



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Manhattan**

**Kansas**

For the Fiscal Year Beginning

**January 1, 2014**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the City of Manhattan for its annual budget for the fiscal year beginning January 1, 2014.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

## **BUDGET ORDINANCE NO. 7081**

**AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF MANHATTAN, KANSAS, FOR 2015, CERTIFYING SUCH BUDGET TO THE COUNTY CLERKS OF RILEY AND POTTAWATOMIE COUNTIES, AND LEVYING THE AD VALOREM TAXES ON ALL TAXABLE PROPERTY WITHIN THE CITY, NECESSARY TO FUND SUCH BUDGET.**

WHEREAS, K.S.A. 79-2927 requires the Governing Body of the City of Manhattan to prepare, in writing on forms furnished by the director of accounts and reports, a budget itemized and classified by funds and showing amounts to be raised by taxation and from other sources for the year 2015 (hereinafter the "Certified Budget"); and,

WHEREAS, K.S.A. 79-2929 requires the Governing Body of the City to conduct a public hearing for the purpose of answering and hearing objections of taxpayers relating to the proposed budget, following notice of such hearing, as required by the statute; and,

WHEREAS, the Governing Body has conducted the public hearing required by K.S.A. 79- 2929, pursuant to notice duly published, and following the hearing has prepared the Certified Budget, a copy of which is available in the office of the City Clerk for the City of Manhattan; and,

WHEREAS, the Certified Budget budgets property tax revenues in an amount exceeding the levy in the City's 2014 budget; and,

WHEREAS, K.S.A. 2925b requires the Governing Body to adopt an ordinance to budget property tax revenues in an amount exceeding the levy in the 2014 budget; and,

WHEREAS, K.S.A. 79-2930 requires the City to submit two copies of the Certified Budget to the county clerks of both Riley and Pottawatomie Counties.

NOW THEREFORE, be it ordained by the Governing Body of the City of Manhattan:

SECTION 1. The Certified Budget is hereby approved and adopted as the budget for the City of Manhattan for 2015, and the Mayor and City Clerk are hereby authorized to execute, and attest to, the Certified Budget in such format as prescribed by law.

SECTION 2. There is hereby levied upon all taxable property located within the City of Manhattan, ad valorem taxes at the rate necessary to fund the budget, as adopted, taking into account any reduction in said levy by the applicable county clerk, as authorized by K.S.A. 79-2930.

SECTION 3. The City Clerk is hereby directed to submit two copies of the Certified Budget, along with a certified copy of this ordinance, to the County Clerks of both Riley and Pottawatomie Counties. The City Clerk is further directed to submit a copy of the Certified

Budget, along with a certified copy of this ordinance and a copy of the tax levy rate summary, and any other documents required by law, to the director of accounts and reports.

SECTION 4. This ordinance shall take effect after its publication once in the official City newspaper.

PASSED AND APPROVED BY THE GOVERNING BODY THIS 19<sup>TH</sup> DAY OF AUGUST, 2014.



  
\_\_\_\_\_  
Gary S. Fees, City Clerk

  
\_\_\_\_\_  
Wynn Butler, Mayor

# 2015 City Budget Calendar

January							February							March							April							May						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4						1							1			1	2	3	4	5					1	2	3	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
														30	31																			

  Denotes City Commission review/action

## January 2014

17th..... ▶ Distribute 2015-2020 CIP citizen request forms to Advisory Boards/Media/Citizens.

## February 2014

- 4<sup>th</sup>..... ▶ Finance sends the CIP prioritization model and instructions to departments.
- 11th..... ▶ City Administration presents 2014 revenue update and 2015 revenue projections to City Commission at a work session.
- 21st..... ▶ Budget schedule is sent to all outside agencies.
- ▶ Finance Staff distributes personnel request forms.
- 25th..... ▶ Department/Division submits completed CIP prioritization models.

## March 2014

- 7th..... ▶ Target date for citizens and advisory boards to have 2015-2020 CIP requests submitted to City Hall.
- 14th..... ▶ Finance completes all CIP changes and sends out revised 2015-2020 CIP listing.
- 21st..... ▶ Deadline for personnel forms to Finance for any 2014 adjustments and 2015 new requests.
- ▶ Departments have all CIP narratives completed.
- 24th..... ▶ Finance sends operating budgets for departments to fill out.
- 31st..... ▶ Finance distributes information to Management and meets to discuss 2015-2020 CIP.

