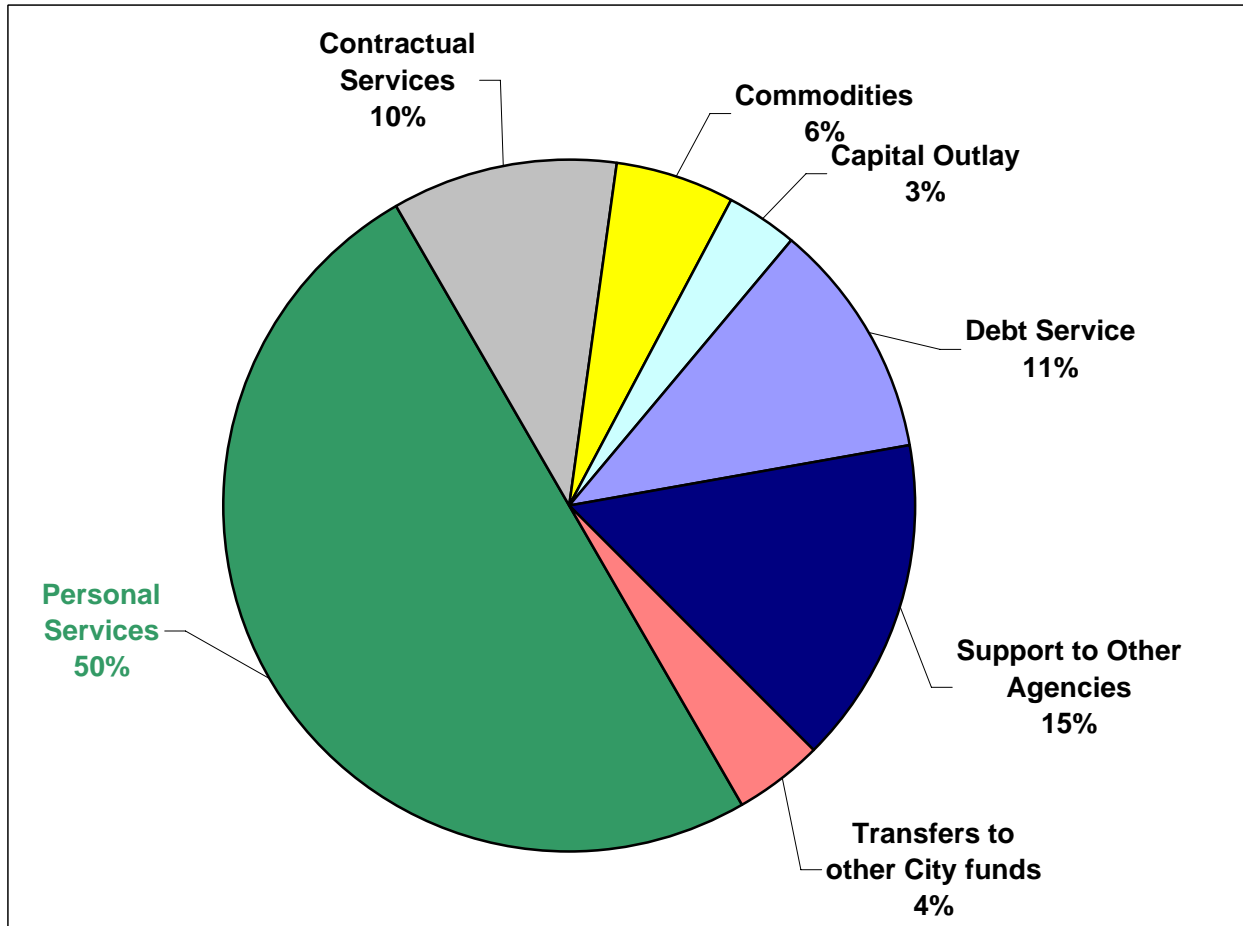
Department	Personal Services	Contractual Services	Commo-dities	Capital Outlay	Debt Service	Other	Totals
City Council	\$ 79,230	\$ 95,156	\$ -	\$ -	\$ -	\$ -	\$ 174,386
Office of the City Manager	458,169	58,590	14,522	-	-	-	531,281
Judicial	381,562	203,631	17,500	-	-	-	602,693
Information Technology							
Information Technology	525,220	222,290	262,646	-	-	-	1,010,156
GIS	183,841	67,960	87,185	-	-	-	338,986
Finance	1,032,477	140,447	86,245	-	-	-	1,259,169
Economic Development	876,638	20,700	23,220	-	-	-	920,558
Human Resources							
Human Resources	392,620	148,370	11,610	-	-	-	552,600
Risk Management	-	302,560	-	-	-	-	302,560
Public Safety							
Administration	269,996	845,847	92,550	-	-	-	1,208,393
Police	7,076,173	65,320	571,475	46,200	-	-	7,759,168
Fire	3,453,274	98,312	159,700	-	-	-	3,711,286
Communications	622,275	70,280	30,200	180,000	-	-	902,755
Codes Enforcement	444,162	3,580	11,800	-	-	-	459,542
Public Works							
Administration	333,190	133,600	44,200	-	-	-	510,990
Construction	804,723	110,330	156,774	-	-	-	1,071,827
Engineering Design	665,136	28,500	32,500	-	-	-	726,136
Inspection	321,624	18,100	23,967	-	-	-	363,691
Traffic Engineering	212,337	11,275	70,000	-	-	-	293,612
Environmental Services							
Administration	353,747	131,927	46,556	-	-	-	532,230
Recycling	720,771	234,500	113,803	-	-	-	1,069,074
Solid Waste	691,155	258,000	210,473	62,137	-	-	1,221,765
Animal Control	99,693	95,237	10,246	-	-	-	205,176
ROW	370,493	31,259	67,500	20,000	-	-	489,252
Fleet Services	532,063	58,769	65,298	-	-	-	656,130
Library	988,029	122,045	162,215	-	-	-	1,272,289
Parks and Recreation							
Administration	303,404	489,408	46,300	-	-	-	839,112
Leisure Services	1,259,003	98,515	152,160	-	-	-	1,509,678
Parks and Facilities	1,495,810	134,650	293,365	-	-	-	1,923,825
Planning	500,735	107,500	27,600	-	-	-	635,835
General Operations	52,388	1,103,528	35,950	-	-	1,829,300 *	3,021,166
Project Operations				1,250,000			1,250,000
Agency Operations						8,212,194	8,212,194
Debt Service					6,368,429		6,368,429
Total Expenditures	\$ 25,499,938	\$ 5,510,186	\$ 2,927,560	\$ 1,558,337	\$ 6,368,429	\$ 10,041,494	\$ 51,905,944
As %	49%	11%	6%	3%	12%	19%	100%

* Includes transfers to other funds and transfers to the Industrial Development Board.

City of Auburn

General Fund - Summary of Expenditures by Category

Budget - FY 08



General Fund Expenditures by Category

Personal Services (salaries and benefits to employees)	\$ 26,542,961	50%
Contractual Services	5,571,971	10%
Commodities	3,010,172	6%
Capital Outlay	1,694,196	3%
Debt Service (principal and interest on debt)	5,890,054	11%
Support to Other Agencies	8,213,494	15%
Transfers to other City funds	2,154,300	4%
Total General Fund Expenditures	\$ 53,077,148	100%

City of Auburn
General Fund - Detail of Expenditures by Department and Category
Budget - FY 08

Department	Personal Services	Contractual Services	Commo-dities	Capital Outlay	Debt Service	Other	Totals
City Council	\$ 79,230	\$ 96,107	\$ -	\$ -	\$ -	\$ -	\$ 175,337
Office of the City Manager	450,501	59,040	14,803	-	-	-	524,344
Judicial	390,068	206,651	17,500	-	-	-	614,219
Information Technology							
Information Technology	541,203	222,290	262,547	-	-	-	1,026,040
GIS	193,397	67,960	87,185	-	-	-	348,542
Finance	1,076,683	143,596	85,096	-	-	-	1,305,375
Economic Development	866,741	20,700	23,649	-	-	-	911,090
Human Resources							
Human Resources	403,521	154,360	12,230	-	-	-	570,111
Risk Management	-	314,910	-	-	-	-	314,910
Public Safety							
Administration	276,243	860,847	98,550	-	-	-	1,235,640
Police	7,417,670	75,320	577,475	-	-	-	8,070,465
Fire	3,568,445	100,812	177,200	-	-	-	3,846,457
Communications	640,921	70,280	30,200	-	-	-	741,401
Codes Enforcement	463,706	3,580	11,800	-	-	-	479,086
Public Works							
Administration	344,307	133,800	46,700	-	-	-	524,807
Construction	842,220	117,330	164,576	-	-	-	1,124,126
Engineering Design	699,011	33,500	38,500	-	-	-	771,011
Inspection	338,066	19,100	19,000	-	-	-	376,166
Traffic Engineering	221,729	11,275	75,023	-	-	-	308,027
Environmental Services							
Administration	362,327	131,927	47,556	-	-	-	541,810
Recycling	752,517	254,500	109,592	94,196	-	-	1,210,805
Solid Waste	721,454	278,000	195,473	-	-	-	1,194,927
Animal Control	105,356	104,211	10,746	-	-	-	220,313
ROW	386,508	31,259	69,500	-	-	-	487,267
Fleet Services	564,704	58,769	68,631	-	-	-	692,104
Library	1,035,139	151,931	182,715	100,000	-	-	1,469,785
Parks and Recreation							
Administration	313,482	497,165	47,800	-	-	-	858,447
Leisure Services	1,339,054	101,515	156,660	-	-	-	1,597,229
Parks and Facilities	1,575,708	136,150	306,915	-	-	-	2,018,773
Planning	518,832	68,200	36,600	-	-	-	623,632
General Operations	54,218	1,046,886	35,950	-	-	2,154,300 *	3,291,354
Project Operations	-	-	-	1,500,000	-	-	1,500,000
Agency Operations	-	-	-	-	-	8,213,494	8,213,494
Debt Service	-	-	-	-	5,890,054	-	5,890,054
Total Expenditures	\$ 26,542,961	\$ 5,571,971	\$ 3,010,172	\$ 1,694,196	\$ 5,890,054	\$ 10,367,794	\$ 53,077,148
As %	50%	10%	6%	3%	11%	20%	100%

* Includes transfers to other funds and transfers to the Industrial Development Board.

City of Auburn

General Fund - Comparative Budgeted Expenditures by Department

Biennial Budget - FY 07 & FY 08

	FY 06		Budget - FY 07			Budget - FY 08		
	Mid-Biennium Budget	Budget	Increase (Decrease)		Budget	Increase (Decrease)		
			Amount	As %		Amount	As %	
City Council	\$ 155,145	\$ 174,386	\$ 19,241	12.40%	\$ 175,337	\$ 951	0.55%	
Office of the City Manager	569,208	531,281	(37,927)	-6.66%	524,344	(6,937)	-1.31%	
Judicial	561,116	602,693	41,577	7.41%	614,219	11,526	1.91%	
Information Technology								
Information Technology	1,355,967	1,010,156	(345,811)	-25.50%	1,026,040	15,884	1.57%	
GIS	349,371	338,986	(10,385)	-2.97%	348,542	9,556	2.82%	
Total Info Tech	1,705,338	1,349,142	(356,196)	-20.89%	1,374,582	25,440	1.89%	
Finance	1,228,015	1,259,169	31,154	2.54%	1,305,375	46,206	3.67%	
Economic Development	762,045	920,558	158,513	20.80%	911,090	(9,468)	-1.03%	
Human Resources								
Human Resources	550,260	552,600	2,340	0.43%	570,111	17,511	3.17%	
Risk Management	279,600	302,560	22,960	8.21%	314,910	12,350	4.08%	
Total Human Res.	829,860	855,160	25,300	3.05%	885,021	29,861	3.49%	
Public Safety								
Administration	1,201,319	1,208,393	7,074	0.59%	1,235,640	27,247	2.25%	
Police	7,596,595	7,759,168	162,573	2.14%	8,070,465	311,297	4.01%	
Fire	4,106,653	3,711,286	(395,367)	-9.63%	3,846,457	135,171	3.64%	
Communications	580,816	902,755	321,939	55.43%	741,401	(161,354)	-17.87%	
Codes	444,629	459,542	14,913	3.35%	479,086	19,544	4.25%	
Total Public Safety	13,930,012	14,041,144	111,132	0.80%	14,373,049	331,905	2.36%	
Public Works								
Administration	525,457	510,990	(14,467)	-2.75%	524,807	13,817	2.70%	
Construction	1,461,607	1,071,827	(389,780)	-26.67%	1,124,126	52,299	4.88%	
Engineering Design	810,510	726,136	(84,374)	-10.41%	771,011	44,875	6.18%	
Inspection	288,834	363,691	74,857	25.92%	376,166	12,475	3.43%	
Traffic Engineering	262,060	293,612	31,552	12.04%	308,027	14,415	4.91%	
Total Public Works	3,348,468	2,966,256	(382,212)	-11.41%	3,104,137	137,881	4.65%	
Environmental Services								
Administration	566,106	532,230	(33,876)	-5.98%	541,810	9,580	1.80%	
Recycling	1,141,417	1,069,074	(72,343)	-6.34%	1,210,805	141,731	13.26%	
Solid Waste	1,341,022	1,221,765	(119,257)	-8.89%	1,194,927	(26,838)	-2.20%	
Animal Control	234,673	205,176	(29,497)	-12.57%	220,313	15,137	7.38%	
Rights-of-Way Maint.	579,247	489,252	(89,995)	-15.54%	487,267	(1,985)	-0.41%	
Fleet Services	621,611	656,130	34,519	5.55%	692,104	35,974	5.48%	
Total Env'l Svcs.	4,484,076	4,173,627	(310,449)	-6.92%	4,347,226	173,599	4.16%	
Library	1,301,683	1,272,289	(29,394)	-2.26%	1,469,785	197,496	15.52%	
Parks and Recreation								
Administration	834,106	839,112	5,006	0.60%	858,447	19,335	2.30%	
Leisure Services	1,490,094	1,509,678	19,584	1.31%	1,597,229	87,551	5.80%	
Parks and Facilities	1,971,038	1,923,825	(47,213)	-2.40%	2,018,773	94,948	4.94%	
Total Parks & Rec	4,295,238	4,272,615	(22,623)	-0.53%	4,474,449	201,834	4.72%	
Planning	554,663	635,835	81,172	14.63%	623,632	(12,203)	-1.92%	
Departmental Totals	33,724,867	33,054,155	(670,712)	-1.99%	34,182,246	1,128,091	3.41%	
Non-Departmental								
General Operations	\$ 1,295,850	\$ 1,191,866	\$ (103,984)	-8.02%	\$ 1,137,054	\$ (54,812)	-4.60%	
Transfers	24,524,250	8,624,823	(15,899,427)	-64.8%	8,949,823	325,000	3.77%	
Project Operations	2,622,650	1,250,000	(1,372,650)	-52.3%	1,500,000	250,000	20.00%	
Agency Operations	1,301,760	1,416,671	114,911	8.8%	1,417,971	1,300	0.09%	
Debt Service	5,632,372	6,368,429	736,057	13.1%	5,890,054	(478,375)	-7.51%	
Non-Departmental Total	35,376,882	18,851,789	(16,525,093)	-46.71%	18,894,902	43,113	0.23%	
Total Budgeted Expenditures	\$ 69,101,749	\$ 51,905,944	\$ (17,195,805)	-24.88%	\$ 53,077,148	\$ 1,171,204	2.26%	

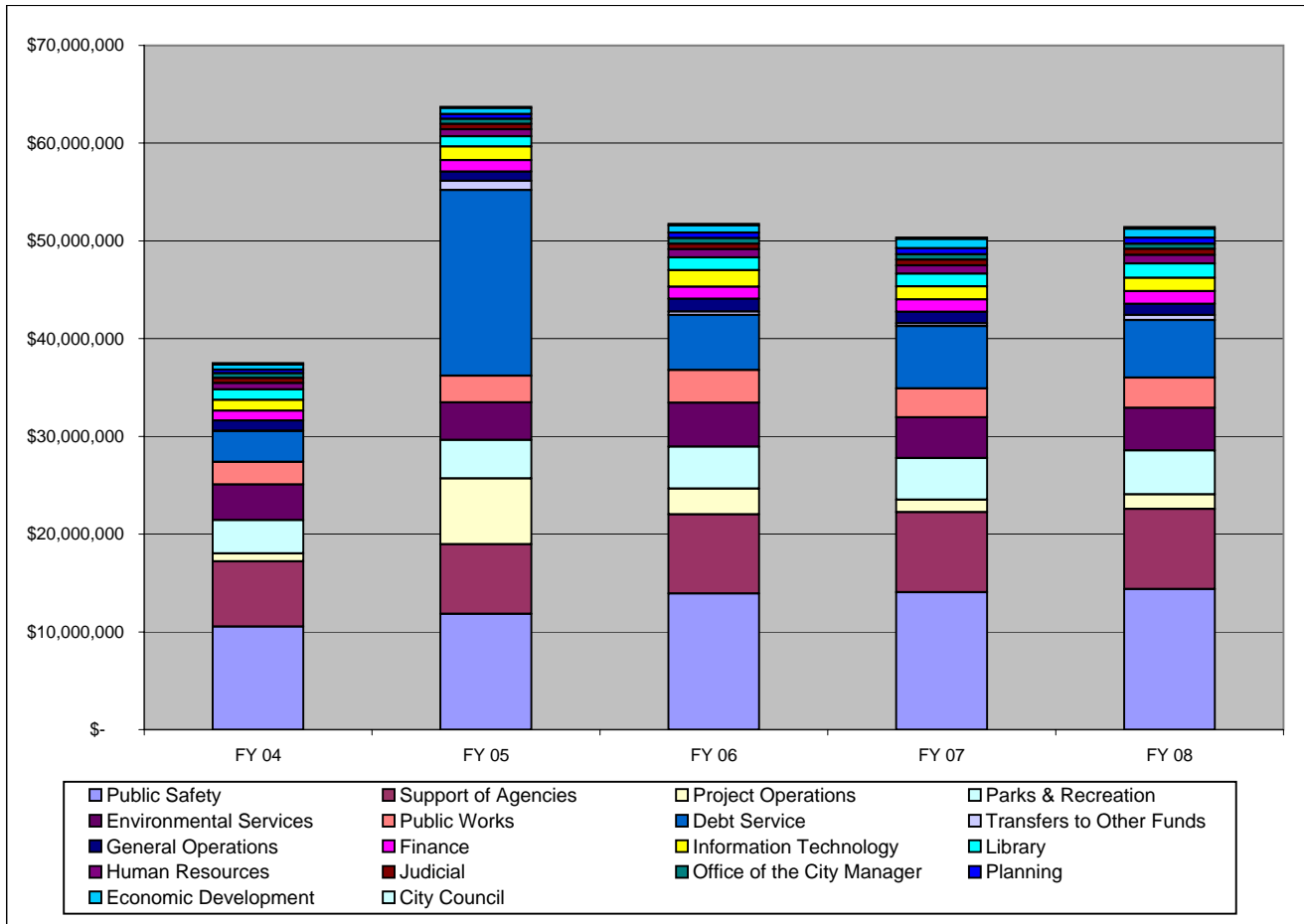
City of Auburn
FY 07 & FY 08
Biennial Budget
Table of Contents
Section 4

Departmental Budgets

General Fund

Trends in Expenditures by Departments	106
Overview of Expenditures by Department	107
City of Auburn Mission Statement	108
City Council	109
Office of the City Manager	110
Judicial	113
Information Technology	118
Geographic Information System	125
Finance	126
Economic Development	134
Human Resources	145
Risk Management	150
Public Safety	151
Administration	158
Police	159
Fire	160
Communications	161
Codes Enforcement	162
Public Works	163
Administration	170
Construction and Maintenance	171
Engineering Design	172
Inspection	173
Traffic Engineering	174
Environmental Services	175
Administration	179
Recycling	180
Solid Waste	181
Animal Control	182
Right of Way Maintenance	183
Fleet Services	184
Auburn Public Library	185
Parks and Recreation	189
Administration	194
Leisure Services	195
Parks and Facilities	196
Planning	197
Non-Departmental	203
<i>Water Resource Management</i>	<i>204</i>

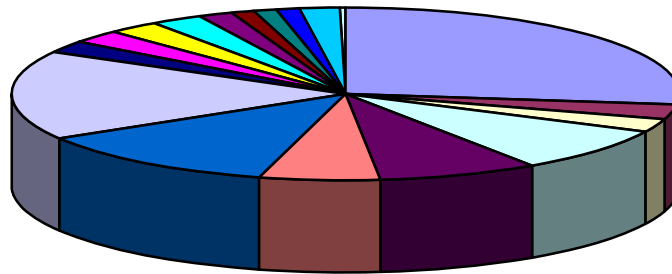
City of Auburn
Trends in Expenditures by Department - General Fund
FY 2004 - FY 2008



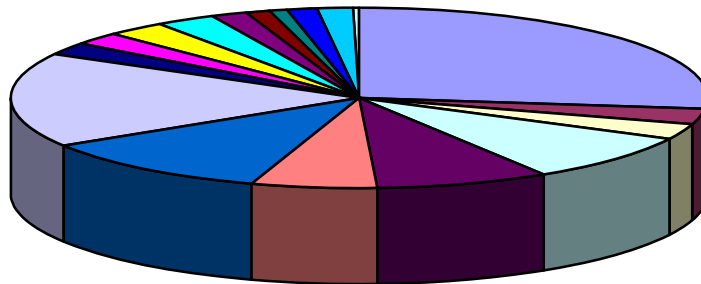
	Audited				Mid-Biennium Budget				Budgeted			
	FY 04		FY 05		FY 06		FY 07		FY 08			
Public Safety	\$ 10,536,571	28.10%	\$ 11,844,048	18.58%	\$ 13,930,012	26.92%	\$ 14,041,144	27.05%	\$ 14,373,049	27.08%		
Support of Agencies	809,166	2.16%	1,177,306	1.85%	1,301,760	2.52%	1,416,671	2.73%	1,417,971	2.67%		
Project Operations	821,843	2.19%	6,737,750	10.57%	2,622,650	5.07%	1,250,000	2.41%	1,500,000	2.83%		
Parks & Recreation	3,417,263	9.11%	3,942,168	6.19%	4,295,238	8.30%	4,272,615	8.23%	4,474,449	8.43%		
Environmental Services	3,634,859	9.70%	3,830,174	6.01%	4,484,076	8.67%	4,173,627	8.04%	4,347,226	8.19%		
Public Works	2,312,738	6.17%	2,735,843	4.29%	3,348,468	6.47%	2,966,256	5.71%	3,104,137	5.85%		
Debt Service	3,170,307	8.46%	18,990,902	29.80%	5,632,372	10.88%	6,368,429	12.27%	5,890,054	11.10%		
Transfers	5,869,380	15.66%	6,883,147	10.80%	7,170,523	13.86%	8,624,823	16.62%	8,949,823	16.86%		
General Operations	1,058,729	2.82%	952,207	1.49%	1,295,850	2.50%	1,191,866	2.30%	1,137,054	2.14%		
Finance	988,426	2.64%	1,159,533	1.82%	1,228,015	2.37%	1,259,169	2.43%	1,305,375	2.46%		
Information Technology	1,127,937	3.01%	1,417,732	2.22%	1,705,338	3.30%	1,349,142	2.60%	1,374,582	2.59%		
Library	1,051,961	2.81%	1,032,992	1.62%	1,301,683	2.52%	1,272,289	2.45%	1,469,785	2.77%		
Human Resources	656,389	1.75%	693,673	1.09%	829,860	1.60%	855,160	1.65%	885,021	1.67%		
Judicial	513,270	1.37%	573,694	0.90%	561,116	1.08%	602,693	1.16%	614,219	1.16%		
Office of the City Manager	490,882	1.31%	501,892	0.79%	569,208	1.10%	531,281	1.02%	524,344	0.99%		
Planning	373,697	1.00%	516,453	0.81%	554,663	1.07%	635,835	1.22%	623,632	1.17%		
Economic Development	507,636	1.35%	598,631	0.94%	762,045	1.47%	920,558	1.77%	911,090	1.72%		
City Council	150,209	0.40%	144,289	0.23%	155,145	0.30%	174,386	0.34%	175,337	0.33%		
Department Totals	\$ 37,491,263	100.00%	\$ 63,732,434	100.00%	\$ 51,748,022	100.00%	\$ 51,905,944	100.00%	\$ 53,077,148	100.00%		

City of Auburn
Overview of Expenditures by Department - General Fund
FY 07 and FY 08

FY 07 Budgeted Expenditures



FY 08 Budgeted Expenditures



Public Safety	Support of Agencies	Project Operations	Parks & Recreation
Environmental Services	Public Works	Debt Service	Transfers to Other Funds
General Operations	Finance	Information Technology	Library
Human Resources	Judicial	Office of the City Manager	Planning
Economic Development	City Council		

	FY 07		FY 08	
Public Safety	\$ 14,041,144	27.05%	\$ 14,373,049	27.08%
Support of Agencies	1,416,671	2.73%	1,417,971	2.67%
Project Operations	1,250,000	2.41%	1,500,000	2.83%
Parks & Recreation	4,272,615	8.23%	4,474,449	8.43%
Environmental Services	4,173,627	8.04%	4,347,226	8.19%
Public Works	2,966,256	5.71%	3,104,137	5.85%
Debt Service	6,368,429	12.27%	5,890,054	11.10%
Transfers to Other Funds	8,624,823	16.62%	8,949,823	16.86%
General Operations	1,191,866	2.30%	1,137,054	2.14%
Finance	1,259,169	2.43%	1,305,375	2.46%
Information Technology	1,349,142	2.60%	1,374,582	2.59%
Library	1,272,289	2.45%	1,469,785	2.77%
Human Resources	855,160	1.65%	885,021	1.67%
Judicial	602,693	1.16%	614,219	1.16%
Office of the City Manager	531,281	1.02%	524,344	0.99%
Planning	635,835	1.22%	623,632	1.17%
Economic Development	920,558	1.77%	911,090	1.72%
City Council	174,386	0.34%	175,337	0.33%
Total Budgeted Expenditures	\$ 51,905,944	100.00%	\$ 53,077,148	100.00%



City of Auburn

Home of Auburn University

Mission Statement*

The mission of the City of Auburn is to provide economical delivery of quality services created and designed in response to the needs of its citizens rather than by habit or tradition. We will achieve this by:

- ◆ Encouraging planned and managed growth as a means of developing an attractive built-environment and protecting and conserving our natural resources **Planning Department, Public Works Department, Economic Development Department, Environmental Services Department and Water Resource Management Department**
- ◆ Creating diverse employment opportunities leading to an increased tax base **Economic Development Department**
- ◆ Providing and maintaining reliable and appropriate infrastructure **Public Works Department**
- ◆ Providing and promoting quality housing, educational, cultural and recreational opportunities **Economic Development Department, Auburn Public Library, and Parks and Recreation Department**
- ◆ Providing quality public safety services **Public Safety Department and the Judicial Department**
- ◆ Operating an adequately funded city government in a financially responsible and fiscally sound manner **Office of the City Manager and the Finance Department**
- ◆ Recruiting and maintaining a highly motivated work force committed to excellence **Human Resources Department**
- ◆ Facilitating citizen involvement **City Council and the Information Technology Department**

*Please look at each department's section to understand how the departments help fulfill the overall objectives of the city.

City Council

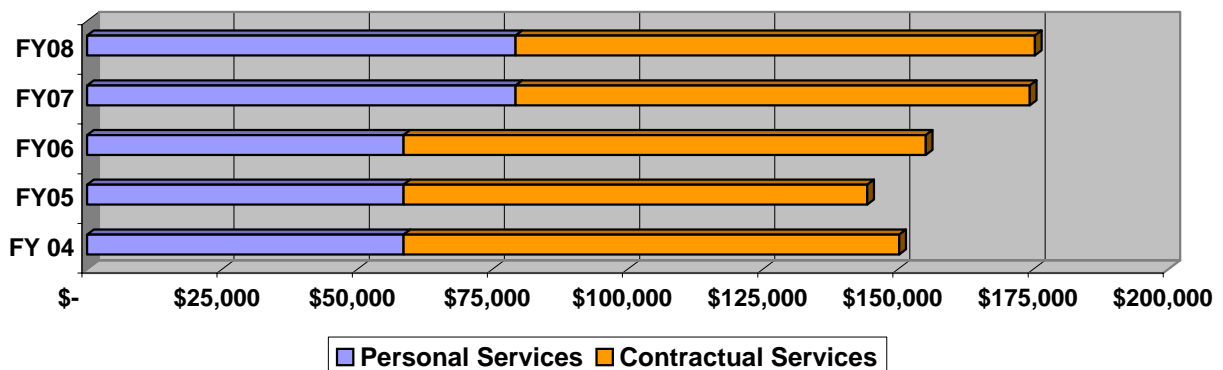
Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY 04	FY05	FY06	FY07	FY08
Personal Services	\$ 58,562	\$ 58,562	\$ 58,562	\$ 79,230	\$ 79,230
Contractual Services	91,647.00	85,727	96,583	95,156	96,107
Commodities	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Totals	\$ 150,209	\$ 144,289	\$ 155,145	\$ 174,386	\$ 175,337

City Council - Five Year Budget Comparison



Office of the City Manager

Charles M. Duggan, Jr., City Manager



Major Functions of the Office of the City Manager

- ◆ Management of daily City operations
 - ◆ Advising the City Council on policy matters
 - ◆ Implementation of City Council decisions
 - ◆ Responding to calls from citizens in a courteous and timely manner
 - ◆ Development and implementation of long-range planning for the City
 - ◆ Preparation of proposed biennial budget for City Council consideration (joint function with Finance Department)
 - ◆ Preparation of City Council meeting agendas
-

Major Accomplishments in FY 06

- ◆ Coordinated the annual citizens survey conducted by ETC Institute of Olathe, Kansas
- ◆ Conducted the Five Mill Tax Fund referendum on April 11, 2006
- ◆ Broke ground on Auburn University Research Park, a joint initiative between the City of Auburn, Auburn University, and the State of Alabama
- ◆ Coordinated expansion and improvements of Bent Creek Interchange with ALDOT officials, sent project out for bid and began construction
- ◆ Implemented policies and procedures in keeping with Alabama's new Open Meetings Law

- ◆ Created the City's first electronic City Council packet submission and publication procedure

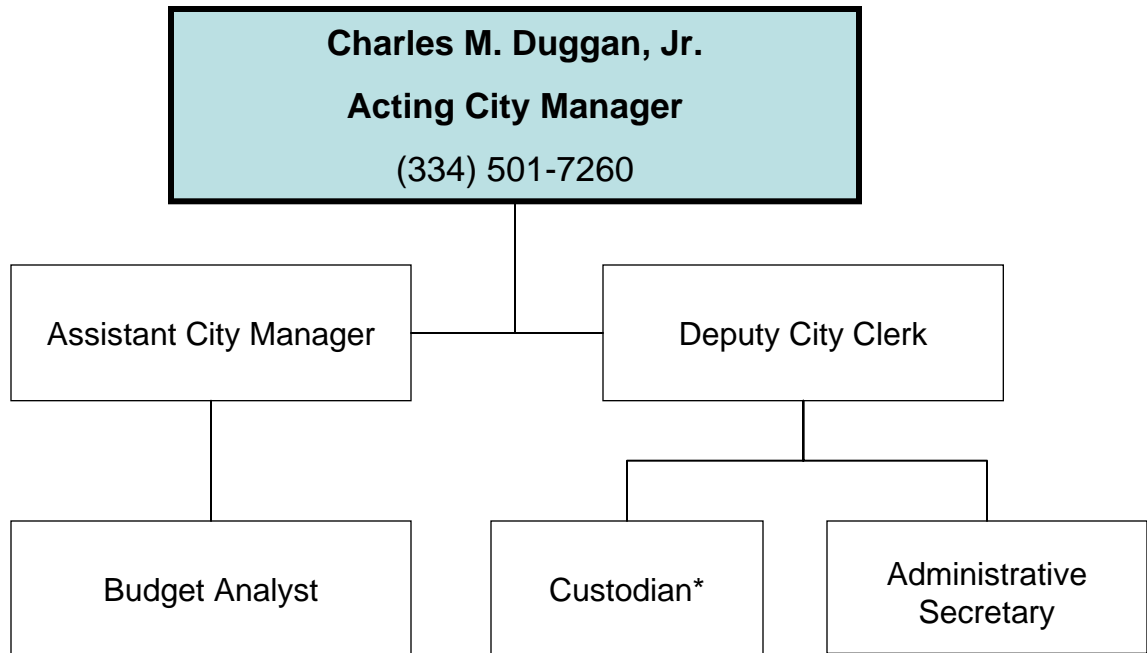
Benchmarks Achieved in FY 06

- ◆ Presented the proposed biennial budget to the City Council 30 days prior to the beginning of the new fiscal year
 - ◆ Continued the publication of a monthly newsletter to inform citizens about the activities of the City government for enclosure with the monthly City utility services billings
 - ◆ Responded to all citizen contacts for assistance within 24 hours
-

The mission of the Office of the City Manager is to work with the City Council and the department heads to ensure the ability of the City of Auburn government to provide services desired and needed by the community in an efficient, effective, and responsive manner both presently and in the future. This will be achieved by the following actions:

- ◆ Submitting policy proposals to the City Council and providing the Council with facts and advice on matters of policy as a basis for making decision and setting community goals
 - ◆ Implementing the policy choices of the City Council through enforcement of ordinances, resolutions, policies, other directives, and budget
 - ◆ Providing administrative leadership in the coordination and direction of the work of the various departments of the City government
 - ◆ Preparing for the future of the community and the City government through long-range planning and programming and economic development
 - ◆ Ensuring that City government is conducted on accordance with all federal, State, and local laws and in accordance with high ethical standards
 - ◆ Providing courteous and timely responses to citizens' calls for services and determining the attitudes and opinions of the citizenry toward the City government based on a recognition that the City's reason for being is to serve its citizens
-

Office of the City Manager



* This position is budgeted in General Operations

Comparative Summary of Authorized Personnel (Regular Full-Time Only)

FY 04
5

FY 05
4

FY 06
5

FY 07
5

FY 08
5

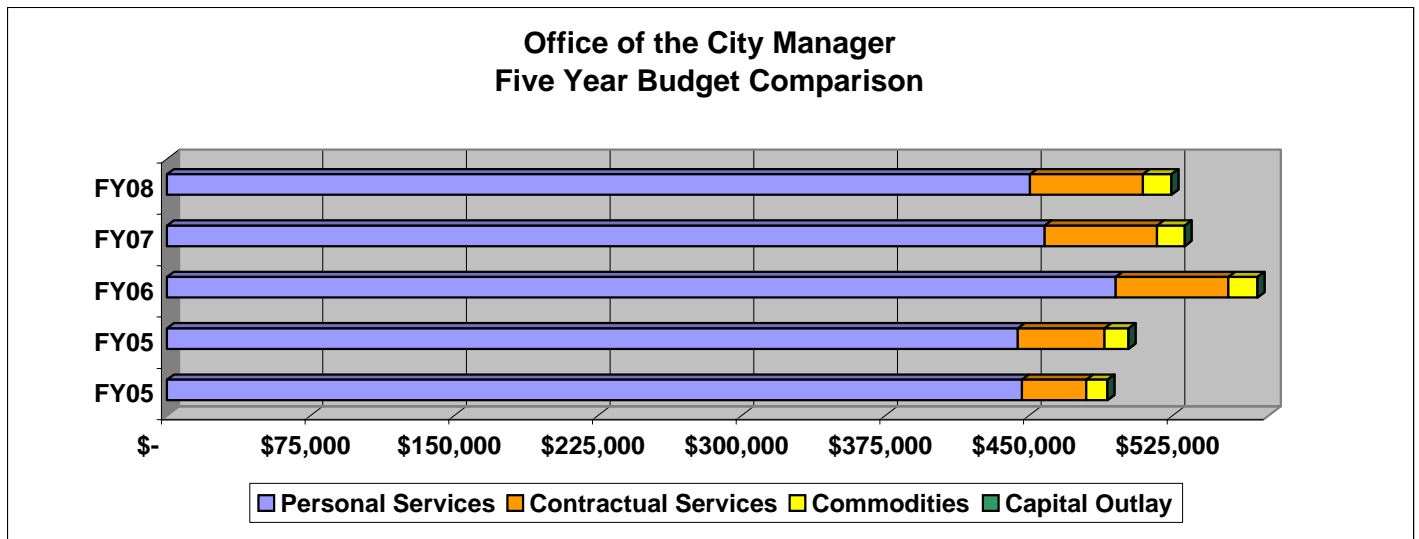
Office of the City Manager

Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Mid-Biennium					
	Actual		Actual		Budget	
	FY05	FY05	FY06	FY07	FY08	
Personal Services	\$ 446,343	\$ 444,131	\$ 495,365	\$ 458,169	\$ 450,501	
Contractual Services	33,510	45,292	58,700	58,590	59,040	
Commodities	11,029	12,469	15,143	14,522	14,803	
Capital Outlay	-	-	-	-	-	
Totals	\$ 490,882	\$ 501,892	\$ 569,208	\$ 531,281	\$ 524,344	



Judicial Department

Joe S. Bailey, Municipal Judge



Major Functions of the Judicial Department

- ◆ Conduct probable cause hearing and issue arrest warrants for violations of municipal ordinance and state misdemeanors
 - ◆ Conduct trials for all other cases
 - ◆ Receive, process, and docket for trial Uniform Traffic Citations issued by Auburn Police
 - ◆ Accept payments for those desiring to plead guilty to certain charges that do not require court appearances
 - ◆ Process all parking tickets issued by Auburn Police
 - ◆ Monitor those sentenced to serve time in the City Jail and to work on the Weekend Bus Detail
 - ◆ Through our Court Referral Officer, direct all persons convicted of drug or alcohol crimes to various counseling programs and monitor their progress/completion
 - ◆ Conduct our Domestic Violence Intervention Program
 - ◆ Monitor the Part Payment Program for those paying on their fines via a payment plan
-

Major Accomplishments in FY 06

- ◆ A new procedure has been instituted where attorneys are provided all documentation via scanning, computer retrieval and delivery by e-mail. This significantly reduces the time previously required for physically copying each document, the attorneys get this information quicker and there is significant reduction in postage expense.
- ◆ Court dockets are now being e-mailed to all Officers and attorneys weekly.
- ◆ We have established a new court docket for the first and third Wednesdays of each month. Citizen complaint cases where officers are not involved are docketed at these times to expedite these cases. Probable cause hearings are also docketed on these days. In addition to expediting these cases, it reduces the volume of cases on our regular weekly Thursday dockets.
- ◆ A new procedure has been instituted where officers are not required to appear in court on the date of the defendant's original appearance unless there are unusual circumstances. If, at the initial appearance it is determined that there will be a trial, the case is continued until the officer's next regular court date. This significantly reduces payment of officer overtime, provides additional time for the City Prosecutor to prepare for trial and reduces the time required to dispose of all docketed cases.
- ◆ Our department's web site has been revised showing the charges and fines that may be paid at the Clerk's Office without a court appearance. This has reduced the number of

telephone calls requesting information about these cases and has expedited fine collection.

Benchmarks Achieved in FY 06

- ◆ Traffic cases filed: 11,105; traffic cases disposed: 11,077, traffic cases appealed: 7

- ◆ Non-traffic cases filed: 2,448; non-traffic cases disposed: 2,398; non-traffic cases appealed: 46
- ◆ DUI cases filed: 315; DUI cases disposed: 170; DUI cases appealed: 0



Judicial Department
Joe S. Bailey, Municipal Judge

The mission of the Judicial Department is to provide a constitutional and statutory medium for the enforcement of traffic offenses, municipal ordinance violations, and State misdemeanors adopted by municipal ordinance as offenses against the City of Auburn.

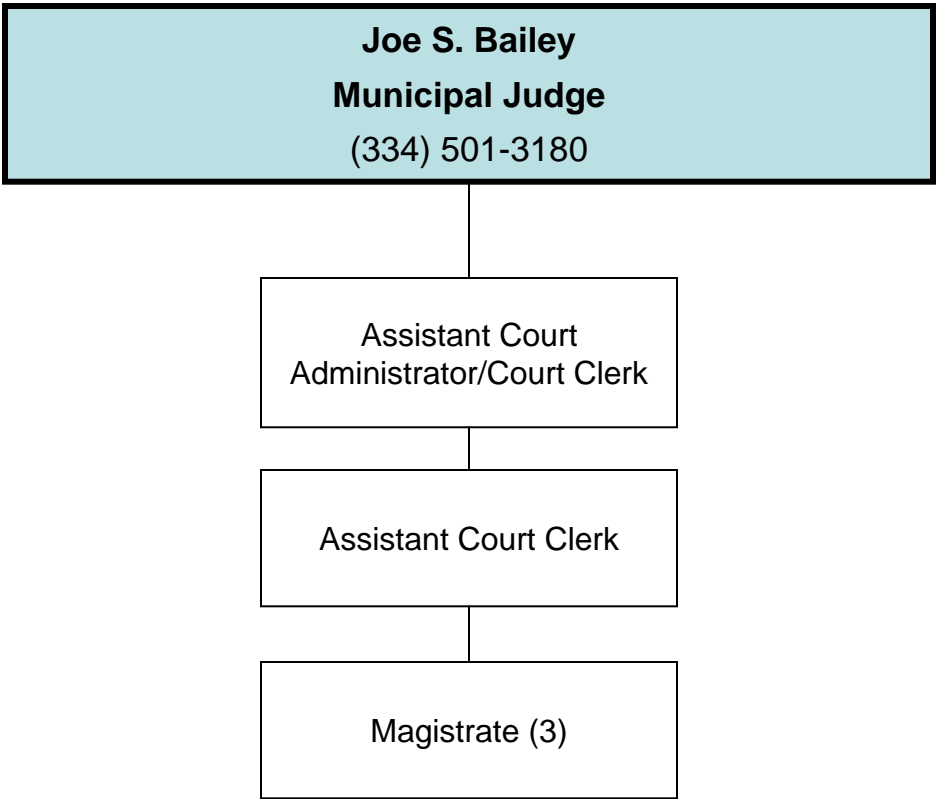
In order to accomplish this mission, the Judicial Department operates the Auburn Municipal Court by:

- Providing adequate personnel with all employees, other than the Judge, being state certified magistrates
 - Ensuring that no warrants of arrest are issued before probable cause is established to support the warrant
 - Ensuring that no person is deprived of his or her liberty or property without due process of law
 - Providing court administration to guarantee that all persons coming before the Court are treated equally and have protected rights afforded them under the United States Constitution, the Alabama Constitution, and applicable ordinances and statutes
-

FY 07-08 Goals

- | | |
|--|---|
| <ol style="list-style-type: none">1. Continue to consider private probation services for procedures such as house arrest as alternatives to incarceration.2. Identify providers of counseling services for shoplifting defendants and those convicted of crimes indicating obsessive/compulsive behavior.3. In conjunction with Public Safety, review the viability of a weekend trash bus detail using City inmates from the County Jail.4. Continue to monitor the Court Referral Program as it pertains to the three major areas of related crimes: drug, alcohol and domestic violence.5. Continue working with Finance to finalize a procedure for aging delinquent fines and delineation of the same regarding financial reporting and anticipated collection probabilities. | <ol style="list-style-type: none">6. In conjunction with Public Safety, study caseloads for various patrol shifts, docket volumes and case disposition efficiencies.7. Work with IT to automate processing of files in the courtroom transferring data to the Clerk's office to automatically produce part-pay forms, subpoenas, etc.8. Install system so that fines, court costs and parking tickets can be paid via debit and credit cards.9. Convert to electronic transfer of discovery documents to defense attorneys. This will disseminate the information quicker and also result in considerable postage savings.10. Develop 'drop box' system for payment of parking tickets 24-7.11. Study cost and feasibility of using 'palm pilot' type devices for electronic entering of parking tickets deleting the necessity of multiple entry. |
|--|---|

Judicial Department



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

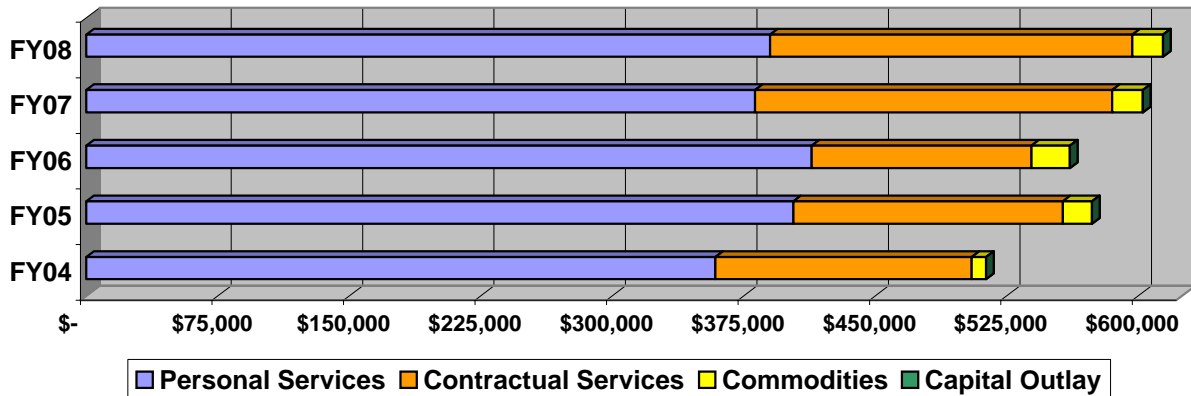
FY 04	FY 05	FY 06	FY 07	FY 08
7	7	6	6	6

Judicial
Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 358,898	\$ 403,318	\$ 413,779	\$ 381,562	\$ 390,068
Contractual Services	146,190	153,689	125,337	203,631	206,651
Commodities	8,182	16,687	22,000	17,500	17,500
Capital Outlay	-	-	-	-	-
Totals	\$ 513,270	\$ 573,694	\$ 561,116	\$ 602,693	\$ 614,219

Judicial - Five Year Budget Comparison



Information Technology Department

James C. Buston III, Director



Major Functions of the Information Technology Department

- ◆ Provide technical assistance and advice to the City Manager, Department Heads, and City personnel on all Information Technology concerns
 - ◆ Operate and maintain a fiscally sound and reliable voice, data and radio communications infrastructure while providing an exceedingly high level of service and support
 - ◆ Facilitate interdepartmental and community involvement in Information Technology decisions
 - ◆ Provide City employees and City residents with the best available, most cost-effective technology and procedures relating to the field of Information Technology
-

Major Accomplishments in FY 06

- ◆ Oversaw the smooth implementation of Fixed Assets, Inventory, Budgeting, Cashiering and related software modules for the City's computerized financial system.
- ◆ Oversaw the smooth implementation of the new Codes and Permits software modules for the City's Planning Department and the Codes Division of the City's Public Safety Department.
- ◆ Implemented the e-Notifier for the City of Auburn website which allows citizens to subscribe to various lists to be notified when information of interest to that citizen is posted on the website.
- ◆ Implemented the Microsoft SharePoint Portal Server as the Intranet for the City of Auburn.
- ◆ Completed a site survey of a two square mile pilot project for wireless access to be provided to employees of the Public Safety, Public Works and Environmental Services Departments.
- ◆ Completed the City's Aerial Photography Project with the publishing of the new color aerials to the City's Internet site and making project deliverables available to all City Engineers via the City's Intranet.
- ◆ Migrated all of the City's "light" GIS users to ArcGIS Engine Runtime licenses through the creation of custom applications that use the Engine licenses.
- ◆ Serviced all essential voice, data and radio systems under the preview of this Department without experiencing any unscheduled interruption of services to employees and citizens.

