

# CITY OF NEWPORT NEWS

*Office of the City Manager*

October 11, 2016

**TO:** The Honorable City Council  
**FROM:** City Manager  
**SUBJECT:** Fourth Quarter FY 2016 Financial Report

This year-end report describes the budgetary performance of revenues and expenditures for FY 2016 and was prepared by the Department of Budget and Evaluation. The Fourth Quarter Financial Report uses preliminary and unaudited results of operations for the financial year ending June 30, 2016. While the final steps for closing the fiscal year are not complete, this report provides City Council a reasonably accurate estimate of the FY 2016 results for the General Fund. The official and final accounting statements will be issued in the November/December timeframe, when the City publishes its Comprehensive Annual Financial Report (CAFR).

Fiscal Year 2016 represented the second consecutive fiscal year that the City planned for consistently increasing revenue, after almost six years of sustained loss of funds from the City's main source of revenue, Real Estate Tax collections. In our first quarter report we projected a revenue shortfall of (\$2.8) million and an expenditure surplus of \$3.0 million. These impacts taken together forecasted a year-end net surplus of slightly more than \$231 thousand in the General Fund. By the second quarter, we projected an improving, but still a revenue shortfall of (\$2.1) million and a slightly lower expenditure surplus of \$3.0 million, for a year-end surplus of \$691 thousand.

The remainder of the fiscal year showed advancements in local revenue sources. The second half of the annual Real Estate Tax collection was tracking to be somewhat higher than budgeted for the fiscal year, plus Personal Property Tax receipts were showing consistent quarterly predictions for greater receipts than the estimate. Machinery and Tools Tax revenue also was sustained growth to be above the budgeted estimate. During the third quarter, it was projected that total revenues would still show a shortfall, in the same range as the second quarter at

(\$2.1) million. The third quarter expenditure surplus declined slightly to the \$2.2 million level, for a net projected year-end surplus of \$73 thousand.

### *Revenues*

The Fourth Quarter FY 2016 Revenues performed higher than forecasted. In local taxes and fees, there was stronger activity with several elements exceeding estimates.

The second half of the Current Real Estate Tax collections for FY 2016 was higher than anticipated. With actual receipts posted for the end of June 2016, the City has received a total of \$168,686,534 from this revenue source. Included in this figure is approximately \$1.3 million in Real Estate Tax Relief (that is, Current Real Estate Tax revenue that is deferred for qualified elderly and disabled citizens) and \$950,000 tax relief for eligible disabled veterans. Taking into consideration the actual value of the two tax relief programs of \$2,250,000 combined, total Current Real Estate Tax receipts exceeded the adopted budget estimate of \$167,742,782 (when adjusted for tax relief) by \$943,752. This revenue is slightly more than one half of a percent more than estimated. FY 2016 marks the third consecutive fiscal year that we have met or exceeded our Current Real Estate Tax revenue estimate since the recession began in late 2008.

Delinquent real estate tax collections performed well this fiscal year but were lower than the estimate. With current receipts of \$3.8 million, delinquent collections were \$317 thousand less than the \$4.2 million estimated. The collection of delinquent real estate taxes from prior fiscal years is beneficial in the City's cash flow; a high level of activity should not be anticipated as a constant reoccurring revenue source in any fiscal year, as the recent trend appears to be that more current taxes are paid on time to avoid any additional penalties to the individual.

FY 2016 was a good year for Personal Property Tax receipts, both for Current and Delinquent Tax collections. After past years of consistently lower than estimated receipts, collections were as reliably strong in the second half of the fiscal year than in the first. By the end of the fourth quarter, \$1 million more than the \$48.9 million estimate had been received. For Delinquent Personal Property Taxes, estimate was \$3.8 million with a collection of \$5.3 million or \$1.4 million (or 37%) more.

Machinery and Tools tax receipts ended the fiscal year at more than \$20.3 million, which is \$312 thousand over the estimate. When Machinery and Tools tax receipts from Public Service Corporations (PSC) are added at \$1.9 million, which was \$62 thousand over the estimate, total collections from this combined revenue is over \$22.2 million. This total Machinery and Tools tax collection will most likely again make Newport News have one of the highest collections among the localities in the State of this revenue source.