## April 2014

- 7th – 11th..... ▶ Finance meets with Management and City departments to discuss 2015-2020 CIP.
- 11th..... ▶ Deadline for City Departments, outside agencies, and other organizations to have 2015 Budget requests in to Finance.
- 18th..... ▶ Finance distributes first draft of 2015 budget to City Manager and all department heads.
- 21st – 25th..... ▶ Management meets with Finance and Department Heads to review first draft of 2015 budget, personnel requests, and 2015-2020 CIP.

## May 2014

- 27th..... ▶ First City Commission work session on proposed 2015 Budget and 2015-2020 CIP. (Fourth Tuesday)

June							July							August							September							October						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7			1	2	3	4	5						1	2		1	2	3	4	5	6				1	2	3	4
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25
29	30						27	28	29	30	31			24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31	
														31																				

Denotes City Commission review/action

**June 2014**

- 2nd.....▶ Finance Department distributes second draft of 2015 Budget and staff changes to the 2015-2020 CIP.
- 10th.....▶ Second City Commission work session on the proposed 2015 Budget and 2015-2020 CIP. *(Second Tuesday)*
- 16th.....▶ Management and Finance meet to finalize recommended 2015 Budget and 2015-2020 CIP.
- 24th.....▶ Third City Commission work session on the proposed 2015 Budget and 2015-2020 CIP plus outside agencies appear before the City Commission to make 2015 funding requests. *(Fourth Tuesday)*

**July 2014**

- 8th.....▶ Fourth City Commission work session on proposed 2015 Budget and 2015-2020 CIP. *(Second Tuesday)*
- 21st.....▶ Planning Board considers if the 2015-2020 CIP is in conformance with the City’s Comprehensive Plan.
- 22nd.....▶ Fifth City Commission work session on proposed 2015 Budget and 2015-2020 CIP. *(Fourth Tuesday)*
- 25th.....▶ Published notice of 2015 City Budget Public Hearing to be held on August 5th will appear in the *Manhattan Mercury*.

**August 2014**

- 5th.....▶ City Commission Meeting and required Public Hearing on the 2015 City Budget and first reading of an ordinance approving the 2015 City Budget and the amended 2014 City Budget for select funds if necessary. *(First Tuesday)*
- 19th.....▶ City Commission approves second reading of an ordinance approving the 2015 City Budget, approve a resolution adopting the 2015-2020 CIP, and amended 2014 City Budget for select funds if necessary. *(Third Tuesday)*
- 22nd.....▶ Publish the 2015 City Budget Ordinance.
  - ▶ Certify 2015 City Budget to County Clerk.

**September 2014** *(Open)*

**October 2014** *(Open)*

**November 2014**

- 14th.....▶ Submit final 2015 City Budget document to the printer for publication and to GFOA.

**December 2014** *(Open)*

## Purpose of the Annual City Budget

The purpose of the budget document is to present to the public and the City Commission (legislative body) a comprehensive picture of proposed operations for the budget year in order to meet the needs of the citizens of Manhattan.

The budget is intended to accomplish three things: (1) to provide city administration with the opportunity to present its recommendations for the levels of services and methods of financing of services in the coming year; (2) to provide the most effective control possible by the legislative body over city administration; and (3) to provide city administration with the opportunity to point out various needs throughout the community. The Commission has the opportunity to judge the adequacy of the recommended programs and to set the level of City services by comparing the needs of one service over the needs of another. The Commission must also weigh the desirability of the services proposed against the burden of taxes required to finance any proposed changes.

The budget document is the single most important report presented to the City Commission during the year. Although it is primarily intended as a policy tool for the City Commission, it also serves as an aid to the citizens by providing a better understanding of the City's operating programs. The budget is built on conservative financial principles that reflect staff commitment to maintaining necessary services, improving the quality of the operation of the City, and keeping expenditures and taxpayer obligations to a minimum.

### Budget Process

The City's budget (fiscal) year begins on January 1 and ends on December 31 of each year. The City of Manhattan follows an extensive process for including advisory boards and the public in the budget process.

In January, the process to develop the six-year Capital Improvements Program (CIP) begins. The public and advisory boards have the opportunity to suggest projects or equipment to be included in the Capital Improvements Program. Proposed capital improvement projects are sent to the appropriate advisory board for review and a

recommendation. The City Commission reviews all recommended projects at the same time the annual budget is reviewed and considered.

In February, the City Commission holds a work session to consider the revenue projections for the current and upcoming fiscal year. These revenue projections become the basis for building the next fiscal year expenditure budget.

Following the annual projections of revenues, the development of the budget and a six-year Capital Improvements Program begins. City departments meet with the City Manager in mid-May. Together, a proposed upcoming year budget and a six-year Capital Improvements Program are developed.