Benchmarks Achieved

- ◆ Realized 99.999% availability of City's Phone System
Processed approximately 168,000 incoming and outgoing calls for the year without any significant interruption in phone service.
- ◆ Realized 99.999% availability of the City's E-Mail System
Processed 6,869,242 incoming e-mails for the year, quarantining 5,788,016 of those e-mails as SPAM, without any interruption in e-mail service.
- ◆ Realized 99.999% availability of the City's Web Presence
Served 190,921 unique visitors to www.auburnalabama.org during the year with no significant interruption in web services.
Serviced an average of 6,479 requests for downloads per day on the website.
- ◆ Realized 99.999% availability of the City's data network
There was no interruption of services provided by the City's Domain Controllers, Database Servers, Application Servers and Financial/HR Servers.
- ◆ Detected and Eliminated 56,034 viruses attempting infection of the City's network
Viruses Eliminated at Desktop = 8,000
Viruses Eliminated at Network Edge = 48,034
No viruses penetrated the City's multi-tier virus defense system.
- ◆ Completed 2,450 Work Requests

Information Technology Department
James C. Buston III, Director

The mission of the Information Technology Department is to facilitate reliable, timely, and easy access to information for the employees and residents of the City of Auburn. Through our commitment to provide quality service and support, the Department will strive to exceed the expectations of employees and residents by:

- Providing technical assistance and advice to the City Manager, Department Heads, and City School System on all Information Technology concerns.
 - Operating and maintaining a fiscally sound and reliable communications infrastructure while providing an exceedingly high level of service and support.
 - Facilitating interdepartmental and community involvement in Information Technology decisions.
 - Providing City employees and City residents with the best available, most cost effective technology and procedures relating to the field of Information Technology.
-

FY 07 GOALS

1. Work with each of the city departments to determine needs for web features, content and editorial access as part of the migration of the City of Auburn website to current web technologies and standards including XHTML, CSS and appropriate scripting language by December 31, 2006.
2. Redesign the City of Auburn website for improved esthetics, navigability and content by March 31, 2007
 - a. Develop a new model for editorial control of web areas by individual departments.
 - b. Revise e-mail address format on the web to decrease spam/virus activity and increase security/privacy for city employees.
 - c. Train responsible employees in web content management.
3. Implement web based forms for citizen reporting and feedback by April 30, 2007.
4. Establish a comprehensive, citywide policy for document flow, storage, retention and archiving by January 31, 2007
 - a. Include all incoming documents (e-mail, attachments, paper) and documents created in-house
 - b. Define storage and access for each phase of the lifecycle including active and archival documents
 - c. Consider all involved technologies including network storage, Eden, Laserfiche and SharePoint
5. Test, create standard build, create related group policies, determine hardware needs and rollout Windows Vista (including Office 2007) to all City of Auburn desktops by September 30, 2007.
6. Work with all departments to expand e-mail subscription web offerings to address the request of the City Council by developing RSS feeds to allow citizens to subscribe to frequently updated content areas (Press Releases, City Council Packet, etc.) by July 31, 2007.

7. Install network cabling and communications infrastructure in the new Public Library building by September 30, 2007.
8. Install network cabling and communications infrastructure in the new Tennis Center Complex by September 30, 2007.
9. Install network cabling and communications infrastructure in the new Fire Station #5.
10. Upgrade the City of Auburn e-mail system (Microsoft Exchange) to the 2007 version by September 30, 2007.
11. Create, test and modify a formal Information Technology Emergency Operations plan to assure business continuity and disaster preparedness in the delivery of city services to Auburn's citizens by October 31, 2007.
12. Assist the Judicial Department with the automation processing of files in the courtroom and transferring data to the Clerk's office to automatically produce court documents at that location by April 30, 2007.
13. Assist the Judicial Department with identifying and installing an automated system to allow fines, court costs and parking tickets to be paid via debit and credit cards.
14. Assist the Judicial Department with establishing a system to convert discovery documents to electronic format and transfer those documents electronically to defense attorneys by September 30, 2007.
15. Assist the Public Safety Communications Division with the installation of a replacement Enhanced 911 and recorder system by December 31, 2006.
16. Assist the Public Safety Fire Division in the evaluation and update of the fire response zones to include recently annexed areas and include Station 5 first due response territory by September 30, 2007.
17. Assist the Finance Department in completing the implementation of the Contract Management module of the new financial management software by February 28, 2007.
18. Assist the Finance Department with establishing a centralized paperless filing system for the Accounts Payable Office by September 30, 2007.
19. Assist the Finance Department with implement the Cashiering module of the new financial management software in Parks and Recreation, Public Safety-Police Division, Judicial and Library by September 30, 2007.
20. Assist the Finance Department with developing a layer in the City's GIS map to show the homestead exemption status of all residential parcels by December 31, 2006.
21. Assist the Finance Department with the implementation of the acceptance of credit and debit cards for over-the-counter payment transaction in City Hall by December 31, 2006.
22. Assist the Finance Department, Water Revenue Division, with the implementation of a web based e-billing system for customers by June 30, 2007.
23. Assist the Finance Department, Water Revenue Division, with the development of a website for the Water Revenue Office, through which customers can complete forms online and email WRO staff directly by September 30, 2007.
24. Work with all departments to implement a citywide work request system that interfaces with current financial software and current GIS software by September 30, 2007 – only as budget allows.
25. Upgrade the City of Auburn phone system (Call Manager Servers) to new hardware to replace the current 5 year old servers by July 31, 2007 – only as budget allows.

26. Rollout additional (number to be determined based on outcome of current pilot project) hot-spot zones for the City of Auburn wireless initiative by September 30, 2007 - only as budget allows.
27. Install and configure the ESRI Parcel ArcServer system to increase internal GIS user efficiencies and to better integrate the City of Auburn's GIS with that of Lee County by September 30, 2007 – only as budget allows.
28. Assist the Environmental Services Department in evaluating the current and future needs of the department related to the compilation and dissemination of information generated and/or utilized by the department and implement a database system to accommodate these needs by September 30, 2007 – only as budget allows.
29. Assist the Public Works Department with the update of the Storm Water Inventory Project to be completed by September 30, 2007 – only as budget allows.
30. Assist the Public Works Department in the programming of an Inspections Checklist for use on hand-held computers by the Engineering Inspectors in the field by February 28, 2007 – only as budget allows.
31. Assist the Water Resource Management Department in the development and implementation of a work order database to more effectively log, monitor, and map construction and maintenance projects related to water, sanitary sewer and storm water by December 30, 2006 – only as budget allows.
32. Assist the Water Resource Management Department in implementing a wireless service order system such that staff can receive work orders while in the field or on call to document in better detail the nature of the order and response by February 28, 2007 – only as budget allows.
33. Assist the Water Resource Management Department in completing the GPS survey of Auburn's water and sanitary sewer assets by September 30, 2007 – only as budget allows.
34. Assist the Judicial Department in conducting a cost and feasibility study of using hand held wireless devices for electronic entering of parking tickets by September 30, 2007 – only as budget allows.
35. Assist the Public Safety Department in implementing a targeted, wireless, mobile data system for emergency vehicles by March 30, 2007- only as budget allows.
36. Assist the Public Safety Department in designing and implementing a data sharing initiative with the Opelika Police Department and the Lee County Sheriff's Department whereby each organization will share arrest and other pertinent data real-time over the Internet by August 31, 2007- only as budget allows.
37. Assist the Public Safety Communications Division in developing a program to accurately reflect calls, incidents, offenses, and arrests occurring on all Auburn University owned property. The program will be used to prepare annual statistical information required by the Clery Act by December 31, 2006 – only as budget allows.
38. Assist the Public Safety Communication Division with the design and installation of a fourth console position within the 911 center capable of telephone, basic radio and CAD capability by June 30, 2007 – only as budget allows.
39. Assist the Public Safety Codes Division in identifying, purchasing and installing equipment to enable inspectors to enter inspection results from the field as well as retrieve information such as inspection requests from the internal network by

September 30, 2007 – only as budget allows.

40. Assist the Finance Department, Water Revenue Division, with the implementation of a wireless service orders for address-related service orders by January 31, 2007 – only as budget allows.

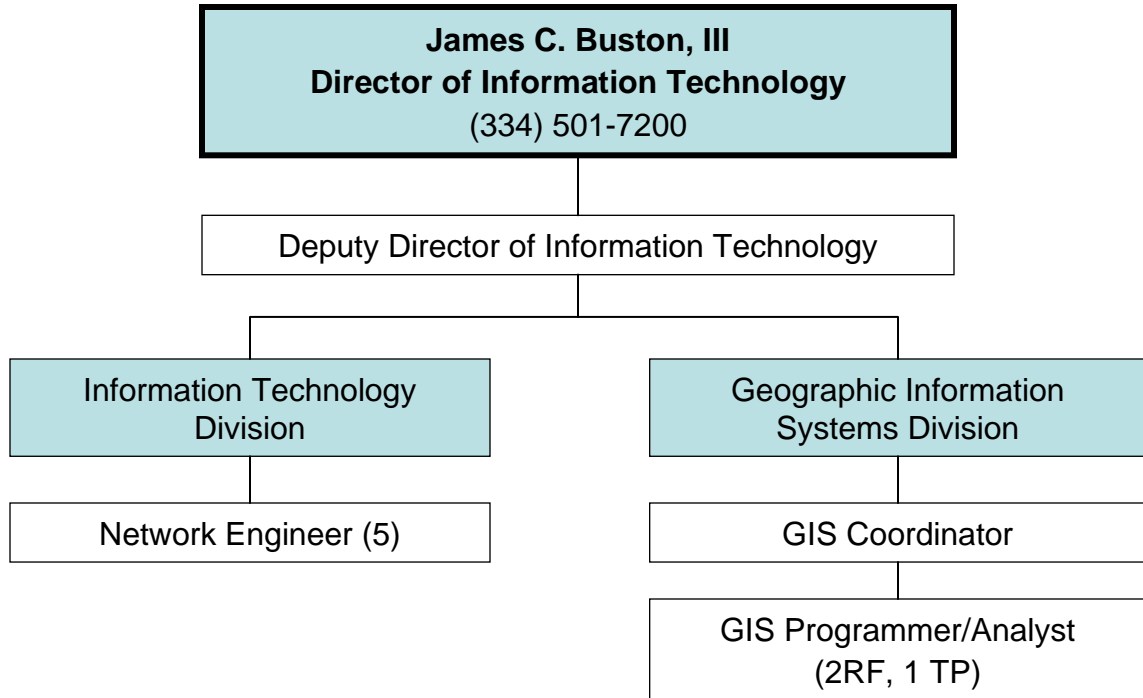
FY 08 GOALS

1. Review, test and modify the Information Technology Emergency Operations plan implemented in FY 07 by September 30, 2008.
2. Design and implement an annual Information Technology inter-departmental survey to judge how IT is meeting the needs of the organization and to identify areas needing attention by December 31, 2007.
3. Design and implement a network storage solution for shared drives using SharePoint by November 30, 2007.
4. Formalize a web based, Information Technology standard operating procedure (SOP) document by September 30, 2008.
5. Upgrade all SQL servers to SQL 2005 by February 28, 2008.
6. Evaluate pending Microsoft technologies for testing and possible rollout – including such products as Form Server, Expression, new versions of existing software and deeper, more comprehensive uses for existing software currently in use by Auburn City staff.
7. Provide two training courses each for: web page editing, SharePoint site creation and scanning/Laserfiche procedures by September 30, 2008.
8. Assist the Finance Department with implementing a web based, on-line tax return submission capability by September 30, 2008.
9. Assist the Finance Department with

implementing the acceptance of credit and debit cards for Internet transaction by September 30, 2008.

10. Assist the Finance Department, Water Revenue Division, with a feasibility study for implementing multiple billing cycles by September 30, 2008.
11. Contract and implement a new set of aerial photography to encompass 92 square miles in and around the City of Auburn by March 31, 2008 – only as budget allows.
12. Implement ArcServer as the replacement platform for the GIS mapping software (IMS) on our web site by April 31, 2008 – only as budget allows.
13. Upgrade the City of Auburn phone system software to the latest version and feature set by September 30, 2008 – only as budget allows.
14. Continue implementing targeted, wireless sites for use by City of Auburn emergency and non emergency staff by January 31, 2008 – only as budget allows.
15. Re-install network cabling and communications infrastructure during the renovation of Fire Station #1 by June 30, 2008 – only as budget allows.
16. Assist the Public Safety Department with the continued installation (started in FY 07) of mobile data systems in all emergency vehicles by April 30, 2008 – only as budget allows.
17. Assist the Public Safety Department in conducting pathway studies and possible tower(s) antennae placements for determining the feasibility of placing satellite radios (for Public Safety use) in the area of South College and I-85 to improve radio communications in the southern area of Auburn by September 30, 2008 – only as budget allows.

Department of Information Technology



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

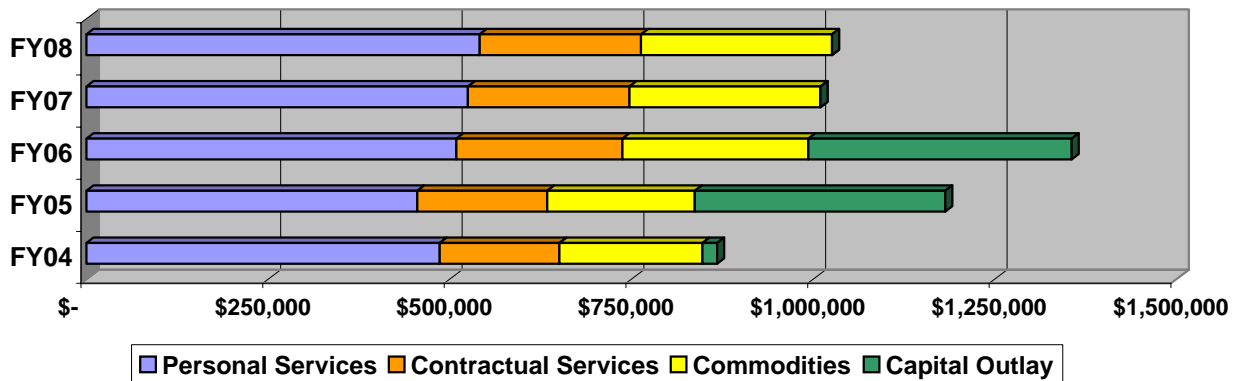
	FY 04	FY 05	FY 06	FY 07	FY 08
Info Tech	7	7	7	7	7
GIS	5	3	3	3	3
TOTAL	12	10	10	10	10

Information Technology
Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 486,099	\$	455,338	\$	509,023	\$ 525,220	\$ 541,203
Contractual Services	165,029		178,970		228,772	222,290	222,290
Commodities	196,528		203,165		255,769	262,646	262,547
Capital Outlay	20,450		344,589		362,403	-	-
Totals	\$ 868,106	\$	1,182,062	\$	1,355,967	\$ 1,010,156	\$ 1,026,040

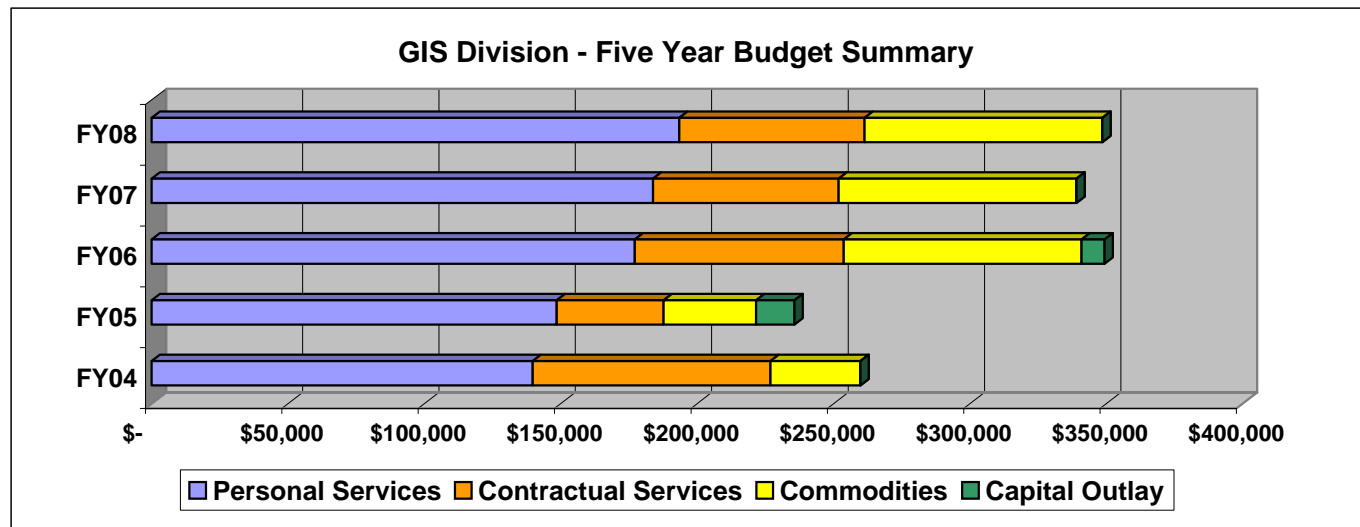
Information Technology - Five Year Budget Summary



Information Technology
Geographic Information System (GIS) Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 139,719	\$	148,509	\$	177,087	\$ 183,841	\$ 193,397
Contractual Services	87,197		39,200		76,599	67,960	67,960
Commodities	32,915		33,851		87,185	87,185	87,185
Capital Outlay	-		14,110		8,500	-	-
Totals	\$ 259,831	\$	235,670	\$	349,371	\$ 338,986	\$ 348,542



Finance Department

Andrea E. Jackson, Director



Major Functions of the Finance Department

- ◆ Perform centralized treasury function for all City departments: cash receipting, cash disbursements, cash account reconciliation, investment of idle cash, etc.
- ◆ Monitor and collect City account receivable
- ◆ Maintain the City's general ledger as the primary permanent accounting record of City finances
- ◆ Administer the City's revenue ordinances, provide information and documents to City taxpayers, collect City taxes and license fees, take appropriate action with delinquent taxpayers
- ◆ Provide centralized purchasing services to City departments
- ◆ Develop, monitor, and evaluate internal control procedures
- ◆ Perform debt management functions
- ◆ Provide payroll processing services for all City and Water Board employees (joint function with the Human Resources Department)
- ◆ Provide financial management services to the Water Works Board, including supervision of the Water Revenue Office
- ◆ Provide records management services to all City departments
- ◆ Develop proposed budget (joint function with the Office of the City Manager) and administer the approved budget
- ◆ Develop financial projections to assist the City Manager's Office, the Water Board, and the School Board
- ◆ Provide financial data and analysis in support of the Economic Development Department and the Industrial Development Board
- ◆ Provide financial data and analysis to support the City Manager's Office and all City departments in the management of capital projects

Major Accomplishments in FY 06

- ◆ Published the FY 05 Comprehensive Annual Financial Report (CAFR), which implemented Governmental Accounting Standards Board (GASB) Statement No. 44, on March 31, 2006. GASB Statement 44, which has improved the usefulness of the Statistical Section. The City has been notified that the 2005 CAFR has been awarded the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 20th consecutive time.
- ◆ Published the FY 05 Popular Annual Financial Report (PAFR), the City's fourth PAFR; and distributed a copy of the PAFR to each household in the City by its enclosure with the monthly City utility bills in June. The City has been notified that the 2005 PAFR has been awarded the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting.
- ◆ In support of the Office of the City Manager and with input from all City departments, developed and published the proposed biennial budget for fiscal years 2007 and 2008, using the financial projection model developed by the Finance Department to evaluate various capital projects and financing alternatives. The City Council adopted the biennial budget on July 18, 2006.
- ◆ In support of the Auburn Water Works Board, developed and published the proposed biennial budget for fiscal years 2007 and 2008. The Board approved the budget on September 11, 2006.
- ◆ Published the FY 07 & FY 08 Biennial Budget Working Document and distributed to all City departments on October 2, 2006.
- ◆ Staff members obtained the following certifications:
 - Accredited Payables Manager
 - Certified Municipal Revenue Officer
- ◆ Staff members completed the following degrees:
 - Bachelor of Science in Business Administration
 - Master of Accountancy
 - Master of Business Administration

- Master of Human Resource Management
- Master of Public Administration
- ◆ Successfully implemented the first Sales Tax Holiday in August 2006. The Revenue staff ensured that store owners were educated as to the items exempted from the City and State sales tax by means of brochures, meetings, and press releases.
- ◆ Issued a Request for Proposals for a Governmental Money Market Account (GMMA) to all local financial institutions. Upon receipt of the proposals, analyzed all proposals and developed a recommendation to the City Manager for an agreement for the GMMA.

Benchmarks Achieved

- ◆ **Maintained the City's bond ratings:**
Moody's: Aa3 (confirmed July 2005)
Standard & Poors: AA- (confirmed July 2005)
- ◆ **Maintained the Water Board's bond rating:**
Moody's: Aa3 (upgraded August 2002)
- ◆ **Invitations to Bid processed:**
FY 06 56
- ◆ **Invitations to Bid awarded:**
FY 06 51
- ◆ **Business licenses issued:**
FY 03 4,938
FY 04 5,718
FY 05 5,691
FY 06 4,797

◆ **Sales and Use Tax Forms processed:**

FY 06 21,809

◆ **Occupation License Fee returns processed:**

FY 06 8,053

◆ **General Fund revenue per capita:**

FY 01 \$704
FY 02 \$710
FY 03 \$768
FY 04 \$853
FY 05 \$920
FY 06 \$999

◆ **Debt service expenditures as % of total expenditures**

FY 01 11.79%
FY 02 9.91%
FY 03 7.83%
FY 04 9.10%
FY 05 29.5%
FY 06 10.69%

◆ **Average number of utility customers billed per month**

FY 01 14,420
FY 02 14,853
FY 03 14,384
FY 04 15,051
FY 05 17,294
FY 06 17,204

◆ **Checks processed:**

	<u>FY 04</u>	<u>FY 05</u>	<u>FY06</u>
Payroll	4,709	4,621	4,133
City Vendor	6,589	7,245	7,655
Water Bd. Vendor	1,147	1,254	1,466

City of Auburn Finance Department
Andrea E. Jackson, Director

The mission of the Finance Department is to provide high quality financial services to all of its customers, both external and internal, by:

- Providing accurate, complete and timely information regarding the City's financial condition and transactions
 - Protecting City assets against unauthorized use and managing City assets for their most productive use
 - Administering the City's revenue ordinances and finance-related laws, regulations and contracts in an efficient and equitable manner
 - Providing administrative services to other City departments to obtain the supplies, equipment, and services they need.
 - Implementing effective procedures for the timely liquidation of all properly documented City liabilities which ensures compliance with all legal requirements
 - Maintaining a commitment to a high level of personal productivity and a continuous pursuit of the means for improving the Department's procedures and achieving significant personal satisfaction in the staff's professional roles
-

FY 07 Goals

Accounting, Budgeting and Financial Reporting

1. Develop performance measures for high priority functions and begin measurements by October 31, 2006.
2. Provide group and one-on-one refresher training in on-line requisitioning (paperless purchase orders) as needed or requested by other City departments by April 30, 2007.
3. Publish the FY 2006 CAFR and submit to the GFOA's award program by March 31, 2007.
4. Publish the FY 2006 PAFR and submit to the GFOA's award program by March 31, 2007.
5. Update the City Accounting Procedures Manual by January 31, 2007.
6. With support from Information Technology, complete the

implementation of the Contract Management module of the new financial management software by February 28, 2007.

7. Complete the inventory of retroactive infrastructure (infrastructure acquired between October 1, 1979, and September 30, 2002) by March 31, 2007, to meet the requirements of the Government Accounting Standards Board.
8. Begin a continuous program of internal controls evaluations by completing evaluations of selected departments by September 30, 2007.
9. Develop and issue a request for proposals for arbitrage evaluation services and select a service provider by February 28, 2007.
10. Evaluate the functionality of and customer demand for the web extension modules for Accounts Receivable and Accounts Payable in the new financial

management software and decide whether these modules should be implemented by January 31, 2007.

11. Work with Information Technology to develop a centralized paperless filing system for the Accounts Payable Office.

Revenue Administration

1. Develop performance measures for high priority functions and begin measurements by October 31, 2006.
2. Prepare analyses and data necessary to conduct the City's Quadrennial Revenue Review by February 28, 2007. Prepare the Revenue Review document by March 31, 2007.
3. With support from Information Technology, implement the Cashiering module of the new financial management software in Parks and Recreation, Public Safety-Police Division, Judicial and Library by September 30, 2007.
4. With the support of Information Technology, develop a layer in the City's GIS map to show the homestead exemption status of all residential parcels by December 31, 2006.
5. Revise the City's investment policy for proposed adoption by the City Council by December 31, 2006.
6. With the support of Information Technology, implement acceptance of credit and debit cards for over-the-counter transactions in City Hall by December 31, 2006.
7. Work with Public Safety – Police Division to develop a process for obtaining officers' assistance with revenue enforcement field activities by December 31, 2006.
8. With support from Information Technology, implement acceptance of credit and debit cards for over-the-counter transactions in departments outside City Hall by September 30, 2007.

9. Implement the City's approved investment strategy, purchasing securities as allowed under State law and the City's approved investment policy and under the guidance of the Finance Director by February 28, 2007.

10. Develop a report on the City's investments (purchases, sales, investment income and holdings as of the month-end date) to be included in the monthly reports package by February 28, 2007.

11. Work with Information Technology to develop a centralized paperless filing system for the Revenue Office.

Water Revenue Office (WRO) and Water Board Accounting

1. Develop performance measures for critical functions and begin measurements by October 31, 2006.
2. Provide support to the Water Resource Management Department in updating the Water Board's Policies and Procedures statement for approval by the Water Board by March 31, 2007.
3. Publish the Water Board's audited annual financial report on fiscal year 2006 by March 31, 2007.
4. Develop a draft investment policy for proposed adoption by the Water Board by December 31, 2006.
5. Update the Water Revenue Office Procedures Manual and a separate Cash Procedures Manual by March 31, 2007.
6. Provide computer skills training to Water Revenue Office staff to strengthen staff's skills in development of spreadsheets and use of the utility billing software by June 30, 2007.
7. Determine an investment strategy for the Water Board's idle funds and purchase securities as allowed under State law and the Water Board's approved investment policy and under

the guidance of the Finance Director by February 28, 2007.

8. Develop a report on the Water Board's investments (purchases, sales, investment income and holdings as of the month-end date) to be included in the monthly reports package by March 31, 2007,
9. With support from Information Technology, implement e-billing for customers who request such by June 30, 2007.
10. With support from Information Technology, develop a website for the Water Revenue Office, through which customers can complete forms online and email WRO staff directly by September 30, 2007.
11. Implement methods to reduce delinquent utility accounts receivable over 60 days past due by 10% from the September 30, 2006 level by September 30, 2007.
12. Develop a Water Board Accounting Procedures Manual by September 30, 2007.

Purchasing

1. Develop performance measures for critical functions and begin measurements by October 31, 2006.
2. Evaluate the feasibility of implementing a purchasing card program and, if determined to be feasible, conduct a pilot program by June 30, 2007.

FY 08 Goals

Accounting, Budgeting and Financial Reporting

1. Assess results of performance measurements in fiscal 2007, revise performance measures, if needed, and continue measurements by October 31, 2007.

2. Publish the FY 2007 CAFR and submit to the GFOA's award program by March 15, 2008.
3. Publish the FY 2007 PAFR and submit to the GFOA's award program by March 31, 2008.
4. Provide group and one-on-one refresher training in on-line requisitioning (paperless purchase orders) and other modules of the financial management software as needed or requested by other City departments by April 30, 2008.
5. Continue the internal controls evaluation program by completing evaluations of selected departments, with a plan to evaluate controls in all departments over a three-year cycle, by September 30, 2008.
6. Review the City's debt policy and assess whether changes should be proposed to City Council by April 30, 2008.
7. Work with Human Resources, City Revenue Office and Water Revenue Office staff to perform spot audits of billing and payroll software functions and monitor internal control procedures by April 30, 2008.

Revenue Administration

1. Assess the results of performance measurements in fiscal 2007 and revise performance measures, if appropriate, and continue measurements by October 31, 2007.
2. Draft an ordinance to amend the City's business license ordinance to parallel the State's simplified business licensing statute for Council consideration by November 30, 2007, to enable an effective date of January 1, 2008.
3. Assess taxpayers' demand for training about the City's revenue ordinances, filing requirements and procedures by November 30, 2007. If demand is sufficient, provide taxpayer training by

December 31, 2007, in advance of the business license renewal period.

4. With support from Information Technology, implement on-line submission of tax returns by September 30, 2008.
5. With support from Information Technology, implement the acceptance of credit and debit cards for Internet transactions by September 30, 2008.
6. Update the City Revenue Office Procedures Manual by September 30, 2008.

Water Revenue Office and Water Board Accounting

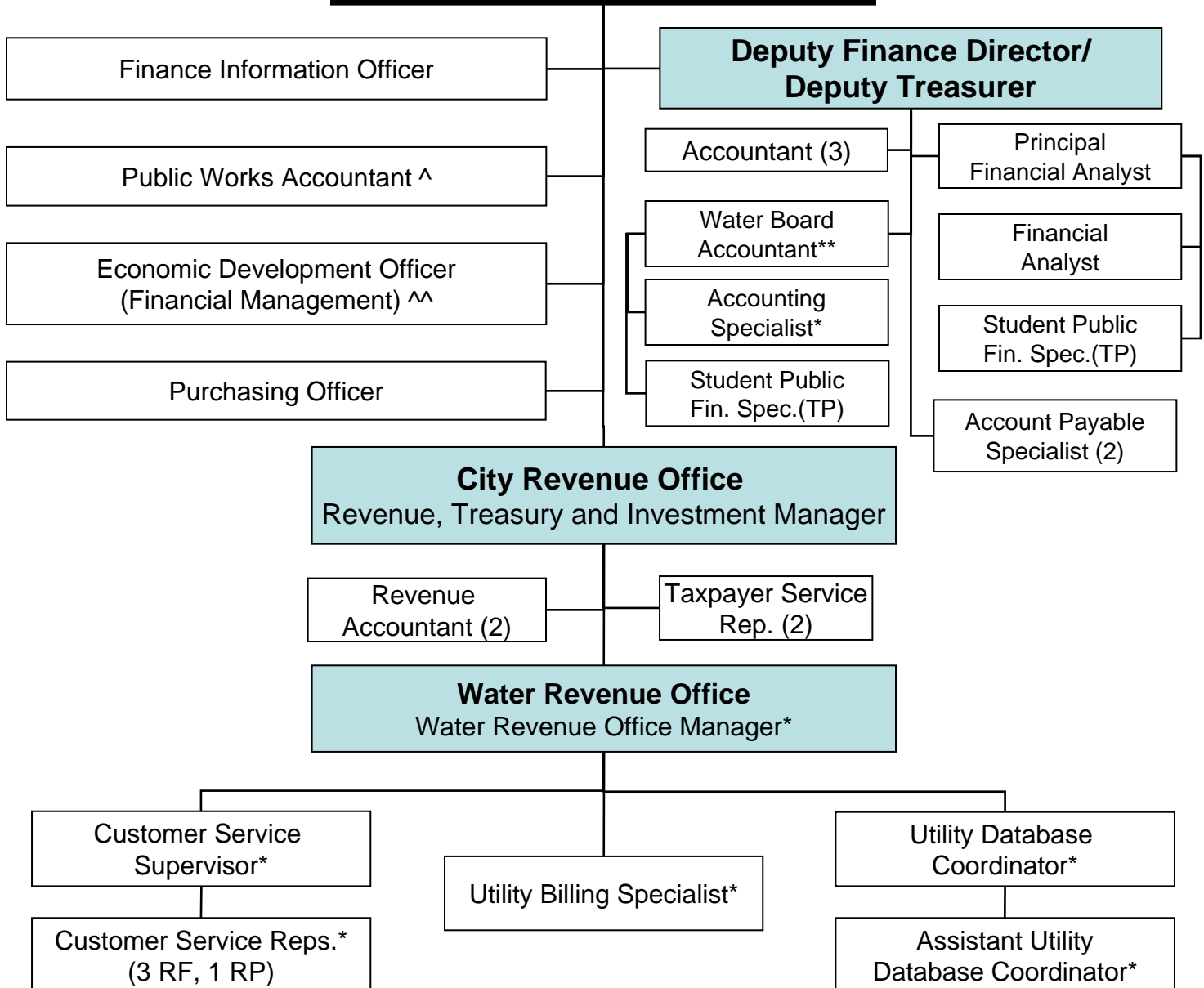
1. Assess results of performance measurements in fiscal 2007, revise performance measures if needed, and continue measurements by October 31, 2007.
2. Publish the Water Board's audited annual financial report on fiscal year 2007 by March 15, 2008.
3. With the support of Information Technology, assess the feasibility of implementing multiple billing cycles by September 30, 2008.

Purchasing

1. Assess results of performance measurements in fiscal 2007, revise performance measures if needed, and continue measurements by October 31, 2007.
2. Revise the City's Purchasing Policies and Procedures Manual by September 30, 2008.

Finance Department

Finance Director/Treasurer
Andrea E. Jackson, CPA, CGFM
 (334) 501-7220



^ Position housed in the Public Works Department and is jointly supervised by the Public Works Director and Finance Director

^^ Position housed in the Economic Development Department and is jointly supervised by the Economic Development Director and Finance Director

* Water Board employees reporting to the Finance Department under the City's management agreement with the Water Board

** Water Board reimburses City for this position's salary and benefits

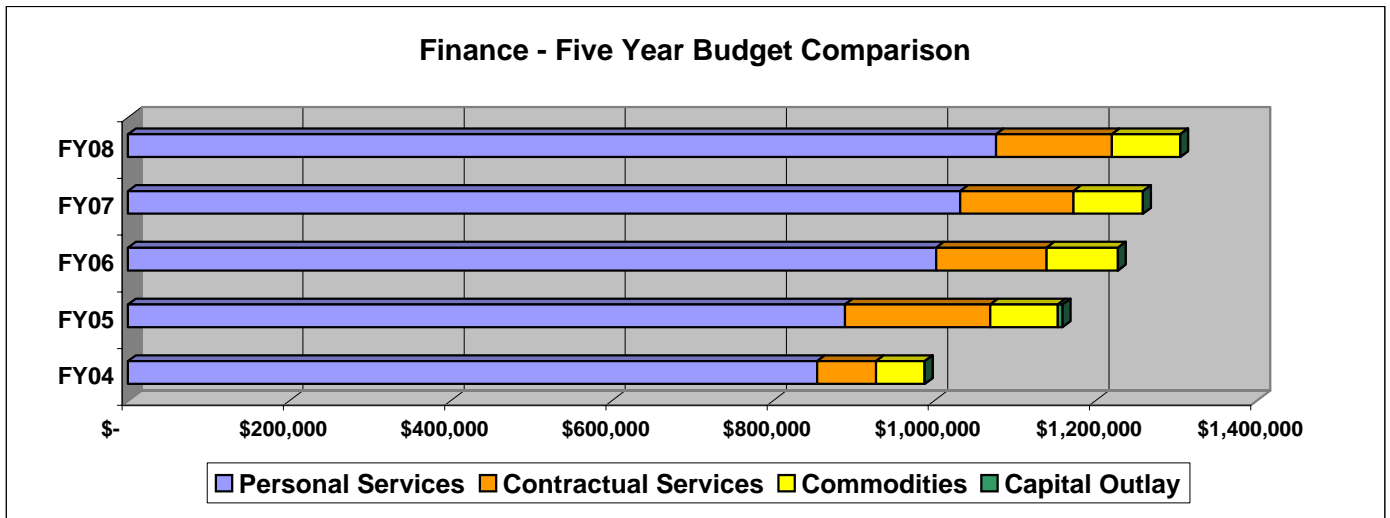
Comparative Summary of Authorized Personnel (Regular Full-Time Only)

FY 04 17	FY 05 17	FY 06 17	FY 07 17	FY 08 17
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Finance
Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 854,691	\$ 889,345	\$ 1,002,478	\$ 1,032,477	\$ 1,076,683
Contractual Services	73,242	180,132	136,966	140,447	143,596
Commodities	60,493	83,961	88,571	86,245	85,096
Capital Outlay	-	6,095	-	-	-
Totals	\$ 988,426	\$ 1,159,533	\$ 1,228,015	\$ 1,259,169	\$ 1,305,375



Economic Development Department

T. Phillip Dunlap, Director



Major Functions of the Economic Development Department

- ◆ Recruit industrial and commercial businesses to locate in the City of Auburn
- ◆ Support existing businesses and industry
- ◆ Provide grant expertise and management for businesses and industrial development activities as well as community development activities
- ◆ Provide housing opportunities through new construction and rehabilitation for low to moderate income families and individuals
- ◆ Provide administration, management, and support for major capital projects
- ◆ Provide workforce development assistance for new, expanding, and existing industry
- ◆ Allocate Community Development Block Grant (CDBG) proceeds to fund public improvement projects to improve the living environment of low to moderate-income (LMI) residential areas and fund public service programs to provide needed resources to provide services to benefit LMI families and individuals

Major Accomplishments in FY 05

- ◆ Hired new staff person to teach Industrial Technology Curriculum at AHS.
- ◆ Implemented the Alabama Power Interactive Computer lab to train in over 40 safety related topics.
- ◆ Sponsored over 50 classes for Auburn industry.
- ◆ Designed, published, printed, and distributed "Focus on Your Future" career catalogs.
- ◆ Supported 3 "union awareness" seminars – 1 in Korean
- ◆ Partnered with SUSCC to offer Industrial Technology classes in Auburn.
- ◆ Conducted wage and benefit survey for local area industry.
- ◆ Colonial University Village completed the Lifestyle component of the mall expansion by adding the following stores: Ann Taylor Loft, Chico's, Talbots, Jos A Bank, Coldwater Creek and Lane Bryant.
- ◆ K C Sol Tech, a Korean tool maker, announced its location in the Auburn Technology Park North. The investment is seen as an important support of Korean parts supplier in the area. The initial capital investment of \$187,489 will create 10 jobs.
- ◆ J&S Automotive from outside Berlin (Germany), a specialized privately held automotive parts supplier for seat belt systems, broke ground for its first North American manufacturing location in the Auburn Technology Park North with an initial investment of \$2,846,000 and the creation of 70 jobs.
- ◆ Rexnord, former Falk Corp. based in the Auburn Industrial Park, expanded through an investment of \$9,297,654 creating an additional 70 jobs in Auburn.
- ◆ CV Annex, part of CV Holding, invested \$1,077,648 creating an additional 15 jobs in Auburn.

- ◆ Weidmann Plastics Technology North America subsidiary of Weidmann Plastics in Switzerland expanded twice totaling \$18,025,472 and the creation of an additional 32 jobs. The building was doubled in size and starting in 2007 it will include business from the medical and plumbing division of Weidmann.
- ◆ Briggs & Stratton continues to invest heavily in its important Auburn manufacturing facility. Investment in the two years totaled \$31,253,257 in capital investment adding 75 jobs to the local market.
- ◆ NIKKI Fuel Systems started the production of carburetors and electronic fuel systems in the Auburn Technology Park South occupying the former "Mushroom Facility" and by that representing Auburn's most important brown field development. The company is a joint venture of the Japanese Company NIKKI Ltd. and Briggs & Stratton that will eventually employ 121 people in the Auburn. The investment will total \$ 9,434,135.
- ◆ Hightex, Inc. from Althengstett (Germany) added \$567,844 of capital investment at its facility in the Auburn Industrial Park paving the way to increase future employment to 24. Combining textile work for the automotive industry the company is a great fit to this region undergoing successfully the transition from a textile to an automotive dominated economy.
- ◆ Cumberland Plastics Technology was added as a new corporate citizen to Auburn by occupying a newly constructed manufacturing building in the Auburn Industrial Park. The initial capital investment of \$3,726,640 will eventually employ 35 people. The company's parent company is based in Tennessee where it established itself as a second tier supplier for numerous domestic and foreign car makers. The investment is another example of the increased importance of the growing injection molding business in the automotive industry.
- ◆ Capital Vial, Inc., located in the Auburn Industrial Park, renewed its commitment to its Auburn location by investing another \$5,864,368 and expanding its employment by 8.
- ◆ Capital Plastic Products announced an expansion of 19 people representing a capital investment of \$10,700,000.
- ◆ ATS Wheels started an expansion of its manufacturing capacity which will eventually employ another 70 people. The capital investment for this expansion will add up to \$17,785,000. The expansion is the result of its strategic location allowing it to serve several additional car plants in Alabama and other Southeastern States.
- ◆ Heath Information Design is one of the successful local companies in the service sector. With its back office function it was able to recruit new business that will employ an additional 125 people in Auburn based on an investment of \$2,480,944.
- ◆ Capitol Insulated Products is expanding its operation through a capital investment of \$5,850,000 that will add 16 positions to its workforce.
- ◆ The multinational Donaldson Company awarded new business to its manufacturing operation in Auburn. The additional business will request a capital investment of \$4,277,040 and add 28 positions to its local workforce.
- ◆ Capital Cups expanded its manufacturing operation in the Auburn Industrial Park through a capital investment of \$14,400,000 which will result in 22 additional jobs in Auburn.
- ◆ CSP Technologies was able to expand its manufacturing operation using advance polymers for the medical industry. A capital investment of \$10,700,000 will create an additional 26 jobs at its operation in the Auburn Technology Park North.