Consumer sensitive revenues of sales, meals, and lodging taxes were projected to be consistently stable each quarter, with the anticipation that each would meet or exceed their individual revenue estimate, within minor fluctuations. This remained true throughout the fiscal year, with the actual revenue gain higher than anticipated, again through stronger receipts in the fourth quarter. Sales Tax revenue collection was the only revenue in this group that slightly underperformed the estimate. However, it is important to recall that the revenue estimate was based on the assumption that the Tech Center retail development would be open in June 2015; instead some portions had a soft opening in October 2015. The Sales Tax revenue was \$621 thousand less than the estimate of \$23.9 million. Meal Tax receipts were exceptional, exceeding by \$1.551 million more than the \$24 million estimate. This showed that dining outside the home is 6.4% higher than first anticipated, which in turn is compounded on the 4% growth we saw in this revenue for FY 2015. Lodging Tax revenue also exceeded its estimated amount with a year-end recording of \$331 thousand above the \$3.325 million estimate; this represents an almost 10% collection over the estimate. This can be attributed in part to sustained lower vehicle fuel prices that were experienced during throughout the fiscal year. Both Sale and Meal taxes are highly responsive consumer revenue streams, and when taken as a whole seem to indicate a continued stabilization in certain areas of the local economy.

In other local economy generated revenue, there were mixed results, but primarily good news as well. Business Professional and Occupational Licenses (BPOL) taxes ended the fiscal year with amounts lower than the \$17 million anticipated receipts. Professional Services category of BPOL taxes had stronger than anticipated showing, exceeding the revenue estimates by over \$446 thousand. The remaining BPOL segments (Retail, Wholesalers, Contractors, Repairs, Public Service Corporations, and those areas associated with prior year collections and interest on penalties) are just short of meeting the FY 2016 estimate. The net revenue for all BPOL

taxes is less than the combined estimate by \$676 thousand. The resulting combined revenue could signal a slightly mixed message: strong anticipated service industry at this time, while construction is still lagging. We have closely monitored our local Fines revenue category throughout the year, as the trend has been consistent of lower receipts from court fines and fees. This revenue category is comprised of various fines or fees applied by to court actions, including parking fines, traffic, juvenile/domestic, and criminal court fines. While a smaller General Fund revenue source of the total budget (almost \$2.4 million), this revenue category as a whole was \$837 thousand less than estimated or category shortfall of 36%.

The City receives a recordation tax on deeds that are primarily property transactions. This was one of the revenues sources that we expanded the FY 2016 annual estimate higher than in the prior year, by \$185 thousand, as part of anticipated overall economic recovery. At the end of the fiscal year, this revenue source was approximately 88% of the \$1.685 million estimate. While showing a moderate increase over the prior fiscal year's receipts, the stabilization of this revenue source is consistent with indicating that the volume of property transactions in the City still seems to be somewhat flat. Vehicle License Fees, the alternative local fee when the charge for vehicle decals were eliminated, also showed relatively flat activity, collecting approximately \$53 thousand less than the estimated \$4.150 million for this revenue source. With this slightly lower collection, the FY 2016 Vehicle License Fees collection remains well within the range for the past six fiscal years. These last two items, taken together, could be a sign that we have reached a certain plateau of security; we hope that this stabilization turns into an upswing in the future.

Combined Building permits revenue was above the \$923 thousand estimate by approximately \$113 thousand (or 12.3% higher) in the major permit categories of Building, Mechanical, Electrical, and Plumbing. It is encouraging to see that this revenue source increasing; while not yet restored to the pre-recession FY 2008 levels, it is a signal that new construction continues throughout the City. The City earned more on Interest Earnings on Bank Deposits, reaching \$257 thousand over the \$315 thousand estimate. This is due in part of having more cash to invest, coupled with aggressive efforts by the City Treasurer to maximum investments during a continuing historically low interest rate environment.

As the FY 2016 General Fund budget was being formed, we were anticipating some year-end surplus generated in FY 2015. Mindful of this, we planned to use \$4.5 million of that surplus as revenue to fund one-time expenses for the current fiscal year. All quarterly projections included anticipation of the use of fund balance, to meet our revenue so as to cover expenditures. At the end of the fiscal year, we will not be required to use our reserves, as there is sufficient revenue from all other revenue sources to support the FY 2016 actual expense. This unused reserved will remain in fund balance, and is estimated to support this year's budget. The non-use of fund balance is the major factor contributing to what appears to be an overall under revenue collection in FY 2016.