Beginning in June through July, the City Manager presents the proposed next year's budget and the proposed six-year Capital Improvements Program to the City Commission at several work sessions. In early August, the City Commission holds a formal public hearing on the proposed City Budget and the six-year Capital Improvements Program.

In accordance with Kansas law, at least 10 days prior to the formal public hearing and budget approval, a legal notice of the proposed budget and the Capital Improvements Program is published in the official City newspaper, the *Manhattan Mercury*. Once the legal notice is published, the budget or tax levy for any fund may not be increased. After the Commission holds the public hearing, the Commission adopts the budget by ordinance and the Capital Improvements Program by resolution. In accordance with State law, the budget is certified to the County Clerk on or before August 25. The Finance Department prepares and distributes the budget document by mid-November.

After the City Commission adopts the budget through an ordinance, the expenditure budget for any fund may not be exceeded, even though there may be available cash, unless the budget for that fund is amended. To amend a budget for a particular fund, the City Administration must publish a legal notice of the proposed amended budget at least 10 days prior to the public hearing

and approval, hold the public hearing; and the City Commission must then approve the amended budget through an appropriation ordinance. The amended budget is then certified to the County Clerk.

Each month during the fiscal year, the Finance Department prepares a month-to-date and year-to-date summary of revenues and expenditures for each fund, a statement of cash balances, and an investment report. These reports are disseminated to the City Manager's Office and City departments. The City Commissioners also receive a copy of the summary financial reports.

At the conclusion of a fiscal year, the City contracts with an independent audit firm to conduct an annual audit of the City's financial statements. The audited financials are included in the Comprehensive Annual Financial Report (CAFR). The CAFR is completed by June 30 of each year and is presented to the City Commissioners at a regular meeting in July or August.

#### **Budget Basis**

The budgets of the governmental fund types are prepared on a modified accrual basis. Briefly, this means that obligations of the City (for example outstanding purchase orders or contracts) are budgeted as expenses, but revenues are recognized only when they are actually received.

The enterprise funds (water, wastewater, stormwater), on the other hand, are budgeted on a full accrual basis. Not only are expenditures recognized when a commitment is made (e.g. through a purchase order or a contract), but revenues are also recognized when they are obligated to the City (for example, water user fees are recognized as revenue when bills are produced).

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "Generally Accepted Accounting Principles" (GAAP). In most cases this conforms to the way the city prepares its budget. Two exceptions are the treatment of depreciation expense for enterprise funds (Water Fund, Wastewater Fund, and Stormwater Fund) and compensated absences (accrued but unused vacation and sick leave). Purchases of capital outlays are depreciated in the Comprehensive Annual Financial Report but not in the budget

and compensated absences are reported in the Comprehensive Annual Financial Report but not in the budget.

The Comprehensive Annual Financial Report shows fund expenditures and revenues on both GAAP basis and budget basis for comparison purposes.

Generally Accepted Accounting Principles (GAAP) is the set of accounting rules followed by most accountants in both business and government. GAAP provides a set of uniform minimum standards and guidelines for financial accounting and reporting; therefore, all financial statements prepared on a GAAP basis for similar entities are comparable. GAAP for business and GAAP for governments are different. Governmental GAAP emphasizes fund accounting and reporting, "financial flow" operating data (revenues and expenditures), and compliance with finance-related legal and contractual provisions. GAAP for business enterprises emphasize accounting and financial reporting for a business as a whole and the "capital maintenance" operating data (revenues and expenses). Governmental GAAP is established by the Governmental Accounting Standards Board, which assumed responsibility from the National Council on Governmental Accounting in 1984.

Since the primary objective of a government is to provide services to its constituents within the guidelines of financial constraints, the purpose of the annual budget is to indicate where the money to operate that government comes from and how it will be spent within a specified period of time. An audit by an independent Certified Public Accountant at the end of the budget year is essential to demonstrate the accountability of the governmental use of the public resources.

The use of fund accounting is one of the major differences between governmental and commercial accounting. It requires separate record keeping for each individual fund. Each fund operates as a self-contained entity with its own revenue sources, expenses, assets, liabilities and fund balance. Even though the actual cash is contained in one bank account, a "separate accounting" is kept of all funds (a glossary of terms is presented near the back of the budget document).

## Accounting Basis

The City's funds are grouped into two broad categories for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds.