- ◆ Leggett & Platt already added an investment of \$7,100,000 to its brand new facility in the Auburn Technology Park North. This expansion will eventually result in 19 additional jobs at this facility.
- ◆ The German Aluminum Technology Schmid based in Korb near Stuttgart announced its first North American Manufacturing operation in Auburn. The company is a precision machining operation for aluminum parts used in the automotive industry. The investment of \$5,660,000 will eventually employ 43 people in the Auburn Industrial Park.
- ◆ Utilized CDBG funds for the following purposes and projects:
 - Assisted the Food Bank of East Alabama to provide food services to 1,514 of the City's extremely low and low-income population
 - Assisted 53 low and moderate-income households with emergency rental assistance
 - Assisted 84 low and moderate-income households with emergency utility assistance
 - Four households were referred to the Housing Assistance Network to receive assistance with home repairs
 - Provided temporary shelter to 19 persons that were considered homeless
 - Provided funds to Auburn Housing Authority to administer a cultural arts program; on average, 31 LMI youths participated in the program.
 - Completed the 2004 sidewalk project; installed a sidewalk on Foster Street and Bedell Avenue
 - Completed the 2004 street resurfacing project; 10 streets were resurfaced in low to moderate income neighborhoods

Major Accomplishments in FY 06

- ◆ Expanded Industrial Technology Curriculum at AHS up to 80 students
- ◆ Set up precision machining lab to be used by AHS and local industry
- ◆ Sponsored over 50 classes for Auburn industry
- ◆ Designed, published, printed and distributed "Focus on Your Future" career catalogs
- ◆ Supported 4 Career fairs for AHS and Auburn industry
- ◆ A new shopping center located at Glenn Avenue and Bent Creek Road was announced. Auburn Exchange will include a Sam's Club, other big box tenants, several restaurants, and miscellaneous stores.
- ◆ Utilized CDBG funds for the following purposes and projects:
 - Assisted the Food Bank of East Alabama to provide food services to 1,211 of the City's extremely low and low-income elderly population
 - Assisted 54 low and moderate-income households with emergency rental and mortgage assistance
 - Assisted 70 low and moderate-income households with emergency utility assistance
 - Provided temporary shelter and services to 44 persons that were considered homeless
 - Completed the 2005 drainage projects; drainage was improved in two LMI neighborhoods

- Provided funds to local non-profit agencies to administer various youth programs; 75 low to moderate-income youths benefited from the programs
- Demolished 3 abandoned and dilapidated structures in residential areas to eliminate blight
- Nine LMI households were referred to the Housing Assistance Network to receive assistance with home repairs
- Completed 9 housing rehabilitation and housing reconstruction projects
- Provided housing counseling to 31 citizens to provide information relating to homeownership
- Completed improvements at the Boykin Community Center
- Held the groundbreaking ceremony for the Northwest Village affordable housing subdivision and began installing infrastructure for the development

**Economic Development Department
Phillip Dunlap, Director**

The mission of the City's Economic Development Department is to create employment opportunities for citizens of Auburn and to expand the tax base of the community through industrial, commercial and retail development. We will develop and maintain economic development plans, strategies, and programs by:

- Devising and utilizing unique marketing techniques to recruit prospects
 - Creating and providing competitive incentive packages which may include designing financial assistance packages
 - Administering the City's revolving loan program
 - Identifying and developing property for new industrial parks
 - Maintaining contact with existing industries and businesses
 - Providing technical and financial assistance to merchants in an effort to maintain a viable Central Business District
 - Administering the Auburn Center for Developing Industries to allow fledgling industrial projects an opportunity to succeed
 - Working closely with other federal, state, local and private economic development organizations that are able to make resources available for Auburn businesses and industries
-

FY 07 Goals

Industrial Development

1. Seek to attract no less than eight industrial visits with the goal of locating at least one new industry in Auburn by September 30, 2007.
2. Administer the City's revolving loan program with the goal of packaging two (2) loans in FY07.
3. Identify a speaking opportunity at a business seminar such as Forum Amerika to present business development opportunities in Auburn by June 2007.
4. Operate the small business incubator through the Auburn Center for Developing Industries including lease management of tenants with the goal of assisting four (4) companies by September 30, 2007.
5. Participate in three industrial trade shows, international or domestic, including the Detroit International Automobile Show in January 2007, the Hanover Fair in April 2007 and the Frankfurt Auto Show in September 2007, with the goal of developing at least one industrial prospect.
6. Operate a business retention/expansion program with the following goals:
 - a. Develop an opportunity to assist with the expansion of at least one industry in FY07.
 - b. Identify and market existing vacant buildings for new prospects by October 2006.
 - c. Perform 3-4 surveys of existing industry in form of on-site visits to be entered in E-Synchronist Software Program in each quarter in FY07.
7. Complete construction of water and sewer infrastructure servicing Auburn

Technology Park West by fourth quarter 2007.

8. Design and implement a comprehensive marketing program for Auburn Technology Park West by December 31, 2007.
9. Support a joint marketing program with Auburn University for the Auburn University Research Park as an ongoing activity in FY07.

Commercial Development

1. Seek to attract new or expanding major commercial developments by locating at least two projects in Auburn by September 30, 2007.
2. Plan and attend two commercial trade shows by September 30, 2007.
3. Identify a location for a new downtown parking facility by October 31, 2006.
4. Complete a financing feasibility study for selecting a parking facility site and recommend a course of action by November 30, 2006.
5. Implement parking management efficiency suggestions identified in the Downtown Auburn Parking Feasibility Study by September 30, 2007.
6. Participate in the Development Review Task Force with the goal of producing a set of recommendations on improving the development process by January 31, 2007.

Workforce Development

1. Partner with Auburn High School to administer the Career Technical Education curriculum per the needs of Auburn area industry with the goal of five (5) individual classes and fifty-five (55) students in school year 2006-2007.
2. Set up hands-on training labs for Career Technical Education and existing industry training per the needs of Auburn area industry including but not limited to:

- a. Thermal forming (vacuum forming) machine by December 31, 2006.
- b. Plastic injection molding machine in by December 31, 2006.
- c. Precision measurement / quality lab in by March 31, 2007.

3. Partner with Auburn area industry and education to implement the Industrial Technology Certification program (a modern, industry specific apprenticeship program for industrial maintenance skills) by October 31, 2006.
4. Set up and manage a program to assimilate chronically unemployed or never employed people into the Auburn area workforce by March 31, 2007 with the goal of graduating ten (10) students.
5. Conduct a wage and benefit survey of industry in Auburn and significant companies in surrounding areas by August 31, 2007.
6. Update the software and manage the use of the Alabama Power interactive computer lab by November 30, 2006.
7. Set up and manage topic specific training for Auburn area industry. The classes are on-going during FY07 and will all be completed by September 30, 2007. The classes will include but not be limited to:
 - a. Management training (two classes)
 - b. Quality training (one class)
 - c. TS16949 training (one class)
 - d. Union awareness (two classes)
 - e. PLC and other automation training (four classes)

Community Development Block Grant (CDBG)

1. Administer nine Community Development Block Grant projects adopted in the FY06 Action Plan.

Anticipate six projects will be complete by May 31, 2007.

2. Continue to address the needs for low-income elderly by providing Community Development Block Grant funds for operating expenses to a local non-profit agency to distribute food to the City's elderly citizens. Anticipate three hundred citizens to benefit from the funding by September 30, 2007.
3. Utilize Community Development Block Grant funds to assist low-to-moderate income citizens of Auburn with their monthly utility bills, rent, and mortgage. Anticipate one hundred citizens to benefit from the funding by May 31, 2007.
4. Provide financial assistance to various local non-profit agencies to address the needs of the youth, homeless, and victims of natural disaster. Anticipate forty citizens to benefit from the funding by September 30, 2007.
5. Continue the housing rehab program to assist homeowners with home repairs. Anticipate assisting five households by September 30, 2007.
6. Continue infrastructure improvement projects in low-to-moderate income residential areas funded by the Community Development Block Grant. Expect to improve three streets by December 31, 2006.
7. Collaborate with North Auburn Housing Development Corporation and local banks to develop the Northwest Village affordable housing subdivision by using CDBG funds for infrastructure improvement, housing construction, and homeownership assistance. Anticipate improving two streets, constructing three homes and assisting three families with homeownership assistance by September 30, 2007.
8. Utilize the Housing Assistance Network to refer a minimum of four spot rehabilitations for needy low-to-

moderate households by September 30, 2007.

9. Participate with a "Continuum of Care" coalition by May 31, 2007 in the effort to address homelessness in Auburn and the surrounding areas.

FY 08 Goals

Industrial Development

1. Seek to attract no less than eight industrial visits with the goal of locating at least one new industry in Auburn by September 30, 2008.
2. Administer the City's revolving loan program with the goal of packaging two (2) loans in FY08.
3. Present business development opportunities in Auburn in form of a speaking engagement at a business seminar such as Forum Amerika by September 30, 2008.
4. Operate the small business incubator through the Auburn Center for Developing Industries including lease management of tenants with the goal of assisting four companies in FY08.
5. Participate in four industrial trade shows, international and domestic, including the Detroit International Automobile Show in January 2008, the management Briefing Seminar in August 2008, the MOTK in September 2008, and the Automechanika in September 2008, with the goal of developing at least one industrial prospect.
6. Operate a business retention/expansion program with the following goals:
 - a. Develop an opportunity to assist with the expansion of at least one industry in FY08.
 - b. Market existing vacant buildings for new prospects as an ongoing activity in FY08.
 - c. Perform 3-4 surveys of existing industry in form of on-site visits to be

entered in E-Synchronist Software Program in each quarter in FY08.

7. Market the Auburn Technology Park West based on marketing plan as designed and implemented in December 2006 as an ongoing activity in FY08.
8. Support Auburn University in marketing the Auburn University Research Park as an ongoing activity in FY08.
9. Begin phased construction of Auburn Technology Park West by the first quarter of 2008.

Commercial Development

1. Seek to attract new or expanding major commercial developments by locating at least two projects in Auburn by September 30, 2008.
2. Plan and attend two commercial trade shows by September 30, 2008.

Workforce Development

1. Partner with Auburn High School to administer the Career Technical Education curriculum per the needs of Auburn area industry with the goal of six (6) classes and seventy-five (75) students in school year 2007-2008.
2. Set up and manage a program to assimilate chronically unemployed or never employed people into the Auburn area workforce with the goal of graduating fifteen (15) students by March 31, 2008.
3. Conduct a wage and benefit survey of industry in Auburn and significant companies in surrounding areas by August 31, 2008.
4. Update the software and manage the use of the Alabama Power interactive computer lab by November 30, 2007.
5. Set up and manage topic specific training for Auburn area industry. The classes are on-going during FY08 and will all be completed by September 30, 2008. The classes will include but not be limited to:
 - a. Management training (two classes)

- b. Quality training (one class)
- c. TS16949 training (one class)
- d. Union awareness (two classes)
- e. PLC and other automation training (four classes)

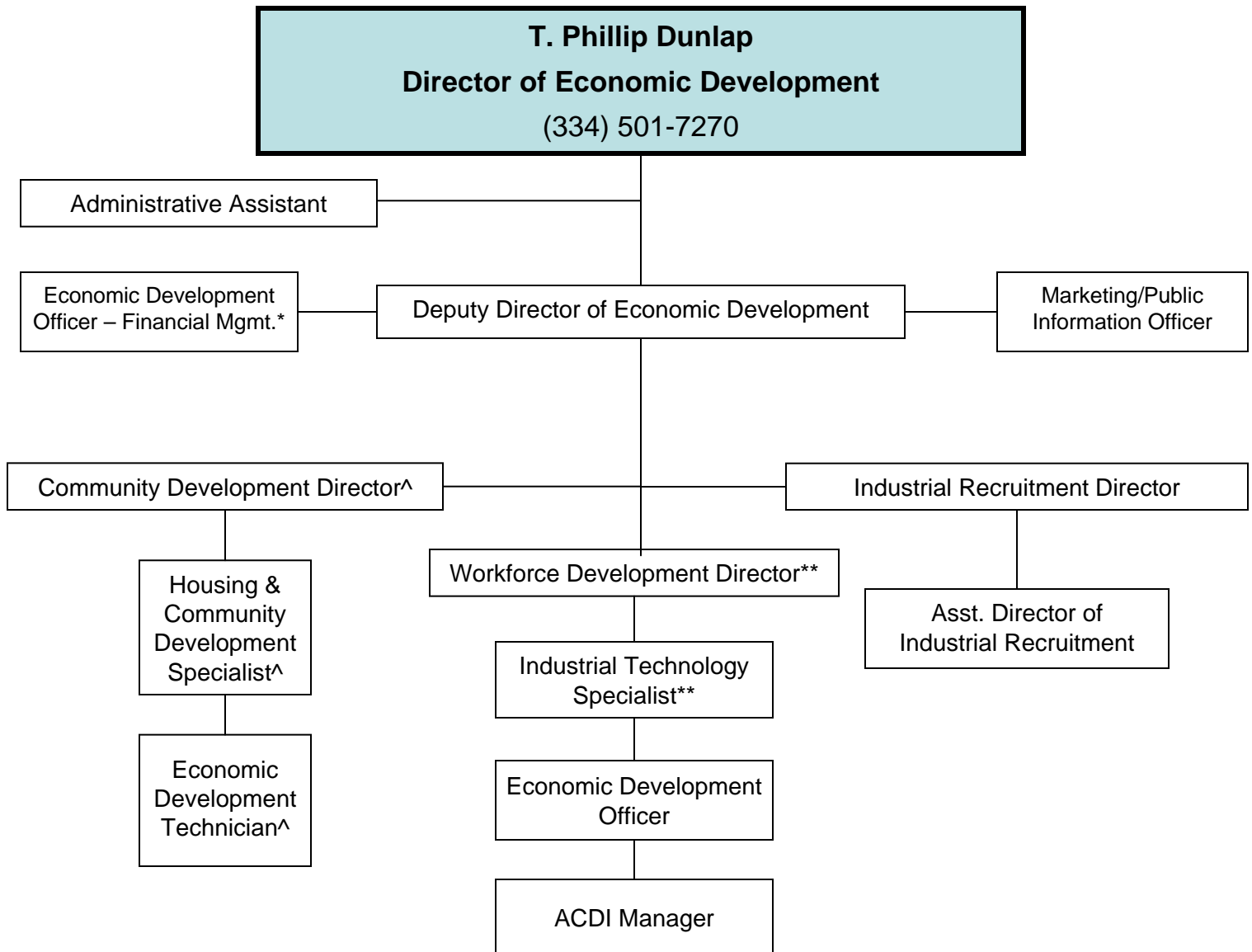
Community Development Block Grant (CDBG)

1. Administer at least nine Community Development Block Grant projects adopted in the FY07 Action Plan. Anticipate six projects will be completed by May 31, 2008. The FY07 Action Plan projects are contingent upon the approved allocation from the U.S. Department of Housing and Urban Development.
2. Continue to address the needs for low-income elderly by providing Community Development Block Grant funds for operating expenses to a local non-profit agency to distribute food to the City's elderly citizens. Anticipate three hundred citizens to benefit from the funding during by September 30, 2008.
3. Utilize Community Development Block Grant funds to assist low-to-moderate income citizens of Auburn with their monthly utility bills, rent, and mortgage. Anticipate one hundred citizens to benefit from the funding by May 31, 2008.
4. Provide financial assistance to various local non-profit agencies to address the needs of the youth, homeless, and victims of natural disaster. Anticipate forty citizens to benefit from the funding by September 30, 2008.
5. Continue the housing rehab program to assist homeowners with home repairs. Anticipate assisting five households by September 30, 2008.
6. Continue infrastructure improvement projects in low-to-moderate income residential areas funded by the Community Development Block Grant.

Expect to improve two streets by May 31, 2008.

7. Collaborate with North Auburn Housing Development Corporation and local banks to develop the Northwest Village affordable housing subdivision by using CDBG funds for infrastructure improvement, housing construction, and homeownership assistance. Anticipate improving two streets, constructing three homes and assisting three families with homeownership assistance by September 30, 2008.
8. Utilize the Housing Assistance Network to refer a minimum of four spot rehabilitations for needy low-to-moderate households by September 30, 2008.
9. Participate with a "Continuum of Care" coalition by May 1, 2008 in the effort to address homelessness in Auburn and the surrounding areas.

Department of Economic Development



*Position jointly supervised by the Finance Director

** Position partially funded by the Auburn City Schools

^ Position funded by the Community Development Block Grant

Comparative Summary of Authorized Personnel (Regular Full-Time Only)

FY 04
11

FY 05
12

FY 06
14

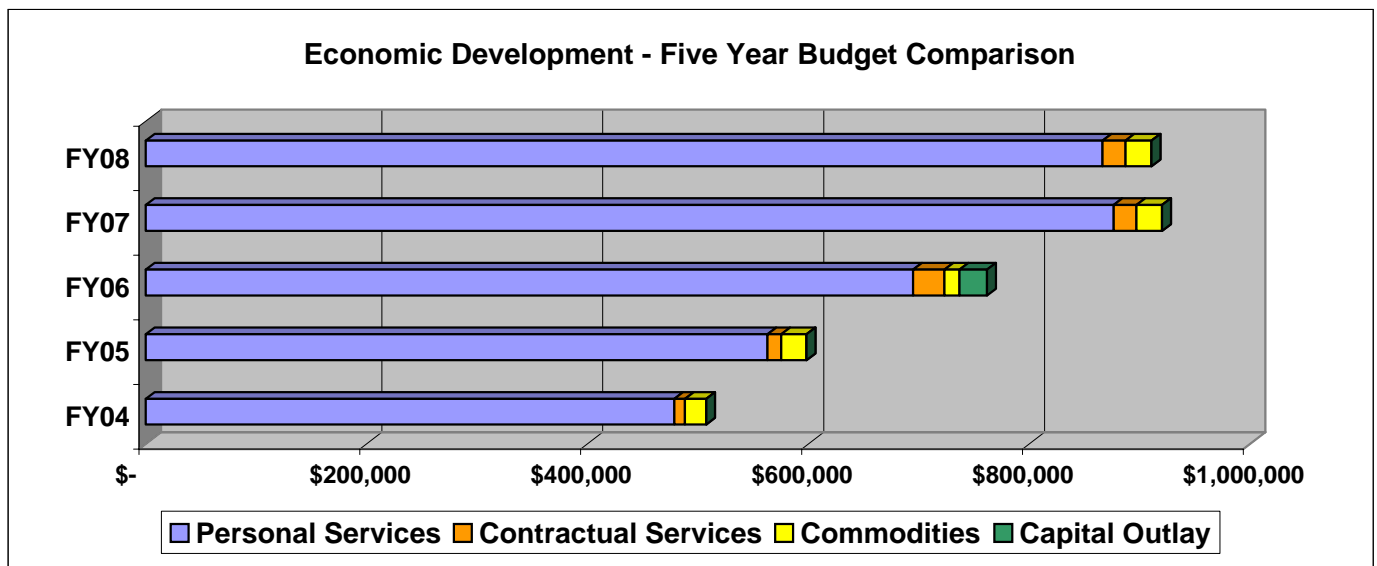
FY 07
14

FY 08
14

Economic Development
Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget	
	FY04	FY05	FY06	FY07	FY08	
Personal Services	\$ 478,741	\$ 563,156	\$ 695,136	\$ 876,638	\$ 866,741	
Contractual Services	9,708	12,526	28,381	20,700	20,700	
Commodities	19,187	22,949	13,528	23,220	23,649	
Capital Outlay	-	-	25,000	-	-	
Totals	\$ 507,636	\$ 598,631	\$ 762,045	\$ 920,558	\$ 911,090	



Human Resources Department

Steven A. Reeves, Director



Major Functions of the Human Resources Department

- ◆ Coordinate and manage a competitive employee compensation and benefits program
- ◆ Recruit, screen, enroll, and orient new employees
- ◆ Coordinate human resources training and development
- ◆ Consult and assist employees and managers with human resource management issues and problems
- ◆ Promote fair and consistent treatment of employees in accordance with the Personnel Policies
- ◆ Administer a comprehensive risk management program including loss control and risk financing of all liability exposures
- ◆ Promote good employee relations

Major Accomplishments in FY 06

- ◆ Created and launched the Human Resources Intranet site, HR INFO
- ◆ Coordinated the assessment center selection process for Fire Battalion Chief
- ◆ Processed 38 (100%) on-time payrolls
- ◆ Released a request for proposals for an automated time and attendance system. Nine proposals were received and evaluated. A decision will be made in FY07 about moving forward with this project with one of the vendors
- ◆ Obtained and average of 30 applications per vacancy
- ◆ Hired and completed the employment process of 171 temporary/seasonal and regular employees
- ◆ Developed and implemented the new electronic performance appraisal instruments in all departments
- ◆ Delivered seminars on union activity and avoidance, performance appraisal, equal employment opportunity, harassment, and financial management
- ◆ Delivered the multi-session Crew Leader Development course
- ◆ Delivered the multi-session Customer Service Certification Program
- ◆ Delivered a customer service training program addressing the unique aspects of public safety customer service transactions
- ◆ Piloted a Spanish language course for City employees
- ◆ Coordinated eight safety training programs addressing defensive driving, back injury prevention, AED/CPR training, custodian safety, parks and grounds maintenance safety, lifeguard safety, and general safety issues in Water Resource Management
- ◆ Conducted 29 facility safety inspections
- ◆ Coordinated the ongoing "Weight Watchers at Work" program
- ◆ Provided five employee events including the Monsters' Bowl, the basketball tournament, the golf tournament, the health check event, and joint Fall Fiesta and softball tournament

Human Resources Department
Steven A. Reeves, Director

The mission of the Human Resources Department is to recruit and maintain an able and highly motivated work force and to assist the City government operate in a financially responsible and fiscally sound manner by:

- Recruiting, orienting, and developing qualified and motivated employees dedicated to the service of the Auburn community through its City government
 - Working closely with all departments on personnel matters
 - Promoting fair and equitable application of personnel policies
 - Assisting employees with work-related problems
 - Coordinating a competitive compensation and benefits management program
 - Encouraging open communication, active participation, and organizational identity
 - Administering a comprehensive risk management program
-

FY 07 Goals

1. If feasible, build on current initiatives by developing and implementing a targeted wellness program to promote employee health by March 31, 2007.
2. Develop an attendance award recognition program to honor employees with perfect attendance by September 30, 2007.
3. Develop and issue a report to each regular employee showing the City's annual investment in each employee by September 30, 2007.
4. Update the new hire orientation program with a new orientation DVD by February 28, 2007.
5. Working with the Office of the City Manager, develop an employee code of ethics statement by June 30, 2007.
6. Depending on the results of the FY06 pilot class, present Spanish language instruction to approximately 15 employees by September 30, 2007.
7. Present the Supervisor Certification Course for approximately 20 employees by August 31, 2007.

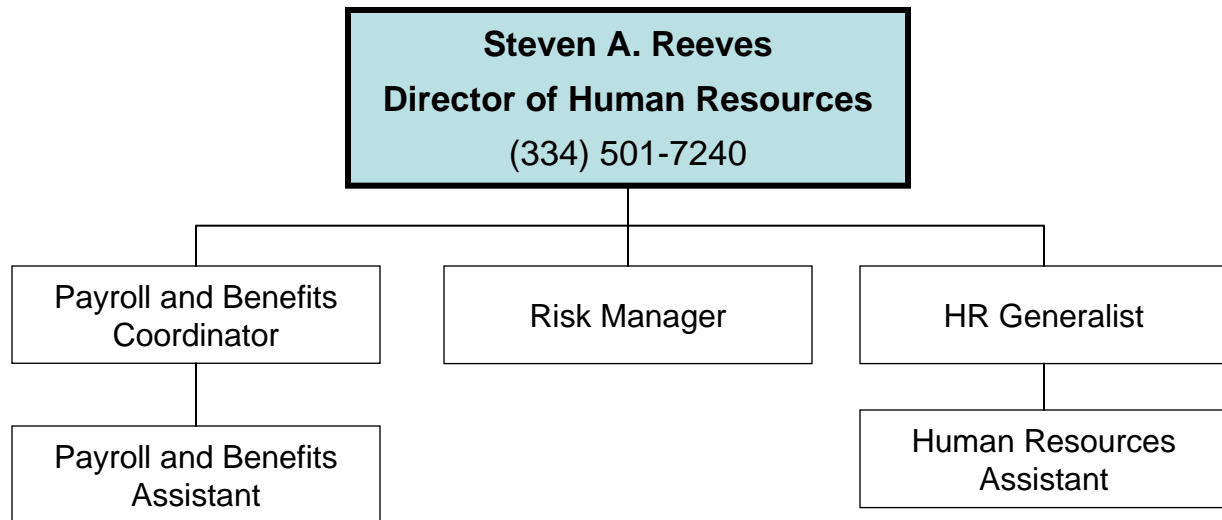
8. Present customer service training for City employees by September 30, 2007.
9. Present at least three human resource management seminars by September 30, 2007.
10. Design and implement a safety incentive reward program to reduce the frequency of employee injuries by October 31, 2006.
11. Present at least eight safety presentations by September 30, 2007.
12. Conduct at least five employee events by September 30, 2007.
13. To comply with insurance requirements, implement a system of randomly checking driver motor vehicle records by March 30, 2007.

FY 08 Goals

1. Coordinate and present the Crew Leader Development Course for approximately 15 employees by September 30, 2008.
2. Present Spanish language instruction to approximately 15 employees by September 30, 2008.

3. Present customer service training by September 30, 2008.
4. Present at least three human resource management seminars by September 30, 2008.
5. Present at least eight safety presentations by September 30, 2008.
6. Conduct at least five employee events by September 30, 2008.
7. Implement computer based safety training by September 30, 2008.
8. Obtain an actuarial analysis for Other Post-Employment Benefits in order to comply with GASB Statement 45.

Human Resources Department



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

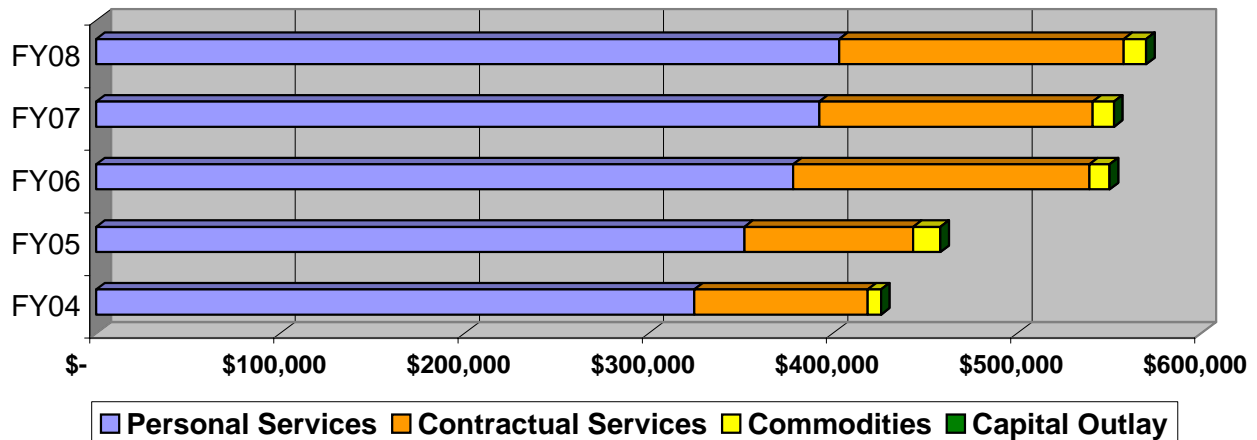
FY 04	FY 05	FY 06	FY 07	FY 08
6	6	6	6	6

Human Resources Department
Human Resources Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 324,824	\$ 351,939	\$ 378,509	\$ 392,620	\$ 403,521
Contractual Services	94,086	91,652	160,702	148,370	154,360
Commodities	7,231	14,749	11,049	11,610	12,230
Capital Outlay	-	-	-	-	-
Totals	\$ 426,141	\$ 458,340	\$ 550,260	\$ 552,600	\$ 570,111

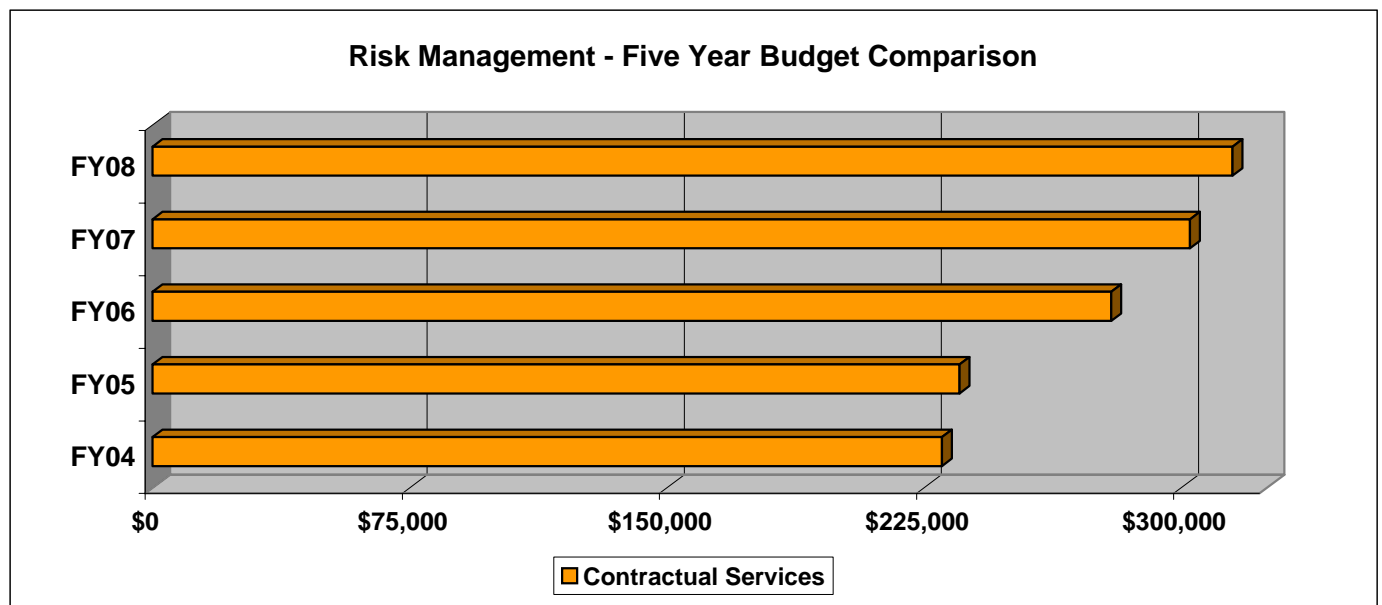
**Human Resource Management
Five Year Budget Comparison**



Human Resources Department
Risk Management Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Contractual Services	\$ 230,248	\$ 235,333	\$ 279,600	\$ 302,560	\$ 314,910



Major Functions of the Public Safety Department

- ◆ Provide Building Codes inspections for all new construction in the City
- ◆ Provide fire prevention inspections for all City businesses and industries
- ◆ Provide immediate response to all fire calls
- ◆ Provide police patrol throughout the City
- ◆ Provide immediate response to all police calls for service
- ◆ Provide immediate dispatch of emergency 911 calls
- ◆ Provide special crime prevention programs (foot patrol, bike patrol) to maintain a sense of security in the community

Major Accomplishments in FY 06

- ◆ Working with the Economic Development Department and Fire Division, the Codes Division has eliminated six abandoned/dilapidated structures.
- ◆ Expanded Police and Fire satellite radio systems to include elimination of monthly cost for phone lines
- ◆ Remodeled the indoor range including new HVAC, to be used as evidence and property room. This included a software program to track the collection of evidence.
- ◆ Conducted the first Citizens Public Safety Academy that gave some of our citizens an insight into the day to day operations of Public Safety.
- ◆ The Codes Division implemented a permitting and inspection software program that allows for a more efficient way to track inspections and issue permits.
- ◆ Working with the Information Technology Department we have started implementing a mobile computing system that will allow the sending and receiving of information via a wireless system to our public safety personnel.
- ◆ Fire Division inspected all commercial properties in the past 12 months and updated emergency contacts for public safety.
- ◆ Expanded the number of consoles in the Communications Division from 3 to 5 which are used for high volume special events and training.
- ◆ Awarded a bid to construct a burn building for the Fire Division to conduct live fire exercises.

Benchmarks Achieved in FY 06

- ◆ Average Police Division response time to emergency calls (dispatch to arrival): 5 minutes
- ◆ Crime clearance rates and number of cases by type of crime:

Murder	0%	1 case
Rape	61%	18 cases
Robbery	40%	52 cases
Assault	72%	83 cases
Burglary	12%	464 cases
Theft	29%	1,639 cases
Motor vehicle theft	22%	58 cases
- ◆ Average Fire Division response time: 4.95 minutes
- ◆ Number of career and student firefighters: 77 (1.54 per 1,000 population)
- ◆ Average number of fire calls per month: 111.9
- ◆ Percentage of E-911 calls answered within 5 seconds: 97%
- ◆ Emergency communications dispatchers' error rate (wrong address or other critical information): less than 1%
- ◆ Average time from receipt of E-911 call to dispatch:

Emergency calls – 15 seconds
Non-emergency calls received by E-911 – 5.2 minutes
- ◆ Average number of inspections per inspector per day by type:

Building – 12	Finals – 6.3
Plumbing – 12.7	Driveways – 1.8
Mechanical – 3.8	Complaints – 1.5
Electrical – 12.7	

◆ Average time between inspection request and completion of inspection: 3 Hours

◆ Percentage of inspections completed within 24 hours or by next business day: 100 %

Public Safety Department
William James, Director

The mission of the Auburn Public Safety Department is to promote and maintain a safe environment in all areas of the City. Through employee commitment to provide quality Public Safety services, the Department will strive to assure that the residents of Auburn feel safe in their neighborhoods and workplaces by:

- Maintaining strong codes enforcement and fire prevention for safe, durable structures for homes and businesses
 - Providing well-trained and equipped police officers and firefighters
 - Maintaining a quality emergency communication system to provide immediate response to citizen calls for service
 - Conducting effective crime prevention and apprehension programs to maintain safety and a sense of security in the community
-

FY 07 Goals

1. Work with the Information Technology Department and Communications Division to develop a program by December 31, 2006 to accurately reflect calls, incidents, offenses, and arrests occurring on all Auburn University owned property. This program will also be used to prepare annual statistical information required by the Clery Act, and to extract statistics to make Uniform Reporting information more reflective on where crime is occurring.
2. Coordinate with the Public Works Department, Auburn University officials, and other necessary entities to establish, at a minimum, semi-annual meetings to discuss traffic concerns and possible coordinated solutions by December 31, 2006.
3. Continue training for leadership positions and also reinstate the training of instructors for the various law enforcement functions, firearms, PPCT, RAD, LEEBA, radar, defensive driving, etc. The goal is to have at least one new officer certified as an instructor in each area, and four new officers certified as firearms instructors by June 30, 2007. This will allow in house training of personnel at a significantly reduced cost.
4. Conduct at least one major event training drill with members of Auburn University, Lee County Emergency Management Agency, Auburn Public Safety Fire and Communications Divisions, and other county emergency operations entities by September 30, 2007.
5. Work with the Police Chief and Information Technology to complete the implementation of the Mobile Data System for police vehicles by March 30, 2007.
6. Work with the Fire Chief to evaluate the expanded emergency response assists with Emergency Medical Services and make adjustments as needed.
7. Work with the Human Resources Department, Police Chief and Fire Chief to intensify our employment recruitment activities to attract a diversified and qualified applicant pool by making at least ten formal presentations at structured events by September 30, 2007.
8. Evaluate and update fire response zones to include recently annexed areas and include Station 5 first due response territory.
9. Work with regional fire agencies to improve automatic aid in areas with overlapping or contiguous boundaries and formalize an agreement with each agency by June 30, 2007.
10. Work with the Planning and Economic Development Departments to identify

areas of the city with the greatest growth potential for possible locations for future fire stations by June 30, 2007.

11. Work with the Fire and Codes Divisions to analyze the fire inspection, fire prevention and public education efforts of each division and formulate a plan to mitigate risk and expand the efforts in these areas.
12. Continue the removal of abandoned/dilapidated structures by targeting at least seven buildings for demolition by September 30, 2007.
13. Continue the development of the Codes Enforcement staff by certifying each inspector in an area of inspection or plan review by September 30, 2007.
14. Work with the Information Technology Department to purchase and install equipment to enable inspectors to enter inspection results from the field as well as retrieve information such as inspection request by September 30, 2007.
15. Work with business owners to correct deficiencies on pre-fire plan inspections within 30 days of Fire Division contact.
16. Purchase and install a replacement Enhanced 911 and recorder system for the Communications Division prior to December 31, 2006.
17. Design and procure components to install a fourth console position within the Communications Division capable of telephone, basic radio and CAD capability by June 30, 2007. This console will be for special events that require additional manpower or emergencies.
18. Complete the Fire Division radio voter system which includes satellite voter radios at D & J, W Farmville Road and Charter Communications by June 30, 2007.
19. Analyze the ratio of regular full time and student communications officers to determine the optimal staffing ratio with the goal of reducing the turnover rate of the student communicators by March 30, 2007.

FY 08 Goals

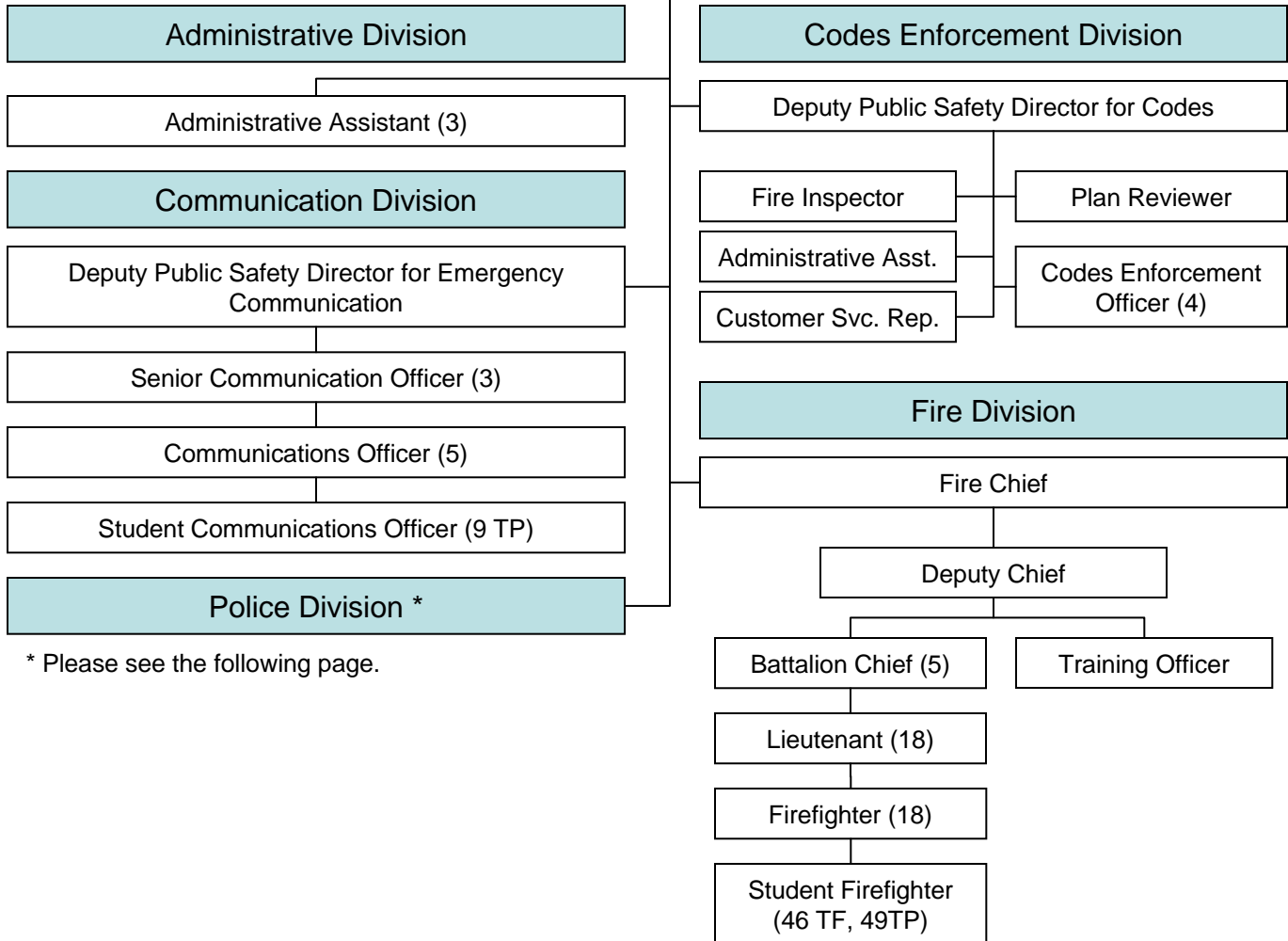
1. Coordinate with other law enforcement agencies within Lee County and with the Police and Fire Divisions to create a county wide or regional training board to initiate/host training opportunities for all involved entities in a cost-effective manner by December 31, 2007.
2. Work with the Police Chief to analyze the space needs of the Police Division and work with other departments to develop a plan to secure the expansion of the facilities through assumption of City owned buildings, construction of new facilities, and/or leasing or additional space by December 31, 2007.
3. Work with the Police Chief to develop a five year needs assessment and budgeting plan to anticipate and project for planning purposes by March 31, 2008.
4. Coordinate with Auburn University Student Affairs and Administration to develop Crime Prevention Programs specifically to address the needs of faculty and students by March 31, 2008.
5. Coordinate with the Planning Department, Auburn University and Public Safety Communications to review all new development areas and reassess/evaluate beat boundaries and personnel deployment by designated beats by June 30, 2008.
6. Work with Human Resources to intensify our employment recruitment activities to attract a diversified and qualified applicant pool by making at least ten formal presentations at structured events by September 30, 2008.
7. Work with Information Technology to install mobile data systems into all first responder vehicles by April 30, 2007.
8. Evaluate the Fire Divisions ten year strategic plan to ensure effective and efficient emergency services needed for the future by September 30, 2008.
9. Expand our efforts to promote fire prevention activities, recruitment and a fire

safe community. This would improve media relations and public image. This program would be developed and presented by in-house personnel.

10. Offer a Department wide CPR/AED class for interested city employees to improve patient viability and customer service by December 31, 2007. This program would integrate with the City of Auburn's AED program.
11. Complete the renovation of Fire Station One to provide a modernized and functional building by June 30, 2008.
12. Continue the removal of abandoned/dilapidated structures by targeting at least ten buildings for demolition by September 30, 2008.
13. Continue the development of the Code Enforcement staff to become certified in an area of inspection or plan review by September 30, 2008.
14. Review and adopt the 2008 Edition of the National Electrical Code by June 30, 2008.
15. Work with business owners to correct deficiencies on pre-fire plan inspections within 20 days of Fire Division contact.
16. Locate and purchase Training materials to train new communications employees in house prior to June 30, 2008.
17. Determine the feasibility of placing satellite radios for Public Safety in the area of South College and I-85 by September 30, 2008 to improve radio communications in the southern area of Auburn. This will include pathway studies and possible tower(s) for antenna placement.

Department of Public Safety

William H. James
Director of Public Safety
 (334) 501-3110



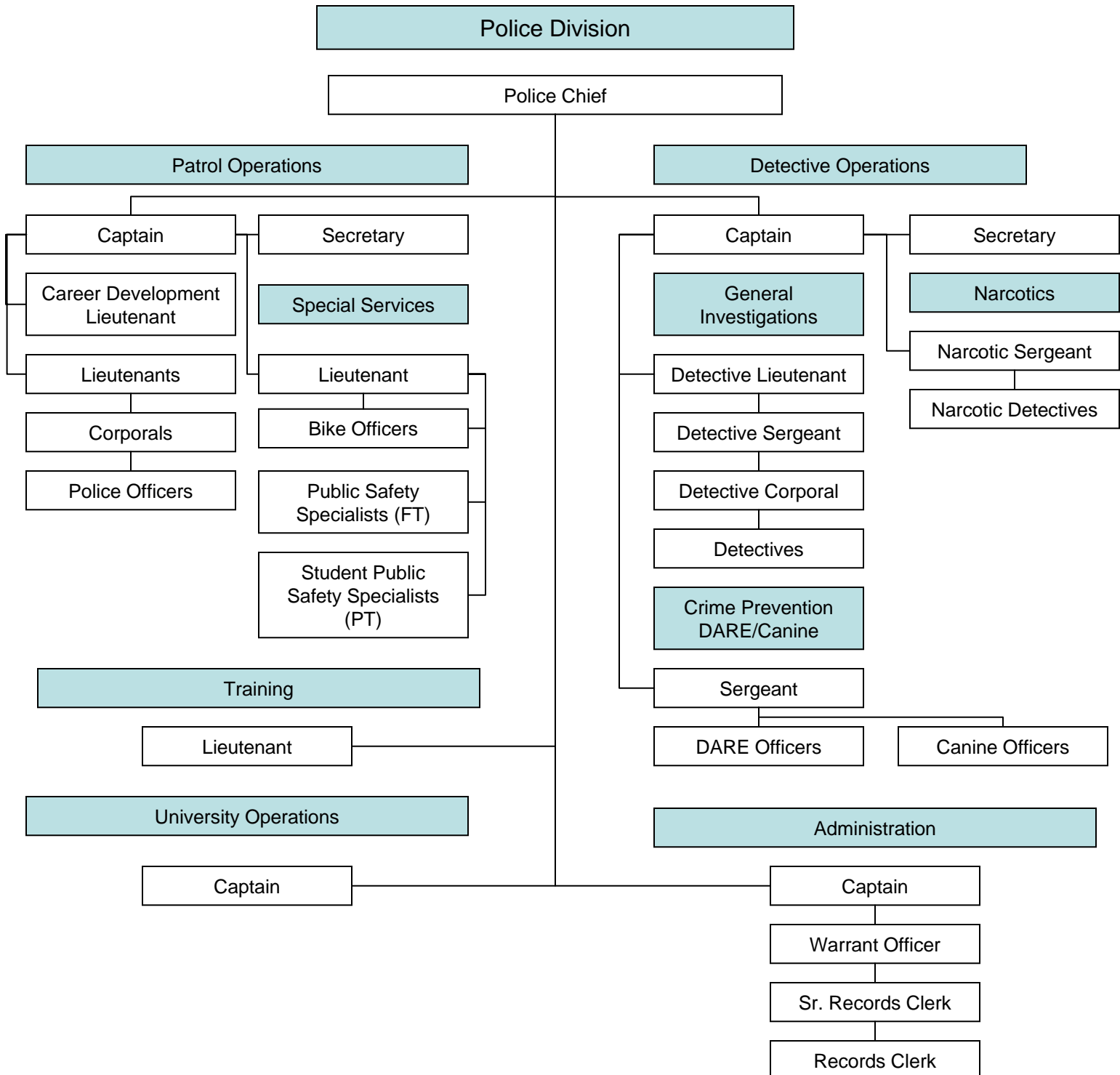
* Please see the following page.