In general, revenue activity for FY 2016 showed improved results in most areas. The revenue estimates were maximized for the best realistic anticipated collections for this fiscal year. The increases were conservative, in light of past performance and aware of lingering uncertain economic pressures that were still affecting all levels of government. Our local consumer sensitive taxes are showing sustained growth. When taken from a longer view, the City's revenues are performing well compared with the parameters set for FY 2016.

### *Expenditures*

Continuation of monitoring the hiring of vacant positions and closely controlled spending by departments has resulted in a total projected savings of about \$4.6 million in normal budgetary expenditures, prior to final adjustments (which will be discussed later).

Salary and fringe benefits expenses were budgeted at \$205.7 million or 43% of the total General Fund annual operating costs. In prior years, the employee expenses category generated the majority of the projected savings. However, in FY 2016, we anticipated that this would not be the case. As reported in the quarterly reports, we worked to aggressively fill some of the most difficult to recruit and retain positions, those in the Human Services Department. By moving towards full employment in that department, as well as throughout all operating departments, there was not the scale of vacancy savings as generated in prior years. For the first time in many years, the Salary category was overspent by \$252 thousand. While we experienced salary savings delivering a sizable surplus at year-end in the past, it is more important that these critical citizen service positions be filled. The Fringe Benefits under expenditures

were the savings in this group, at close to \$500 thousand or 0.7% under budget. Combined, salary and fringe benefits savings were \$247 thousand or 0.5% below the budgeted amount. As evidenced in this fiscal year, these personnel savings cannot continue to be relied upon to balance revenue shortfalls at the risk of not providing services to our citizens.

FY 2016 Vehicle fuel was budgeted at 85 cents less per gallon (at \$2.40 per gallon) than last fiscal year. Lower than budgeted Vehicle Fuel costs were experienced for a majority of this fiscal year. The price per gallon paid monthly by the City fluctuated between a low of \$1.36 (February 2016) and a high of \$2.05 (July 2015). This price variance resulted in an average of \$1.72 per gallon, resulting in an under-expenditure of \$506 thousand or 28.4% savings in fuel costs for the General Fund.

#### *Other Operating Funds*

While the Quarterly Reports generally focus on the General Fund status, information is always included on the attached report for our user fee funds (Stormwater, Solid Waste, Wastewater, and Waterworks), and other operating funds that have a direct relationship to the General Fund (the self insurance funds for Auto, General Liability, Worker's Compensation, and the Parks, Recreation, and Tourism related revolving funds for Recreation, Golf, Historical Services, Leeward Marina, and Tourism). Below is a brief overview of some these funds that experienced a fiscal year trend that requires some additional discussion.

The Historical Services Fund promotes and maintains the City's unique historical assets, including responsibility for the development and implementation of related educational programs and activities, the maintenance, enhancement, preservation, and operation of historical facilities, amenities and sites throughout the City. The major revenue source is a contribution from the General Fund, supplemented by a much lower income stream generated by admissions, and program/ticket sales. For FY 2016, the Historical Services Fund ended the year in a deficit position. While the overall public operating hours have been curtailed over the past several years, the facilities still require staff, utilities, and facility maintenance. These routine costs exceeded revenue by \$107 thousand for the fiscal year.

The City's Golf Course Fund (which operates and maintains a full-service, two 18-hole public course facility with amenities including cart rental, driving range, pro shop, food concession, and banquet tent) continues to function at an operating loss. While the staffing level is managed to be fluid to adapt to the playing season demands (there are 16 full time allotments, supported by part time employees), the revenues are not sufficient to cover the operational costs. By the end of the fiscal year, the deficit is approximately \$463 thousand, reflecting both a shortfall in revenue and greater operating expenses. In the third quarter report, it was projected that due to the rainy spring experienced limiting the amount of play on the courses, there is the high probability that there would be a revenue shortfall by fiscal year-end.

The Stormwater Management Fund is responsible for the management of stormwater discharges and associated water quality and quantity impacts within the City. As City Council is aware, this function has greatly increased due to the various federal and state environmental mandates and regulations over the past several years. To meet these requirements, staffing has increased, as well as the requisite equipment required to perform in-house projects. Much like the General Fund, the Stormwater Fund estimated the use of \$1.1 million from the Stormwater Fund balance to purchase operating equipment and vehicles, for one-time costs for FY 2016. This Fund did experience some expenditure savings of \$97 thousand, and all revenues were realized above the estimated amounts. With revenues performing well, the transfer of fund balance reserves was not enacted to balance the Fund at year-end as there are sufficient reserves to cover these expenses.