### Government-Wide Financial Statements

The government-wide financial statements, which can be viewed and accessed via the City's website, are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Therefore, each of the governmental fund financial statements includes reconciliation with brief explanations to better identify the relationship between the governmental fund's statements and the government-wide statements.

The government-wide statement of activities presents a comparison between expenses and program revenues for each program of the governmental activities. Expenses are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

### Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major individual enterprise funds are reported as separate columns in the proprietary fund financial statements.

Non-major funds are aggregated and presented in a single column on the governmental and proprietary fund financial statements.

### Fund Descriptions

For accounting and budget, the accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The following is the fund structure contained in the 2015 Budget for the City of Manhattan:

1. General - The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of the current operating expenditures of the City are financed through revenues received by the General Fund.
2. Special Revenue Funds - These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designed to finance particular functions or activities of the City. Budgeted funds include:
  - City University
  - Business Improvement Districts
  - Economic Development
  - Employee Benefit Contribution
  - Fire Equipment Reserve
  - Fire Pension KP&F
  - General Improvement
  - Industrial Promotion
  - Library
  - Library Employee Benefit Contribution
  - Park Development
  - Sales Tax
  - Special Alcohol Program
  - Special Parks & Recreation
  - Special Street & Highway
  - Special Sunset Zoo
  - Tourism and Convention Promotion
  - Riley County Police Department
  - Capital Improvement Reserve



- Downtown Redevelopment Tax Increment Financing (TIF)
3. Debt Service - The Bond and Interest Fund is used to account for the payment of principal and interest on the City's general obligation bonds. Revenues for this purpose include ad valorem property taxes, special assessment taxes, and motor vehicle taxes.
  4. Enterprise - The Water, Wastewater, and Stormwater Funds are self-supporting in that the user fees totally support all operational and capital costs. In addition, certain transfers are made from the Water and Wastewater Fund to reimburse the General Fund for salaries and administrative costs.

Department/Division Descriptions

Major City funds are budgeted and managed as combinations of organizational units known as departments and divisions. Departments consist of one or more divisions and may include divisions accounted for in more than one fund. Please refer to the organizational chart in the Introduction section for layout.

Category Descriptions

For managerial control purposes, budgeted expenditures of each division are accounted for with the use of seven categories, those categories being: Personnel Services, Contractual Services, Commodities, Other Charges, Capital Outlay, Debt Service, Transfer Charges, and Cash Reserves. These categories are further subdivided into line items.

**Financial Policies**

On August 19, 2014 the City Commission approved the 2015-2020 Capital Improvements Program (CIP). Projects and equipment having a budget impact in 2015 have been included in the 2015 City Budget. Each year the Capital Improvements Program is updated. The City uses conservative revenue projections in the budget. However, if it turns out that actual revenues are less than budgeted, then the next year's Capital Improvements Program and other expenditures are adjusted downward in the budget.

The City intentionally has not adopted a significant number of financial policies even

though it may appear routine to do so. The City's reasoning is simple: those financial policies that have been adopted provide routine, on-going guidance in the administration of City financial decisions. Additional financial policies are either (1) not used or (2) are currently under consideration for future implementation as required. Of those policies that have been adopted, the City Commission has approved the following:

- Purchasing Policy (Resolution No. 022007-A)
- Capital Improvements Program (Resolution No. 1979-253)
- Term of Bond Financing for Special Assessments and Other Public Improvements (Resolution No. 81688-C)
- Benefit District for Street Financing (Resolution No. 062194-A)
- Investment (Resolution No. 071994-B)
- Stormwater Financing (Resolution No. 020696-H)
- Long-Term Obligation (Debt) (Resolution No. 031902-A)
- Industrial Revenue Bond (Resolution No. 070103-D)
- Utility Reserve Fund (Resolution No. 081704-C)
- Capital Improvement Reserve Fund (Ordinance No. 6526)

These policies help guide the implementation of the budget. Under Kansas law, a balanced budget must be adhered to (K.S.A. 79-2925 to 79-2937). A summary of these policies appears below.