Comparative Summary of Authorized Personnel (Regular Full-Time Only)

	FY 04	FY 05	FY 06	FY 07	FY 08
Administration	4	4	4	4	4
Police	82	109	110	112	112
Fire	30	31	43	43	43
Comm.	6	6	7	9	9
Codes	7	8	9	9	9
TOTAL	129	158	173	177	177

Department of Public Safety

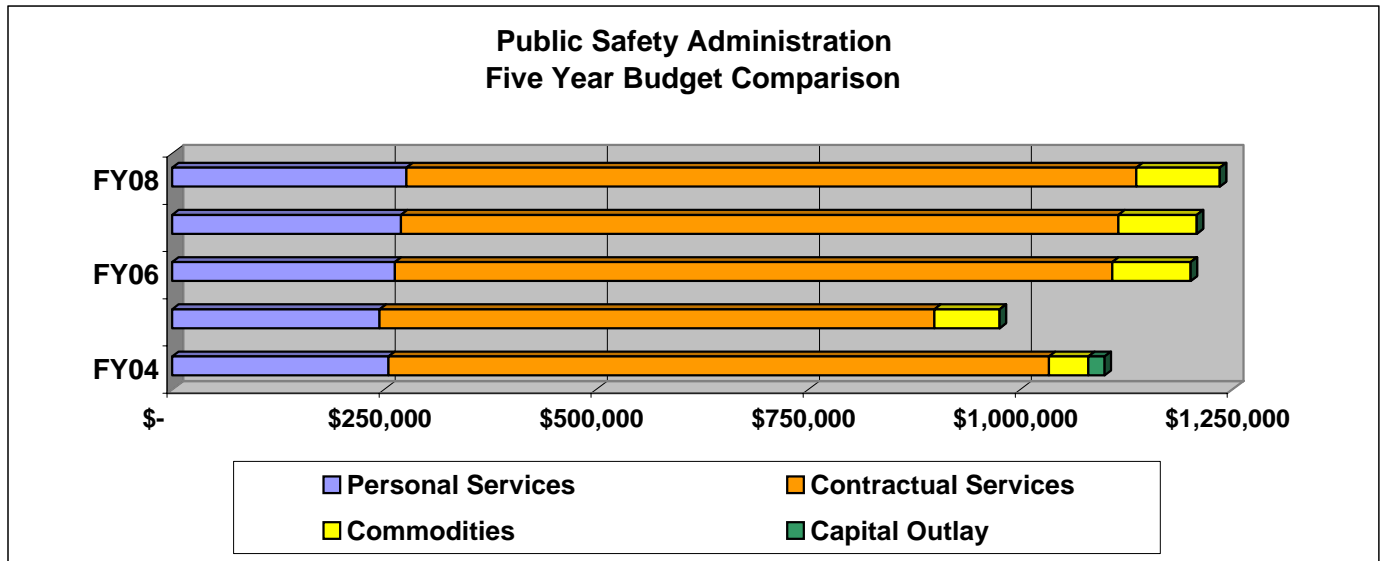
William H. James
Director of Public Safety
(334) 501-3110



Public Safety Department
Administration Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

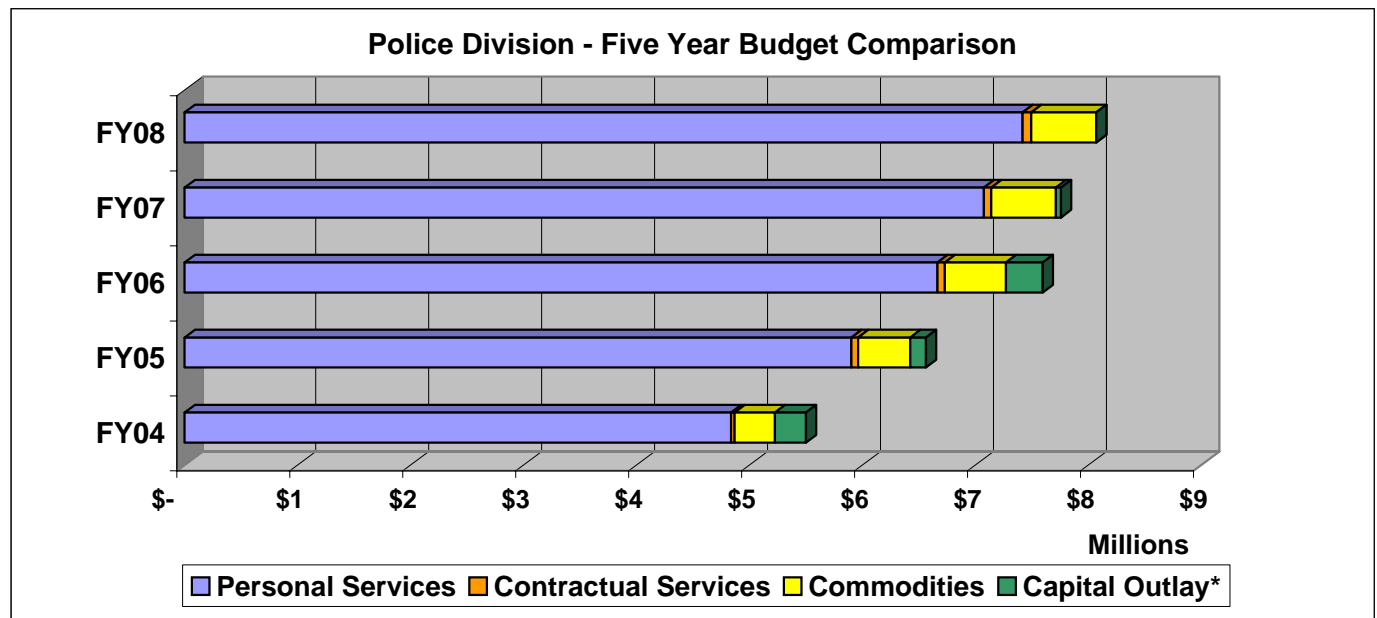
	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 255,157	\$ 244,867	\$ 262,922	\$ 269,996	\$ 276,243
Contractual Services	778,861	654,000	845,847	845,847	860,847
Commodities	46,273	77,236	92,550	92,550	98,550
Capital Outlay	19,518	-	-	-	-
Totals	\$ 1,099,809	\$ 976,103	\$ 1,201,319	\$ 1,208,393	\$ 1,235,640



Public Safety Department
Police Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 4,837,834	\$ 5,902,380	\$ 6,665,300	\$ 7,076,173	\$ 7,417,670
Contractual Services	30,125	60,606	65,320	65,320	75,320
Commodities	357,459	461,037	539,675	571,475	577,475
Capital Outlay*	274,942	137,515	326,300	46,200	-
Totals	\$ 5,500,360	\$ 6,561,538	\$ 7,596,595	\$ 7,759,168	\$ 8,070,465

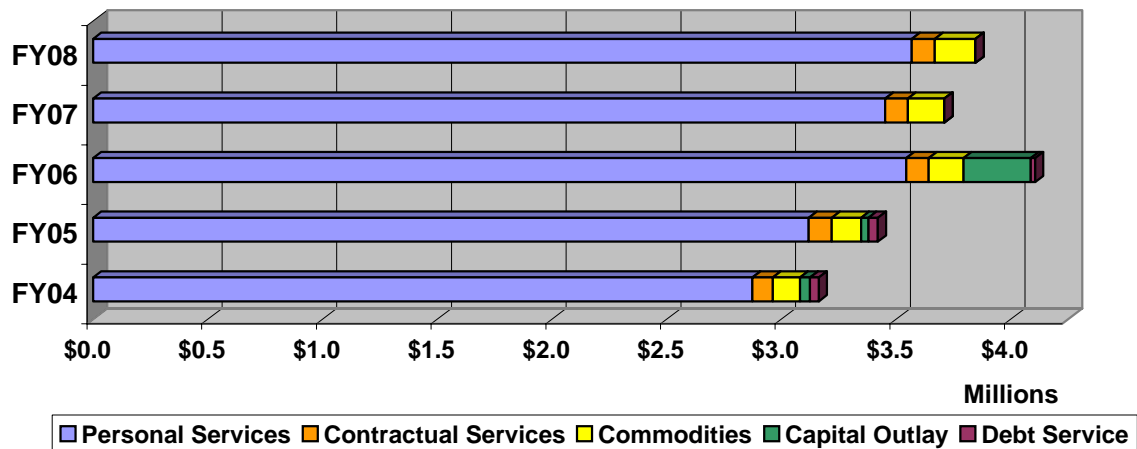


Public Safety Department
Fire Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 2,874,318	\$ 3,119,901	\$ 3,544,131	\$ 3,453,274	\$ 3,568,445
Contractual Services	88,565	100,494	98,312	98,312	100,812
Commodities	118,104	127,453	151,450	159,700	177,200
Capital Outlay	44,460	31,740	294,000	-	-
Debt Service	37,767	41,200	18,760	-	-
Totals	\$ 3,163,214	\$ 3,420,788	\$ 4,106,653	\$ 3,711,286	\$ 3,846,457

Fire Division - Five Year Budget Comparison

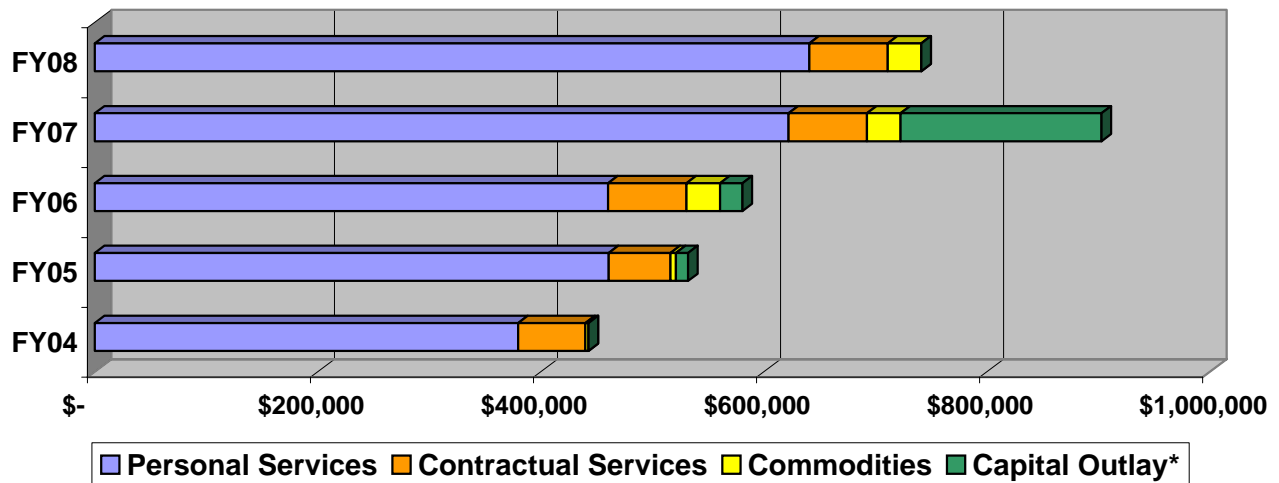


Public Safety Department
Communications Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 379,855	\$	461,114	\$	460,336	\$ 622,275	\$ 640,921
Contractual Services	60,096		55,368		70,280	70,280	70,280
Commodities	3,077		4,715		30,200	30,200	30,200
Capital Outlay*	-		10,936		20,000	180,000	-
Totals	\$ 443,028	\$	532,133	\$	580,816	\$ 902,755	\$ 741,401

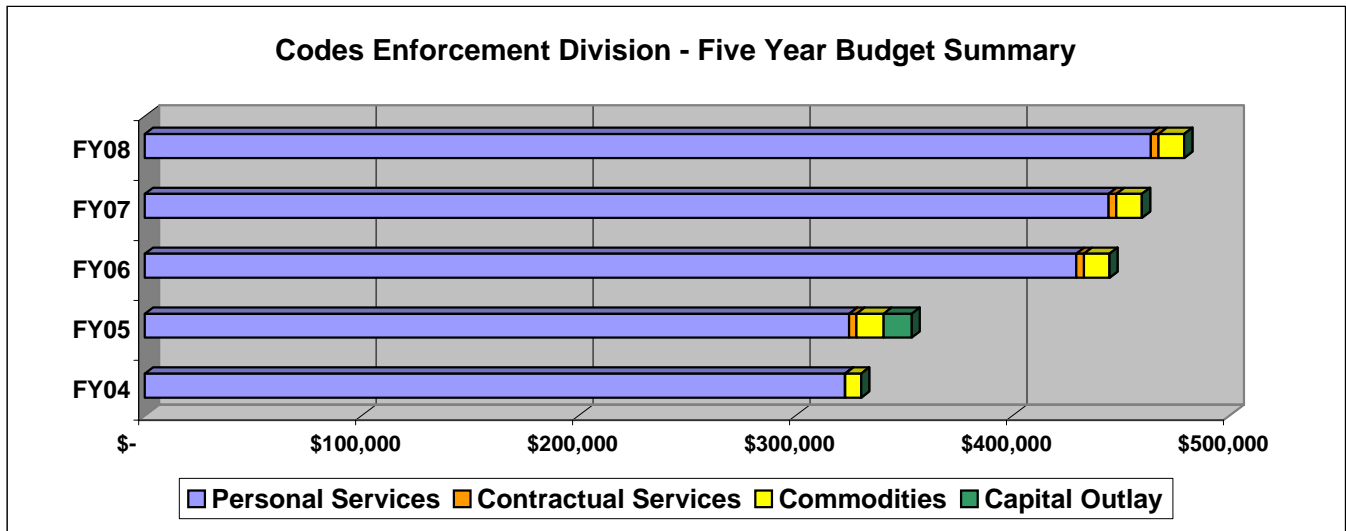
Communications Division - Five Year Budget Summary



Public Safety Department
Codes Enforcement Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 322,737	\$	324,637	\$	429,249	\$ 444,162	\$ 463,706
Contractual Services	157		3,362		3,580	3,580	3,580
Commodities	7,266		12,508		11,800	11,800	11,800
Capital Outlay	-		12,979		-	-	-
Totals	\$ 330,160	\$	353,486	\$	444,629	\$ 459,542	\$ 479,086



Public Works Department

Jeffery Ramsey, Director/City Engineer



Major Functions of the Public Works Department

- ◆ Provide project technical assistance to the City Manager, City Council, and Planning Commission
- ◆ Maintain streets, ditches, storm water pipes, and sidewalks within the City of Auburn
- ◆ Provide project inspections of public infrastructure installed by private developers
- ◆ Provide project management for major construction within the City of Auburn
- ◆ Maintain the City of Auburn maps and all inventory of public infrastructure
- ◆ Provide engineering services for construction projects
- ◆ Maintain all traffic signals and signs within the City of Auburn

Major Accomplishments in FY 06

- ◆ Provided project management for the following City projects:
 - Auburn Tennis Center
 - Auburn University Research Park
- ◆ Completed the following sidewalk construction projects:
 - Thach Avenue Bikeway
 - Town Creek Greenway
 - Highway 14 Bikeway
 - Armstrong Street Sidewalk
 - East University Drive Sidewalk
- ◆ Completed the following drainage construction projects:
 - Cook Street Drainage Improvements Design
 - Bibb Avenue Drainage Improvements (CDBG)
 - East Lane Drainage Improvements
 - Tucker Avenue / Homewood Drive Storm Sewer Improvements
 - Burton Street Drainage Improvements at Lipscomb Town Homes
- ◆ Completed portions of the following bridge improvement construction projects:
 - Bent Creek Road / I-85 Bridge Widening – *Engineering and Design*
 - Cox Road / I-85 Interchange – *Right-of-Way Acquisition*
- ◆ Completed the following traffic construction projects:
 - Installed uninterruptible power supply systems to backup traffic signals
 - Completed a comprehensive traffic study
 - Completed Asheton Park Subdivision Traffic Calming Project
- ◆ Completed the following street projects:
 - FY 06 Annual Resurfacing Project
 - East Veterans Boulevard Extension
 - Samford Avenue / Dean Road Intersection Improvement Project
 - Highway 14 / Willow Creek Subdivision Deceleration Lane
 - Outer Loop / Veterans Boulevard Right-of-Way Acquisition

- ◆ Completed the following miscellaneous construction projects:
 - North Auburn Infrastructure Improvements – Northwest Village Subdivision (CDBG)
 - Development Services Building (DSB) Renovations Project
 - DJW Municipal Complex Outdoor Lighting Improvements Project
 - Wynnsong Theater Retaining Wall Replacement Project
 - Secured funding for Bicycle Safety Billboarf
-

**Public Works Department
Jeffery Ramsey, City Engineer and
Public Works Director**

The mission of the Public Works Department is to provide excellent construction and engineering services on City-related projects to all residents and firms in a timely, efficient manner. Excellent service includes appropriate service hours and a trained, courteous staff to provide timely, accurate, and appropriate information and assistance. We will achieve this by:

- Constructing, installing, repairing, and maintaining the City's streets, sidewalks, bridges, and drainage structures
 - Installing and maintaining proper traffic control and street name signs
 - Devising creative options and innovative solutions to the City Manager to address municipal infrastructure issues in the most cost-effective manner
 - Providing technical assistance and advice to the City Manager and Planning Commission on all engineering questions
 - Developing and maintaining an accurate mapping database with a variety of information for the City and the public
 - Pursuing knowledge of the best available technology and procedures relating to the field of engineering
-

FY 07 Goals

Construction and Maintenance Division

1. Design sidewalk on Sanders Street from Norwood Avenue to Drake Avenue by July 30, 2007.
2. Design sidewalk on Sanders Street from Drake Avenue to Bragg Avenue by September 30, 2007.
3. Design sidewalk on Harper Avenue from Ross Street to Dean Road by June 30, 2007.
4. Continue to rebuild and repair an estimated 750 feet of broken sidewalk by September 30, 2007.
5. Improve storm sewer infrastructure, including ditch maintenance and piping projects, by completing at least two miles of stream maintenance by September 30, 2007.

6. Perform crack-sealing on 10 miles of streets by September 30, 2007.

7. Resurface various streets throughout the City based on condition rating and available funding by September 30, 2007.

Traffic Engineering Division

1. Design and construct the Highway 14 Bikeway from Webster Road to Chadwick Lane by September 2007.
2. Complete intersection improvements to enhance traffic flow and reduce accidents at Harper Avenue and Dean Road as a part of the resurfacing project by September 2007.
3. Design intersection improvements to enhance traffic flow and reduce accidents at Shug Jordan Parkway and Richland Road by September 2007 pending ALDOT approval.
4. Rewire and replace a traffic signal cabinet by August 2007.

5. Install traffic signals at Samford Avenue and Shug Jordan Parkway by September 2007 pending ALDOT approval.
6. Improve access to critical data by updating traffic counts in GIS to within 5 years by September 2007.
7. Research Intelligent Traffic Systems to find innovative ways to improve traffic flow and reduce accidents on City of Auburn streets by June 2007.
8. Prioritize and begin designing and implementing recommendations from the 2006 traffic study by January 2007.

Engineering Division

1. Coordinate the Highway 147 Re-route Corridor Study by September 2007.
2. Finalize design for Samford Avenue from College Street to Moore's Mill Road by September 2007.
3. In conjunction with DOT, complete widening of the Bent Creek Road Bridge over Interstate 85 by September 2007.
4. In cooperation with DOT, complete engineering design to widen Moore's Mill Road Bridge over Interstate 85 by September 2007.
5. In cooperation with DOT, complete right-of-way acquisition for constructing a new interchange at Cox Road/Beehive Road and Interstate 85 by September 2007.
6. Design a new drainage structure to improve storm water runoff at West Glenn Avenue and Toomer Street by September 2007.
7. Construct a new drainage structure to improve storm water runoff at Country Circle, pending FEMA funding by September 2007.
8. Work with Alabama Department of Economic and Community Affairs to update FEMA Flood Maps by September 2007.

9. Design a retaining wall along Alabama Street to minimize failure of banks along roadway by June 2007.
10. Complete a thorough inspection of the City Parking Deck to determine if repair or replacement of segments is warranted by June 2007.
11. Conduct annual update of Engineering Standard Operating Procedures by June 2007.
12. Design and construct sidewalk on Byrd Street from Alabama Highway 14 to Zellars Avenue (CDBG) by September 2007.

Inspections Division

1. Conduct annual inspections on 188 detention ponds by April 30, 2007.
2. Conduct training on City of Auburn Standard Details with all inspectors by September 2007.
3. Have all the inspectors certified/recertified as Grade I Water Treatment Operator and Roadway Technician by September 2007.
4. Complete annual Street Re-striping Project to re-stripe various streets throughout the City by September 2007.
5. Oversee construction of Yarbrough Tennis Center by February 27, 2007.
6. Work with the Information Technology Department to program the Inspections Checklist for use on hand-held computers by Engineering Inspectors in the field by September 2007.

Administrative Division Goals

1. Complete annual update of Standard Operating Procedures for the Administrative Division, including digital recordkeeping, by September 2007.
2. Develop an Engineering Permit Fee that helps cover the City's cost in development by September 2007.
3. Hire a consultant to develop a comprehensive Public Works Manual

that consolidates all design standards currently contained in the Zoning Ordinances, Subdivision Regulations, and State and City Code as well as departmental policies, standards & specifications by June 2007.

4. Coordinate with state agencies for grants to build portions of the Outer Loop by September 2007.
5. Participate in the Development Review Task Force with the goal of producing a set of recommendations on improving the development process by January 31, 2007.

FY 08 Goals

Construction and Maintenance Division

1. Design sidewalk on Longleaf Drive from Donahue Drive to South College by September 30, 2008.
2. Design sidewalk on Gay Street from Halal Court to Shelton Mill Road by September 30, 2008.
3. Design sidewalk on Gatewood Drive from Academy Drive to end by September 30, 2008.
4. Continue to rebuild/repair an estimated 750 feet of broken sidewalk by September 30, 2008.
5. Improve storm sewer infrastructure, including ditch maintenance and piping projects, by completing at least two miles of stream maintenance by September 30, 2008.
6. Perform crack-sealing on 10 miles of streets by September 30, 2008.
7. Complete FY 08 Streets Resurfacing Project by September 30, 2008.

Traffic Engineering Division

1. Design a multiuse path on South Donahue Drive from South College Street to East University Drive by September 2008.

2. Design intersection improvements to enhance traffic flow and reduce accidents at Donahue Drive and West Magnolia Avenue by July 2008.
3. Design intersection improvements to enhance traffic flow and reduce accidents at South College Street and East University Drive/Shug Jordan Drive by July 2008.
4. Design intersection improvements to enhance traffic flow and reduce accidents at East University Drive and Shelton Mill Road by September 2008.
5. Install traffic signals at East Samford Avenue and East Glenn Avenue when Samford Avenue is extended by September 2008.
6. Install traffic signals at East Samford Avenue and East University Drive when Samford Avenue is extended by September 2008.
7. Perform signal warrant analysis for a traffic signal at Willow Creek Road and Hwy 14 by September 2008.
8. Perform signal warrant analysis for a traffic signal at Opelika Road and Saugahatchee Road upon substantial completion of subdivision by September 2008.
9. Improve access to critical data by continuously updating traffic counts in GIS to within 5 years by September 2008.
10. Complete ALDOT/FHWA required Bridge Inspections by June 2008.
11. Complete analysis of Intelligent Transportation Systems applications for City of Auburn by September 2008.

Engineering Division

1. Design and construct the Samford Avenue Extension from East University Drive to Glenn Avenue by September 2008.
2. Design replacement of Wire Road Bridge by August 2008.

3. Design the East Glenn Avenue Median Project by September 2008.
4. Design project to widen Bragg Avenue to three lanes by September 2008.
5. Design project to improve drainage on Opelika Road near Guthries by August 2008.
6. Design sidewalk on West Glenn Avenue from Byrd Street to Donahue Drive by September 2008 (CDBG).
7. Complete annual update of Engineering Standard Operating Procedures by June 2008.

Inspections Division

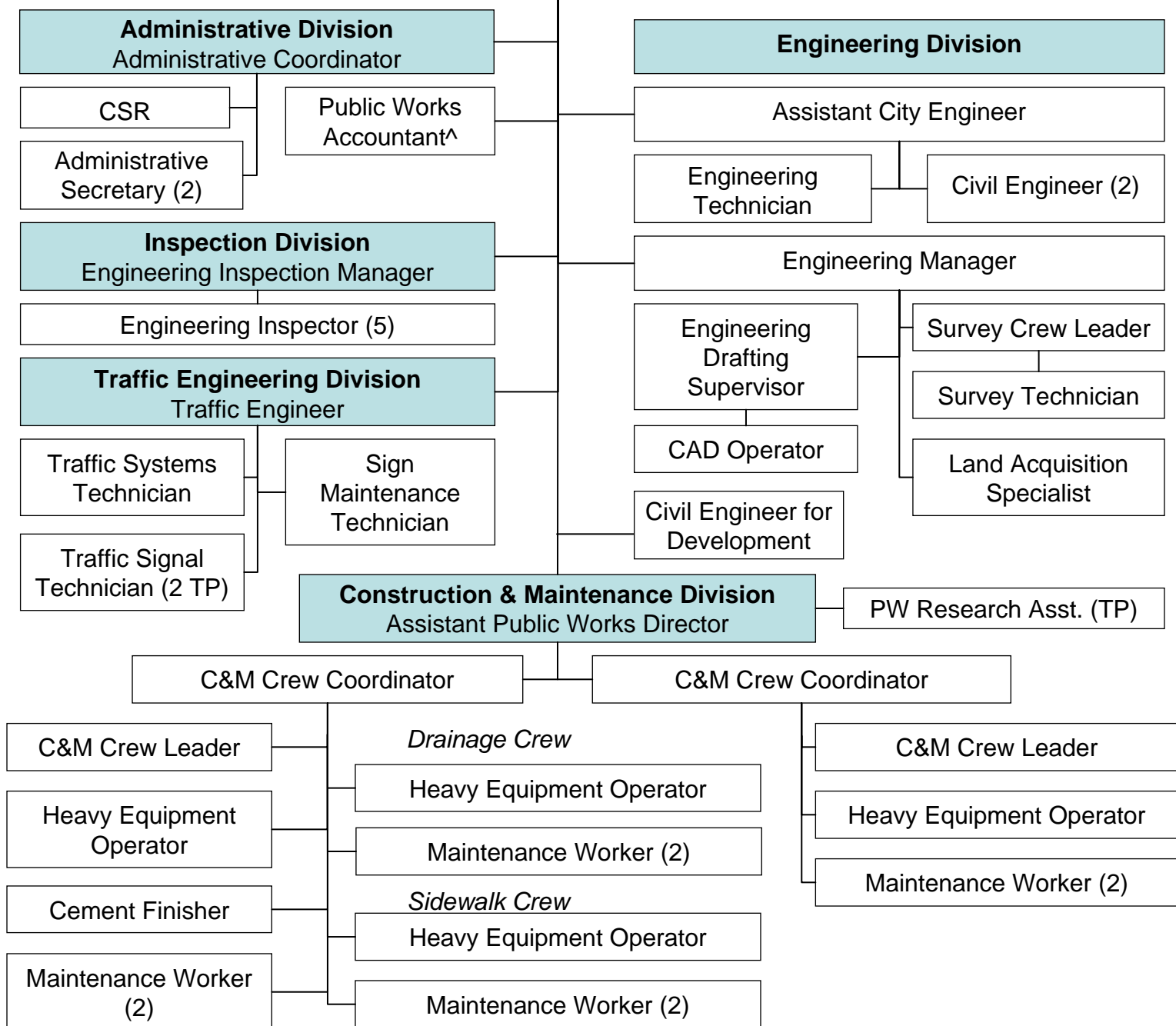
1. Conduct annual detention pond inspections by September 2008.
2. Have all the inspectors certified/recertified as Grade I Water Treatment Operator and Roadway Technician by September 2008.
3. Complete FY 08 Streets Re-striping Project by September 2008.
4. Oversee construction of the addition to the Library by September 2008.
5. Oversee construction of the Samford Avenue Extension project by September 2008.

Administrative Division Goals

1. Complete wetlands bank study by September 2008.
2. Complete development of a comprehensive Engineering Manual that consolidates all current design standards and specifications and incorporates new specifications into one easy to use source for use by the Engineering staff as well as the development community by September 2008.

Department of Public Works

Jeffery L. Ramsey, P.E.
Director of Public Works/City Engineer
 (334) 501-3000



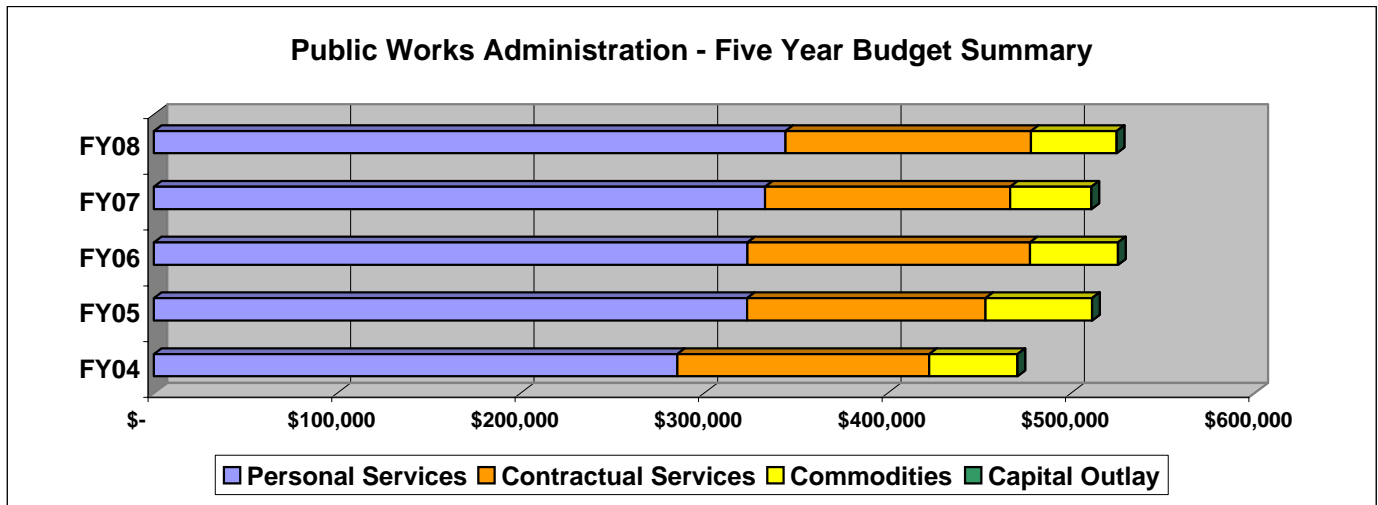
Comparative Summary of Authorized Personnel (Regular Full-Time Only)

	FY 04	FY 05	FY 06	FY 07	FY 08
Administration	6	6	6	6	6
Engineering	10	11	12	11	11
Traffic Eng.	3	3	3	3	3
Inspection	4	4	6	6	6
Construction & Maintenance	15	18	18	18	18
TOTAL	38	42	45	44	44

Public Works Department
Administration Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

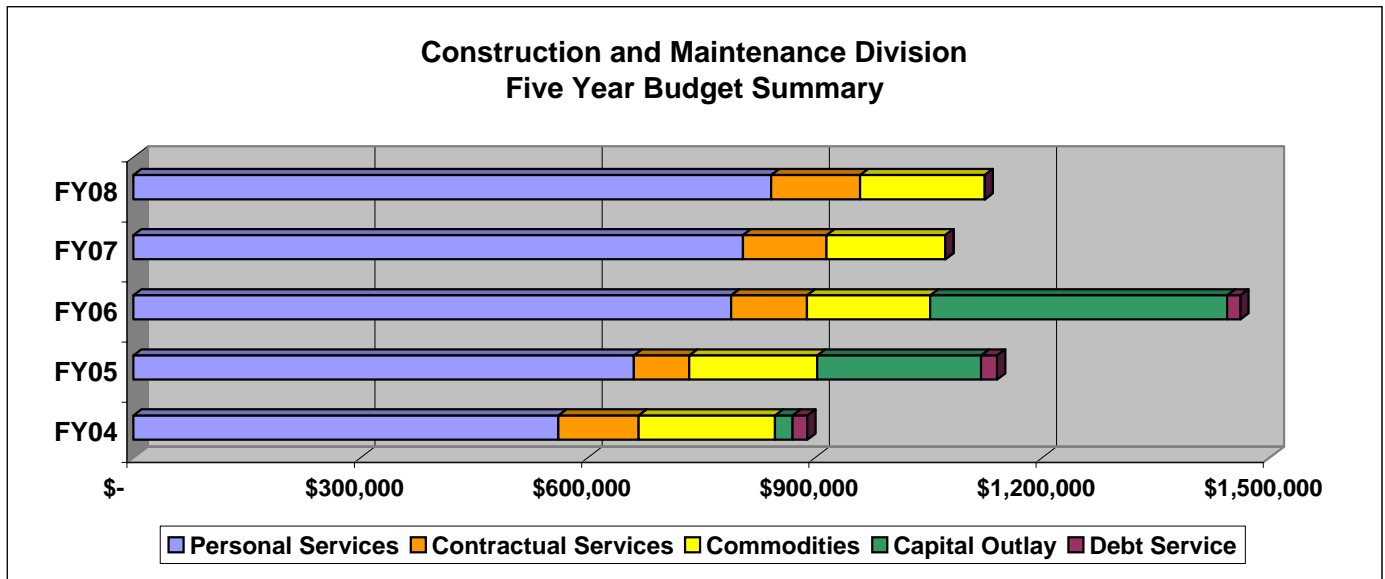
	Actual		Actual		Mid-Biennium Budget		Budget			
	FY04		FY05		FY06		FY07		FY08	
Personal Services	\$	285,254	\$	323,413	\$	323,529	\$	333,190	\$	344,307
Contractual Services		137,296		129,940		153,928		133,600		133,800
Commodities		48,258		57,994		48,000		44,200		46,700
Capital Outlay		-		-		-		-		-
Totals	\$	470,808	\$	511,347	\$	525,457	\$	510,990	\$	524,807



Public Works Department
Construction and Maintenance Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

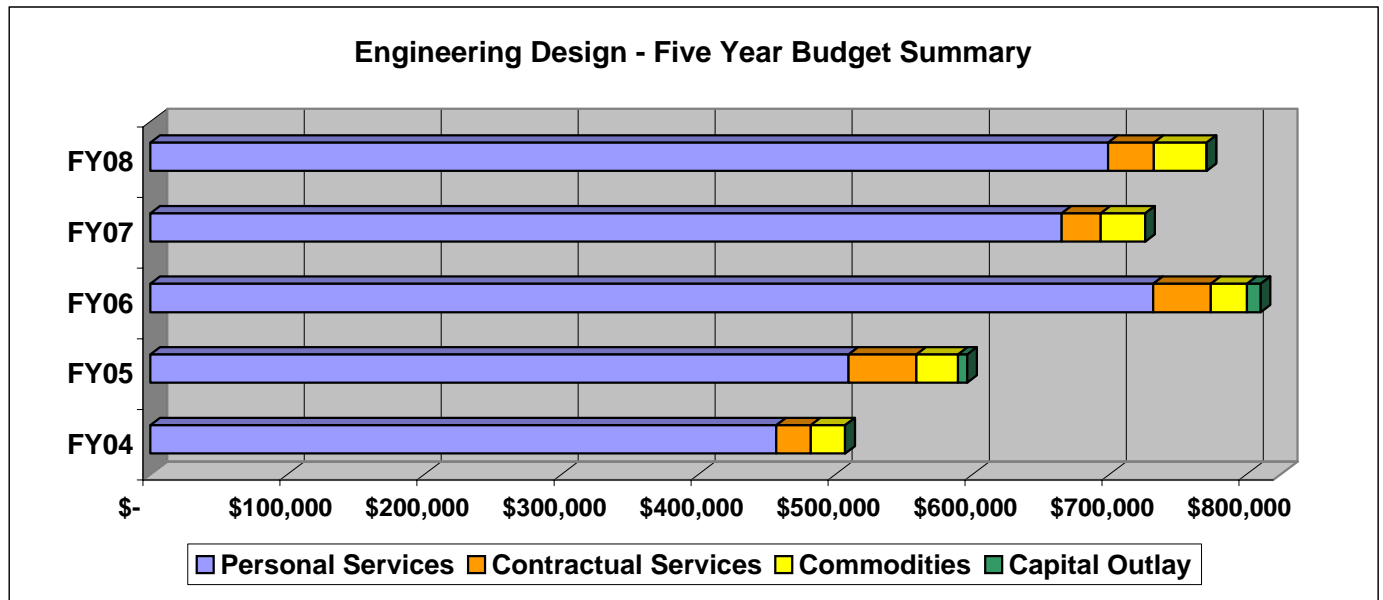
	Mid-Biennium					
	Actual		Actual		Budget	
	FY04		FY05		FY06	
					FY07	
					FY08	
Personal Services	\$	561,279	\$	660,911	\$	789,268
Contractual Services		105,900		73,194		100,050
Commodities		179,866		168,708		162,649
Capital Outlay		23,345		216,405		392,000
Debt Service		19,404		21,168		17,640
Totals	\$	889,794	\$	1,140,386	\$	1,461,607



Public Works Department
Engineering Design Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

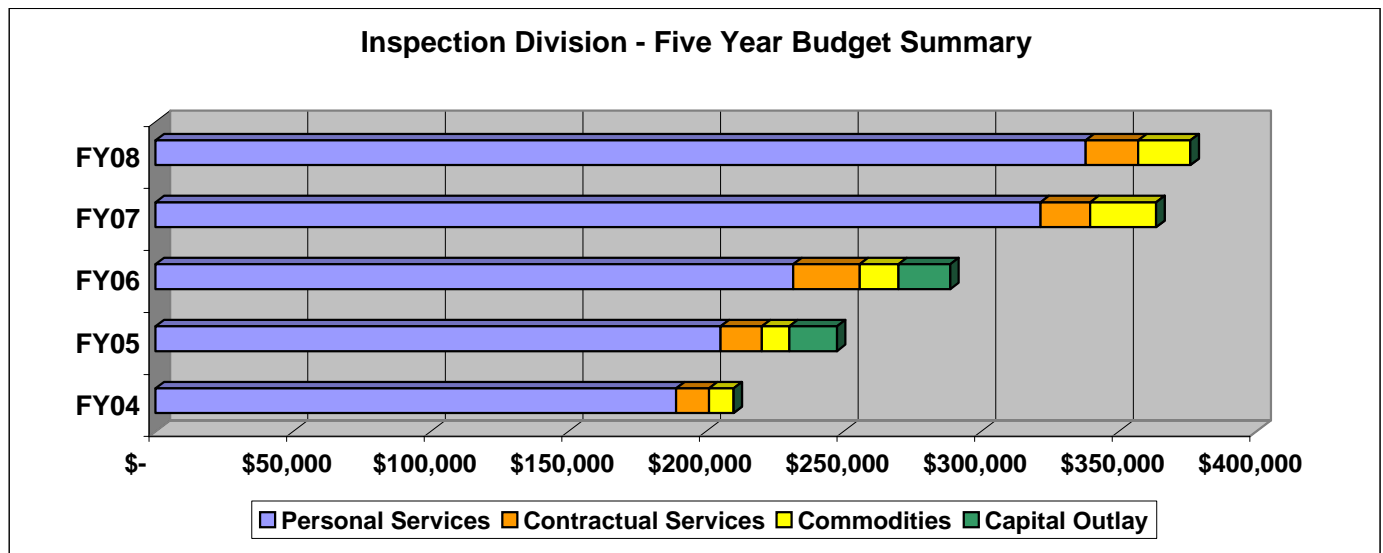
	Mid-Biennium					
	Actual		Actual		Budget	
	FY04		FY05		FY06	
					FY07	
					FY08	
Personal Services	\$	457,013	\$	509,718	\$	732,070
Contractual Services		25,149		49,509		42,100
Commodities		25,074		30,351		26,340
Capital Outlay		-		6,795		10,000
Totals	\$	507,236	\$	596,373	\$	810,510



Public Works Department
Inspection Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Mid-Biennium					
	Actual		Actual		Budget	
	FY04	FY05	FY06	FY07	FY08	
Personal Services	\$ 189,262	\$ 205,380	\$ 231,828	\$ 321,624	\$ 338,066	
Contractual Services	11,888	15,037	24,100	18,100	19,100	
Commodities	8,956	9,923	14,100	23,967	19,000	
Capital Outlay	-	17,328	18,806	-	-	
Totals	\$ 210,106	\$ 247,668	\$ 288,834	\$ 363,691	\$ 376,166	

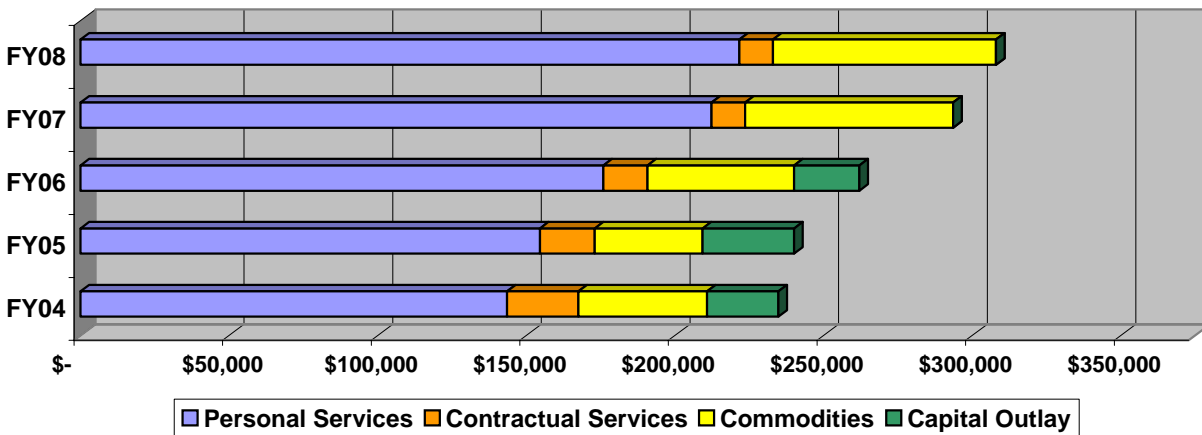


Public Works Department
Traffic Engineering Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget	
	FY04	FY05	FY06	FY07	FY08	
Personal Services	\$ 143,574	\$ 154,568	\$ 175,946	\$ 212,337	\$ 221,729	
Contractual Services	23,975	18,445	14,825	11,275	11,275	
Commodities	43,284	36,300	49,289	70,000	75,023	
Capital Outlay	23,961	30,756	22,000	-	-	
Totals	\$ 234,794	\$ 240,069	\$ 262,060	\$ 293,612	\$ 308,027	

Traffic Engineering Division - Five Year Budget Summary



Environmental Services Department
Timothy L. Woody, Director



Major Functions of the Environmental Services Department

- ◆ Provide a comprehensive solid waste management program to the city's residential and commercial services customer base
 - ◆ Educate citizens as to proper animal care issues and enforce the city's Animals and Fowls ordinance
 - ◆ Maintain the city's right-of-ways through cutting, trimming, litter collection and prevention, and street sweeping
 - ◆ Provide an integrated mosquito abatement program
-

Major Accomplishments in FY 06

- ◆ Obtained certification for Keep Auburn Beautiful to become an affiliate of the nationally-recognized Keep American Beautiful organization
 - ◆ Secured a 3-year contract for municipal solid waste disposal services
 - ◆ Secured a 3-year contract for consolidated solid waste commercial services that encompasses a majority of downtown Auburn
 - ◆ Developed and instituted the March for Clean and the Clean School District litter collection and prevention campaigns
 - ◆ Instituted a comprehensive solid waste enforcement program to address garbage cart set out and other related issues
 - ◆ Reduced the number of garbage collection service complaints by 35% over FY 05
 - ◆ Although the ratio of vehicles and equipment versus the number of mechanics is 50/1 for typical municipal maintenance organizations, the Fleet Services Division, working under a ratio of 100 vehicles and equipment per mechanic, maintained the city's fleet at acceptable standards throughout FY 06.
-

Environmental Services Department
Timothy L. Woody, Director

The mission of the City of Auburn Environmental Services Department is to process and dispose of materials that are placed out for collection by the residents and small businesses of Auburn, Alabama in a manner consistent with applicable local ordinances and state and federal regulations and to maintain public streets, rights-of-way, equipment, and municipal vehicles as directed through the policies and directives of the City Council and the City Manager. We will achieve this by:

- Providing our customers with an integrated solid waste management system that meets the performance standards established by the City Council and City Manager
 - Providing environmentally sound management of the City of Auburn's solid waste system through state-of-the-art facilities and equipment, high standards of operation, and a commitment to adhering to federal, state, and local regulations
 - Developing a highly professional and technically competent staff
 - Providing creative and innovative solutions to the diverse waste management issues facing the City of Auburn
 - Maintaining the appearance of the City's rights-of-way through grass cutting, curb trimming, and weed control
 - Administering the City's vehicle and equipment maintenance program in a timely and effective manner
-

FY 07 Goals

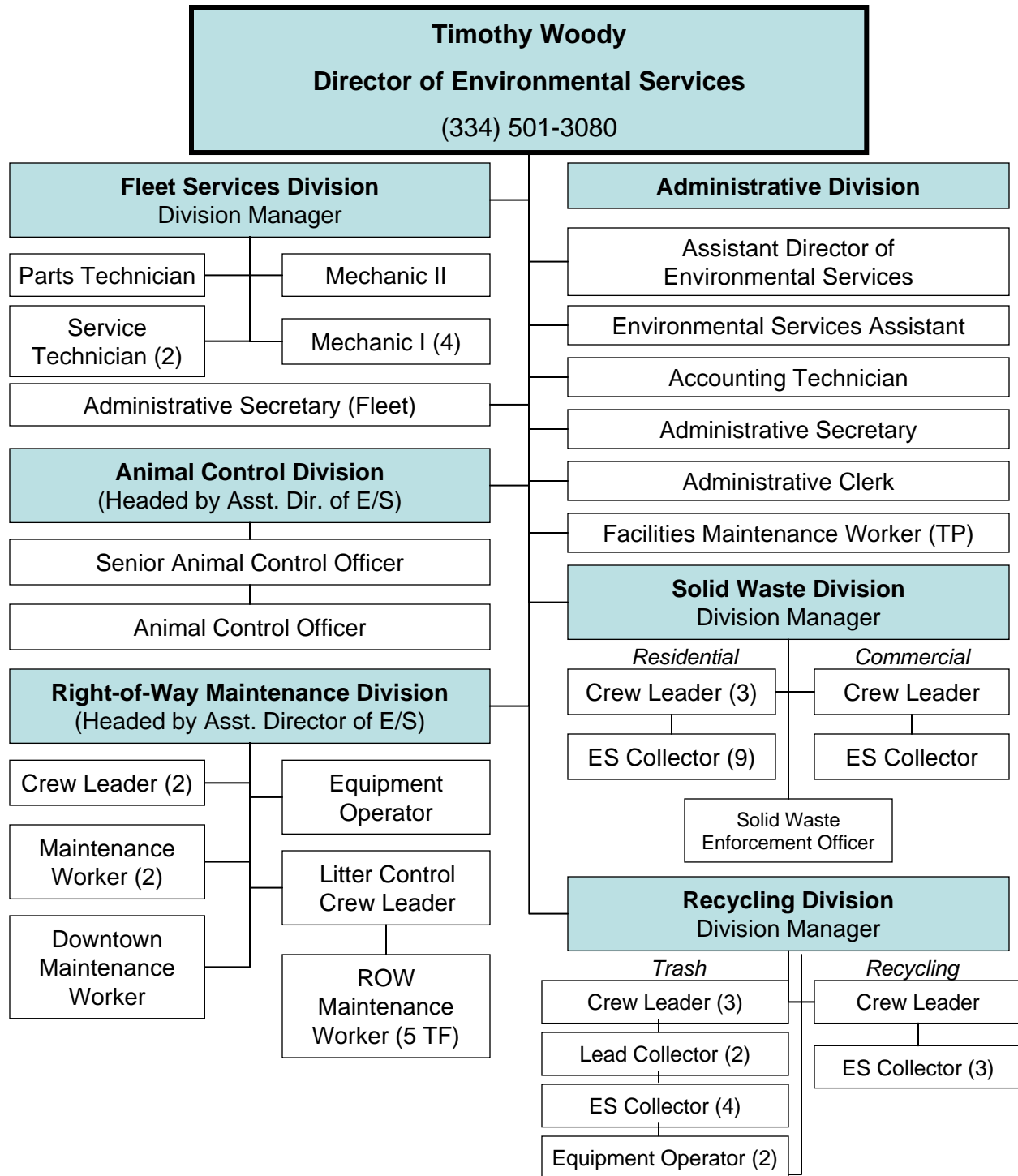
1. In conjunction with various city departments, civic organizations, and other stakeholders, continue strategic planning related to the 2007 beautification initiative conceived during FY 06, with the goal of promoting a program of advocacy, education, and involvement by June 30, 2007.
2. In consideration of interdepartmental needs and to ensure adherence to new 2007 federal emissions standards, evaluate the Fleet Services Division's vehicle/equipment maintenance and replacement program, and make adjustments as appropriate throughout FY 07.
3. In conjunction with the Information Technology Department, evaluate the current and future needs of the department related to the compilation and dissemination of information generated and/or utilized by the department by September 30, 2007.
4. Conduct a review to determine the feasibility of introducing variable rate pricing as a component of the residential garbage collection system, with the goal of completing the initial phase of the review by September 30, 2007.
5. In conjunction with several other departments, continue to analyze space needs and develop a plan to address those needs by September 30, 2007.
6. Continue the on-going goal of developing and improving the department's education and outreach effort through media, presentations to groups, and other mediums as it relates to the following programs:
 - a. Keep Auburn Beautiful
 - b. RecycleAuburn
 - c. Household Hazardous Waste Collection
 - d. Animal Control & Care

7. Reduce the number of legitimate service complaints by at least five percent over FY 06 by September 30, 2007.
8. Conduct at least one city school district litter education campaign and one vehicular traffic litter education event by June 30, 2007.
9. Provide the opportunity for departmental personnel to obtain certification in the following programs by September 30, 2007:
 - a. Animal Control Division-Disaster Animal Relief
 - b. Fleet Services Division-Automotive Service Excellence
 - c. Right of Way Maintenance Division-Pesticide Applicator License
10. Conduct a review of the City's Solid Waste Ordinance and recommend adjustments by September 30, 2007.
6. Continue the on-going goal of developing and improving the department's education and outreach effort through media, presentations to groups, and other mediums as it relates to the following programs:
 - a. Keep Auburn Beautiful
 - b. RecycleAuburn
 - c. Household Hazardous Waste Collection
 - d. Animal Control & Care
7. Continue focus on the department's on-going goal to reduce the number of legitimate service complaints received by at least five percent over the previous fiscal year, by September 30, 2008.
8. Review the department's residential and commercial solid waste disposal program and explore available options related to future needs by September 30, 2008.

