

2007–2008 Budget in Brief

The City of Ashland strives to deliver services essential to the community and that enhance quality of life. This document provides information to the Ashland community about where the money to finance the city comes from and how that money is spent.

Ashland revenue is primarily collected from fees paid for services.

What do I get for my money?

Below are major revenue sources that citizens and visitors often ask about.

Property Tax generates approximately \$11.3 million for the City and Parks. It is used to pay for expenses found in the General Fund such as police and fire, for some of the City's principal and interest on debt and for expenses in providing parks and recreation. Voter approved levies have been used for youth activities and a levy is proposed to operate the library on an interim basis. Property owners within the Ashland city limits pay up to \$6.105 per \$1000 of assessed value.

Transient Occupancy Tax (TOT) also referred to as the hotel/motel tax generates approximately \$1.6 million and is used for three purposes: Economic and Cultural Development, tourism development and the remainder for general expenses in the General Fund such as police and fire. The Hotels and Motels tax rate in Ashland is 7%. The hotel or motel keeps 5% of the money collected as payment for processing.

Prepared Food and Beverage Tax (F&B) also referred to as the meals tax generates approximately \$2.0 million and 80% of the revenue goes toward annual debt service on the wastewater treatment plant completed in 2003 and 20% is used for purchasing open space for parks. The tax rate is 5% on most meals and non-alcohol beverages served or catered. In effect, the proceeds help keep sewer rates low and funds park expansion. The hotel or motel keeps 5% of the money collected as payment for processing. This tax ends in December 2010.

Electric Utility Users Tax generates approximately \$2.6 million and is used to pay for expenses associated with the General Fund, such as police and fire. Utility bills include this tax which is approximately 25% of the total electric charges on the bill.

Charges for Services generates approximately \$21.4 million and pays for the Water, Wastewater, Electric and high speed data services provided to residential, commercial and governmental properties. In general, the revenue generated is based upon the base cost to provide the service and normally includes a charge that represents level of service used.

Utility Fees generates approximately \$1.8 million and are used to pay for operational and construction needs for Transportation (streets, sidewalks, bicycle lanes, handicap access, etc.) and for Storm Drain (line maintenance, open ditches, sediment pond cleaning, etc.).

Miscellaneous Licenses, Permits and other Fees and Charges (excluding interest earnings, transfers & internal payments) generates approximately \$9.0 million and are used to pay for the cost of non-utility services provided such as ambulance transport, building inspections, recreation, construction services, parking, cemetery services, etc. across funds.

Where the Money Comes From

	<u>2007 Adopted</u>		<u>2008 Adopted</u>	
Taxes				
	\$		\$	
Property (Current)	9,407,682		11,273,275	
Property (Prior)	304,400		310,000	
Food & Beverage	2,000,000		2,032,000	
Hotel/Motel	1,529,100		1,575,000	
Utility Users Tax	2,648,800	<u>15,889,982</u>	2,600,000	<u>17,790,275</u>
Licenses/Franchise Fees				
License	176,100		185,600	
Franchises	2,685,800	<u>2,861,900</u>	2,692,100	<u>2,877,700</u>
Development Fees				
Permits	1,713,541	<u>1,713,541</u>	900,000	<u>900,000</u>
Bonds & Loans				
Capital Improvement Projects	8,500,000		3,800,000	
Street Improvement Bonds	5,647,100		-	
Fire Station #2	2,500,000		-	
Interfund Loan	745,000	<u>17,392,100</u>	-	<u>3,800,000</u>
Fees & Charges other than Utility				
Finance	15,000		27,000	
Police	187,000		162,000	
Court				

	337,150		350,200	
Fire & Rescue	926,800		822,300	
City Recorder	-		30,100	
Cemetery	70,456		58,000	
Planning & Building	150,000		92,780	
Public Works	611,032		382,000	
Electric			212,000	
Parks & Recreation	912,820		905,000	
Technology Payment	-		1,119,000	
Rents	145,350		260,850	
Internal Service	8,032,869		8,022,654	
SDC's	1,515,900		930,000	
Interest on Investments	703,300		787,950	
Fines	157,000		180,000	
Special Assessment Payments	252,000		102,427	
Miscellaneous Income	1,854,400		1,426,300	
Transfers	1,034,934	<u>16,906,011</u>	638,073	<u>16,508,634</u>
Utilities				
Wastewater	2,964,000		2,900,000	
Storm Water	634,000		625,000	
Street	1,092,500		1,175,000	
Electric	12,320,000		12,479,800	
Ashland Fiber Network	1,738,000		1,680,874	
Water	4,255,000	<u>23,003,500</u>	4,300,000	<u>23,160,674</u>

Grants

Federal Grants	1,548,250		1,228,500	
State Grants	764,028	<u>2,312,278</u>	800,000	<u>2,028,500</u>

Carryover From Prior Year	19,154,800	<u>19,154,800</u>	23,927,048	<u>23,927,048</u>
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State Shared Revenue

Cigarette Tax	35,743		38,000	
Liquor Tax	209,223		220,000	
Gas Tax	1,080,566	<u>1,325,532</u>	1,100,000	<u>1,358,000</u>

Total Resources		<u>\$ 100,559,644</u>		<u>\$ 92,350,831</u>
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Where the Money Goes 2007-2008**General Government:**

	\$		
Mayor, Council, City Recorder	482,844		
Administration	1,643,750		
Legal Services	479,115		
Human Resources	339,291		
Finance & Accounting	1,560,533		
Insurance Services	785,000		
Computer Services	<u>1,135,588</u>	6,426,121	7%

Utilities:

Electric

	11,820,775		
Water	4,279,392		
Wastewater	3,206,484		
Information Technology	1,731,840		
Stormwater Collection	<u>672,457</u>	21,710,948	24%
Public Safety:			
Police Protection	5,458,209		
Fire Protection	2,808,066		
Ambulance Services	2,151,109		
Municipal Court	<u>427,360</u>	10,844,744	12%
Planning and Development:			
Planning	1,411,548		
Building Inspections	833,991		
Engineering Services	<u>1,387,186</u>	3,632,725	4%
Community Recreation:			
Parks Operation & Maintenance	3,623,077		
Recreation Programs & City Band	1,112,236		
School Support	2,577,000		
Golf Course	<u>411,018</u>	7,723,331	8%
Facilities Maintenance and Operation:			
Roadways & Bikeways	1,704,317		
Equipment Maintenance	771,923		
Buildings, Grounds, Airport	959,923		
Cemeteries	<u>317,165</u>	3,753,328	4%

Capital Improvement Projects:

Construction and Internal Projects	8,201,606		
Equipment	<u>2,050,500</u>	10,252,106	11%

Payment on Bonds and Loans:

Infrastructure Improvements	4,974,703		
Land Acquisition	<u>1,200,000</u>	6,174,703	7%

Other Programs:

Economic and Cultural Development Grants	527,519		
Social Services Grants	121,000		
Community Development Grants	227,300		
Conservation	<u>1,120,187</u>	1,996,006	2%
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Other Transactions*:

Interfund Loans	-		
Operating Transfers to Other Funds	638,073		
Contingencies	<u>1,658,000</u>	2,296,073	
Carry Over to 2008-09	<u>17,540,746</u>	<u>17,540,746</u>	19%
		<u>\$ 92,350,831</u>	98%
		92,350,831	