

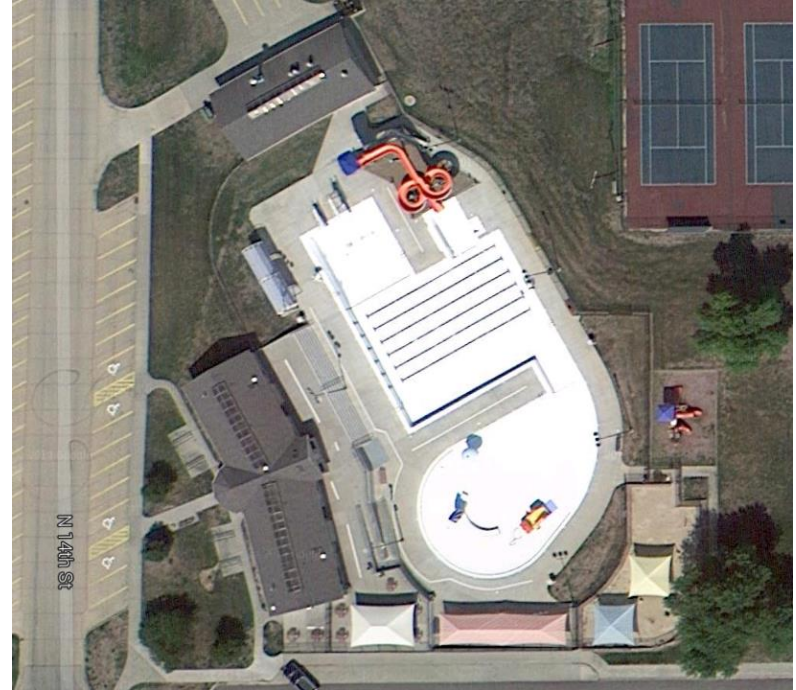
Chariton, Iowa (pop 4321) – Financial Recovery

DATE 6/30/2011

CITY OF CHARITON
FINANCIAL STATEMENT REPORT
AS OF 1106

	LAST REPORT	RECEIVED	DISBURSED	FUND BALANCE	OUTST CHECK
01 GENERAL FUND	461658.43CR	60561.23CR	122567.33	523664.53CR	13581
02 D.A.R.E.	340.41	.00	.00	340.41	
03 NORTHWEST PARK	.00	.00	.00	.00	
04 CEMETERY	267782.59	3591.80CR	4525.51	266848.88	25
05 CEMETERY BEAUTIFICATION	4363.92	.00	.00	4363.92	
06 LIBRARY	371487.67	798.06CR	6350.09	365935.64	
08 LIBRARY OTHER	112416.53	796.13CR	.00	113212.66	
09 FIRE DEPARTMENT OTHER	284186.36	.00	.00	284186.36	
03 COMMUNITY CENTER	10374.20	1295.70CR	1594.61	10075.29	1
00					

How?



Realization

City of Chariton

Schedule of Findings

Year Ended June 30, 2010

The City refinanced a fiscal year 2000 revenue bond issue in fiscal year 2010. The proceeds from the original fiscal year 2000 revenue bond issue were used to finance the construction of the swimming pool. The City incurred over \$28,000 in costs for legal and underwriting service fees to refinance this revenue bond issue in fiscal year 2010. If the City would have paid all these bonds off during the fiscal year, instead of refinancing them, the City would not have incurred over \$28,000 in legal and underwriting service fees, and would still have over \$700,000 in cash in the Special Revenue – Swimming Pool Fund as of June 30, 2010. In the current economic situation, refinancing of this revenue bond issue and incurring over \$28,000 in legal and underwriting service fees did not appear to be a prudent financial decision.

From fiscal year 2006 to fiscal year 2010, the City's overall cash balances declined by approximately \$2,500,000, while the City's overall debt balances during this same time period increased by approximately \$1,500,000. If drastic measures are not taken to reverse this trend, the City may not be able to meet its future obligations to employees, vendors, and creditors.