FY 08 Goals

1. Continue to build upon the FY 07 joint beautification initiative designed to promote advocacy, education, and involvement, with the goal of conducting a spring program by June 30, 2008.
2. Contingent upon the results of the residential garbage collection variable rate pricing review initiated in FY 07, implement a pilot project and evaluate the results by September 30, 2008.
3. Contingent upon the progress of the FY 07 goal to develop a plan for space needs, ensure those needs continue to be addressed during FY 08.
4. Reevaluate the city's fleet to ensure the needs of all departments are addressed and continued attention is given to 2007 federal emissions standards throughout FY 08.
5. Conduct at least one city school district litter education campaign and one vehicular traffic litter education event by June 30, 2008.

Department of Environmental Services



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

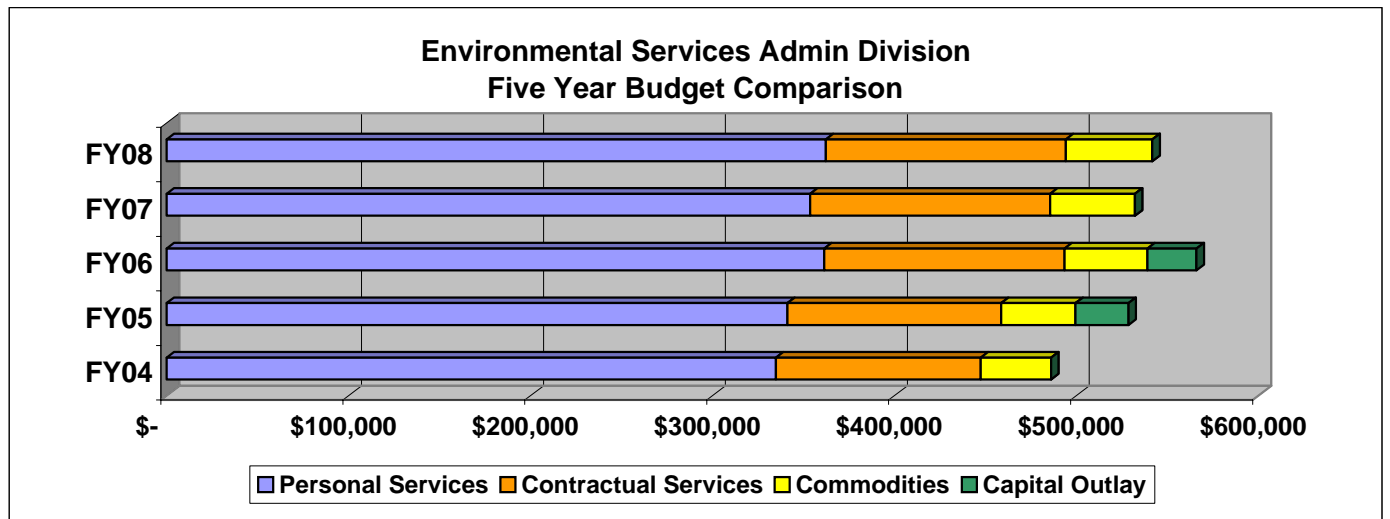
	FY 04	FY 05	FY 06	FY 07	FY 08
Administration	6	6	6	6	6
Recycling	16	16	16	16	16
Solid Waste	14	15	16	16	16
Animal Control	2	2	2	2	2
ROW Maint.	7	6	7	7	7
Fleet Services	9	10	10	10	10
TOTAL	54	55	55	57	57

Environmental Services Department
Administration Division Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

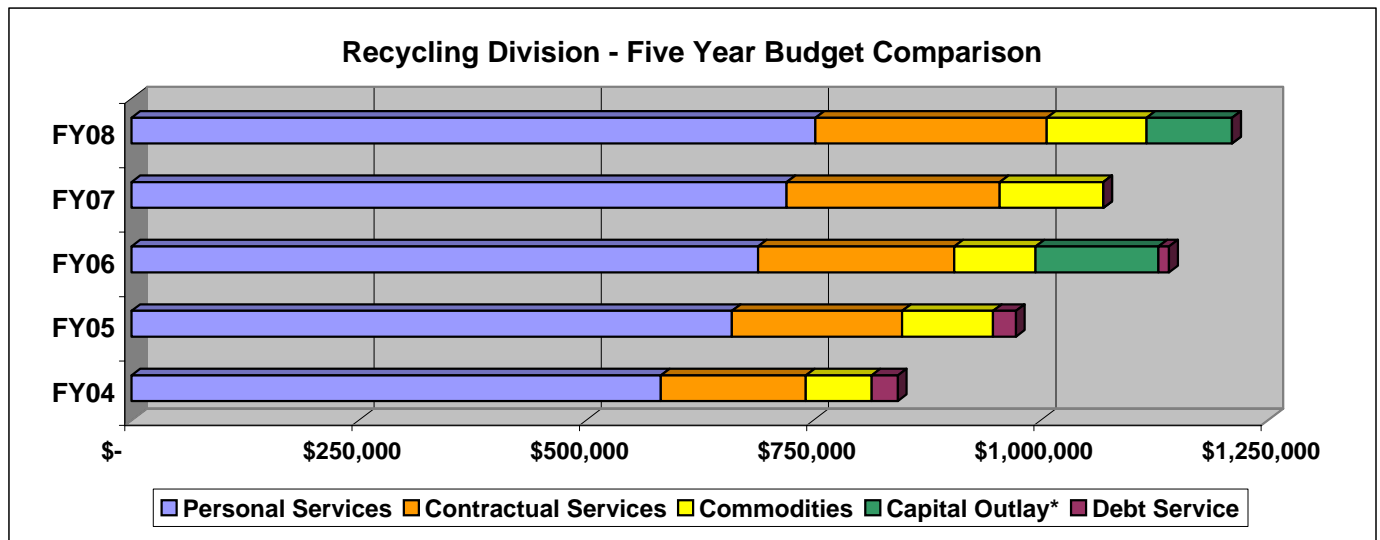
	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 334,922	\$	341,196	\$	361,421	\$ 353,747	\$ 362,327
Contractual Services	112,588		117,496		132,131	131,927	131,927
Commodities	38,686		40,940		45,554	46,556	47,556
Capital Outlay	-		29,120		27,000	-	-
Totals	\$ 486,196	\$	528,752	\$	566,106	\$ 532,230	\$ 541,810



Environmental Services Department
Recycling Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 582,359	\$ 660,558	\$ 689,255	\$ 720,771	\$ 752,517
Contractual Services	159,483	187,250	216,056	234,500	254,500
Commodities	72,468	100,071	89,303	113,803	109,592
Capital Outlay*	-	-	135,250	-	94,196
Debt Service	28,776	25,116	11,553	-	-
Totals	\$ 843,086	\$ 972,995	\$ 1,141,417	\$ 1,069,074	\$ 1,210,805

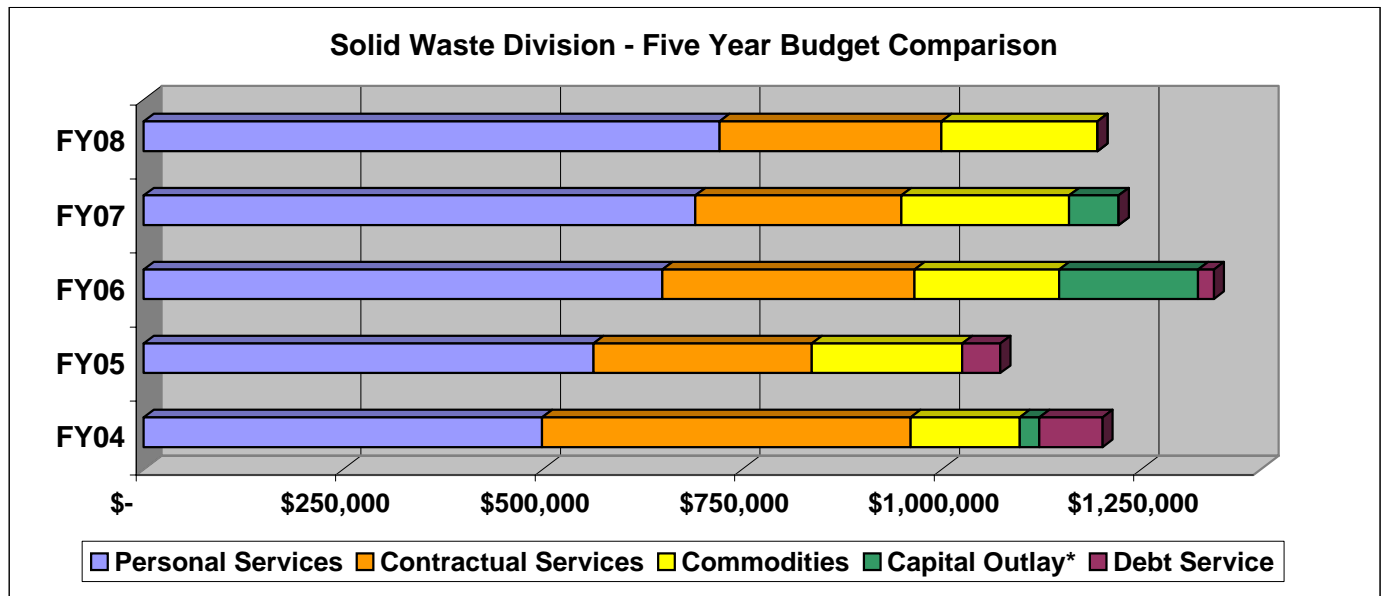


Environmental Services Department
Solid Waste Division Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget	
	FY04	FY05	FY06	FY07	FY08	
Personal Services	\$ 499,071	\$ 563,475	\$ 649,898	\$ 691,155	\$ 721,454	
Contractual Services	461,861	273,630	315,913	258,000	278,000	
Commodities	136,571	188,541	181,329	210,473	195,473	
Capital Outlay*	24,659	-	173,962	62,137	-	
Debt Service	79,305	47,619	19,920	-	-	
Totals	\$ 1,201,467	\$ 1,073,265	\$ 1,341,022	\$ 1,221,765	\$ 1,194,927	



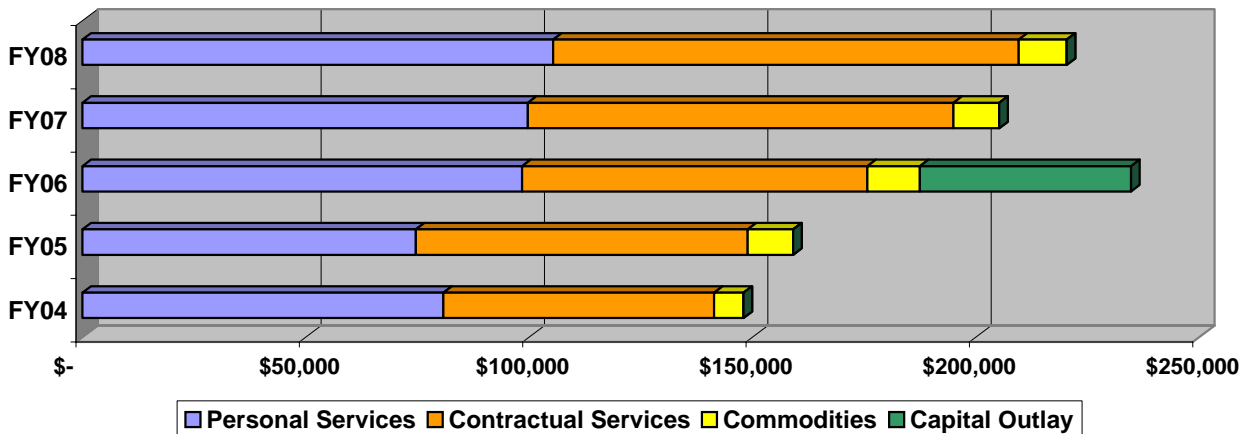
Environmental Services Department
Animal Control Division Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 80,781	\$	74,615	\$	98,403	\$ 99,693	\$ 105,356
Contractual Services	60,611		74,252		77,274	95,237	104,211
Commodities	6,558		10,181		11,746	10,246	10,746
Capital Outlay	-		-		47,250	-	-
Totals	\$ 147,950	\$	159,048	\$	234,673	\$ 205,176	\$ 220,313

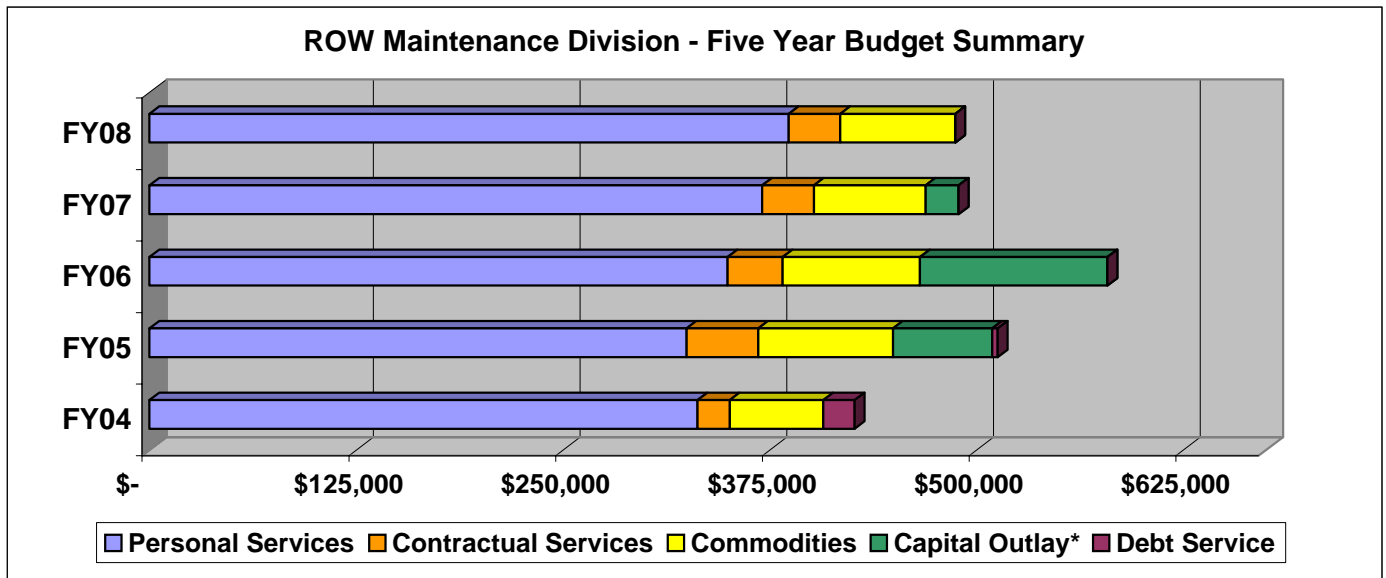
Animal Control Division - Five Year Budget Comparison



Environmental Services Department
Right of Way Maintenance Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget	Budget	
	FY04		FY05		FY06	FY07	FY08
Personal Services	\$ 331,357	\$	324,760	\$	349,630	\$ 370,493	\$ 386,508
Contractual Services	19,513		43,322		33,259	31,259	31,259
Commodities	56,527		81,483		82,958	67,500	69,500
Capital Outlay*	-		59,925		113,400	20,000	-
Debt Service	19,048		3,463		-	-	-
Totals	\$ 426,445	\$	512,953	\$	579,247	\$ 489,252	\$ 487,267

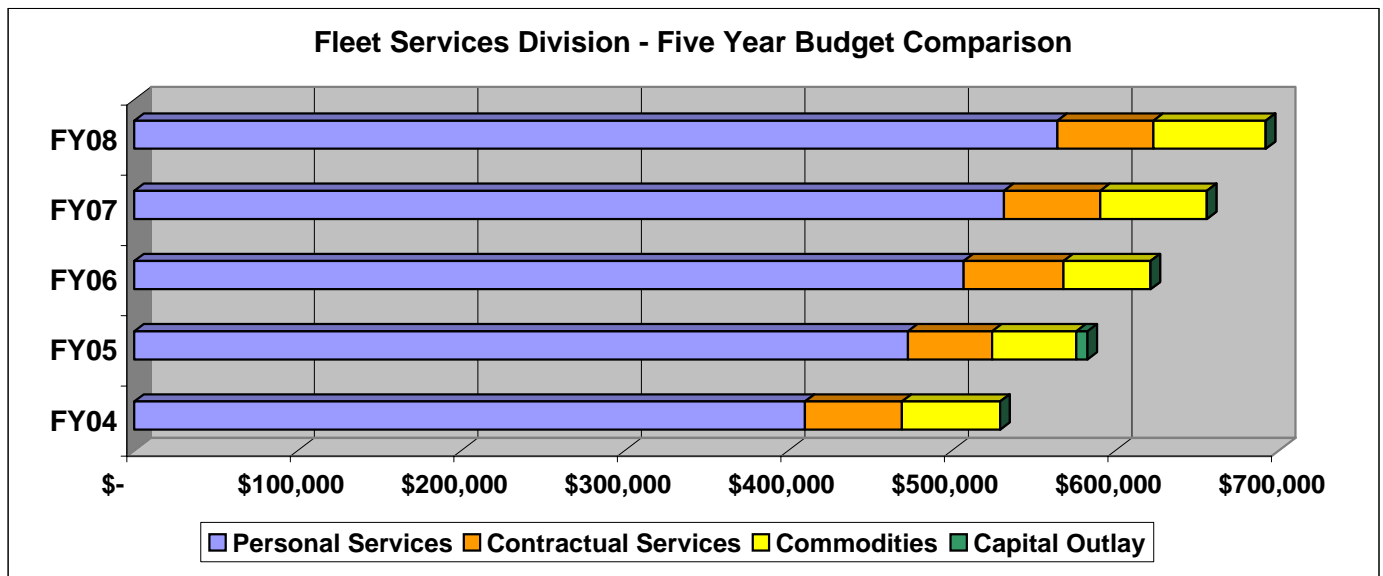


Environmental Services Department
Fleet Services Division Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Actual		Mid-Biennium Budget		Budget			
	FY04		FY05		FY06		FY07	FY08		
Personal Services	\$	410,196	\$	473,267	\$	507,359	\$	532,063	\$	564,704
Contractual Services		59,343		51,538		60,964		58,769		58,769
Commodities		60,176		51,406		53,288		65,298		68,631
Capital Outlay		-		6,950		-		-		-
Totals	\$	529,715	\$	583,161	\$	621,611	\$	656,130	\$	692,104



Auburn City Library

Margie B. Huffman, Director



Major Functions of the City Library

- ◆ Develop a varied collection of library materials that meets the needs of all the community
 - ◆ Organize library materials into easily accessible areas
 - ◆ Provide library reference service to the community
 - ◆ Assist patrons of all ages in selecting library materials to meet their needs
 - ◆ Provide programming for young patrons that will help them develop a love of reading
-

Major Accomplishments in FY 06

- ◆ Had a successful referendum to approve a \$1.75 million expansion
- ◆ Selected an architectural firm to design the library expansion
- ◆ Installed time management software on all public access computers
- ◆ Created a virtual tour of the library on DVD to teach elementary students about the library
- ◆ Wrote a successful grant application for improving services to non-English speaking patrons

Benchmarks Achieved in FY 06

- ◆ Total circulation: 189,956 items
 - ◆ Average annual circulation per item: 3
 - ◆ Reference request completion rate: 94%
 - ◆ Average service hours per week: 68
 - ◆ Number of patrons attending special library programs: 4,947
 - ◆ Number of new patrons registered: 3,948
 - ◆ Number of logins at public access computers: 94,202
-

Auburn Public Library
Margie B. Huffman, Director

The mission of the Auburn Public Library is to provide excellent library service to all residents of Auburn. Excellent service includes convenient library service hours and appropriately trained staff to provide access to educational, cultural, and recreational library resources. Special emphasis is placed on:

- Providing current, high-demand materials in a variety of formats for persons of all ages
 - Encouraging young children to develop an interest in reading and learning through programs designed especially for children
 - Providing timely, accurate, and useful information for community residents in their pursuit of personal interests
-

FY 07 Goals

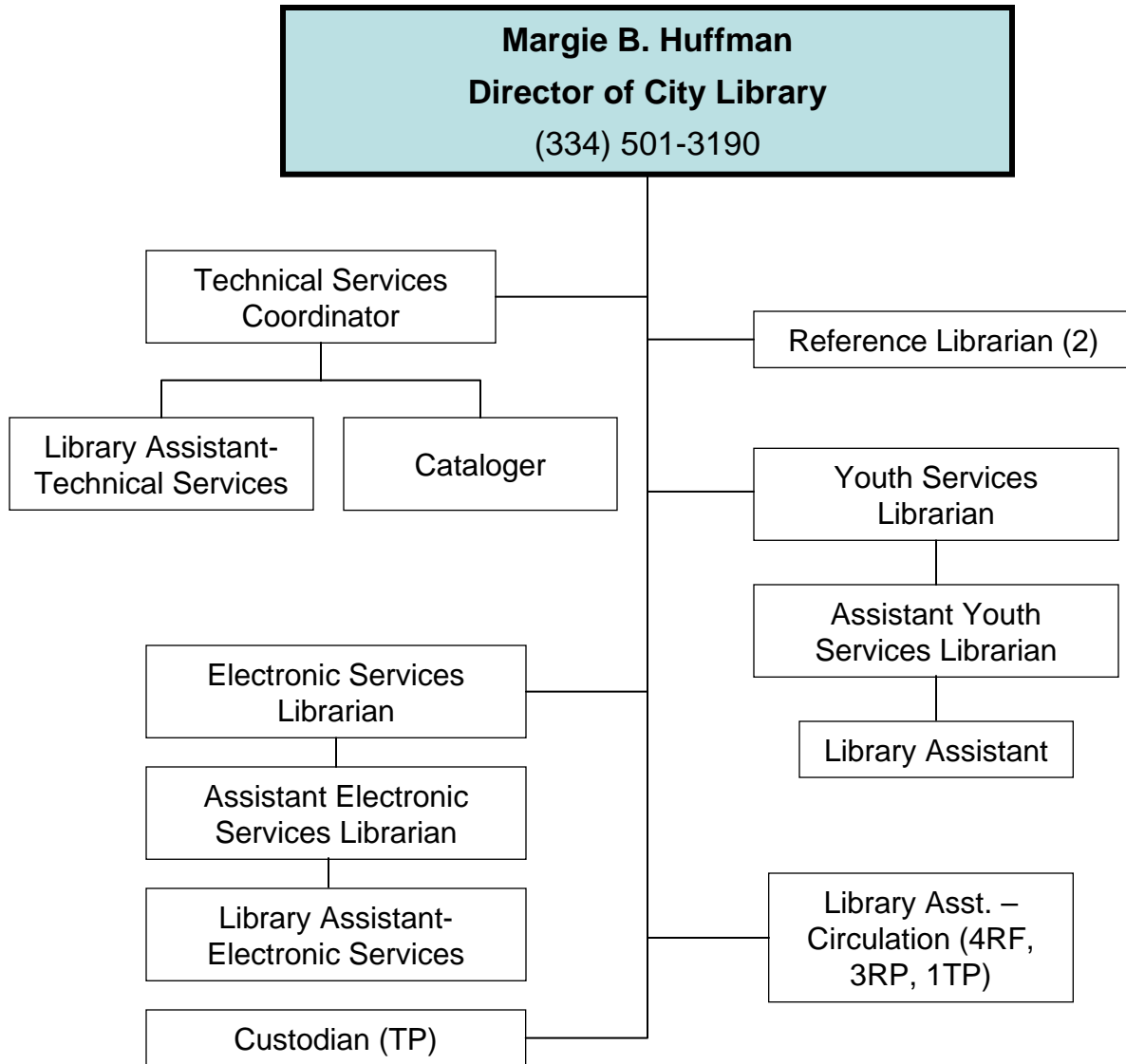
1. Work with architect to develop and approve plans for the library expansion by December 31, 2006.
2. Complete bid process for the library expansion and award contract to successful bidder by March 31, 2007.
3. Enhance integrated automated library system by adding authority control component for the library's bibliographic database by October 31, 2006.
4. Improve efficiency in materials acquisition by converting all ordering to the Polaris Acquisitions subsystem by October 31, 2006.
5. Utilize the library's wireless capability to increase computer availability for library patrons by purchasing laptops for use within the library by December 30, 2006.
6. Improve efficiency in Electronic Services by implementing an automated print management system by September 30, 2007.
7. Create DVD on how to use Auburn Public Library resources for middle school and high school level users by September 30, 2007.

8. Create a resource to easily access referrals to community service organizations via the library web site by December 31, 2006.

FY 08 Goals

1. Complete construction of the library expansion by March 31, 2008.
2. Move Electronic Services and Youth Services operations into the new wing by April 30, 2008.
3. Replace carpet and repaint original portion of library by July 31, 2008.
4. Add a minimum of twenty additional public access computer workstations by September 30, 2008.
5. Expand integrated automated library system into the library addition by adding four dedicated search terminals and two circulation terminals by April 30, 2008.
6. Conduct a needs assessment and, if warranted, implement the multilingual component of the integrated library system providing at least one additional language by September 30, 2008.

Auburn Public Library



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

FY 04
14

FY 05
14

FY 06
15

FY 07
15

FY 08
15

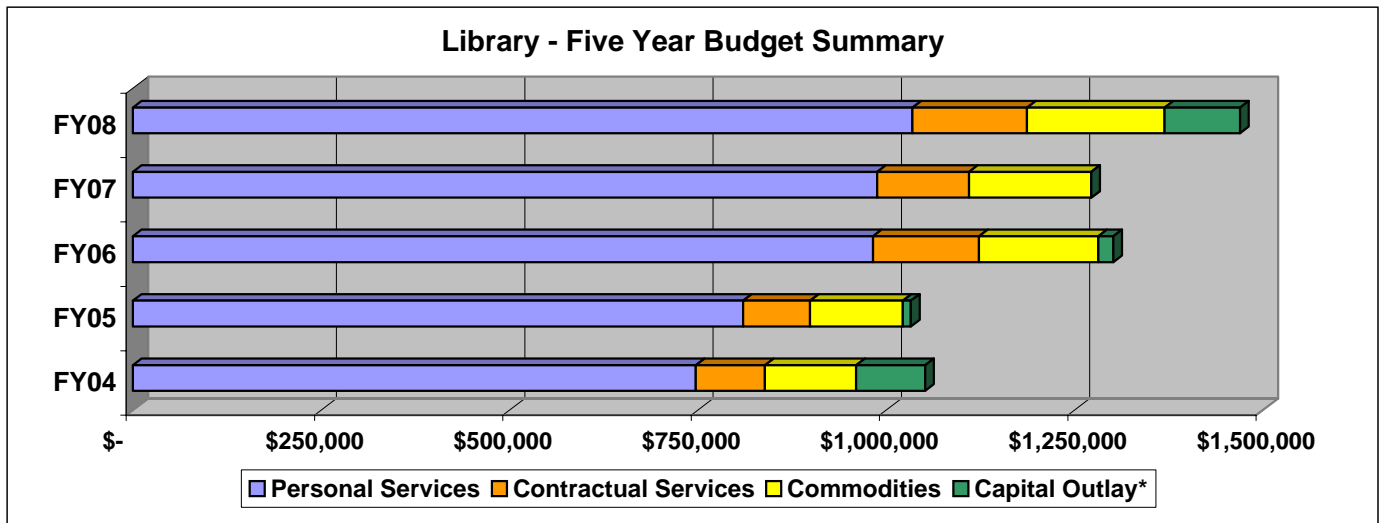
Library

Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Mid-Biennium					
	Actual		Actual		Budget	
	FY04		FY05		FY06	
					FY07	
					FY08	
Personal Services	\$	747,454	\$	810,186	\$	982,492
Contractual Services		91,699		88,917		141,036
Commodities		121,091		122,943		158,155
Capital Outlay*		91,717		10,946		20,000
Totals	\$	1,051,961	\$	1,032,992	\$	1,301,683
					\$	1,272,289
					\$	1,469,785



Major Functions of the Parks & Recreation Department

- ◆ Provide safe, affordable, and innovative leisure activities for adults and children
 - ◆ Develop and maintain recreation facilities
 - ◆ Maintain the City of Auburn cemeteries to be safe and attractive
 - ◆ Promote recreation events as an economic development activity
 - ◆ Provide athletic programs for all levels of ability and competition for youth and adults
-

Major Accomplishments in FY 06

- ◆ Completed construction and opened Tow Creek Park for public use
- ◆ Completed construction and began lot sales and burials at Town Creek Park Cemetery
- ◆ Completed Master Plan for totally accessible playground to be built in collaboration with the Auburn Kiwanis Club
- ◆ Completed plans and started construction on a joint tennis facility with the Auburn University Athletic Department. The facility will consist of 16 clay courts, 12 outdoor hard courts and 6 indoor courts plus office and meeting space for both the City of Auburn and Auburn University
- ◆ Incorporated Step Up to Health Programs into Youth, Therapeutics, Adult and Senior programs to encourage activity
- ◆ Successfully hosted a 104-team soccer tournament at the Auburn Soccer Complex
- ◆ Successfully bid on the Girls' 10 & Under Fastpitch National Tournament, the first Junior Olympic tournament sponsored by the Amateur Softball Association to come to Alabama
- ◆ Selected as Tree City of the Year for Alabama
- ◆ The Auburn Softball Complex was selected for the ASA Hall of Fame.
- ◆ Completed improvements to Westview, Memorial Park and Pine Hill cemeteries including new fencing at Westview; landscaping, fountain repairs and road work at Memorial Park; flagpoles at Pine Hill and Westview; and trash receptacles and signage at all cemeteries
- ◆ Replaced landscaping at Boykin Community Center

Benchmarks Achieved in FY 06

- ◆ Auburn has approximately 1,000 acres of recreation areas and green space, which is 20 acres per 1,000 population
- ◆ Percentage of registrants signing up for an athletic activity by the registration deadline that are placed on a team or in a league: 100%
- ◆ 83% of citizens were satisfied with the Parks & Recreation Department and its programs on the annual Citizens Survey

- ◆ All athletic fields maintain daily during the season and on a regular schedule during off-season
 - ◆ All parks (100%) mowed and trimmed to a specific standard on a ten-day schedule (once in each ten-day period)
 - ◆ Has \$27,000 in funds available to assist qualified low and moderate-income children with equipment for tackle football and baseball/softball
-

Parks & Recreation
Rebecca O. Richardson, Director

The mission of the Auburn Parks & Recreation Department is twofold: to provide quality leisure services and facilities to the citizens of Auburn and to appropriately manage Auburn's cemeteries. We will achieve this by:

- Establishing and organizing quality programs that address the diverse leisure interests of Auburn's citizens
 - Managing safe, well-maintained parks, facilities, and cemeteries
 - Exceeding the needs of citizens, advisory groups, local officials, and the media through a commitment to effective and efficient delivery of services and a positive approach to customer service
 - Continuing to offer innovative programs and up-to-date facilities
-

FY 07 Goals

1. Complete construction of joint tennis center project by June 30, 2007.
2. Assuming the tennis center is completed on time, host a minimum of 3 state level and one sectional level tournament by Sept. 30, 2007.
3. Refurbish landscaping at Douglas Watson Complex by Sept. 30, 2007.
4. Redesign the Parks and Recreation website by Sept. 30, 2007.
5. Assuming funding is available, refurbish deck and pool surface at Samford Pool by April 30, 2007.
6. Reorganize and improve programming in Ceramics by June 30, 2007.
7. Successfully host ISA National Softball Convention by Dec. 30, 2006.
8. Working with the Greenspace Advisory Board and the Alabama Land Trust obtain sufficient easements and property to begin construction of a greenway on Saugahatchee Creek by June 30, 2007.
9. Host a minimum of two tournaments at the Auburn Soccer Complex by Sept. 30, 2007.
10. Host a minimum of five national, regional, state or district softball tournaments at the Auburn Softball Complex by Sept. 30, 2007.

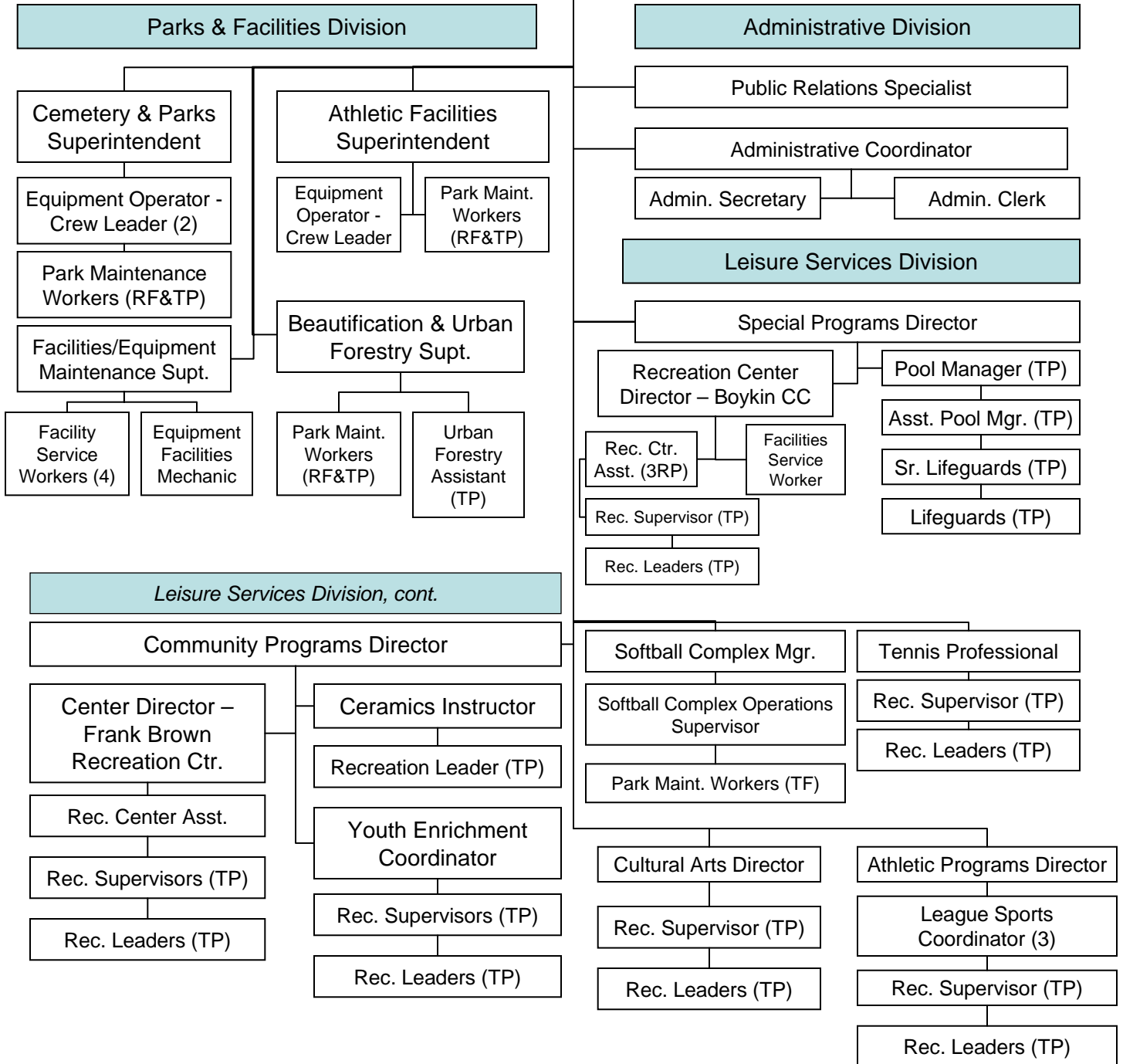
FY 08 Goals

1. Assuming funding is available, develop plans for renovation of Frank Brown Center and construction of Senior Center and park by Sept. 30, 2008.
2. Host a minimum of 5 state level and three higher level tournaments at the Yarbrough Tennis Center by Sept. 30, 2008.
3. Continue improvements to include additional trails and other amenities at Kiesel Park by Dec. 30, 2007.
4. Design new brochures for tennis and for Frank Brown Center by Sept. 30, 2008.
5. Assuming funding is available, resurface the courts at Samford Avenue Tennis in coordination with the Auburn City Schools by January 31, 2008.
6. Utilize the Art Education Specialist to increase programming at the Jan Dempsey Arts Center by adding two special programs by Sept. 30, 2008.
7. Assuming funding is available, complete construction of a section of trail on Saugahatchee Creek by Sept. 30, 2008.

8. Host a minimum of two tournaments at the Auburn Soccer Complex by Sept. 30, 2008.
9. Host a minimum of five national, regional, state or district softball tournaments at the Auburn Softball Complex by Sept. 30, 2008.
10. Acquire property and develop site for public use for a park in northeast Auburn by Sept. 30 2008.

