



Where does the money come from?

Resources to meet the City's obligations and needs are derived from three primary sources: beginning fund balance, transient lodging taxes and water billing.

Beginning fund balance consists of unspent funds carried forward from the previous fiscal year. Unspent funds could include monies for projects that were not completed or unexpected revenues. Another element of the beginning fund balance includes reserves for specific projects or purposes (e.g. large capital improvements, park equipment, insurance, and civic improvements). The beginning fund balance also provides cash flow for specific operations until current year revenues are received.

Transient lodging taxes (TLT) is the amount of 9% of the rent charged by a short-term rental property within City limits for occupancy. In 2012, the City Council increased the TLT from 7% to 9%. But by State statute, only 30% of the increased revenue may be used for general purposes and the rest must be used to support tourism.

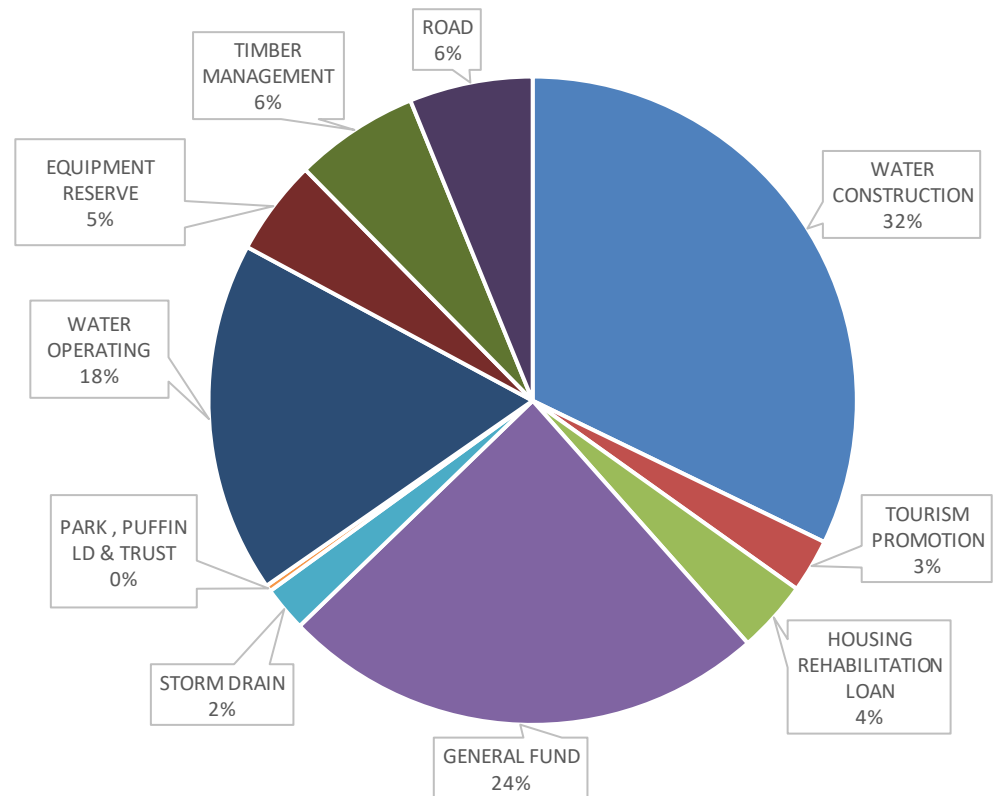
	TLT %	Allowed Use
Prior to 2012	7%	100% - General purposes
In 2012	+2%	30% - General purposes 70% - Tourism advertising
Now	9%	7% - 100% General purposes 2% - 30% General purposes - 70% Tourism advertising

Water billing are revenues from water sales and collections. They reflect the rates implemented in October 2014. The current residential in-city rate is \$39.50 per month.

Lastly, revenue is also collected from other sources. This includes building fees, business licenses fees, planning permits, citations, fines, franchise fees, state apportionments, public safety contracts, and other items.

FY 2020-21 Revenues

GENERAL FUND	
Carry over balance	\$688,608
Property taxes	\$215,000
Room tax collections	\$540,000
Revenue from collections	\$258,500
Revenue from other agencies	\$85,976
Earned interest	\$15,000
Fines and forfeits	\$75,000
Miscellaneous	\$1,000
Indirect overhead payment from water fund	\$157,348
TOTAL	\$2,036,432
WATER OPERATING FUND	
Carry over balance	\$450,127
Water sales	\$1,003,650
Earned interest	\$14,000
Miscellaneous	\$100
TOTAL	\$1,467,877
WATER CONSTRUCTION FUND	
Carry over balance	\$2,444,367
System development charges	\$139,000
Earned interest	\$35,000
Transfers	\$76,800
TOTAL	\$2,695,167
ROAD FUND TOTAL	\$515,531
TIMBER MANAGEMENT FUND TOTAL	\$520,552
HOUSING REHABILITATION LOAN FUND TOTAL	\$301,330
TRUST FUND TOTAL	\$6,289
TOURISM PROMOTION FUND TOTAL	\$223,700
PUFFIN LD FUND TOTAL	\$1,800
PARK FACILITIES FUND TOTAL	\$18,600
STORM DRAIN FACILITIES FUND TOTAL	\$188,200
PUBLIC WORKS EQUIPMENT RESERVE TOTAL	\$210,255
PUBLIC SAFETY RESERVETOTAL	\$189,074



Where does the money go?