#### *Final Adjustments*

Prior to final modifications required for year-end closing, the budget to actual General Fund surplus will be approximately \$309 thousand. One transaction that was made at year-end is an adjustment in the Payment to Other Funds and Debt/Cash Capital categories at \$1.9 million. This year-end adjustment uses the year-end surplus as a contribution to the Cash Capital Fund, helping us meet our self disciplined obligation to fund unexpected needs or projects with cash. This allows us to have ready access to funds without either having to use General Fund Balance reserves or to acquire additional debt for projects. The Cash Capital Fund

grants us a certain degree of flexibility and responsiveness, as any requirements present themselves during the fiscal year.

At this point, prior to any other adjustments, the year-end General Fund \$309 thousand will be used in part to balance any over-expenditures in the Other General Fund Operating Budgets (as shown on Page 2 of the attached report) and as an additional General Fund Balance contribution. While our General Fund Balance Policy requires us to increase the undesignated/unassigned of at least 7.5% of the actual General Fund revenues for the previous fiscal year, it has been the actual practice of the City is to establish an Undesignated/Unassigned General Fund Balance growth of 11% or more, whenever possible. The remaining uncommitted balance of the \$309 thousand surplus will be a supplemental contribution over and above the 11% level. This intentional contribution is a signal to the bond rating agencies that it is part of our overall strong financial management to build reserves, as possible, with the eventual goal to reach the 20% reserve level in the future.

### *Combined Surplus and Use of Fund Balance*

The final combined forecasted budget surplus of \$309 thousand is approximately \$234 thousand more than anticipated by the end of the third quarter in FY 2016. This combined surplus does not reflect year-end write offs for bad debts or other unanticipated accounting charges that typically reduce the year-end surplus.

This combined surplus reflects the financial activity as the adopted budget is compared to the actual results. For FY 2016, there was an estimated use of \$4.5 million of Fund Balance that did not have to materialize to cover the Operating Budget expenses due to better than estimated revenue receipts. By replenishing the Cash Capital Fund with prior year reserves, we have been able to have funds readily available for supporting immediate project needs avoiding new debt.

### *Conclusion*

Through careful planning and continued cost saving measures, the City ended this fiscal year with a surplus. You will recall that as the economy began to stabilize over the past couple of fiscal years, we have transitioned to budgeting revenues and expenditures closer and closer to

the anticipated actual receipts and costs, generating little margin for large year-end surpluses. This year end surplus did not require the use of fund balance, as projected throughout the year. This surplus will be used to supplement our General Fund fund balance reserves and cash capital fund projects, to be used with discretion during the present and future fiscal years. The local economy seems to showing cautious but consistent elements of growth and helped to deliver more revenue than anticipated, resulting in the year-end surplus.

  
James M. Bourey

JMB: LJC

Attachment

c: Director of Budget and Evaluation

**FY 2016 OPERATING BUDGET  
PROJECTED RESULTS OF OPERATIONS**

UNAUDITED - Initial Projections as of June 30, 2016

**GENERAL FUND**

**REVENUES**

	Revised Budget	YTD Receipts	Projected Total Receipts	Projected Difference from Revised Budget	
				Surplus/ (Deficit) Amount	Percent
Real Estate Taxes <sup>1</sup>	\$176,845,937	\$177,596,205	\$177,596,205	\$750,268	0.4%
Personal Property Taxes <sup>2</sup>	52,155,000	54,652,184	54,652,184	2,497,184	4.8%
Machinery & Tools Taxes <sup>3</sup>	21,880,000	22,277,249	22,277,249	397,249	1.8%
Other General Property Taxes	1,729,000	1,916,616	1,916,618	187,618	10.9%
Other Local Taxes	103,487,010	102,082,792	102,082,792	(1,404,218)	(1.4%)
Permits and Fees	3,418,048	3,413,037	3,413,037	(5,011)	(0.1%)
Fines and Forfeitures	2,353,968	1,516,694	1,516,694	(837,274)	(35.6%)
Revenue from Use-Money & Prop	2,297,302	2,400,483	2,400,483	103,181	4.5%
Charges for Services	6,190,604	5,979,197	5,979,197	(211,407)	(3.4%)
Miscellaneous Revenue	24,640,944	23,259,160	23,259,160	(1,381,784)	(5.6%)
Recovered Costs	12,773,560	12,463,483	12,463,483	(310,077)	(2.4%)
Non-Categorical Aid	1,128,137	1,039,408	1,039,408	(88,729)	(7.9%)
Shared Expenses	10,207,149	9,701,528	9,701,528	(505,621)	(5.0%)
Categorical Aid	31,556,677	32,476,575	32,476,575	919,898	2.9%
Non-Revenue Receipts	23,583,474	19,083,474	19,083,474	(4,500,000)	(19.1%)
Payments from Other Funds	278,307	283,356	283,356	5,049	1.8%
<b>TOTAL REVENUES</b>	<b>\$474,525,117</b>	<b>\$470,141,443</b>	<b>\$470,141,443</b>	<b>(\$4,383,674)</b>	<b>(0.9%)</b>