Department of Parks & Recreation

Rebecca O. Richardson
Director of Parks and Recreation
 (334) 501-2930



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

	FY 04	FY 05	FY 06	FY 07	FY 08
Administration	5	5	5	5	5
Leisure Services.	15	17	17	18	18
Parks and Facilities	24	25	26	26	26
TOTAL	44	47	48	49	49

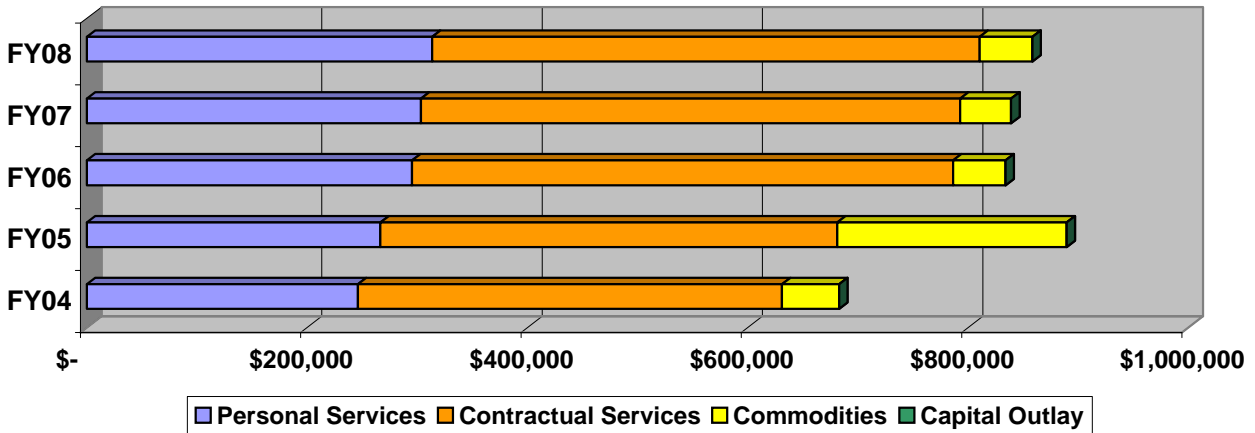
Parks and Recreation Department
Administration Division Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual		Mid-Biennium Budget		Budget	
	FY04	FY05	FY06	FY07	FY08	
Personal Services	\$ 246,071	\$ 266,568	\$ 295,306	\$ 303,404	\$ 313,482	
Contractual Services	385,069	414,675	491,200	489,408	497,165	
Commodities	51,825	208,292	47,600	46,300	47,800	
Capital Outlay	-	-	-	-	-	
Totals	\$ 682,965	\$ 889,535	\$ 834,106	\$ 839,112	\$ 858,447	

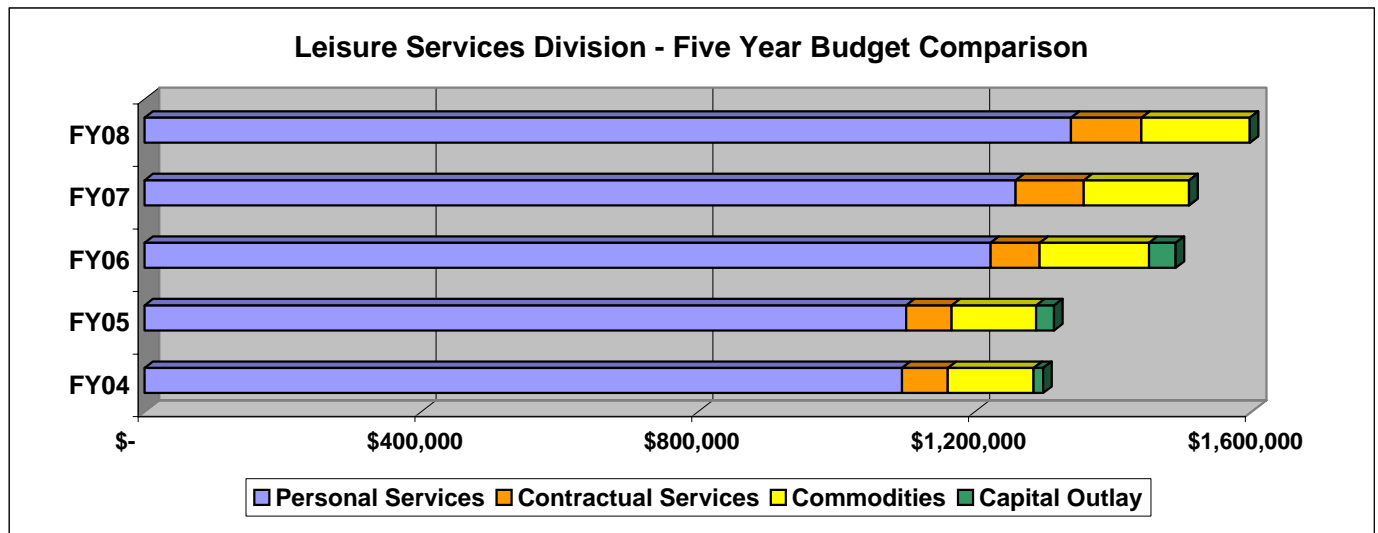
Administration Division - Five Year Budget Comparison



Parks and Recreation Department
Leisure Services Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 1,094,630	\$ 1,100,571	\$ 1,222,594	\$ 1,259,003	\$ 1,339,054
Contractual Services	66,234	65,987	71,200	98,515	101,515
Commodities	123,996	121,855	157,800	152,160	156,660
Capital Outlay	13,771	26,191	38,500	-	-
Totals	\$ 1,298,631	\$ 1,314,604	\$ 1,490,094	\$ 1,509,678	\$ 1,597,229

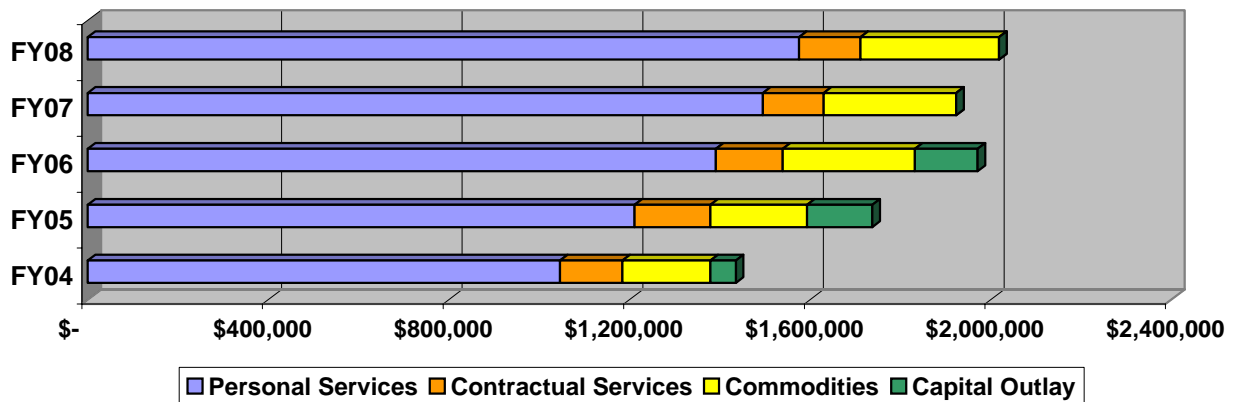


Parks and Recreation Department
Parks and Facilities Division Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 1,046,207	\$ 1,211,288	\$ 1,391,536	\$ 1,495,810	\$ 1,575,708
Contractual Services	138,212	168,342	147,650	134,650	136,150
Commodities	195,076	213,747	293,252	293,365	306,915
Capital Outlay	56,172	144,652	138,600	-	-
Totals	\$ 1,435,667	\$ 1,738,029	\$ 1,971,038	\$ 1,923,825	\$ 2,018,773

Parks and Facilities Division - Five Year Budget Summary



Major Functions of the Planning Department

- ◆ Provide technical support to the City Manager, City Council, and other Municipal Departments
 - ◆ Provide staff support and prepare agendas for the Planning Commission and Board of Zoning Adjustment
 - ◆ Develop proactive development policies
 - ◆ Administer and enforce the Zoning Ordinance and Subdivision Regulation
 - ◆ Assist developers, citizens, and other governmental agencies
 - ◆ Monitor current case law and update land use ordinance accordingly
 - ◆ Process annexation requests
 - ◆ Represent the City of Auburn in long-range transportation planning with the Lee-Russell Council of Governments
-

Major Accomplishments in FY 05 and FY 06

- ◆ Completed a specific planning process for the land use plan
 - ◆ Completed basic revisions to the Zoning Ordinance. Initial basic revisions were adopted by City Council in August 2005. Further revisions were adopted by the City Council in May 2006. The final installment of the Triennial Review process including new landscape regulations, PDD incentives, and revisions to the Table of Permitted Uses and an amendment to the Corridor Overlay Requirements were considered by the Planning Commission on August 3, 2006 and approved by the City Council on September 19, 2006. This concludes the Triennial Review process.
 - ◆ Completed modifications to the Subdivision Regulations
 - ◆ Formulated a growth management system
 - ◆ Implemented, evaluated, and adjusted growth management system
 - ◆ Established a developmental data system
 - ◆ Started publishing quarterly data reports
 - ◆ The Planning Director appeared on local radio station WANI on the Monday morning following the Thursday evening regular meetings of the Planning Commission to inform the public of the Commission's activities and actions. In addition, the Planning Department has included appropriate subject matter to include in the City's "Open Line" newsletter.
 - ◆ Continued to provide professional support to the Planning Commission and Board of Zoning Adjustment. The Commission and Board each met monthly to handle regular business. The Commission also held 18 work sessions throughout the year, primarily related to the preparation of the Land Use Plan.
 - ◆ During FY 2006, 1,051 residential lots were approved for final plat and 29 subdivisions were approved.
-

Planning Department
Forrest E. Cotten, Director

The mission of the Planning Department is to promote planned and managed change as a means of creating and maintaining an attractive “built environment” and conserving and protecting the City’s “natural environment.” To this end, special emphasis is placed upon:

- Promoting the land use, public services, and transportation components of the City’s comprehensive plan so that they serve as an effective means of articulating and implementing the City’s developmental policies
 - Providing a high level of professional and technical support to the City Manager, City Council, Planning Commission, and Board of Zoning Adjustment in formulating and implementing developmental policies
 - Meeting the immediate needs of local officials, citizens, and developers through a pro-active approach to customer service and a commitment to quality that is shared among all members of the Department
 - Conceiving and implementing programs aimed at improving the opportunities for low and moderate income families to have decent housing
-

Introduction

As Departmental goals are formulated for the next two years, it is important to reflect upon progress that was made during FY 06. This helps sets the stage for a logical progression of work efforts that will help ensure that the Planning Department is focusing its energies appropriately and striking that balance that is so critical in any Planning Department which is the balance between current (Zoning Ordinance) planning and long-range (Future Land Use Plan) planning.

Current Work and Schedule

The FY 05 and 06 goals and work program of the Planning Department focused largely on bringing the on-going Triennial Review process, and the changes to the Zoning Ordinance and Subdivision Regulations emanating from that process, to fruition. This effort was largely successful as significant changes were effectuated in August 2005, May 2006, and a final round of changes is anticipated to be scheduled for Council’s consideration in August/September 2006.

With the anticipated completion of this process by the end of FY 06, the Planning Department has set forth the following list of activities to move our planning efforts forward during FY 07 and FY08.

Population Forecasting and Formulation of an Interactive Growth Model for the City of Auburn. A current development model will be constructed that can be updated annually. Detailed inventories will be conducted for current development such as housing unit by type, population by age groups, retail space by gross area, etc. A demographic forecasting model will be developed as well as models for other uses that will provide guidance for future land use allocations. Finally, the Auburn Interactive Growth Model (AIGM) will be developed that forecasts the spatial distribution of the population over time and the apportionment of land uses necessary to meet the needs of the population.

- *Complete population forecast by September 30, 2007.*
- *Complete Auburn’s Interactive Growth Model by September 30, 2007.*

Future Land Use Plan Amendments. In order to implement the anticipated results of the AIGM, map and text amendments will be necessitated to the Future Land Use Plan which will, in turn, provide guidance for future zoning decisions.

- *Complete necessary text amendments to the Future Land Use Plan by September 30, 2008.*
- *Complete necessary map amendments to the Future Land Use Plan by September 30, 2008.*

Development Review Task Force. The Acting City manager has established an internal Task Force comprised of the Directors of Economic Development, Information Technology, Planning, Public Works, and Water Resource Management to review the City's entire development process from start to finish. The Task Force is charged with identifying opportunities for improving the process and helping to set realistic expectations for developers, citizens, City staff, Planning Commission members, and elected officials.

- *Participate in the Development Review Task Force with the goal of producing a set of recommendations on improving the development process by January 31, 2007.*

Annexation Policy. The City of Auburn is currently operating under a policy that guides annexation decisions that was approved in 1995. There is a need to revisit this policy with possible refinements in mind that would provide additional criteria in order to guide future annexation decisions.

- *Complete research necessary to formulate recommendations for policy change by March 31, 2007.*
- *Effectuate changes to the City's Annexation Policy (Resolution 95-171) by September 30, 2007.*

Special Development Standards for Permitted and Conditional Uses.

Changes to the Table of Permitted Uses effectuated during the FY 05-06 Triennial Review process resulted in a trend toward more uses being classified as conditional, than had previously been the case. A large part of the reason for this lies in the fact that there are no "foundational" development standards/ requirements for many of these uses identified in the Table. As a result, these standards need to be developed and adopted as part of the Zoning Ordinance.

- *Develop proposed standards and present to Planning Commission by April 30, 2007.*
- *Adopt special development standards as part of the COA Zoning Ordinance by July 31, 2007.*

Village District Zoning Regulations.

Much of the emphasis within the existing Future Land Use Plan is on the "village concept" which is an embodiment of New Urbanism. To date, zoning regulations have not been effectuated to implement this concept, if so desired, by the private sector. Therefore, zoning regulations need to be created and adopted to enable this concept to be realized.

- *Develop draft zoning regulations for village concept implementation by December 31, 2006.*
- *Adopt zoning regulations for village concept implementation by April 30, 2007.*

Historic Preservation Commission. Staff responsibility for this Commission is beginning to transition from the Economic Development Department to the Planning Department.

- *Planning Department to assume full staffing responsibility for Historic Preservation Commission by January 1, 2007.*

Annual Report of the Planning Commission. The purpose of this effort is

to provide an annual comprehensive reporting of the Planning Commission's accomplishments for the year to the City Council. This would include a reporting of annexations, rezonings, subdivision approvals, conditional use approvals, and any recommended changes to the Zoning Ordinance and Future Land Use Plan. This information can be of benefit to Commission, the City Council, city staff, and the citizenry. It can serve as a basis for discerning trends and tracking development activity.

- *Publish first annual report (for FY 07) by December, 2007 (and annually thereafter).*

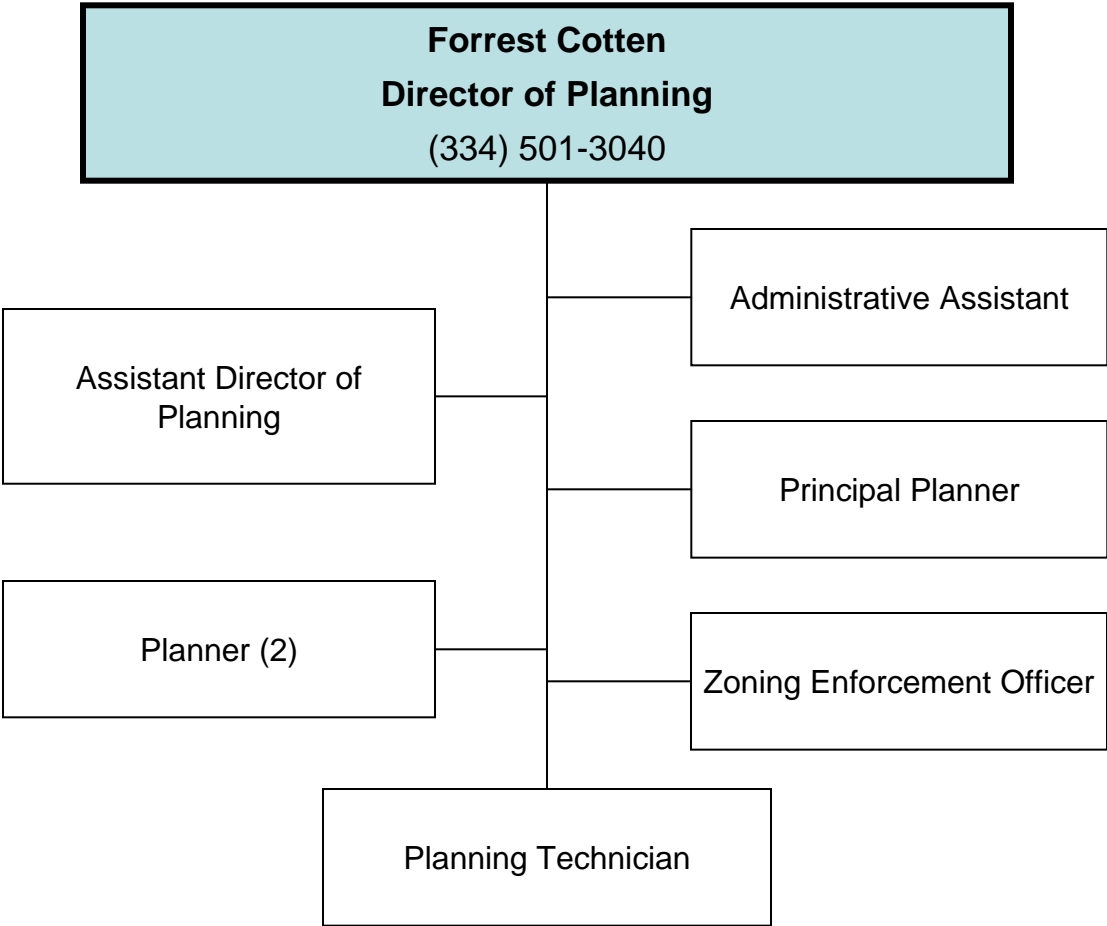
Unrelated Occupancy Regulations. The Department will examine the methods used in other college communities to address this issue, and make recommendations for change, if necessary, to current regulations.

- *Make any recommendations for regulatory change by March 31, 2008.*

Citizens' Planning Academy. The Department will sponsor and staff an organization designed to establish a core group of interested and knowledgeable citizens to provide support and act as a sounding board for the Planning Commission and the Department.

- *Establish the Citizens' Planning Academy by September 30, 2008.*

Planning Department



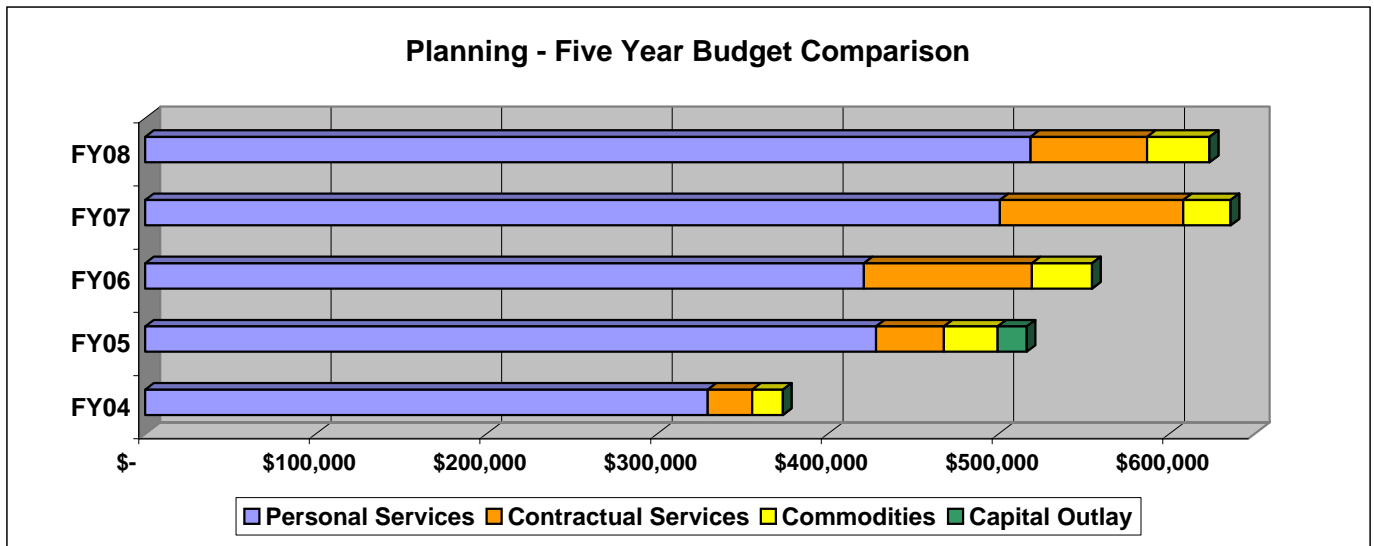
Comparative Summary of Authorized Personnel (Regular Full-Time Only)

FY 04	FY 05	FY 06	FY 07	FY 08
7	7	7	8	8

Planning Department
Budget Summary
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Mid-Biennium					
	Actual		Actual		Budget	
	FY04		FY05		FY06	
					FY07	
					FY08	
Personal Services	\$	329,651	\$	428,286	\$	421,116
Contractual Services		25,999		39,641		98,353
Commodities		18,047		31,556		35,194
Capital Outlay		-		16,970		-
Totals	\$	373,697	\$	516,453	\$	554,663
					\$	635,835
					\$	623,632



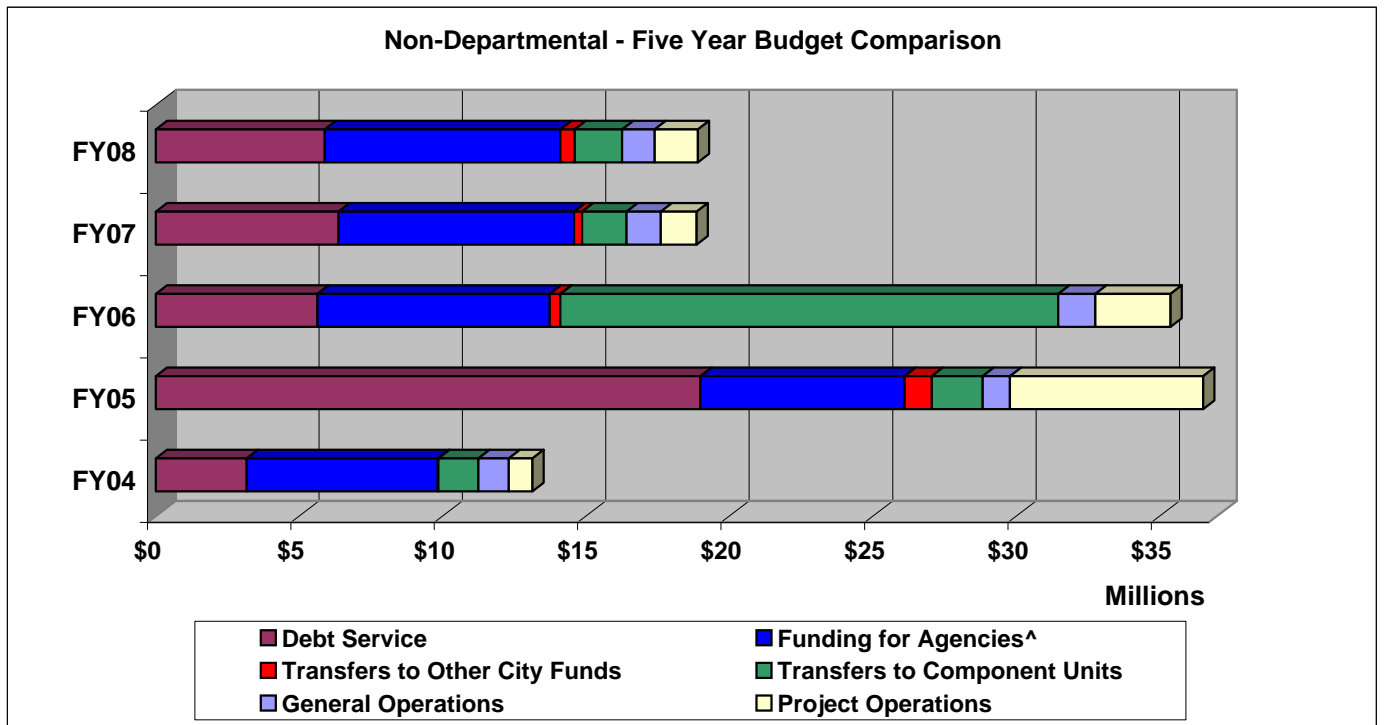
Non-Departmental

Budget Summary

Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Mid-Biennium				
	Actual	Actual	Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 233,003	\$ 85,108	\$ 40,110	\$ 52,388	\$ 54,218
Contractual Services	700,857	795,964	1,214,740	1,103,528	1,046,886
Commodities	45,520	41,134	41,000	35,950	35,950
Capital Outlay	79,349	30,001	-	-	-
Total General Operations	1,058,729	952,207	1,295,850	1,191,866	1,137,054
Debt Service	3,170,307	18,990,902	5,632,372	6,368,429	5,890,054
Project Operations	821,843	6,737,750	2,622,650	1,250,000	1,500,000
Funding for Agencies^	6,661,787	7,116,479	8,097,283	8,212,194	8,213,494
Transfers to Other City Funds	16,759	943,974	375,000	275,000	500,000
Transfers to Component Units	1,395,633	1,774,788	17,353,727	1,554,300	1,654,300
Totals	\$ 11,729,425	\$ 34,741,312	\$ 35,376,882	\$ 18,851,789	\$ 18,894,902



^ Includes appropriation to Auburn City Schools

City of Auburn

Water Resource Management Department Financing Structure

The operations of the City of Auburn's Water Resource Management Department are not financed by the General Fund, as are the other City departments' activities. The Sewer and Watershed Divisions are budgeted within a separate City Sewer Fund. The Sewer Fund's revenue sources include sewer service charges, sewer tap fees and access fees, special sewer charges, and investment income. The Sewer Fund budget is presented in Section 5 of this document.

The Water Division's operations are financed by the City of Auburn Water Works Board, a legal entity separate from the City. The City Council appoints the members of the Water Works Board. The City has a contract with the Water Board to provide management services to the Board. The head of the City's Water Resource Management Department supervises the operation of the water treatment plant and distribution system as well as the meter reading team and water source planning efforts. The City's Finance Director is responsible for the Water Revenue Office, which includes the customer service representatives, billing and collection, accounting, and financial reporting functions. In addition, the Finance Department provides other financial services to the Water Board, including the accounts payable function, cash management and debt management. The City's Human Resources department provides employee and risk management services to the Water Board. The City's Information Technology department provides computer hardware and software support services and GIS services to the Water Board.

The Water Works Board sets the water rates and deposit amounts to be charged to its customers, establishes policies for its operations and approves a separate budget. The budget approved by the Water Board for fiscal years 2007 and 2008, which includes a 5% rate increase in FY 08, is summarized below:

	Budget		
	Mid-Biennium FY 06	FY 07	FY 08
Revenues			
Water sales to customers	\$ 5,017,971	\$5,015,800	\$5,392,590
Access fees	550,000	592,662	610,442
Fire protection fees	109,950	110,500	116,025
Consumer penalties & collection fees	145,000	165,000	175,000
Tapping fees	150,000	135,000	135,000
Service initiation fees	47,000	55,000	57,500
Sale of electricity	31,641	12,172	12,172
Investment income	207,200	290,000	300,000
Other revenues	53,015	98,739	105,474
Total revenues	6,311,777	6,474,874	6,904,203
Expenses			
Operations administration	628,998	319,909	326,894
Revenue office administration	128,796	121,206	127,476
Bond operations	852,648	830,515	812,495
General Operations	2,058,200	2,600,581	2,484,937
Pumping & purification	1,561,681	1,550,979	1,570,425
Distribution	848,883	967,546	984,589
Meter reading & maintenance	195,050	221,089	204,385
Billing and collections	439,087	524,519	503,012
Total expenses	6,713,343	7,136,344	7,014,213
Net income (loss)	\$ (401,566)	\$ (661,470)	\$ (110,010)

Water Resource Management Department

B. Scott Cummings, Director



Major Functions of the Water Resource Management Department*

- ◆ Maintain over 200 miles of sewer lines, 5,200 manholes and service lines for over 15,054 customers, 8 wastewater pumping stations and associated force mains.
- ◆ Respond to approximately 300 sanitary sewer service calls each year, inspect grease traps, and inspect gravity sewers and major interceptor sewers.
- ◆ Respond to over 17,000 water service calls annually and maintains meters, storage tanks and Lake Ogletree.
- ◆ Work with new developments on the review and approval of water, sanitary sewer, and fire protection systems internal to the development and evaluate the effects on the waste and sewer systems.
- ◆ Averaged over \$182,000 performing in-house projects to replace and maintain aging infrastructure.
- ◆ Maintain quality customer relations with approximately 18,550 accounts.
- ◆ Manage the contract operator of the Northside Water Pollution Control Facility (WPCF) and the HC Morgan (Southside) WPCF.
- ◆ Operate and maintain a water distribution system consisting of over 200 miles of water main, 1,870 fire hydrants, 8 storage tanks, and over 19,100 meters
- ◆ Provide an annual water system consumer confidence report that summarizes water quality data and certain activities for the past year.
- ◆ Operate and maintain the water withdrawal and treatment of an annual average of 5.53 million gallons per day (mgd). Manage the purchase for resale of 0.81 mgd of water from Opelika Utilities.

Major Accomplishments in FY 05 & FY 06

- ◆ Completed construction of the HC Morgan (Southside) WPCF expansion.
- ◆ Completed the construction of the Donahue Booster Pump Station.
- ◆ Completed construction of the Bedell Sanitary Sewer Main.
- ◆ Implemented a strategy for a Water Supply Master Plan.
- ◆ Percentage of total suspended solids removal efficiency was 98% for each wastewater treatment facility.
- ◆ The biochemical oxygen demand (BOD) removal efficiency was 97% for each wastewater treatment facility.
- ◆ One sewer service call per approximately 50 customers
- ◆ Average production of the James Estes Water Treatment Plant of 5.3 mgd was in compliance with ADEM Drinking Water Supply Permit

Benchmarks Achieved in FY 06

- ◆ There were no NPDES permit compliance issues at the Northside WPCF for the HC Morgan (Southside) WPCF in FY 2006.

*The Water Resource Management Department's City fund is accounted for in the Sewer Fund, which may be viewed on pages 210-216.

Water Resource Management Department
Scott Cummings, Director

The mission of the City's Water Resource Management Department is to provide excellent water and sewer services to all residents and businesses. Excellent service includes appropriate service hours and a trained, courteous staff to provide timely, accurate, and appropriate information and assistance. We will achieve this by:

- Providing technical assistance and recommendations to the City Manager and Water Board on all water and sewer issues
 - Operating and maintaining public utilities in a fiscally sound manner while providing a level of service exceeding legal requirements
 - Working cooperatively with other City Departments to address the future water and sewer needs of the city based on new developments, annexations, and industrial growth
 - Encouraging environmental awareness and education as they relate to clean water issues
 - Pursuing knowledge of the best available technology and procedures relating to the field of water and sewer
-

FY07 Goals

- | | |
|--|---|
| <ol style="list-style-type: none">1. Complete an evaluation of non-sewered Auburn residents and develop a strategy for long-term public sewer services to applicable areas by September 30, 2007.2. Complete a Water Supply Master Plan and begin securing a long-term water supply source(s) for Auburn by September 30, 2007.3. Perform a study for water distribution and sanitary sewer collection master planning for areas to the north and south beyond those areas currently capable of service by Auburn by September 30, 2007. This includes areas north of US Highway 280 and south of Chewacla Creek.4. Perform a structural and architectural analysis for the existing Estes Water Treatment Plant to determine expandability and evaluate the feasibility of needed improvements by September 30, 2007.5. Perform a flow monitoring study for the HC Morgan (Southside) Water Pollution Control Facility service area to quantify | <p>rainfall and groundwater induced inflow and infiltration and identify areas in need of further exploration to determine a rehabilitation and maintenance plan by September 30, 2007.</p> <ol style="list-style-type: none">6. Expand stream modeling to include other parameters to monitor and quantify pollutant loading in area streams to document non-point source impacts by September 30, 2007. This used with wastewater treatment plant records will aid the City to validate current management practices and evaluate future needs.7. Construct Phase I of the S5 Gravity Sewer and Force Main to serve the West Technology Park and surrounding properties by September 30, 2007.8. Construct the Phase I improvements to the Northside WPCF to improve the flow and solids handling measures by September 30, 2007.9. Prepare a water and sanitary sewer design manual to document design and construction details for water and sanitary sewer infrastructure projects by September 30, 2007. |
|--|---|

10. Perform improvements to the Estes Water Treatment Plant to convert gaseous chlorine addition to sodium hypochlorite (liquid chlorine) addition for disinfection of potable water by September 30, 2007.
11. Participate in the Development Review Task Force with the goal of producing a set of recommendations of ways to improve the development process by January 31, 2007.

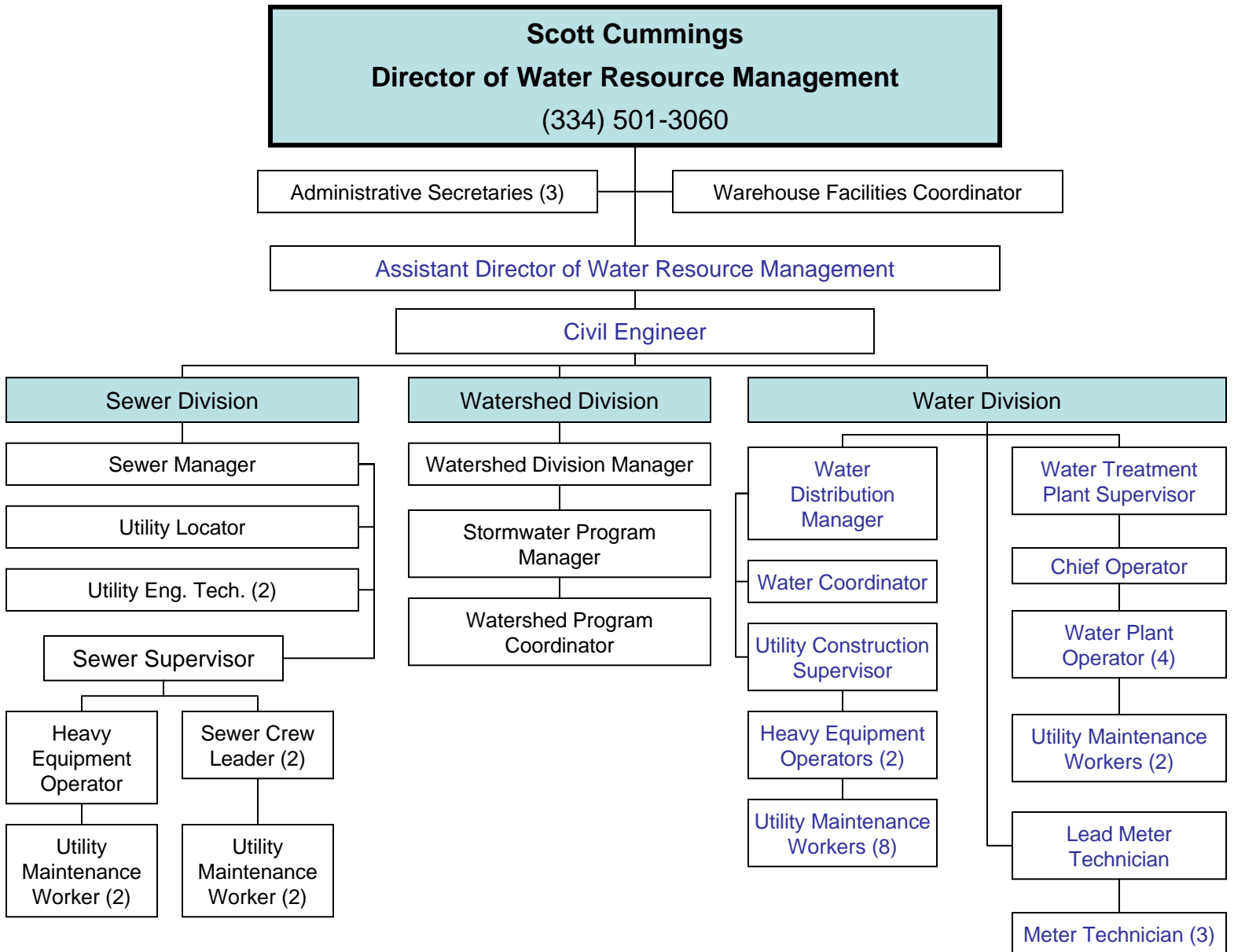
FY08 Goals

1. Perform a Process Evaluation on the HC Morgan WPCF to maximize plant performance by September 30, 2008. Evaluate the feasibility of abandoning the improvements necessary to convert to an alternate disinfectant such as UV.
2. Perform field inspections of the sanitary sewer collection system in the HC Morgan basin on those subbasins identified by a flow monitoring study as having excessive inflow and infiltration by September 30, 2008.
3. Perform Lake Ogletree dam and spillway improvements to improve lake level control by September 30, 2008.
4. Prepare and distribute brochures and web site information and conduct a city-wide workshop for water conservation options for residential use by September 30, 2008.
5. Construct Phase II of S5 Gravity Sewer and Pump Station to serve areas north of the West Technology Park and to include wastewater transferred from the Northside WPCF for by September 30, 2008.
6. Complete the Saugahatchee Interceptor Sewer Improvement design and construction on the sanitary sewer rehabilitation project by September 30, 2008.
7. Perform a computer hydraulic network analysis of the potable water system for

the purpose of monitoring and managing water quality and quantity in the distribution system by September 30, 2008.

8. Integrate water quality monitoring into City's GIS for improved recordkeeping and analysis by September 30, 2008.
9. Evaluate and implement program for benchmarking performance indicators for water and wastewater utilities to maximize quality service to customers by September 30, 2008.

Department of Water Resource Management



Comparative Summary of Authorized Personnel (Regular Full-Time Only)

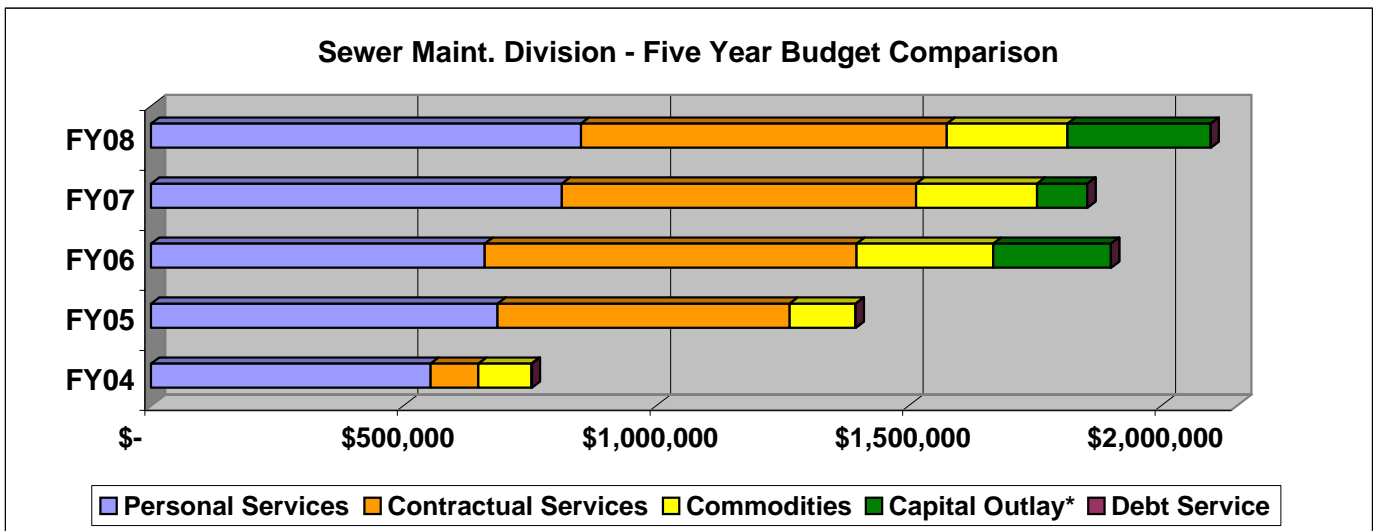
	FY 04	FY 05	FY 06	FY 07	FY 08
Sewer Maintenance	11	12	15	15	15
Watershed Division	0	0	4	4	4
Operations Admin.	3	5	4	4	4
Pumping & Purification	8	8	8	8	8
Distribution	14	12	12	12	12
Meter Reading	4	4	4	4	4
Revenue Office Admin*	2	2	2	2	2
Billing & Collections*	7	8	8	8	8
TOTAL Sewer/Water Board	11/38	12/38	19/38	19/38	19/38

* Positions are shown on Finance Department organization chart

Sewer Fund
Sewer Maintenance Division Budget
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Personal Services	\$ 553,167	\$ 685,947	\$ 660,871	\$ 813,446	\$ 851,143
Contractual Services	95,005	578,193	736,000	701,438	724,460
Commodities	104,587	130,755	270,350	238,950	238,950
Capital Outlay*	100	-	233,333	100,000	283,333
Debt Service	1,185	16	-	-	-
Totals	\$ 754,044	\$ 1,394,911	\$ 1,900,554	\$ 1,853,834	\$ 2,097,886

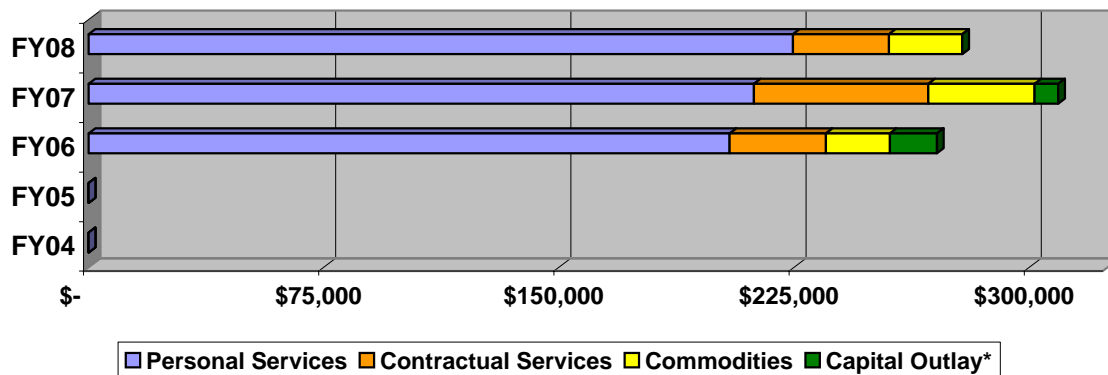


Sewer Fund
Watershed Division Budget
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual^		Mid-Biennium Budget		Budget	
	FY04	FY05	FY06	FY07	FY08	
Personal Services	\$ -	\$ -	\$ 204,436	\$ 212,151	\$ 224,559	
Contractual Services	-	-	30,650	55,650	30,650	
Commodities	-	-	20,400	33,900	23,400	
Capital Outlay*	-	-	15,000	7,500	-	
Totals	\$ -	\$ -	\$ 270,486	\$ 309,201	\$ 278,609	

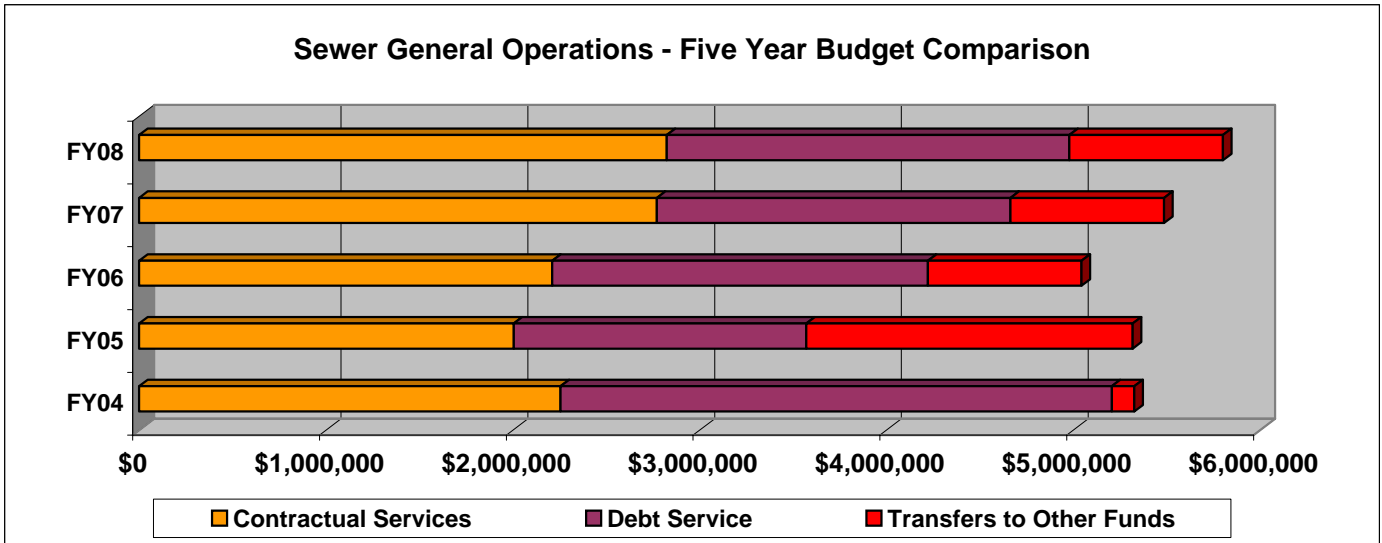
Watershed Division - Five Year Budget Comparison



Sewer Fund
Sewer General Operations Budget
Biennial Budget - FY 07 & FY 08

Comparative Budget Summary by Category

	Actual	Actual	Mid-Biennium Budget	Budget	
	FY04	FY05	FY06	FY07	FY08
Contractual Services	2,255,945	2,004,889	2,211,486	2,771,737	2,824,000
Debt Service	2,950,180	1,566,350	2,011,013	1,892,593	2,155,385
Transfers to Other Funds	120,424	1,747,520	821,366	821,366	821,366
Totals	\$ 5,326,549	\$ 5,318,759	\$ 5,043,865	\$ 5,485,696	\$ 5,800,751



Sewer Fund

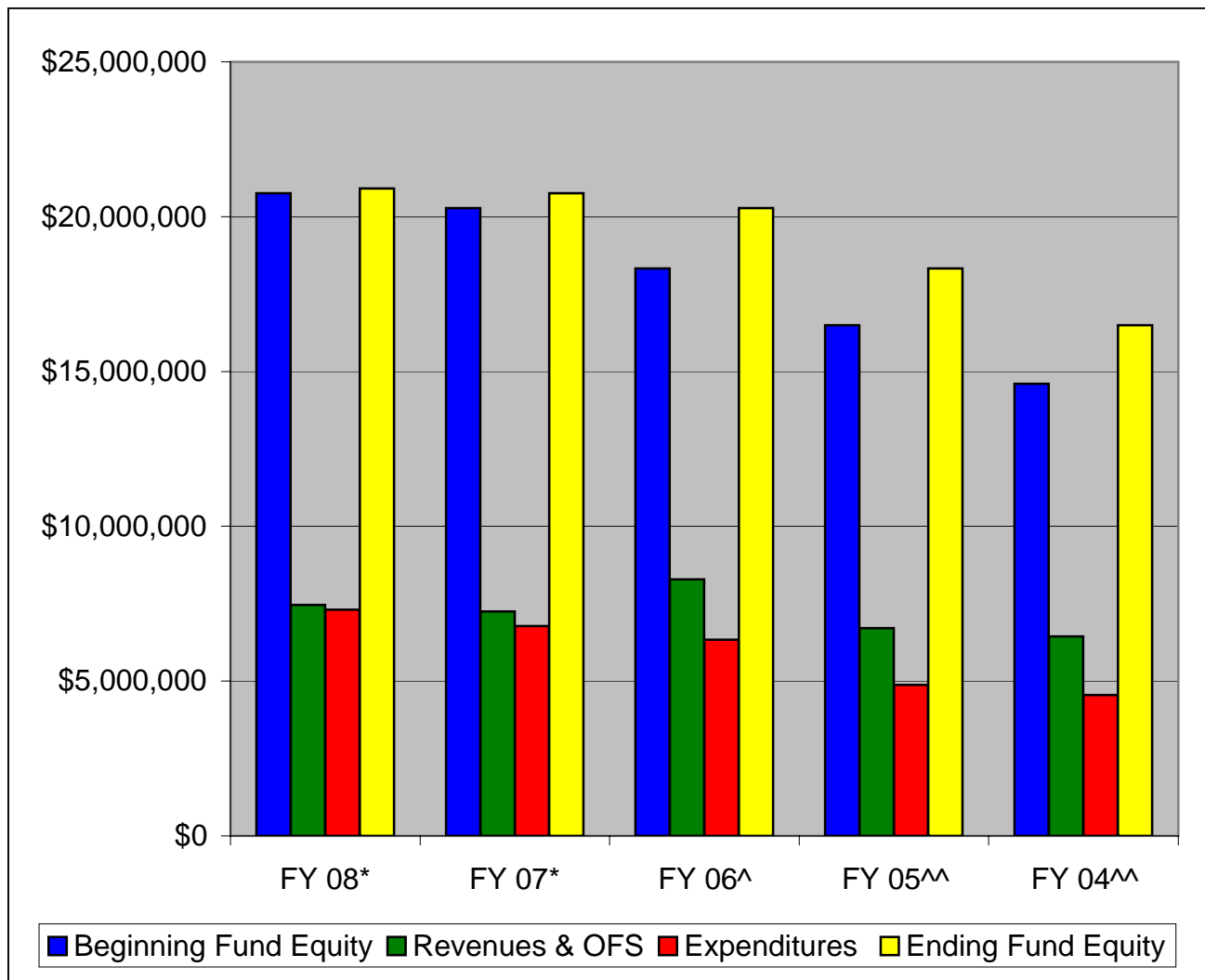
Description of and Trends in Enterprise Fund	212
Overview of Sewer Fund Operations.....	213
Overview of Sewer Fund	214
Comparative Revenues, Expenditures and Changes in Fund Equities for Sewer Fund	215
Summary of Revenues by Source and Expenses By Category.....	216
Sewer Fund History	217
Sewer Fund Projection	218

City of Auburn

Description of and Trends in Enterprise Fund

Enterprise funds are funds used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the cost, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Sewer Revenue Fund accounts for revenues earned from and costs related to the provision of sewer service.