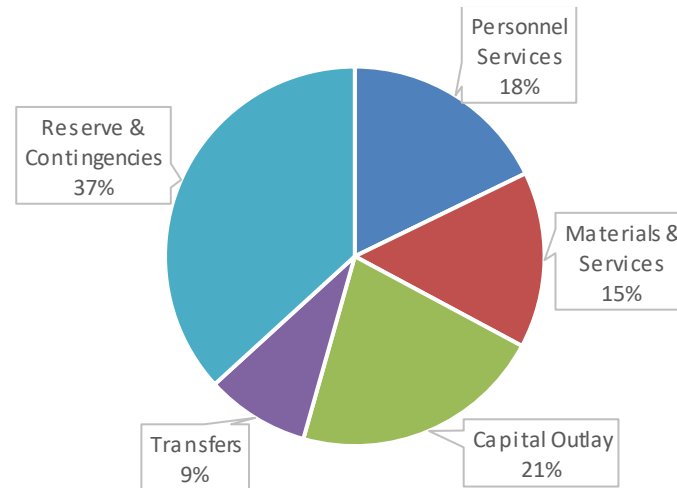
Expenditures consist of amounts to be paid out in the current fiscal year by categories defined in budget law. This includes payment for operations, debt service, grants, capital improvements and acquisitions. The expenditures are categorized as personnel services, materials & services, capital outlay and transfers.

Personnel services include salaries, wages, benefits, and related expenditures for the City employees. **Materials and services** include expenses to cover utilities, office supplies, insurance, building maintenance supplies, consultant & professional services, training, uniforms, vehicle equipment, and dues & subscriptions, among others. **Capital outlay** includes the purchase of vehicles, equipment, and construction. **Transfers** are to share resources between funds.

Other expenditure categories include debt service, reserves and miscellaneous.

FY 2020-21 Expenditures by budget category

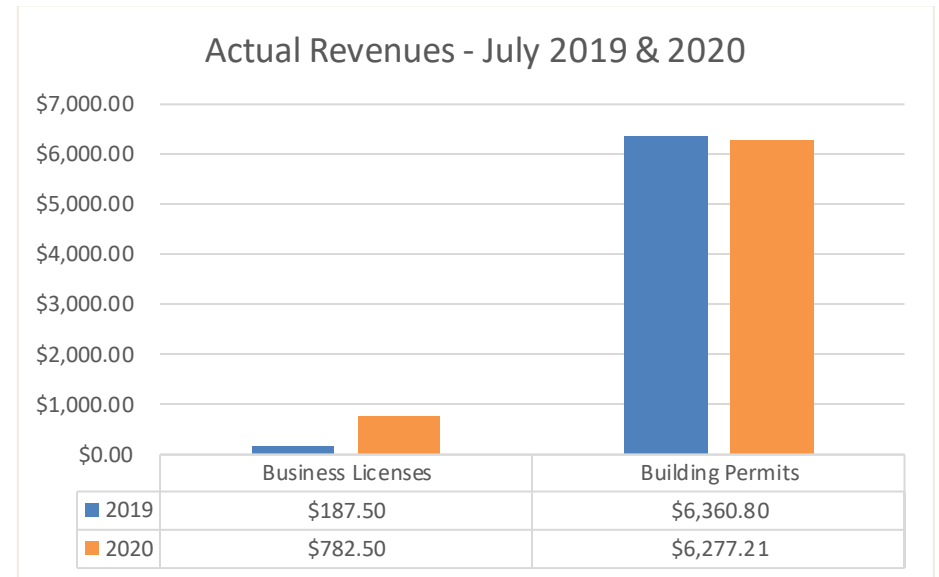
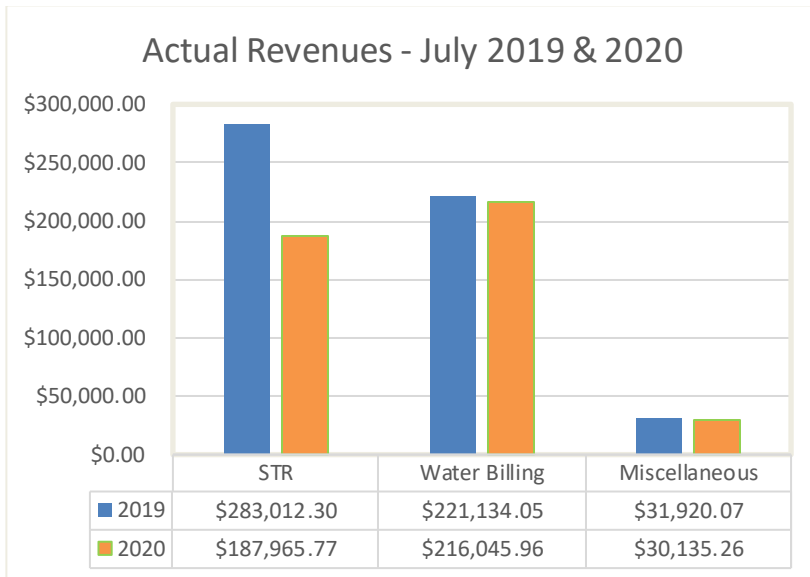
Personnel Services	\$1,545,048
Materials & Services	\$1,304,562
Capital Outlay	\$1,869,336
Transfers	\$767,876
Reserve for Future & Contingencies	\$3,191,873