Financial Policies and Practices

**Purchasing Policy**

- Establishes specific authority and direction to the City Manager to establish and maintain an administrative policy related to the purchase goods and services for the City

**Capital Improvements Program (CIP)**

- Establishes a process for a six-year CIP which shall set priorities and provide for the scheduling of capital improvements, major equipment purchases, and studies or surveys
- Ensures that the CIP shall be in substantial conformance to the Urban Area Comprehensive Plan and any adopted growth policies

- Establishes that the first year of the CIP be considered in the development of the annual operating budget
- Provides that the Governing Body shall adopt by resolution each year and conduct a public hearing for the purpose of soliciting community comments on the proposed CIP as part of their review prior to the adoption of the Program

**Term of Bond Financing for Special Assessments and Other Public Improvements Policy**

- Establishes that the term of financing shall not exceed ten years when the City Commission has authorized a public improvement where some portion of the cost is to be paid by the city-at-large
- Establishes that a majority of property owners or property included in a benefit district may request twenty year financing if the entire project cost is to be paid by benefiting property owners

**Benefit District for Street Financing Policy**

- Establishes guidelines to be used when determining the percentage of city-at-large costs for street improvements
- Aligns the city with existing state statutes for establishing benefit districts
- Sets the criteria for accepting sub-standard streets as the result of annexation
- Establishes guidelines to be used when determining the percentage of city-at-large costs for new sidewalks

**Investment Policy**

- Establishes that, giving due regard to the safety and risk of investments, all available funds shall be invested in conformance with legal and administrative guidelines and, to the maximum extent possible, at the highest rates obtainable at the time of investment

**Stormwater Financing Policy**

- Establishes guidelines to be used when determining the percentage of city-at-large costs for stormwater improvements
- Sets the criteria for accepting new subdivisions

**Long-term Obligation Financing Policy (Debt Policy)**

- Establishes a management committee to oversee the issuance of City debt

- Restricts annual new debt to a pre-determined amount unless approved by Governing Body
- Establishes benchmarks for rapid pay-back of general obligation debt
- Sets criteria to ensure that the asset life of any project requiring City debt will exceed the term of that debt
- Provides that refunding of existing debt will provide real present value savings to the City
- Requires full disclosure to the public or any requesting agency of the particulars associated with any debt issuance

**Industrial Revenue Bond Policy (IRB)**

- Establishes that the goal of IRB financing is to promote and stimulate economic development of the City and the region by providing an attractive financing tool, which does not constitute a debt obligation of the City
- Sets eligibility and evaluation criteria for IRB applicants

**Utility Reserve Fund Policy**

- Establishes a Utility Reserve Fund that the City Commission may deposit no more than 90% of the excess revenues from the Water and Wastewater Funds in any given year
- Provides that upon recommendation, the City Commission may approve this fund as a short-term borrowing mechanism to reduce City issuance charges and interest costs related to short-term and long-term debt; there will be a direct repayment schedule from a reliable funding source

**Balanced Budget Policy**

- In accordance with Kansas statutes, the City of Manhattan annually adopts a balanced budget, meaning that total resources in each fund are equal to total expenditures

**Capital Improvement Reserve Fund**

- In accordance with Kansas statutes, establishes a reserve fund intended to compliment the City's multi-year capital improvement program
- Provides that upon recommendation, the City Commission may approve use of this fund for expenditures related to the repair, restoration and rehabilitation of existing public facilities including engineering plans and studies.

## **Long-Term Financial Planning**

The Finance Department has developed strategic forecasts for every budgeted fund of the City, including several specialized forecasts of non-budgeted funds.

Each financial forecast reflects the prior year's actual results, the current budget and year-to-date numbers, as well as projected forecasts for at least five years in the future. All forecasts are routinely updated to ensure accuracy of each forecasted fund as well as to develop public confidence that the projected numbers can be relied upon.

As part of the annual budgeting process, the Finance Department gives an encompassing revenue survey presentation to Management and the City Commission at a televised public meeting. This presentation includes the actual beginning cash balances for each budgeted fund, and projects anticipated revenue receipts that are highly elastic, such as sales taxes.

Using the forecasted budgets, the Finance Department guides the City Commission through the various revenue streams that will form the basis of the City budget for the following fiscal year. (Please recall that Kansas cities and counties are on a calendar year basis for budgeting purposes.)

In addition to the extensive use of forecasting tools, the Finance Department also maintains numerous reports that assist both Management and the City Commission as part of the City's long-term financial planning efforts. Since sales taxes comprise about forty-percent of the General Fund's annual revenue base, additional monthly analysis is given to this important revenue source.

Each month, the City updates a series of reports related to the prior month's community-related retail sales. Included within these reports are a month-by-month comparison of previous sales tax collection periods and a breakdown of monthly community sales by the North American Classification System (NAICS).

All sales tax reports are posted on the Budget Information Center in addition to a broadcast email which includes all three national bond rating agencies.

While the Finance Department does not maintain (nor recommend) a formal, written "long-term financial plan" in the traditional manner, these month-to-month tools mentioned above are instrumental in assisting both Management and the City Commission as an essential planning and communication component for future budgets.