**EXPENDITURES**

	Revised Budget	YTD Exp/Enc	Projected Total Expense	Projected Difference from Revised Budget	
				Surplus/ (Deficit) Amount	Percent
Personnel Services	\$133,778,121	\$134,030,352	\$134,030,352	(\$252,231)	(0.2%)
Taxes, Benefits, Insurance	71,981,289	71,481,813	71,481,813	499,476	0.7%
Contractual Services	19,088,601	18,301,236	18,301,236	787,365	4.1%
Vehicle Costs	6,329,072	6,329,072	6,329,072	0	0.0%
Fuel	1,783,960	1,277,028	1,277,028	506,932	28.4%
Utilities	6,666,569	6,765,866	6,765,866	(99,297)	(1.5%)
Operating Materials, Supplies, Ins	21,278,994	21,070,313	21,070,313	208,681	1.0%
Equipment (Except Vehicles)	1,773,419	1,705,729	1,705,729	67,690	3.8%
Leases, Rentals	5,516,818	5,500,594	5,500,594	16,224	0.3%
Community Support	10,426,824	10,461,143	10,461,143	(34,319)	(0.3%)
Transfer to Schools	118,300,000	118,300,000	118,300,000	0	0.0%
Debt Service/Cash Capital	44,982,874	43,813,791	43,813,791	1,169,083	2.6%
Payments to Other Funds	23,930,887	22,455,871	22,455,871	1,475,016	6.2%
Direct Program Costs - DHS	8,687,689	8,339,131	8,339,131	348,558	4.0%
<b>TOTAL EXPENDITURES</b>	<b>\$474,525,117</b>	<b>\$469,831,939</b>	<b>\$469,831,939</b>	<b>\$4,693,178</b>	<b>1.0%</b>

**TOTAL PROJECTED DIFFERENCE**

**\$309,504**

<sup>1</sup>Includes Current, Delinquent, Tax Relief, Public Service Corp (PSC) Real Estate Taxes

<sup>2</sup>Includes Current and Delinquent Personal Property Taxes

<sup>3</sup>Includes Current and Public Service Corp (PSC) Machinery & Tools Taxes

**OTHER GENERAL FUND SUPPORTED FUNDS**

	Budget	Projected Revenues	Projected Expenditures	<i>Projected</i> Surplus/ (Deficit)	
				Amount	Percent
Auto Liability Fund	\$1,419,300	\$1,436,091	\$1,346,597	\$89,494	6.2%
General Liability Fund	3,363,000	3,400,941	3,287,098	113,843	3.3%
Worker's Compensation Fund	3,253,500	3,378,058	2,943,765	434,293	12.9%
Recreation Revolving Fund	4,608,000	4,991,534	4,872,066	119,468	2.4%
Historical Services Fund	1,069,000	1,023,126	1,130,134	(107,008)	(10.5%)
Golf Course Fund	1,663,000	1,331,293	1,795,047	(463,754)	(34.8%)
Leeward Marina Fund	271,000	263,201	226,770	36,431	13.8%
Tourism Fund	1,384,000	1,593,568	1,547,961	45,607	2.9%
<b>TOTAL</b>	<b>\$17,030,800</b>	<b>\$17,417,812</b>	<b>\$17,149,438</b>	<b>\$268,374</b>	<b>1.5%</b>