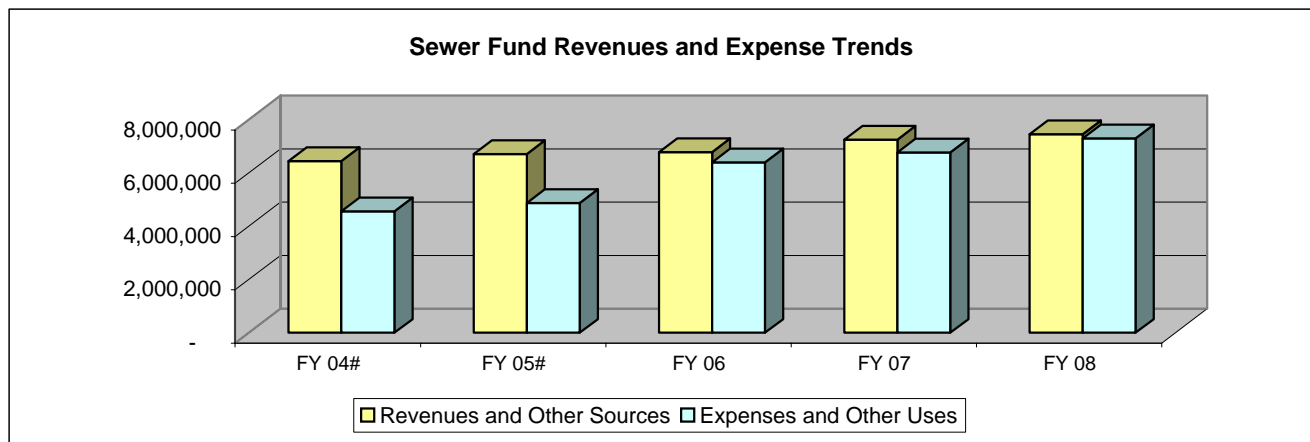
* Budgeted

^ Actual, Unaudited

^^ Audited

City of Auburn
Overview of Sewer Fund Operations
Biennial Budget - FY 07 & FY 08

	Audited Actual FY 04[#]	Audited Actual FY 05[#]	Mid-Biennium Budget FY 06	Budget FY 07	Budget FY 08
Beginning fund equity	\$ 14,600,718	\$ 16,489,643	\$ 18,325,580	\$ 18,707,529	\$ 19,184,798
Revenues	5,543,200	5,732,141	5,881,854	6,330,000	\$ 6,510,250
Sewer lines contributed by developers	900,675	979,578	900,000	921,000	948,000
Total revenues & other sources	6,443,875	6,711,719	6,781,854	7,251,000	7,458,250
Expenses	4,434,526	4,753,075	5,705,206	6,259,865	6,597,547
Capital outlays	-	-	248,333	107,500	283,333
Principal Debt Payments	-	-	440,000	460,000	475,000
Other financing uses (transfers)	120,424	122,707	821,366	821,366	821,366
Less: depreciation expense ⁺	-	-	(815,000)	(875,000)	(875,000)
Total expenses and transfers	4,554,950	4,875,782	6,399,905	6,773,731	7,302,246
Excess (deficit) of revenues and other sources over expenses, and transfers out	1,888,925	1,835,937	381,949	477,269	156,004
Ending fund equity [^]	\$ 16,489,643	\$ 18,325,580	\$ 18,707,529	\$ 19,184,798	\$ 19,340,802



[#] FY 2004 and FY 2005 amounts are reported on the full-accrual basis (capital assets are capitalized and expensed through depreciation and principal debt pymts are a reduction of liabilities). The budget is prepared on a modified accrual basis, including depreciation, capital outlays, and principal debt payments.

⁺ Depreciation is a non-cash expense. Increases in depreciation are attributable to the expansion and upgrade of the sewer treatment plant and on-going expansions of the sewer collector system.

[^] Ending fund equity amounts for FY 06, FY 07 and FY 08 are projected amounts.

City of Auburn
Overview of Sewer Fund
Biennial Budget - FY 07 & FY 08

	Sewer^
Audited fund equity, 9.30.05	\$ 18,325,580
FY 06 Actual revenues*	8,281,204
FY 06 Actual expenses*	<u>6,332,309</u>
Actual fund equity, 9.30.06*	20,274,475
FY 07 Budget	
Revenues	
Charges for services	5,267,000
Other revenues	<u>1,984,000</u>
<i>Total revenues</i>	<u>7,251,000</u>
Other financing sources	
Debt proceeds	-
Transfers from other funds	<u>-</u>
Total resources available	27,525,475
Expenses	
Sewer	1,853,834
Watershed	309,201
General operations^	1,896,737
Debt service	<u>1,892,593</u>
<i>Total expenses</i>	<u>5,952,365</u>
Other financing uses	
Transfers to other funds	<u>821,366</u>
Total resources used	6,773,731
Projected fund equity, 9.30.07	20,751,744
FY 08 Budget	
Revenues	
Charges for services	5,425,000
Other revenues	<u>2,033,250</u>
<i>Total revenues</i>	<u>7,458,250</u>
Other financing sources	
Debt proceeds	-
Transfers from other funds	<u>-</u>
Total resources available	28,209,994
Expenses	
Sewer	2,097,886
Watershed	278,609
General operations^	1,949,000
Debt service	<u>2,155,385</u>
<i>Total expenses</i>	<u>6,480,880</u>
Other financing uses	
Transfers to other funds	<u>821,366</u>
Total resources used	7,302,246
Projected fund equity, 9.30.08	\$ 20,907,748

* Unaudited

^ Sewer Fund expenses exclude depreciation

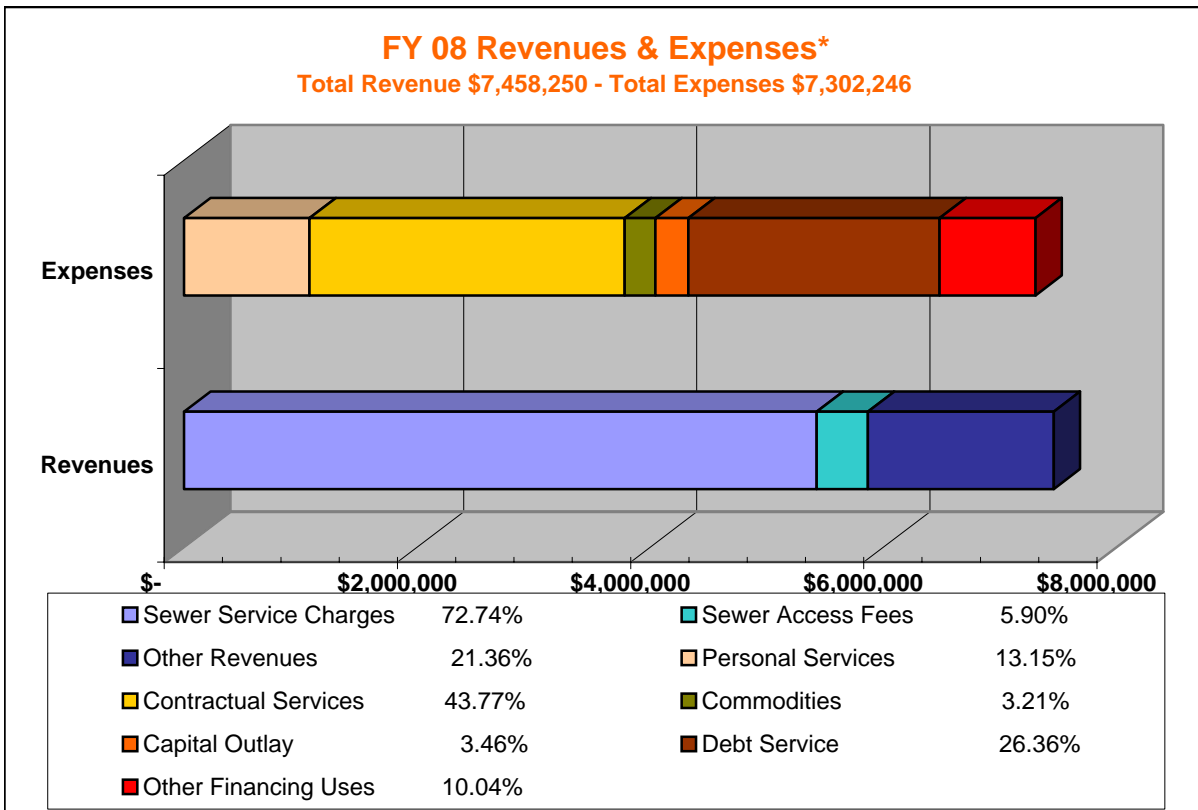
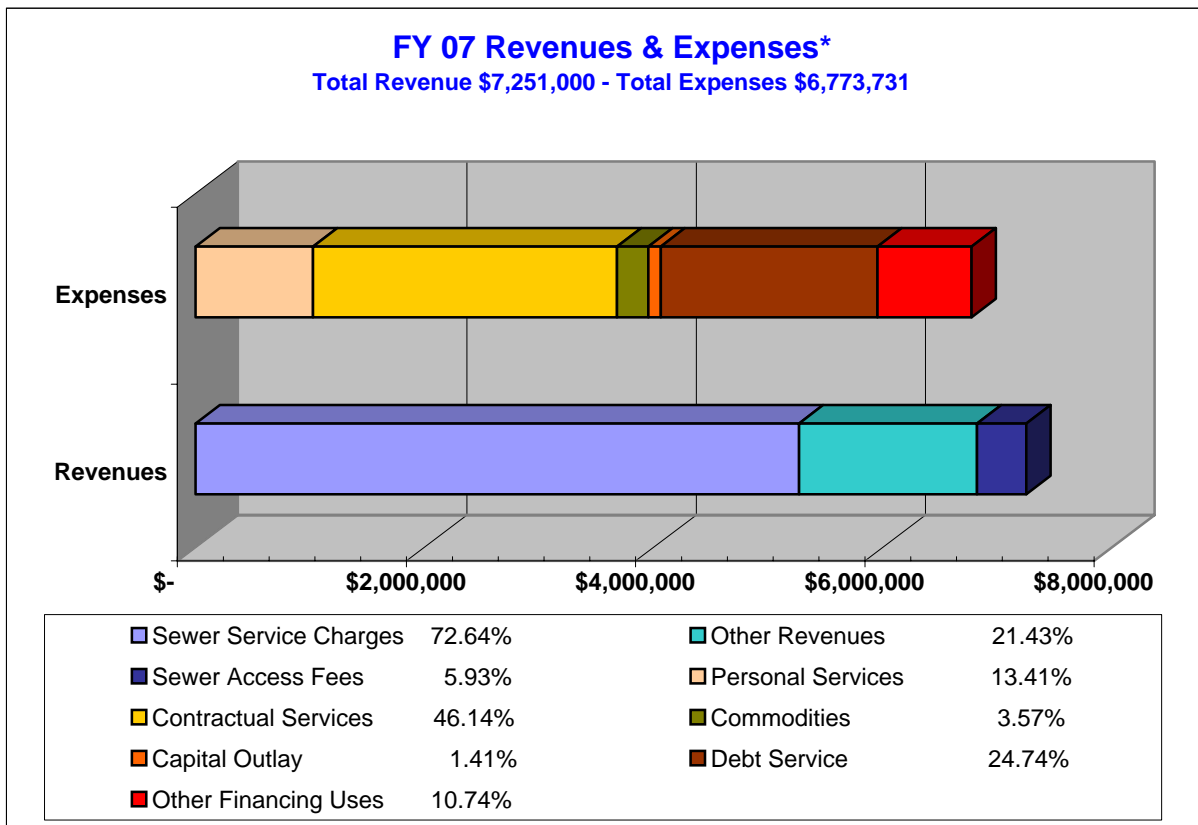
City of Auburn
Comparative Revenue, Expenditures, and Changes in Fund Balances

Sewer Revenue Fund						
	Budgeted		Actual* (Unaudited)	Actual (Audited)*		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
Sewer service fees	\$ 5,425,000	\$ 5,267,000	5,398,454	4,921,638	4,902,114	7.4%
Sewer access fees	440,000	430,000	440,525	337,170	305,691	40.7%
Sewer Penalties	72,000	70,000	63,839	-	-	n/a
Tapping fees	5,000	5,000	2,280	3,250	5,086	-1.7%
Sewer Surcharge	48,000	47,000	32,679	-	-	n/a
Miscellaneous revenue	5,000	5,000	140	9,417	10,500	-52.4%
Investment Interest	227,000	226,000	430,573	242,610	319,809	-29.3%
Sale of Surplus Assets	5,000	5,000	18,895	-	-	n/a
Reimbursements & contributions	1,231,250	1,196,000	1,893,819	979,578	900,675	32.8%
Total revenues	7,458,250	7,251,000	8,281,204	6,493,663	6,443,875	12.5%
Other financing sources (OFS):						
Transfers from other funds	-	-	-	218,056	-	n/a
Total revenues and OFS	7,458,250	7,251,000	8,281,204	6,711,719	6,443,875	12.5%
Expenditures:						
Sewer Maintenance	2,097,886	1,853,834	1,559,591	1,394,911	754,041	145.9%
Watershed Management	278,609	309,201	180,826	-	-	n/a
General Operations	1,949,000	1,896,737	2,963,452	2,077,766	2,275,536	-16.6%
Debt Service	2,155,385	1,892,593	1,474,619	1,280,398	1,404,949	34.7%
Total expenditures	6,480,880	5,952,365	6,178,488	4,753,075	4,434,526	34.2%
Other financing uses (OFU):						
Transfers to other funds	821,366	821,366	153,821	122,707	120,424	582.1%
Total expenditures and OFU	7,302,246	6,773,731	6,332,309	4,875,782	4,554,950	48.7%
Excess of revenue and other sources over expenditures and other uses	156,004	477,269	1,948,895	1,835,937	1,888,925	-74.7%
Fund equity, beginning of year	20,751,744	20,274,475	18,325,580	16,489,643	14,600,718	38.9%
Fund equity, end of year	\$ 20,907,748	\$ 20,751,744	\$ 20,274,475	\$ 18,325,580	\$ 16,489,643	25.8%

*Amounts are reported on the full-accrual basis (capital assets are capitalized and expensed through depreciation and principal debt payments are a reduction of liabilities). The budget is prepared on a modified accrual basis, including depreciation, capital outlays, and principal debt payments.

Beginning and ending fund equities for budgeted years have been updated from the budget ordinance to reflect unaudited ending fund equities at September 30, 2006.

The City of Auburn
Sewer Fund - Biennial Budget - FY 07 & FY 08
Summary of Revenues by Source and Expenses by Category



* Expenses do not include depreciation.

City of Auburn

Sewer Fund History

Source: CAFRS (includes all sewer funds, consolidated)

	Fiscal Years (audited)							Increase 05 > 99		
	1999	2000	2001	2002	2003	2004	2005	Amount	As %	Avg % per yr
Operating revenues	\$ 4,632,801	\$ 4,963,178	\$ 4,523,105	\$ 4,869,300	\$ 5,113,315	\$ 5,223,391	\$ 5,271,475	\$ 638,674	13.8%	2.3%
Operating expenses	4,445,832	4,652,636	4,469,225	2,879,774	3,005,488	3,029,577	3,472,667	(973,165)	-21.9%	-3.6%
Operating income (loss)	186,969	310,542	53,880	1,989,526	2,107,827	2,193,814	1,798,808	1,611,839	862.1%	143.7%
Nonoperating revenues (exps)										
Gain (loss) on disposal of assets		(6,231)	-	(111)	(2,255)					
Interest earned	26,814	43,384	39,808	372,221	351,152	319,809	242,610	215,796	804.8%	134.1%
Interest and fiscal charges	-	(8,338)	(142,525)	(1,512,041)	(1,481,603)	(1,404,949)	(1,280,398)	(1,280,398)	n/a	n/a
Total nonoperating	26,814	28,815	(102,717)	(1,139,931)	(1,132,706)	(1,085,140)	(1,037,788)	(1,064,602)	-3970.3%	-661.7%
Income before trsfrs & cap contrns	213,783	339,357	(48,837)	849,595	975,121	1,108,674	761,020	547,237	256.0%	42.7%
Transfers in										
Transfers out	(83,965)	(71,250)	(71,250)	(71,250)	(111,910)	(120,424)	(122,707)	218,056	n/a	n/a
Capital contributions from developers*	835,000	532,440	504,310	788,275	921,575	900,675	979,578	144,578	46.1%	7.7%
Change in fund equity	751,035	800,547	384,223	1,566,620	1,784,786	1,888,925	1,835,947	1,084,912	144.5%	24.1%
Residual equity transfer in (out)			7,709							
Prior period adjustment					(17,874)					
Fund equity, beginning^	9,296,177	10,047,212	10,875,252	11,267,185	12,833,805	14,600,718	16,489,643	7,193,466	77.4%	12.9%
Net assets, ending	10,047,212	10,847,759	11,267,184	12,833,805	14,600,717	16,489,643	18,325,590	8,278,378	82.4%	13.7%
Cash flows -										
Operations	454,652	579,954	605,648	2,695,965	3,267,160	2,801,172	2,488,419	2,033,767	447.3%	74.6%
Noncapital financing	136,444	(327,941)	(133,093)	(71,250)	(118,057)	(114,277)	(111,594)	(248,038)	-181.8%	-30.3%
Capital and related	(276,839)	(290,980)	9,495,538	(2,274,882)	(3,131,772)	(7,861,851)	(2,383,771)	(2,106,932)	761.1%	126.8%
Investing	32,372	43,384	39,808	(196,031)	(365,475)	(470,011)	(527,859)	(560,231)	-1730.6%	-288.4%
Net increase (decrease) in cash	346,629	4,417	10,007,901	153,802	(348,144)	(5,644,967)	(534,805)	(881,434)	-254.3%	-42.4%
Beginning cash & equivalents	934,551	1,281,180	1,285,597	11,293,498	11,447,300	11,099,156	5,454,189	4,519,638	483.6%	80.6%
Ending cash & equivalents	\$ 1,281,180	\$ 1,285,597	\$ 11,293,498	\$ 11,447,300	\$ 11,099,156	\$ 5,454,189	\$ 4,919,384	\$ 3,638,204	284.0%	47.3%

* Capital contributions from developers were not accounted for in the operating statement in FY 99 and 00; accounting treatment changed for consistency of comparison

^ Beginning net assets calculated from ending net assets in FY 99 and 00, which operating statements reflected changes in retained earnings.

City of Auburn

Sewer Fund Projections

Financial projections are based on assumptions and are subject to continuous change as actual revenue and expense information is updated and assumptions revised. These projections do not include the effect of any borrowings or any rate increases beyond those already approved.

	Unaudited	Budgeted		% Increases		Projected					
		2006	2007	2008	Hist'l	Proj'n	2009	2010	2011	2012	2013
Operating revenues	6,158,185	5% rate incr 6,104,000	6,283,250	2.3%	1.5%	6,377,499	6,473,161	6,570,259	6,668,813	6,768,845	6,870,377
Operating expenses	4,696,566	4,827,272	4,917,162	-3.6%	3.0%	5,064,677	5,216,617	5,373,116	5,534,309	5,700,338	5,871,349
Operating income (loss)	1,461,619	1,276,728	1,366,088			1,312,822	1,256,544	1,197,143	1,134,503	1,068,506	999,029
Nonoperating revenues (exps)											
Gain (loss) on disposal of assets	18,895	-	-			-	-	-	-	-	-
Interest earned	364,959	226,000	227,000	134.1%	5.0%	238,350	250,268	262,781	275,920	289,716	304,202
Interest and fiscal charges	(1,034,619)	(1,339,333)	(1,481,615)	amort'n sched		(1,382,407)	(1,343,394)	(1,304,697)	(1,263,621)	(955,097)	(895,399)
Total nonoperating	(650,765)	(1,113,333)	(1,254,615)			(1,144,057)	(1,093,127)	(1,041,916)	(987,701)	(665,381)	(591,197)
Income before trsfers & cap contrns	810,854	163,395	111,473			168,765	163,418	155,227	146,802	403,125	407,832
Transfers in	-					-	-	-	-	-	-
Transfers out	(153,822)	(148,848)	(148,848)	7.7%	3.0%	(153,313)	(157,913)	(162,650)	(167,530)	(172,556)	(177,732)
Capital contributions from developers	1,731,865	921,000	948,000	2.9%	1.0%	957,480	967,055	976,725	986,493	996,358	1,006,321
Change in net assets	2,388,897	935,547	910,625			972,931	972,560	969,302	965,765	1,226,927	1,236,420
Net assets, beginning*	4,919,384	7,308,281	8,243,828			9,154,453	10,127,384	11,099,944	12,069,246	13,035,011	14,261,938
Net assets, ending*	7,308,281	8,243,828	9,154,453			10,127,384	11,099,944	12,069,246	13,035,011	14,261,938	15,498,359

* Net assets updated to reflect unaudited ending net assets at September 30, 2006

Special Revenue Funds

Description of and Trends in Special Revenue Funds	219
Sources and Expenditures by Function.....	220
Total Special Revenue Funds – Comparison	221
Detail of Special Revenue Funds	222
Comparative Revenues, Expenditures and Changes in Fund Balances for Individual Special Revenue Funds	
City Gas Tax Fund	223
State Seven-Cent Gas Tax Fund	223
State Nine-Cent Gas Tax Fund	223
Special School Tax Fund	224
Special Additional School Tax Fund.....	224
Public Safety Drug Seizure Fund	225

City of Auburn

Description of and Trends in Special Revenue Funds

Special revenue funds are operating funds used to account for the proceeds of specific revenue sources that are legally restricted to be spent for specific purposes. Generally accepted accounting principles require these separate Special Revenue Funds, which demonstrate compliance with the legal restrictions on the use of these revenues. The City of Auburn budgets for the following special revenue funds:

City Gasoline Tax Fund accounts for one-half of the revenues received from the City's two-cent gasoline tax and disbursements related to the construction of and improvements to streets.

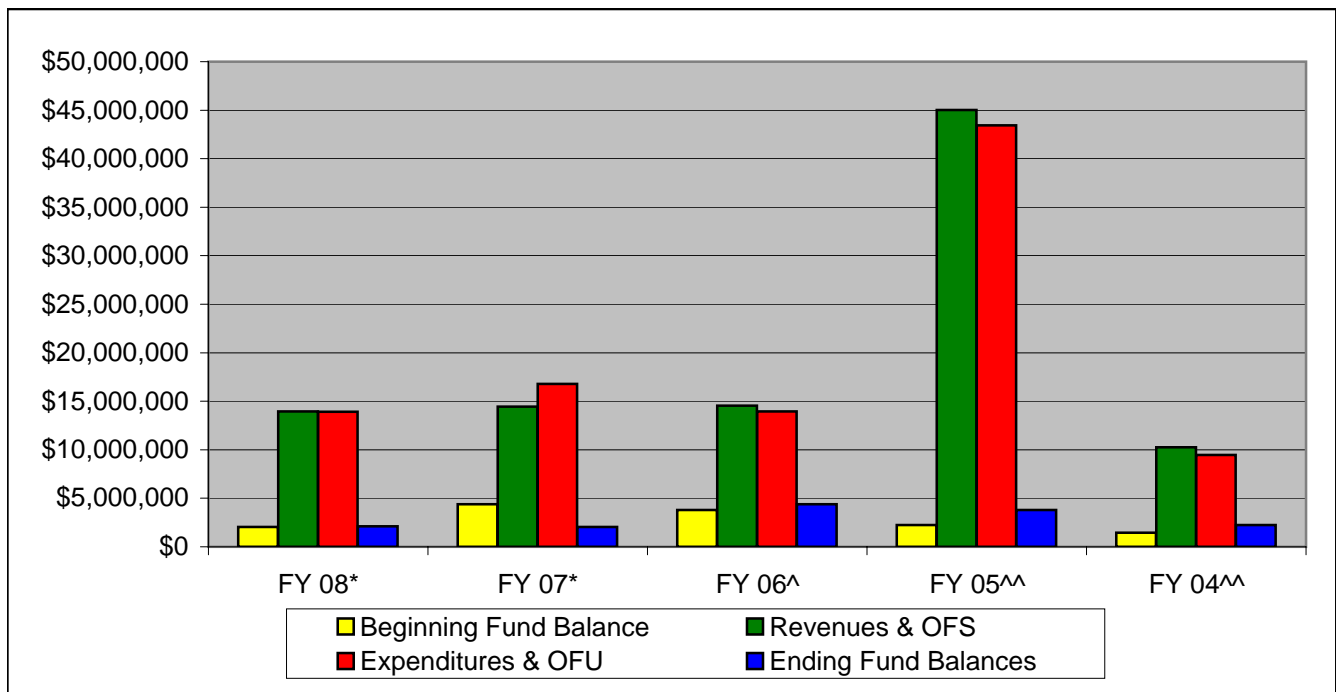
Seven Cent State Gas Tax Fund accounts for funds received from the State of Alabama and disbursed for street related projects.

Nine Cent Gas Tax Fund accounts for Auburn's share of the State of Alabama four cent and five cent gas tax revenues which is disbursed for the resurfacing and restoration of roads, bridges, and streets.

Special School Tax Fund accounts for eleven mill ad valorem tax revenues used to pay principal and interest on bonds issued for school purposes.

Special Additional School Tax Fund accounts for five mill ad valorem tax revenues used for the furtherance of education.

Public Safety Substance Abuse Prevention Fund accounts for funds received from the U.S. Marshall used for enforcement of laws against drug trafficking.



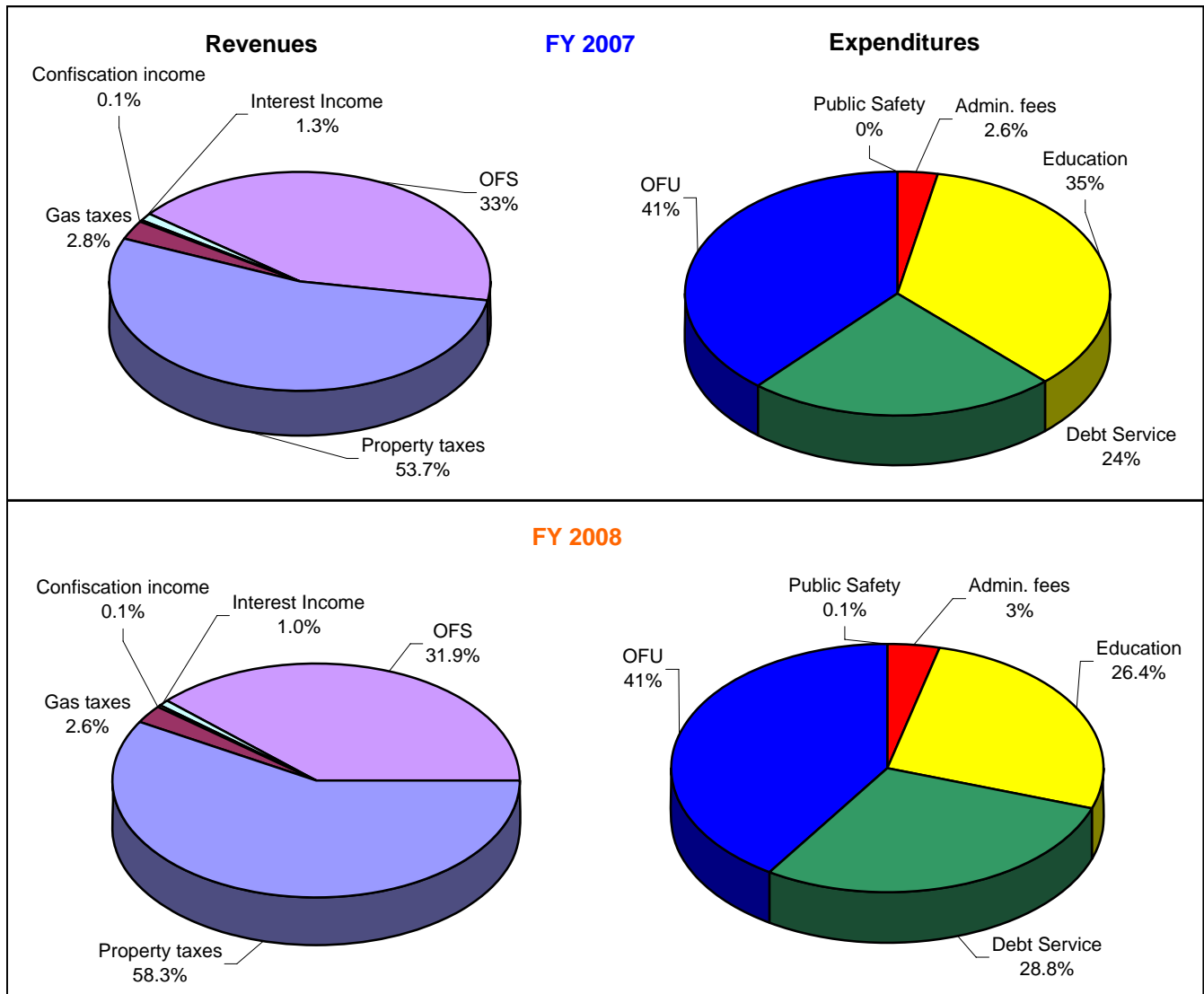
* Budgeted

^ Actual, unaudited

^^ Audited

City of Auburn

Overview of Total Special Revenue Funds ~ Revenues and Expenditures



	FY 2007		FY 2008	
<u>Revenues</u>				
Property taxes	7,749,617		8,137,098	
Gasoline taxes	400,000		360,000	
Confiscation income	20,000		20,000	
Interest Income	185,082		142,460	
Other financing sources	6,088,770		5,300,000	
<u>Expenditures</u>				
Public Safety		8,000		8,000
Administration fees		490,000		550,000
Education		5,830,120		3,670,229
Debt Service		3,987,623		3,999,704
Other financing uses		6,465,000		5,682,500
	\$ 14,443,469	\$ 16,780,743	\$ 13,959,558	\$ 13,910,433

City of Auburn
Total Special Revenue Funds
Comparative Revenues, Expenditures, and Change in Fund Balance

	Budgeted		Actual	Actual (Audited)		Five Year
	FY 08	FY 07	(Unaudited)	FY 05	FY 04	Percent
			FY 06			Change
Revenues:						
Locally levied taxes						
Property taxes for schools	\$ 8,137,098	\$ 7,749,617	\$ 7,908,702	\$ 7,108,446	\$ 6,126,313	32.8%
Gasoline taxes	157,500	175,000	221,176	235,762	236,942	-33.5%
State shared taxes						
Gasoline taxes	202,500	225,000	235,685	260,647	256,622	-21.1%
Other revenues						
Confiscation revenues	20,000	20,000	7,799	42,171	16,205	23.4%
Interest income	142,460	185,082	223,966	106,634	62,364	128.4%
Total revenues	8,659,558	8,354,699	8,597,328	7,753,660	6,698,446	29.3%
Other financing sources (OFS):						
Proceeds of debt^	-	-	379	33,802,821	-	n/a
Transfers in from other funds	5,300,000	6,088,770	5,950,000	3,450,000	3,550,000	49.3%
Total revenues and OFS	13,959,558	14,443,469	14,547,707	45,006,481	10,248,446	36.2%
Expenditures						
Public Safety	8,000	8,000	27,403	23,501	21,345	-62.5%
General Operations						
Tax administration fees	550,000	490,000	329,452	245,258	223,691	145.9%
Support to City Schools	3,670,229	5,830,120	3,205,720	36,383,811	2,800,000	31.1%
Debt service for Schools	3,999,704	3,987,623	3,983,047	2,870,445	2,378,302	68.2%
Total expenditures	8,227,933	10,315,743	7,545,622	39,523,015	5,423,338	51.7%
Other financing uses (OFU):						
Debt refunding	-	-	-	-	-	n/a
Operating transfers to other funds						
To General Fund - street maint.	382,500	415,000	458,000	474,000	501,820	-23.8%
To Special School Tax Fund	5,300,000	6,050,000	5,950,000	3,450,000	3,550,000	49.3%
Total expenditures and OFU	13,910,433	16,780,743	13,953,622	43,447,015	9,475,158	46.8%
Excess of revenues and other sources over expenditures and other uses	49,125	(2,337,274)	594,085	1,559,466	773,288	-93.6%
Fund balances, beginning of year	2,052,203	4,389,477	3,795,392	2,235,926	1,462,638	40.3%
Fund balances, end of year	\$ 2,101,328	\$ 2,052,203	\$ 4,389,477	\$ 3,795,392	\$ 2,235,926	-6.0%

Beginning and ending fund balances for budgeted years have been updated from budget ordinance amounts to reflect unaudited ending fund balances at September 30, 2006.

City of Auburn
Overview of Special Revenue Funds
Biennial Budget - FY 07 & FY 08

	City Gas Tax	7 Cent State Gas Tax	9 Cent State Gas Tax	Special School Tax	Special Additional School Tax	Public Safety Substance Abuse Prevention	Total-All Budgeted Special Revenue Funds
Audited fund balances, 9.30.05	\$53,335	\$41,488	\$37,280	\$ 525,100	\$ 2,964,308	\$ 173,881	\$ 3,795,392
FY 06 Actual revenues*	223,044	134,118	104,952	8,456,483	5,613,961	15,149	14,547,707
FY 06 Actual expenditures*	213,000	135,000	110,000	7,291,835	6,176,384	27,403	13,953,622
Actual fund balances, 9.30.06*	63,379	40,606	32,232	1,689,748	2,401,885	161,627	4,389,477
FY 07 Budget							
Revenues							-
Taxes	175,000	104,400	100,000	2,421,607	5,328,010	-	8,129,017
Other revenue	900	21,100	839	32,703	146,140	24,000	225,682
Total revenues	175,900	125,500	100,839	2,454,310	5,474,150	24,000	8,354,699
Other financing sources							
Transfers from other funds	38,770	-	-	6,050,000	-	-	6,088,770
Total resources available	278,049	166,106	133,071	10,194,058	7,876,035	185,627	18,832,946
Expenditures							
Public Safety	-	-	-	-	-	8,000	8,000
Non-departmental							
General operations	-	-	-	153,000	337,000	-	490,000
Support to City Schools	-	-	-	5,830,120	-	-	5,830,120
Debt service	-	-	-	3,987,623	-	-	3,987,623
Total expenditures	-	-	-	9,970,743	337,000	8,000	10,315,743
Other financing uses							
Transfers to other funds	190,000	135,000	90,000	-	6,050,000	-	6,465,000
Total resources used	190,000	135,000	90,000	9,970,743	6,387,000	8,000	16,780,743
Projected fund balances, 9.30.07	88,049	31,106	43,071	223,315	1,489,035	177,627	2,052,203
FY 08 Budget							
Revenues							
Taxes	157,500	94,000	90,000	2,542,688	5,594,410	-	8,478,598
Other revenue	750	18,900	600	3,499	133,211	24,000	180,960
Total revenues	158,250	112,900	90,600	2,546,187	5,727,621	24,000	8,659,558
Other financing sources							
Transfers from other funds	-	-	-	5,300,000	-	-	5,300,000
Total resources available	246,299	144,006	133,671	8,069,502	7,216,656	201,627	16,011,761
Expenditures							
Public Safety	-	-	-	-	-	8,000	8,000
Non-departmental							
General operations	-	-	-	171,000	379,000	-	550,000
Support to City Schools	-	-	-	3,670,229	-	-	3,670,229
Debt service	-	-	-	3,999,704	-	-	3,999,704
Total expenditures	-	-	-	7,840,933	379,000	8,000	8,227,933
Other financing uses							
Transfers to other funds	160,000	122,500	100,000	-	5,300,000	-	5,682,500
Total resources used	160,000	122,500	100,000	7,840,933	5,679,000	8,000	13,910,433
Projected fund balances, 9.30.08	\$86,299	\$21,506	\$33,671	\$ 228,569	\$ 1,537,656	\$ 193,627	\$ 2,101,328

* Unaudited

^ The amount and use of CDBG Grant Funds are contingent upon approval from the Federal Government in April 2007.

City of Auburn ~ Special Revenue Funds
Comparative Revenue, Expenditures, and Changes in Fund Balances

City Gax Tax Special Revenue Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
Locally levied gasoline tax	\$ 157,500	\$ 175,000	\$ 221,176	\$ 235,762	\$ 236,942	-33.5%
Interest	750	900	1,868	1,268	1,141	-34.3%
Total revenues	158,250	175,900	223,044	237,030	238,083	-33.5%
Other financing sources (OFS):						
Transfers in from other funds	-	38,770	-	-	-	n/a
Total revenues and OFS	158,250	214,670	223,044	237,030	238,083	-33.5%
Other financing uses (OFU):						
Operating transfers to other funds	160,000	190,000	213,000	239,000	227,820	-29.8%
Excess of revenue and other sources over expenditures and other uses	(1,750)	24,670	10,044	(1,970)	10,263	-117.1%
Fund balance, beginning of year	88,049	63,379	53,335	55,305	45,042	95.5%
Fund balance, end of year	\$ 86,299	\$ 88,049	\$ 63,379	\$ 53,335	\$ 55,305	56.0%
State Seven Cent Gax Tax Special Revenue Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
State shared gasoline tax	\$ 112,500	\$ 125,000	\$ 132,270	\$ 146,582	\$ 149,275	-24.6%
Interest	400	500	1,848	1,021	1,097	-63.5%
Total revenues	112,900	125,500	134,118	147,603	150,372	-24.9%
Other financing uses (OFU):						
Operating transfers to other funds	122,500	135,000	135,000	135,000	154,000	-20.5%
Excess of revenue and other sources over expenditures and other uses	(9,600)	(9,500)	(882)	12,603	(3,628)	164.6%
Fund balance, beginning of year	31,106	40,606	41,488	28,885	32,513	-4.3%
Fund balance, end of year	\$ 21,506	\$ 31,106	\$ 40,606	\$ 41,488	\$ 28,885	-25.5%
State Nine Cent Gax Tax Special Revenue Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
State shared gasoline tax	\$ 90,000	\$ 100,000	\$ 103,415	\$ 114,065	\$ 107,347	-16.2%
Interest	600	839	1,537	840	1,017	-41.0%
Total revenues	90,600	100,839	104,952	114,905	108,364	-16.4%
Other financing uses (OFU):						
Operating transfers to other funds	100,000	90,000	110,000	100,000	120,000	-16.7%
Excess of revenue and other sources over expenditures and other uses	(9,400)	10,839	(5,048)	14,905	(11,636)	-19.2%
Fund balance, beginning of year	43,071	32,232	37,280	22,375	34,011	26.6%
Fund balance, end of year	\$ 33,671	\$ 43,071	\$ 32,232	\$ 37,280	\$ 22,375	50.5%

Beginning and ending fund balances for budgeted years have been updated from budget ordinance to reflect unaudited ending fund balance at September 30, 2006.

City of Auburn ~ Special Revenue Funds
Comparative Revenue, Expenditures, and Changes in Fund Balances

Special School Tax Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
General property tax	\$ 2,542,688	\$ 2,421,607	\$ 2,471,579	\$ 2,220,905	\$ 2,019,104	25.9%
Interest	3,499	32,703	34,525	7,604	3,022	15.8%
Total revenues	2,546,187	2,454,310	2,506,104	2,228,509	2,022,126	25.9%
Other financing sources (OFS)						
Proceeds of debt	-	-	379	33,802,821	-	#DIV/0!
Transfers in from other funds	5,300,000	6,050,000	5,950,000	3,450,000	3,550,000	49.3%
Total revenues and OFS	7,846,187	8,504,310	8,456,483	39,481,330	5,572,126	40.8%
Expenditures:						
General Operations						
Tax administration fee	171,000	153,000	103,068	76,174	75,137	127.6%
Appropriation to Bd. Of Education	3,670,229	5,830,120	3,205,720	36,383,811	2,800,000	31.1%
Debt Service	3,999,704	3,987,623	3,983,047	2,870,445	2,378,302	68.2%
Total expenditures and OFU	7,840,933	9,970,743	7,291,835	39,330,430	5,253,439	49.3%
Excess of revenue and other sources over expenditures and other uses	5,254	(1,466,433)	1,164,648	150,900	318,687	-98.4%
Fund balance, beginning of year	223,315	1,689,748	525,100	374,200	55,513	302.3%
Fund balance, end of year	\$ 228,569	\$ 223,315	\$ 1,689,748	\$ 525,100	\$ 374,200	-38.9%

Special Additional School Tax Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
General property tax	\$ 5,594,410	\$ 5,328,010	\$ 5,437,123	\$ 4,887,541	\$ 4,107,209	36.2%
Interest	133,211	146,140	176,838	91,798	52,478	153.8%
Total revenues	5,727,621	5,474,150	5,613,961	4,979,339	4,159,687	37.7%
Expenditures:						
General Operations						
Tax administration fee	379,000	337,000	226,384	169,084	148,554	155.1%
Other financing uses (OFU):						
Operating transfers to other funds	5,300,000	6,050,000	5,950,000	3,450,000	3,550,000	49.3%
Total expenditures and OFU	5,679,000	6,387,000	6,176,384	3,619,084	3,698,554	53.5%
Excess of revenue and other sources over expenditures and other uses	48,621	(912,850)	(562,423)	1,360,255	461,133	-89.5%
Fund balance, beginning of year	1,489,035	2,401,885	2,964,308	1,604,053	1,142,920	30.3%
Fund balance, end of year	\$ 1,537,656	\$ 1,489,035	\$ 2,401,885	\$ 2,964,308	\$ 1,604,053	-4.1%

Beginning and ending fund balances for budgeted years have been updated from budget ordinance to reflect unaudited ending fund balance at September 30, 2006.

City of Auburn ~ Special Revenue Funds
Comparative Revenue, Expenditures, and Changes in Fund Balances

Public Safety Substance Abuse Prevention Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
Confiscation Revenue	\$ 20,000	\$ 20,000	\$ 7,799	\$ 42,171	\$ 16,205	23.4%
Interest	4,000	4,000	7,350	4,103	3,609	10.8%
Total revenues	24,000	24,000	15,149	46,274	19,814	21.1%
Expenditures:						
Public Safety	8,000	8,000	27,403	23,501	21,345	-62.5%
Excess of revenue and other sources over expenditures and other uses	16,000	16,000	(12,254)	22,773	(1,531)	-1145.1%
Fund balance, beginning of year	177,627	161,627	173,881	151,108	152,639	16.4%
Fund balance, end of year	\$ 193,627	\$ 177,627	\$ 161,627	\$ 173,881	\$ 151,108	28.1%

Beginning and ending fund balances for budgeted years have been updated from budget ordinance to reflect unaudited ending fund balance at September 30, 2006.