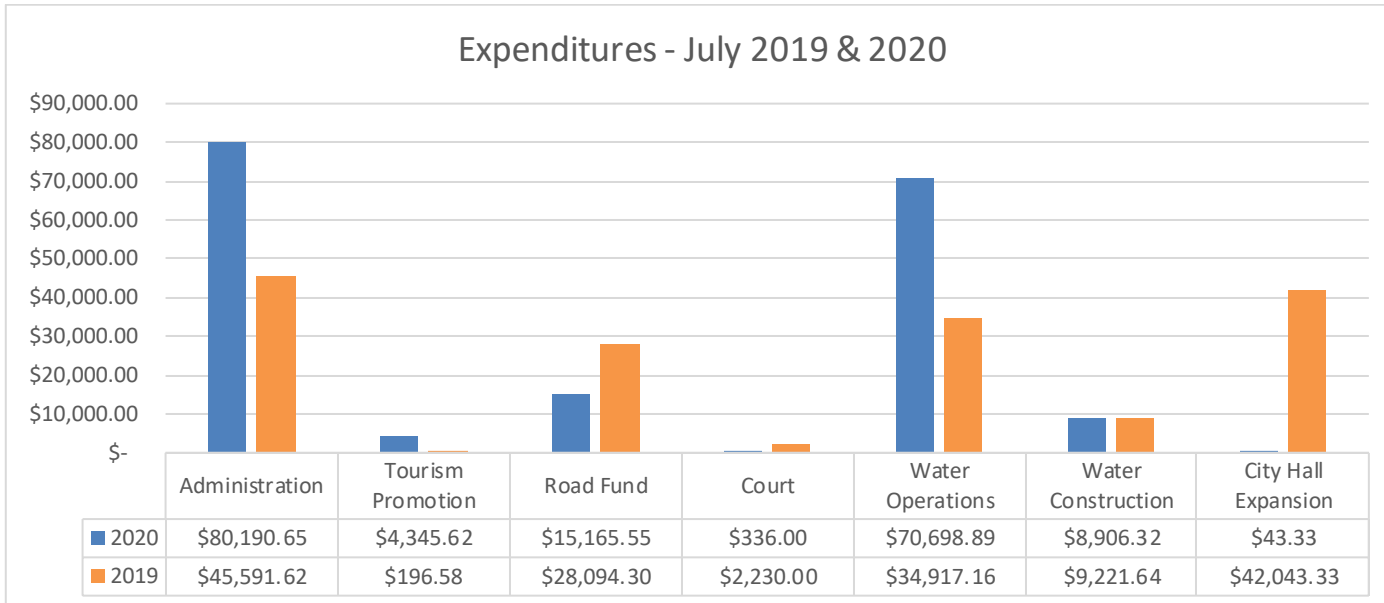
2020 Numbers

The adopted budget includes several strategies to mitigate the impact of Covid-19. One of them is to provide a monthly review of actual collections against the adopted budget. Below are the actual numbers for July 2020.

Revenues



Expenses



Transient lodging tax revenue breakdown

Year	1st QTR (Jan/Feb/Mar)	1st QTR Tourism Tax	2nd QTR (Apr/May/Jun)	2nd QTR Tourism Tax	STR Application	STR License Renewal	STR License - Civic Improvements
2019	\$0	\$0	\$212,029	\$39,072	\$825	\$12,335	\$18,750
2020	\$34,425	\$6,342	\$87,883	\$16,191	\$1,250	\$10,800	\$16,200