**PROJECTED DIFFERENCE (OTHER FUNDS)**

**\$268,374 1.5%**

**TOTAL PROJECTED DIFFERENCE - Combined General Fund and Other Funds**

**\$577,878**

**USER FEE SUPPORTED FUNDS**

	Budget	Projected Revenues	Projected Expenditures	<i>Projected</i> Surplus/ (Deficit)	
				Amount	Percent
Stormwater Management Fund	\$19,993,000	\$19,453,221	\$19,895,332	(\$442,111)	(2.3%)
Solid Waste Fund	\$14,706,000	\$14,598,125	\$13,382,840	\$1,215,285	8.3%
Wastewater Fund	\$21,484,000	\$20,696,742	\$19,432,641	\$1,264,101	6.1%
Waterworks Fund	\$86,950,000	\$100,301,123	\$81,220,076	\$19,081,047	19.0%

**EXPENDITURES BY DEPARTMENT**

(This is a departmental breakdown of the General Fund expenditures shown on page 1.)

	Revised Budget	YTD Exp/Enc	Projected Total Expense	<i>Projected Difference from Revised Budget</i>	
				Surplus/ (Deficit) Amount	Percent
City Council	\$278,873	\$267,932	\$267,932	\$10,941	3.9%
City Clerk	346,818	346,818	346,818	0	0.0%
City Manager	1,328,595	1,328,594	1,328,594	1	0.0%
Human Resources	1,253,547	1,205,584	1,205,584	47,963	3.8%
City Attorney	1,669,436	1,662,692	1,662,692	6,744	0.4%
Internal Auditor	546,131	540,863	540,863	5,268	1.0%
Commissioner of the Revenue	2,515,907	2,238,575	2,238,575	277,332	11.0%
Real Estate Assessor	1,645,064	1,595,805	1,595,805	49,259	3.0%
City Treasurer	2,175,727	2,132,508	2,132,508	43,219	2.0%
Finance	1,251,121	1,251,120	1,251,120	1	0.0%
Budget and Evaluation	692,636	604,938	604,938	87,698	12.7%
Purchasing	1,160,668	1,273,266	1,273,266	(112,598)	(9.7%)
Information Technology	8,380,576	8,093,990	8,093,990	286,586	3.4%
Registrar	574,910	574,910	574,910	0	0.0%
Judiciary	1,429,513	1,270,054	1,270,054	159,459	11.2%
Circuit Court Clerk	1,540,197	1,500,283	1,500,283	39,914	2.6%
Commonwealth's Attorney	3,760,439	3,760,439	3,760,439	0	0.0%
Police	46,004,491	46,004,491	46,004,491	0	0.0%
Fire	32,727,732	33,509,966	33,509,966	(782,234)	(2.4%)
Sheriff	20,747,975	21,003,084	21,003,084	(255,109)	(1.2%)
Juvenile Services	7,955,122	7,955,121	7,955,121	1	0.0%
Codes Compliance	2,969,606	2,944,877	2,944,877	24,729	0.8%
Engineering	5,645,576	5,618,305	5,618,305	27,271	0.5%
Public Works	23,293,152	22,662,698	22,662,698	630,454	2.7%
Health	2,026,942	2,021,769	2,021,769	5,173	0.3%
Mental Health	1,523,521	1,523,521	1,523,521	0	0.0%
Human Services	32,953,696	33,437,499	33,437,499	(483,803)	(1.5%)
Parks, Recreation, and Tourism	13,150,137	13,047,739	13,047,739	102,398	0.8%
Libraries	4,530,378	4,353,999	4,353,999	176,379	3.9%
Development	1,677,213	1,652,643	1,652,643	24,570	1.5%
Planning	1,109,343	1,023,020	1,023,020	86,323	7.8%
Communications	1,592,971	1,488,670	1,488,670	104,301	6.5%
Appointed Boards	101,662	97,969	97,969	3,693	3.6%
Nondepartmental-Contingencies	48,324,857	46,807,396	46,807,392	1,517,465	3.1%
Community Support	10,426,824	10,461,143	10,461,143	(34,319)	(0.3%)
Transfers to Schools	118,300,000	118,300,000	118,300,000	0	0.0%
Debt Service/Cash Capital	44,982,874	43,813,791	43,813,791	1,169,083	2.6%
All Other Payments	23,930,887	22,455,871	22,455,871	1,475,016	6.2%
<b>TOTAL EXPENDITURES</b>	<b>\$474,525,117</b>	<b>\$469,831,939</b>	<b>\$469,831,939</b>	<b>\$4,693,178</b>	<b>1.0%</b>