Debt Service Fund

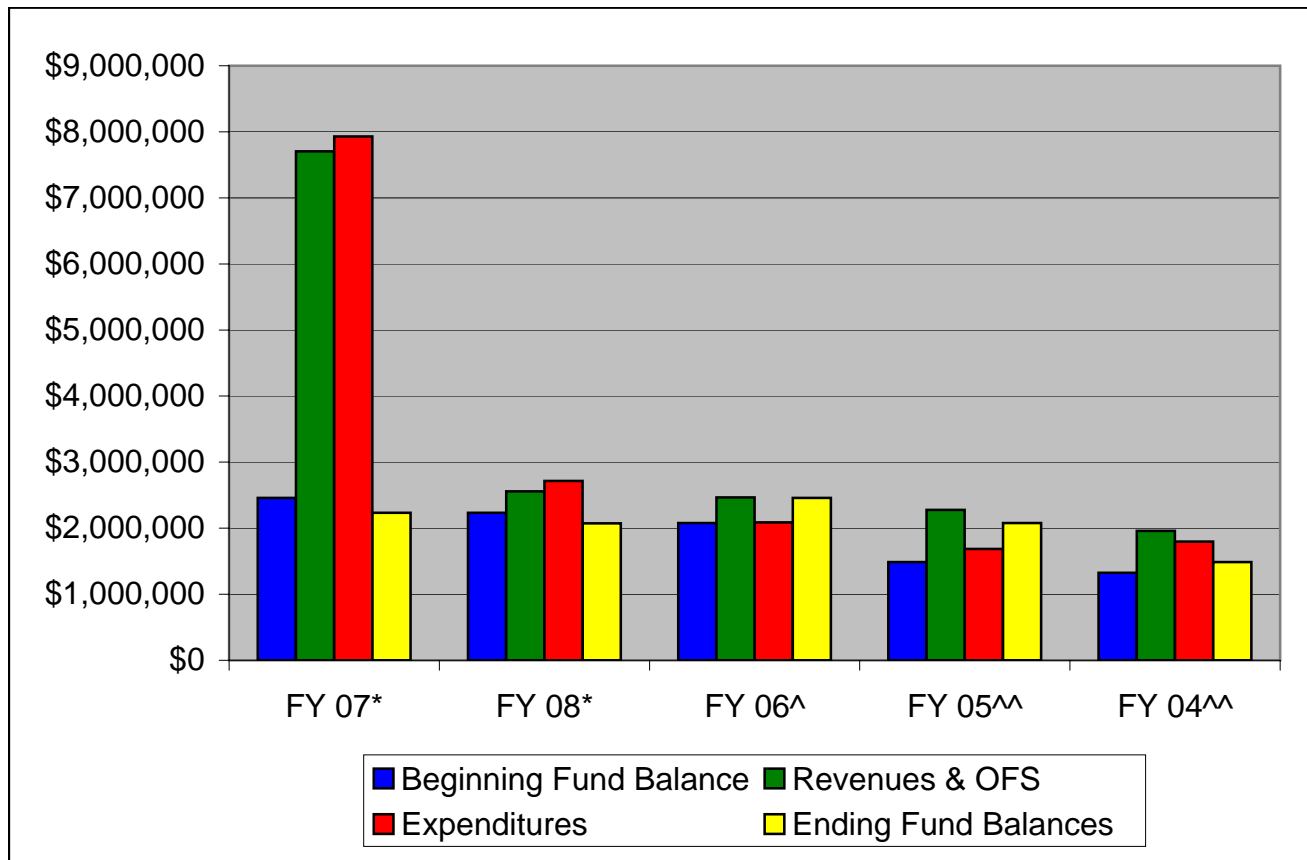
Description of and Trends in Debt Service Fund.....	226
Comparative Revenues, Expenditures and Changes in Fund Balance for Five Mill Tax Fund	227
Overview of Debt Service Fund.....	228
Overview of Debt Service Fund – Revenues and Expenditures	229
Special Five Mill Fund History	230
Special Five Mill Fund Projection	231

City of Auburn

Description of and Trends in Debt Service Fund

Debt service funds are used to account for the payment of principal and interest on long-term debt. Debt service revenues are from taxes and other operating revenues, some of which are pledged specifically to repay certain outstanding bond issues. For more information on the City's debt policies, please refer to the Overview of Debt Policy and Outstanding Debt in the General Information Section of this document. The City of Auburn budgets for the following debt service fund:

Special 5-Mill Tax Fund accounts for revenues received from five mills of ad valorem tax dedicated to the payment of principal and interest on bonds approved by the Citizens of Auburn in a special election.



* Budgeted

^ Actual, Unaudited

^^ Audited

City of Auburn

Debt Service Fund

Comparative Revenue, Expenditures, and Changes in Fund Balances

	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
General property tax	\$ 2,458,210	\$ 2,363,663	\$ 2,326,314	\$ 2,109,363	\$ 1,910,566	28.7%
Interest	100,000	90,000	138,530	72,101	48,939	104.3%
Total revenues	2,558,210	2,453,663	2,464,844	2,181,464	1,959,505	30.6%
Other financing sources (OFS):	-	5,250,000	-	96,341	-	n/a
Total revenues and OFS	2,558,210	7,703,663	2,464,844	2,277,805	1,959,505	30.6%
Expenditures:						
General Operations						
Tax Administration Fee	111,184	105,893	100,189	74,385	69,710	59.5%
Debt Service						
Principal	1,630,000	1,465,000	1,095,000	732,661	930,000	75.3%
Interest	968,001	1,100,586	887,419	775,356	790,256	22.5%
Fiscal fees	7,000	7,000	4,300	102,667	6,871	1.9%
Total expenditures	2,716,185	2,678,479	2,086,908	1,685,069	1,796,837	51.2%
Other financing uses (OFU):						
Transfers out	-	5,250,000	-	-	-	n/a
Total expenditures and OFU	2,716,185	7,928,479	2,086,908	1,685,069	1,796,837	51.2%
Excess (deficit) of revenue and OFS over expenditures and OFU	(157,975)	(224,816)	377,936	592,736	162,668	-197.1%
Fund balance, beginning of year	2,232,296	2,457,112	2,079,176	1,486,440	1,323,772	68.6%
Fund balance, end of year	\$ 2,074,321	\$ 2,232,296	\$ 2,457,112	\$ 2,079,176	\$ 1,486,440	39.5%

Beginning and ending fund balances for budgeted years have been updated from the budget ordinance to reflect unaudited ending fund balances at September 30, 2006.

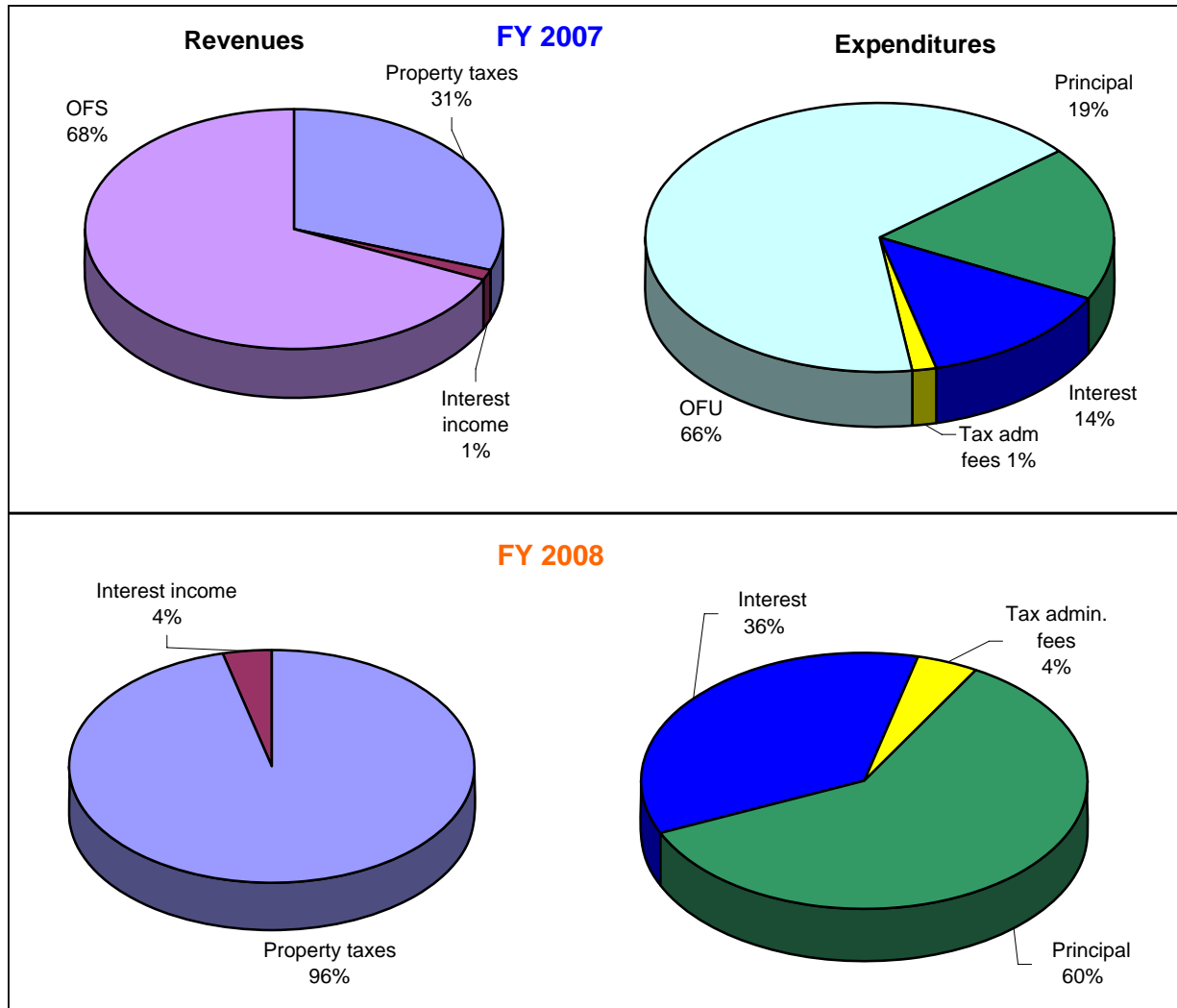
City of Auburn
Overview of Debt Service Fund
Biennial Budget - FY 07 & FY 08

	Special Five Mill Tax Fund
Audited fund balance, 9.30.05	\$ 2,079,176
FY 06 Actual revenues*	2,464,844
FY 06 Actual expenditures*	<u>2,086,908</u>
Unaudited fund balance, 9.30.06	2,457,112
FY 07 Budget	
Revenues	
Taxes - ad valorem	2,363,663
Other revenue	<u>5,340,000</u>
<i>Total revenues</i>	7,703,663
Other financing sources	
Transfers from other funds	<u>-</u>
Total resources available	<u>10,160,775</u>
Expenditures	
Non-departmental	
General operations	112,893
Debt service	
Principal	1,465,000
Interest	<u>1,100,586</u>
<i>Total expenditures</i>	<u>2,678,479</u>
Other financing uses	
Transfers to other funds	<u>5,250,000</u>
Total resources used	<u>7,928,479</u>
Projected fund balance, 9.30.07	2,232,296
FY 08 Budget	
Revenues	
Taxes - ad valorem	2,458,210
Other revenue	<u>100,000</u>
<i>Total revenues</i>	2,558,210
Other financing sources	
Transfers from other funds	<u>-</u>
Total resources available	<u>4,790,506</u>
Expenditures	
Non-departmental	
General operations	118,184
Debt service	
Principal	1,630,000
Interest	<u>968,001</u>
<i>Total expenditures</i>	<u>2,716,185</u>
Total resources used	<u>2,716,185</u>
Projected fund balance, 9.30.08	<u>\$ 2,074,321</u>

* Unaudited

City of Auburn

Overview of Debt Service Fund ~ Revenues and Expenditures



	Fiscal Year 2007		Fiscal Year 2008	
<u>Revenues</u>	Revenues	Expenditures	Revenues	Expenditures
Property taxes	\$ 2,363,663		\$ 2,458,210	
Interest income	90,000		100,000	
Other Financing Sources	5,250,000		-	
<u>Expenditures</u>				
Debt Service				
Principal		\$ 1,465,000		\$ 1,630,000
Interest		1,100,586		968,001
Tax administration fees		112,893		118,184
Other Financing Uses		5,250,000		-
Totals	\$ 7,703,663	\$ 7,928,479	\$ 2,558,210	\$ 2,716,185

City of Auburn, Alabama
Special Five Mill Tax Fund History

	Bonds Pay Out In CY	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Revenues:											
Ad Valorem Tax		\$ 978,153	\$ 1,025,656	\$ 1,134,000	\$ 1,346,753	\$ 1,420,812	\$ 1,515,308	\$ 1,592,323	\$ 1,910,566	\$ 2,109,363	\$ 2,326,314
Interest		156,613	196,451	168,251	188,804	130,837	78,169	57,454	48,939	72,101	138,530
Total Revenues		1,134,766	1,222,107	1,302,251	1,535,557	1,551,649	1,593,477	1,649,777	1,959,505	2,181,464	2,464,844
Expenditures:											
Principal '71	2002	10,000	10,000	10,000	10,000	10,000	10,000				
Interest '71		3,355	2,745	2,135	1,525	915	305				
Principal '74	2003	40,000	40,000	40,000	40,000	40,000	40,000	40,000			
Interest '74		18,440	15,840	13,200	10,560	7,920	5,280	2,640			
Principal '88 (refunded by 9.01.98 bds)	2002	-	405,000	-	-	-	-	-			
Interest '88 (refunded by 9.01.98 bonds)		172,500	172,500	-	-	-	-	-			
Principal '91	1996	200,000									
Interest '91		5,140									
Non-Departmental*		37,405	45,639	44,834	53,843	65,266	66,075	64,605	69,710	74,385	100,189
Trustee Fees		4,426	3,793	10,152	6,527	3,641	11,788	6,931	6,871	6,325	4,300
Refunding bond issuance costs			24,787							96,342	
Advance refunding escrow			74,750								
Cap imp wts 6.01.97 \$6.5M Principal	2015		180,000	195,000	210,000	225,000	245,000	260,000	280,000	42,663	
Cap imp wts 6.01.97 \$6.5M Interest			325,934	307,160	299,360	290,541	280,978	270,198	258,498	122,809	
(refunded by 2005 issue)											
Cap imp wts 6.01.98 \$2.0M Principal	2015		70,000	75,000	75,000	80,000	85,000	90,000	95,000	95,000	105,000
Cap imp wts 6.01.98 \$2.0M Interest			8,003	90,178	87,177	84,102	80,742	77,130	73,260	69,080	64,853
GO Ref Bds 9.01.98 \$2.095M Prin	2002			445,000	495,000	550,000	605,000				
GO Ref Bds 9.01.98 \$2.095M Interest				74,760	65,258	46,200	24,200				
GO Warrants 8.01.99 (Lib) \$3.7M Prin	2014				177,580	190,265	190,265	215,000	225,000	240,000	260,000
GO Warrants 8.01.99 (Lib) \$3.7M Int								190,265	179,515	168,265	156,265
GO Warrants 8.01.02 \$7.25M Prin	2016						290,000	310,000	330,000	355,000	375,000
GO Warrants 8.01.02 \$7.25M Int							33,797	285,183	278,982	270,403	259,753
GO Warrants 3.01.05 \$5.0M Prin	2021									-	355,000
GO Warrants 3.01.05 \$5.0M Int										144,799	406,548
New-GO Warrants 10.06 \$5.2M Prin											
New-GO Warrants 10.06 \$5.2M Int											
Total Expenditures		491,266	1,378,991	1,307,419	1,531,830	1,593,850	1,968,430	1,811,952	1,796,836	1,685,071	2,086,908
Other Financing Sources and Uses											
Proceeds of refunding bonds			2,090,807							\$ 9,905,000	
Premium on debt issued			(2,063,782)							\$ 328,038	
Payment to refunded bond escrow			(435,157)		\$ (759,781)					\$ (5,026,414)	
Operating transfers to other funds			(408,132)		(759,781)					\$ (5,110,283)	
Total OFS/OFU										96,341	
Excess of Revenues > Expenditures		643,500	(565,016)	(5,168)	(756,054)	(42,201)	(374,953)	(162,175)	162,670	592,734	377,936
Beginning fund balance		2,585,838	3,229,338	2,664,322	2,659,154	1,903,100	1,860,899	1,485,946	1,323,772	1,486,441	2,079,176
Ending fund balance		\$3,229,338	\$2,664,322	\$2,659,154	\$1,903,100	\$1,860,899	\$1,485,946	\$1,323,772	\$ 1,486,441	\$ 2,079,176	\$ 2,457,112

Auburn Five Mill Tax (Bond Tax) Projection through FY 2016

	Bonds Pay Out in CY	Rate of Projected Change	FY 2005		FY 2006		FY 2007 Budgeted	FY 2008 Budgeted	FY 2009 Projected	FY 2010 Projected	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected
			Actual	Budgeted	Actual	Unaudited										
Revenues:																
Ad Valorem Tax (1)		8.5%	\$ 2,109,363	\$ 2,371,000	\$2,326,314		\$ 2,363,663	\$ 2,458,210	\$ 2,667,158	\$ 2,893,866	\$ 3,139,845	\$ 3,406,732	\$ 3,695,304	\$ 4,010,490	\$ 4,351,381	\$ 4,721,249
Interest (2)			72,101	122,000	138,530		140,000	100,000	47,415	47,989	50,221	54,371	60,684	69,947	82,084	88,926
Total Revenues			2,181,464	2,493,000	2,464,844		2,503,663	2,558,210	2,714,573	2,941,856	3,190,066	3,461,103	3,756,988	4,080,437	4,433,466	4,810,175
Expenditures:																
Non-Departmental*		7.0%	74,385	92,000	100,189		105,893	111,184	118,967	127,295	136,205	145,740	155,941	166,857	178,537	191,035
Refunding bond issuance costs			96,342				7,000	7,000	7,350	7,718	8,103	8,509	8,934	9,381	9,850	10,342
Trustee Fees		5.0%	6,325	7,000	4,300											
Cap imp wts 6.01.97 \$6.5M Principal	2015		42,663	-	-		-	-	-	-	-	-	-	-	-	-
Cap imp wts 6.01.97 \$6.5M Interest	2015		122,809	-	-		-	-	-	-	-	-	-	-	-	-
Cap imp wts 6.01.98 \$2.0M Principal	2015		95,000	105,000	105,000		110,000	115,000	120,000	130,000	135,000	145,000	150,000	160,000	165,000	165,000
Cap imp wts 6.01.98 \$2.0M Interest	2015		69,080	64,853	64,853		60,075	55,015	49,667	44,027	37,788	31,172	23,995	16,495	8,415	8,415
GO Warrants 8.01.99 (Lib) \$3.7M Prin	2014		240,000	260,000	260,000		275,000	290,000	310,000	330,000	355,000	375,000	400,000	425,000	375,000	400,000
GO Warrants 8.01.99 (Lib) \$3.7M Int	2014		168,265	156,265	156,265		143,265	129,515	115,015	99,515	82,685	64,225	44,350	22,950	64,225	44,350
GO Warrants 8.01.02 \$7.25M Prin	2016		355,000	375,000	375,000		405,000	435,000	465,000	495,000	530,000	565,000	605,000	650,000	695,000	695,000
GO Warrants 8.01.02 \$7.25M Int	2016		270,403	259,753	259,753		247,753	231,553	211,978	191,053	170,758	148,498	124,203	97,280	67,705	67,705
GO Warrants 3.01.05 \$5.0M Prin			-	355,000	355,000		450,000	550,000	625,000	705,000	785,000	865,000	900,000	965,000	1,030,000	975,000
GO Warrants 3.01.05 \$5.0M Int			144,799	406,548	406,548		393,643	377,218	357,293	330,693	296,968	262,854	225,865	185,995	142,875	92,750
New-GO Warrants 1.07 \$5.2M Prin							225,000	240,000	250,000	265,000	280,000	300,000	315,000	335,000	355,000	380,000
New-GO Warrants 1.07 \$5.2M Int							255,850	174,700	253,550	239,388	224,400	208,450	191,538	173,663	154,688	134,475
Total Expenditures			1,685,071	2,081,419	2,086,907		2,678,479	2,716,185	2,883,819	2,964,687	3,041,907	3,119,447	3,144,826	3,207,621	3,246,295	3,164,072
Other Financing Sources and Uses																
Proceeds of refunding/new bonds			\$ 9,905,000	\$ -	\$ -		\$ 5,200,000	\$ -								
Premium on debt issued			328,038													
Payment to refunded bond escrow			(5,026,414)													
Operating transfers to other funds			(5,110,283)				(5,250,000)									
Total OFS/OFU			96,341	-	-		(50,000)	-	(169,246)	(22,831)	148,159	341,656	612,161	872,816	1,187,171	1,646,103
Excess of Revenues > Expenditures			592,734	411,581	377,937		(224,816)	(157,975)	(169,246)	(22,831)	148,159	341,656	612,161	872,816	1,187,171	1,646,103
Beginning fund balance			1,486,441	2,079,175	2,079,175		2,457,112	2,232,297	2,074,322	1,905,076	1,882,245	2,030,404	2,372,060	2,984,221	2,984,221	4,171,392
Ending fund balance			\$ 2,079,175	\$2,490,756	\$2,457,112		\$ 2,232,297	\$ 2,074,322	\$ 1,905,076	\$1,882,245	\$2,030,404	\$2,372,060	\$ 2,984,221	\$ 3,857,037	\$ 4,171,392	\$ 5,817,495

(1) Average increase in property tax revenue since FY 97 has been 13.8%. To be conservative, projection calculated at an annual rate of 8.5%.

(2) Interest projected at 2% of the average of the beginning and ending fund balances for each fiscal year.

Special Activities of the General Fund

Description of and Trends in Special Activities of the General Fund	232
Overview of Total Special Activities of the General Fund – Revenue Sources and Expenses	233
Total Special Activities of the General Fund – Comparison ..	234
Overview of Special activities of the General Fund	235
Comparative Revenues, Expenditures and Changes in Fund Balances for Individual Internal Service Funds	
Liability Risk Retention Fund	236
Employee Benefit Self-Insurance Fund	236



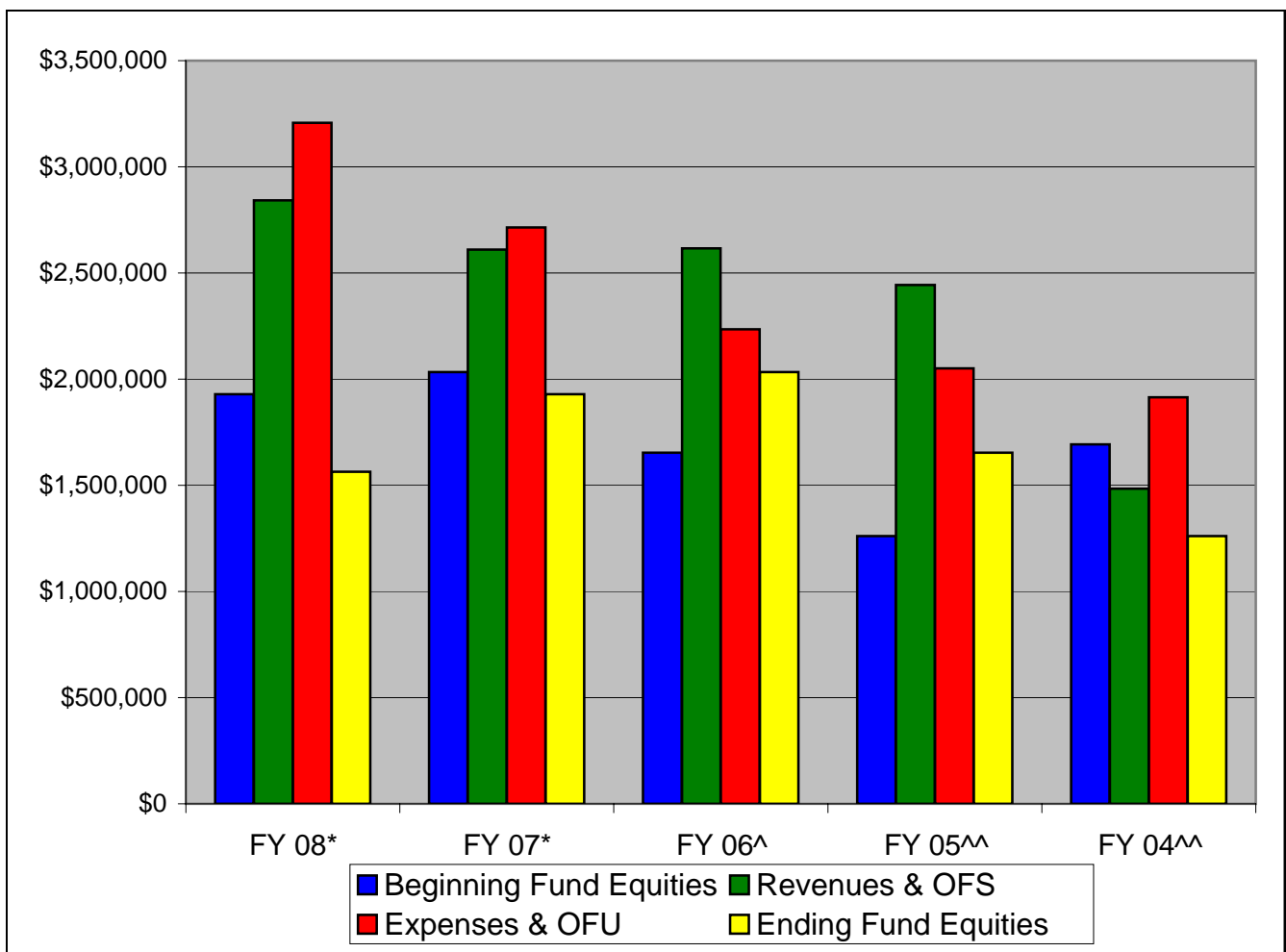
City of Auburn

Description of and Trends in Special Activities of the General Fund

Special Activities of the General Fund are used to provide a separate accounting for services that are provided by the City to all City departments, as well as to the Auburn Water Works Board.

Liability Risk Retention Fund accounts for the costs of operating the City's general liability and workers compensation self-insurance program.

Employee Benefit Self-Insurance Fund accounts for the cost of operating the City's self-insurance employee benefit program.



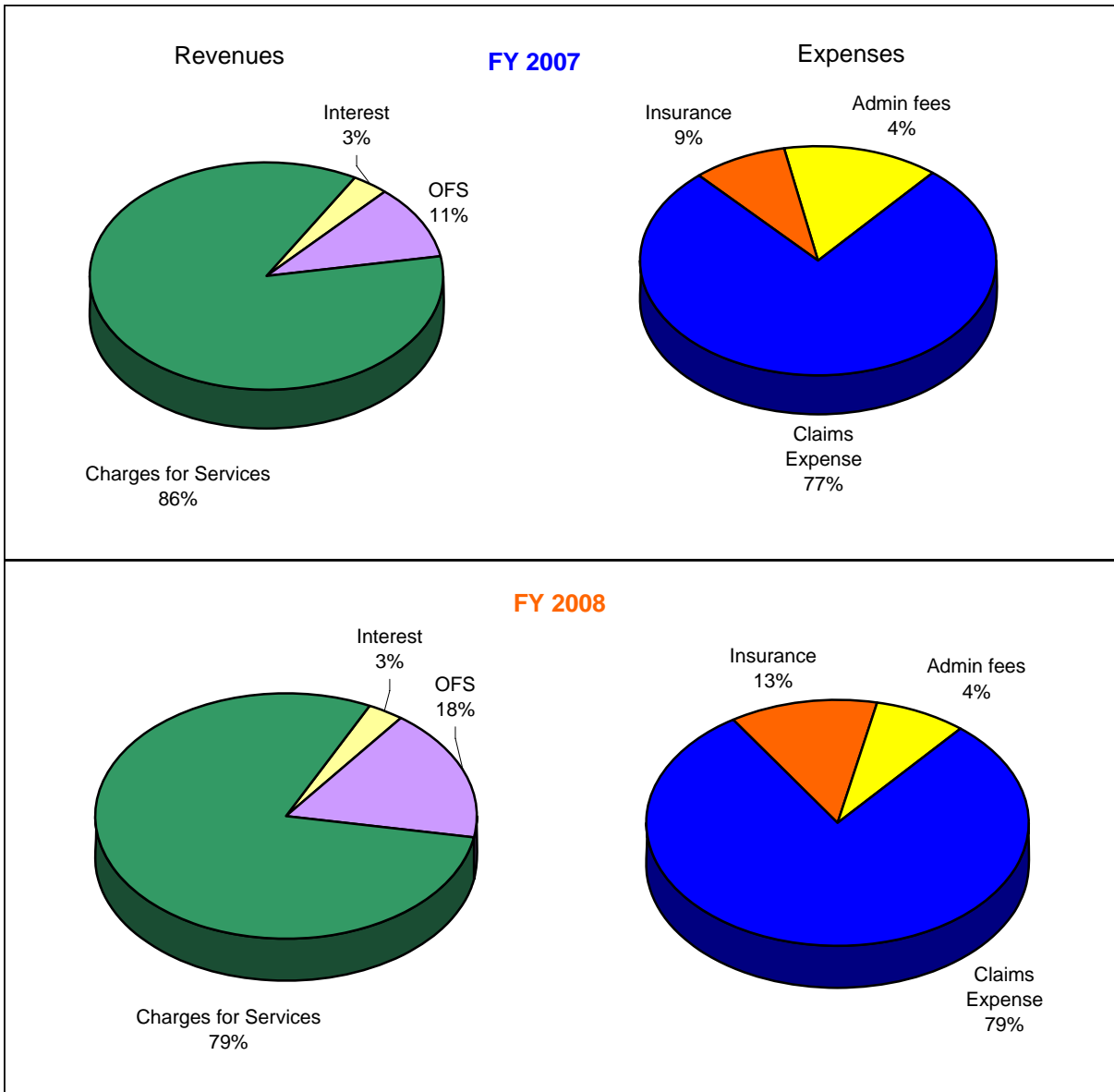
* Budgeted

^ Actual, unaudited

^^ Audited

City of Auburn

Overview of Total Special Activities of the General Fund ~ Revenues and Expenses



	FY 2007		FY 2008	
<u>Revenues</u>				
Charges for Services	2,250,558		2,256,352	
Interest	85,000		85,000	
Other Financing Sources	275,000		500,000	
<u>Expenses</u>				
Claims Expense		2,096,730		2,555,230
Insurance		232,220		405,233
Administration fees		386,215		246,250
Totals	<u>\$ 2,610,558</u>	<u>\$ 2,715,165</u>	<u>\$ 2,841,352</u>	<u>\$ 3,206,713</u>

City of Auburn

Total Special Activities of the General Fund

Comparative Revenue, Expenditures, and Changes in Fund Balances

	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
Charges for Services						
Employer Premiums	\$ 1,515,884	\$ 1,510,090	\$ 1,424,858	\$ 1,027,647	\$ 726,884	108.5%
Employee Premiums	740,468	740,468	716,318	653,099	632,398	17.1%
Other revenues						
Interest	60,000	60,000	80,234	28,618	35,036	71.3%
Claims reimbursement	25,000	25,000	19,000	8,403	89,218	-72.0%
Total revenues	2,341,352	2,335,558	2,240,410	1,717,767	1,483,536	57.8%
Other financing sources (OFS):						
Transfers in from other funds	500,000	275,000	375,000	725,918	-	n/a
Total revenues and OFS	2,841,352	2,610,558	2,615,410	2,443,685	1,483,536	91.5%
Expenditures:						
General Operations						
Claims payments	2,555,230	2,096,730	1,809,583	1,584,843	1,472,739	73.5%
Insurance premiums	405,233	386,215	286,456	320,586	294,100	
Administration fees	246,250	232,220	138,654	145,601	121,795	102.2%
Total expenditures	3,206,713	2,715,165	2,234,693	2,051,030	1,888,634	69.8%
Other financing uses (OFU):						
Operating transfers to other funds	-	-	-	-	26,499	-100.0%
Total expenditures and OFU	3,206,713	2,715,165	2,234,693	2,051,030	1,915,133	67.4%
Excess (deficit) of revenue and OFS over expenditures and OFU	(365,361)	(104,607)	380,717	392,655	(431,597)	-15.3%
Fund balance, beginning of year	1,929,363	2,033,970	1,653,253	1,260,598	1,692,195	14.0%
Fund balance, end of year	\$ 1,564,002	\$ 1,929,363	\$ 2,033,970	\$ 1,653,253	\$ 1,260,598	24.1%

Beginning and ending fund balances for budgeted years have been updated from the budget ordinance to reflect unaudited actual ending fund balance at September 30, 2006.

City of Auburn
Overview of Special Activities of the General Fund[^]
Biennial Budget - FY 07 & FY 08

	Liability Risk Retention	Employee Benefit Self-Insurance	Total - All Special Activities of the General Fund
Audited fund balances, 9.30.05	\$ 799,666	\$ 853,587	\$ 1,653,254
FY 06 Projected revenues*	409,768	2,205,642	2,615,410
FY 06 Budgeted expenses*	278,032	1,956,661	2,234,693
Projected fund balances, 9.30.06	931,402	1,102,568	2,033,971
FY 07 Budget			
Revenues			
Charges for services	-	-	-
Other revenue	50,000	35,000	85,000
<i>Total revenues</i>	<u>50,000</u>	<u>35,000</u>	<u>85,000</u>
Other financing sources			
Transfers from other funds	275,000	2,250,558	2,525,558
Total resources available	1,256,402	3,388,126	4,644,529
Expenses			
Risk management/employee benefits	513,395	2,201,770	2,715,165
Non-departmental	-	-	-
<i>Total expenses</i>	<u>513,395</u>	<u>2,201,770</u>	<u>2,715,165</u>
Other financing uses			
Transfers to other funds	-	-	-
Total resources used	513,395	2,201,770	2,715,165
Projected fund balances, 9.30.07	743,007	1,186,356	1,929,364
FY 08 Budget			
Revenues			
Charges for services	-	-	-
Other revenue	50,000	35,000	85,000
<i>Total revenues</i>	<u>50,000</u>	<u>35,000</u>	<u>85,000</u>
Other financing sources			
Transfers from other funds	500,000	2,256,352	2,756,352
Total resources available	1,293,007	3,477,708	4,770,715
Expenses			
Risk management/employee benefits	535,265	2,671,448	3,206,713
Non-departmental	-	-	-
<i>Total expenses</i>	<u>535,265</u>	<u>2,671,448</u>	<u>3,206,713</u>
Other financing uses			
Transfers to other funds	-	-	-
Total resources used	535,265	2,671,448	3,206,713
Projected fund balances, 9.30.08	\$ 757,742	\$ 806,260	\$ 1,564,002

[^] Special Activities of the General Fund are used to provide a separate accounting for services that are provided by the City to all City departments, as well as to the Auburn Water Board.

* As projected at end of year

City of Auburn ~ Special Activities of the General Fund
Comparative Revenue, Expenditures, and Changes in Fund Balances

Liability Risk Rentention Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
Interest	\$ 25,000	\$ 25,000	\$ 34,768	\$ 13,287	\$ 17,579	42.2%
Claims reimbursement	25,000	25,000	-	-	-	n/a
Other financing sources (OFS):						
Transfers in from other funds	500,000	275,000	375,000	411,000	-	n/a
Total revenues and OFS	550,000	325,000	409,768	424,287	17,579	3028.7%
Expenses:						
Claims Payments	241,650	226,650	167,222	164,556	129,062	87.2%
Insurance premiums	174,465	172,125	79,012	89,284	46,697	273.6%
Administration fees	119,150	114,620	31,798	49,188	32,093	271.3%
Total expenses	535,265	513,395	278,032	303,028	207,852	157.5%
Other financing uses (OFU):						
Operating transfers to other funds	-	-	-	-	-	n/a
Total expenses & OFU	535,265	513,395	278,032	303,028	207,852	157.5%
Excess of revenue and other sources over expenditures and other uses	14,735	(188,395)	131,736	121,259	(190,273)	-107.7%
Fund balance, beginning of year	743,007	931,402	799,666	678,407	868,680	-14.5%
Fund balance, end of year	\$ 757,742	\$ 743,007	\$ 931,402	\$ 799,666	\$ 678,407	11.7%

Employee Benefit Self-Insurance Fund						
	Budgeted		Actual (Unaudited)	Actual (Audited)		Five Year Percent Change
	FY 08	FY 07	FY 06	FY 05	FY 04	
Revenues:						
Employer premiums	1,515,884	1,510,090	1,424,858	1,027,647	726,884	108.5%
Employee premiums	740,468	740,468	716,318	653,099	632,398	17.1%
Interest	35,000	35,000	45,466	15,331	17,457	100.5%
Claims reimbursement	-	-	19,000	8,403	89,218	-100.0%
Total revenues	2,291,352	2,285,558	2,205,642	1,704,480	1,465,957	56.3%
Other financing sources (OFS):						
Transfers in from other funds	-	-	-	314,918	-	n/a
Total revenues and OFS	2,291,352	2,285,558	2,205,642	2,019,399	1,465,957	56.3%
Expenses:						
Claims payments	2,313,580	1,870,080	1,642,361	1,420,287	1,343,677	72.2%
Insurance premiums	230,768	214,090	207,444	231,302	247,403	-6.7%
Administration fees	127,100	117,600	106,856	96,413	89,702	41.7%
Total expenses	2,671,448	2,201,770	1,956,661	1,748,002	1,680,782	58.9%
Other financing uses (OFU):						
Operating transfers to other funds	-	-	-	-	26,499	-100.0%
Total expenses and OFU	2,671,448	2,201,770	1,956,661	1,748,002	1,707,281	56.5%
Excess of revenue and other sources over expenditures and other uses	(380,096)	83,788	248,981	271,397	(241,324)	57.5%
Fund balance, beginning of year	1,186,356	1,102,568	853,587	582,190	823,515	44.1%
Fund balance, end of year	\$ 806,260	\$ 1,186,356	\$ 1,102,568	\$ 853,587	\$ 582,190	38.5%

Beginning and ending fund balances for budgeted years have been updated from the budget ordinance to reflect unaudited ending fund balances at September 30, 2006.

A

Accrual Basis- Accounting method in which revenues are recorded when earned and expenses recorded when the associated liability is incurred, irrespective of the timing of the related cash receipts and disbursements.

ADA- Americans with Disabilities Act.

ADEM- Alabama Department of Environmental Management.

Ad valorem tax- A property tax based on the valuation assigned to property by the elected county tax assessor. State law establishes the method of valuing property and calculating the tax assessment.

ALDOT- Alabama State Department of Transportation.

Appropriation- A legislative authorization for expenditures for specific purposes within a specific time frame.

ASA- Amateur Softball Association.

Assessment- compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

AU- Auburn University, the State's land grant university, located in Auburn, Alabama.

Auburn 2020- The City's long-range planning process, whereby the City Council and management, community leaders, and the citizens of Auburn developed a consensual vision of the City in the year 2020.

B

Balance carried forward- The projected fund balance of a fund at the completion of the prior fiscal year under consideration; beginning balance for the budget year.

Balance to carry forward- The projected fund balance of a fund at the completion of the fiscal year under consideration; ending fund balance for the budget year.

Basis of accounting- The timing for recognition of revenues and expenditures of expenses.

BCC- Boykin Community Center.

Biennium- A twenty-four month period for measuring financial activities, which may be divided into two twelve month periods, ending on a date specified by law. A biennial budget is a two-year budget.

Bond- A document evidencing the City's promise to pay a specified sum of money on a specified future date and periodic interest at a specified rate.

Budget- A financial plan showing projected costs and revenue for a specified time period.

C

Capital Improvement Program (CIP)- A six-year projection of capital improvements spending for long-term assets, which includes sources of funding and estimated project costs.

Capital lease- An agreement that gives the right to use real property or equipment for a stated period of time and that meets the accounting criteria for capitalization. The City uses such agreements as a financing method.

Capital Outlay- Expenditures for items with an estimated useful life of more than two years and of a substantial cost (more than \$5,000).

CILOT- Contribution in Lieu of Tax. CILOT is negotiated with governmental and/or tax-exempt entities in exchange for the provision of municipal services.

Census Bureau- An entity of the federal government responsible for determining the population of the states and cities within the United States.

City Council- The nine-person governing body of the City of Auburn. The Mayor is elected at-large and serves as a member of the City Council. The other eight members are elected from four districts. All members serve concurrent four-year terms.

City Manager- The person hired by the City Council to serve as the chief executive officer of the City Council. The City Manager's duties include recommending the biennial budget, overseeing all personnel matters, and advising the City Council on policy matters.

Commodities- Tangible goods to be consumed in the course of governmental operations with a period of less than two years.

CDBG- Community Development Block Grant, a grant program of the US Housing and Urban Development agency of the federal government.

Component units- Organizations that are legally separate from but affiliated with and financially accountable to the City.

Contractual services- Services provided to the government by entities other than its own employees.

Credit rating- A rating assigned by a professional organization as an indicator of the organization's evaluation of the degree of risk associated with the debt issued by a company or a governmental entity. A high credit rating indicates that the rating organization considers the debt to have a low risk of default. The national rating agencies include Moody's Investors Service and Standard & Poors, Inc.

D

Debt- An obligation to pay money in the future for borrowing money or receiving goods or services presently.

Debt limit- The legally permitted maximum amount of outstanding debt of the City under the provisions of State law.

Debt service- The amount of money needed to pay principal and interest on borrowed funds.

Debt Service Funds- Funds used to account for the payment of principal and interest on long-term debt.

Department- A major administrative unit that indicates overall management responsibility for an operation or a group of related operations within a functional area. A department may have more than one division.

Department head- The person appointed by the City Manager to oversee the day to day operations of a City department.

DRRC- Dean Road Recreation Center.

E

EAMC- East Alabama Medical Center located in Opelika, Alabama. The City of Auburn contracts with EAMC for the provision of emergency medical services.

EMS- Emergency Medical Services.

Encumbrance- Funding commitment related to unperformed contracts for goods and services.

Enterprise Funds- Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

EUD- East University Drive.

Expenditures- Decreases in a governmental fund's net financial resources resulting from the procurement of goods and services or the payment of principal and interest on general long-term debt.

Expenses- Outflows of net financial resources in a proprietary fund typically from the production and/or delivery of goods and services.

F

FAA- Federal Aviation Administration.

FBRC- Frank Brown Recreation Center.

FICA- Social Security and Medicare.

Fire insurance rating- A rating from 1 to 10 (with 1 being the best) assigned by the Insurance Services Office which reflects the adequacy of water supply as well as the quantity and quality of fire protection service.

Firewall- A dedicated "gateway" computer and related software that provides security measures to protect a network of more loosely administered computers from being accessed by computer networks and individuals outside the organization.

Fiscal year- A twelve-month period used by a government, not necessarily a calendar year. The

City of Auburn's fiscal year begins October 1 and ends September 30, as required by State law.

Full faith and credit- A pledge of the City's general taxing power to pay the debt service requirement of its debt obligations.

Fund- An accounting entity comprised of a group of self-balancing accounts.

Fund balance- The excess or deficit of fund revenues and OFS over fund expenditures and OFU of governmental fund types.

Fund equity- The excess or deficit of fund assets over fund liabilities of proprietary fund types.

FY- Fiscal year (see above).

G

General Fund- The main operating fund of the City which is used to account for all City financial resources except those required by generally accepted accounting principles to be accounted for in another fund.

General obligation bonds (GO Bond)- Bonds backed by the full faith and credit of the City.

GIS- Geographic Information System. A type of computer generated mapping system used to organize various types of map-related data for reference and analysis.

Goal- A specific and measurable target that managers are expected to achieve.

Governmental funds- Funds generally used to account for tax-supported activities- the general fund, special revenue funds, and debt service funds are all governmental funds.

GPS- Global Positioning System. A type of computer generated mapping system that identifies the latitude, longitude, and elevation of a particular point on earth, such as a building or a fire hydrant.

H

HR- Human Resources. The City department that provides personnel and risk management services.

I

ICMA- International City/County Management Association.

Internal Service Funds- Proprietary fund type that may be used to report any activity that provides goods or services to other funds or departments on a cost-reimbursement basis..

ISA- Independent Softball Association.

ISDN- Integrated Services Digital Network. A high-speed telephone line used to allow computers in various building to communicate.

ISO- Insurance Services Office. A private, national organization that provides quasi-regulatory services to the insurance industry and that assigns ratings to fire

organizations based on the personnel, equipment, and training.

ISTEA- Intermodal Surface Transportation Efficiency Act. A federal law that provides grants for municipal, transportation-related projects.

K

Key decisions- Decisions made by the City Council that have been identified by the Council and management as the critical decisions that will affect the budget each fiscal year.

M

MGD- Million gallons per day. A unit of measure used in reference to water or wastewater treatment facilities.

Millage- A unit of measure used to refer to the calculation of ad valorem (property) taxes based on appraised value or some other valuation basis. One mill is one tenth of a cent.

Mission- The central purposes of the organization that represent the reasons for the organization's existence.

Modified accrual basis- The basis of accounting used in governmental fund types wherein revenues and other financial resources are recognized when both measurable and available and expenditures are recognized in the period in which governments in general normally liquidate the related liability.

Moody's- Moody's Investors Service, one of the national credit rating agencies (see "credit rating").

N

Non-departmental- Expenditures or expenses not specifically associated with any individual department or division.

O

OFS- Other financing sources. Inflows of financial resources other than from revenues, such as from borrowing proceeds or the receipt of resources transferred from another fund.

OFU- Other financing uses. Outflows of financial resources other than for expenditures, such as for transfers of resources to other City funds or component units or for deposit of refunding bond proceeds with a trustee/escrow agent.

P

PC- Personal computer. A computer designed to be used by one person at a time.

Personal services- Expenditure category including all salaries, wages, and fringe benefit expenditures paid to or on behalf of the government's employees.

Fringe benefits include FICA, State of Alabama retirement, medical insurance, dental insurance, life insurance, workers compensation, education assistance, and other employee benefits.

Principal- The face or par value of bonds or warrants payable at maturity.

Program- A group of activities, operations, or departments or divisions focused on achieving specific objectives.

Proprietary funds- Funds that focus on the determination of operating income, changes in net assets, financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Purchase order- A written document issued by an entity to a vendor for ordering goods or services. The purchase order (PO) obligates the issuer to pay for the goods or services specified therein upon delivery.

R

Referendum- A direct vote of the Auburn citizens to decide local issues.

Revenue- Increases in a fund's net financial resources, typically resulting from such things as the collection of taxes, fees, charges for services, and earnings on invested resources.

Retained earnings- An equity account showing the accumulated net earnings of proprietary fund types.

ROW- Right-of-Way. The real property that a governmental or utility agency has the right to declare as public use property for transportation or utility purposes.

S

Special Revenue Funds- Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Standard & Poors- One of the national credit rating agencies. (see "credit rating").

T

TEA-21- A federal law that provides grants for municipal transportation-related projects.

TIP- Transportation Improvement Plan. The short-range transportation capital improvement plan for the Auburn-Opelika metropolitan area managed by the Lee-Russell Council of Governments.

W

Warrant- A document authorized by the City Council directing the Treasurer to pay a specified amount to a specified entity. If the warrant specifies an interest rate and due date, it functions much like a bond.