City of Chariton

Schedule 4

Schedule of Receipts by Source and Disbursements by Function -
All Governmental Funds

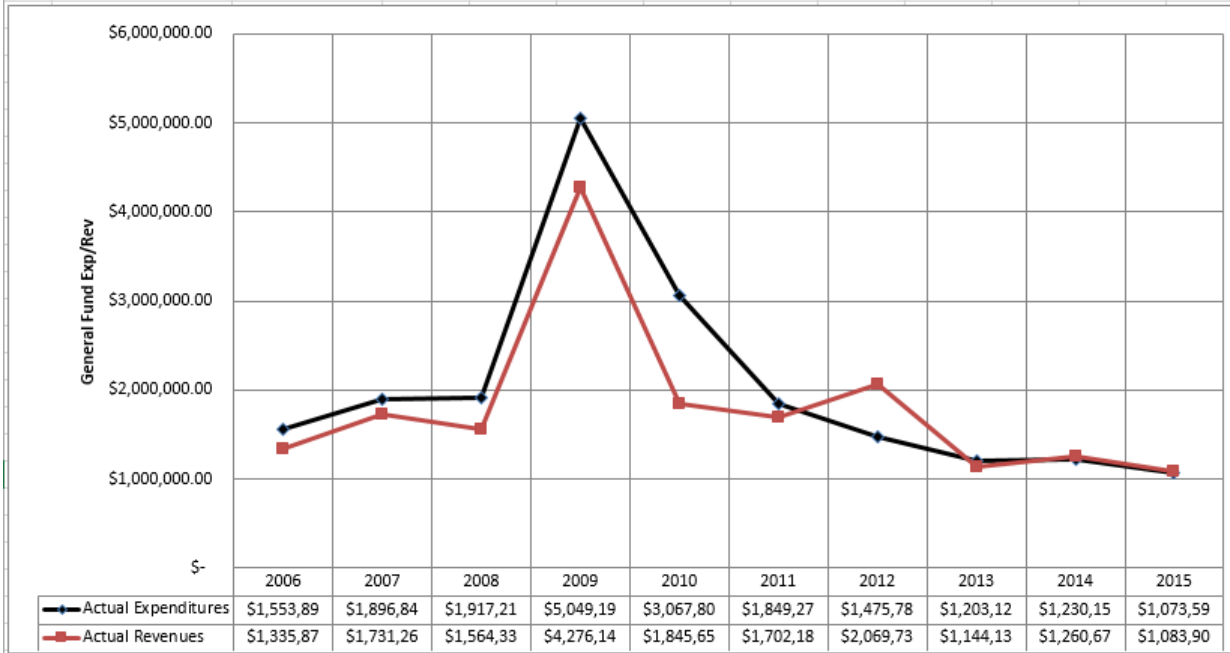
For the Last Eight Years

	2011	2010	2009	2008	2007	2006	2005	2004
Receipts:								
Property tax	\$ 1,536,340	1,527,995	1,449,823	1,357,277	1,324,958	1,245,388	1,248,279	1,281,166
Tax increment financing	-	-	-	90,766	88,363	84,970	70,141	53,680
Other city tax	426,972	392,880	348,465	526,678	520,969	505,068	427,265	470,216
Licenses and permits	11,893	11,543	8,351	10,869	9,668	14,346	11,410	8,648
Use of money and property	42,337	56,569	81,874	116,875	313,763	231,890	64,000	150,407
Intergovernmental	707,313	720,783	1,419,371	723,369	509,582	450,401	455,901	668,993
Charges for service	131,338	117,015	123,850	101,806	74,262	116,669	128,300	176,839
Special assessments	-	3,732	2,221	22,658	11,033	15,771	15,688	26,119
Miscellaneous	312,480	181,044	295,759	172,556	638,795	347,416	1,671,264	127,176
Total	\$ 3,168,673	3,011,561	3,729,714	3,122,854	3,491,393	3,011,919	4,092,248	2,963,244
Disbursements:								
Operating:								
Public safety	\$ 702,382	738,608	1,027,649	756,584	670,353	608,609	590,405	613,188
Public works	730,280	750,617	859,241	975,900	762,208	779,619	832,039	591,061
Health and social services	7,767	7,400	11,060	7,270	7,683	6,030	9,036	7,457
Culture and recreation	559,230	693,033	539,897	433,780	537,248	467,570	584,598	451,533
Community and economic development	40,244	69,010	10,466	8,200	7,203	17,125	43,249	208,933
General government	342,522	383,818	362,634	339,543	358,532	302,087	350,925	330,853
Debt service	429,206	714,969	775,922	581,670	576,161	581,082	510,916	498,754
Capital projects	3,149	1,203,196	2,192,964	737,284	1,092,852	278,495	-	21
Non-program	-	-	-	-	55,231	293,984	91,158	50,820
Total	\$ 2,814,780	4,560,651	5,779,833	3,840,231	4,067,471	3,334,601	3,012,326	2,752,620

See accompanying independent auditor's report.



CHARITON FY 2015 - GENERAL FUND HISTORY



The Game



Goal

2011 Goal Setting Session:

Council Goal Submissions: Enhance IT capabilities, Consider additional recreational activities (skate park, new outdoor basketball facility, etc.), repair and replace Russell Boulevard Bridge, new dump truck and street equipment, add two additional police officers, purchase of real estate for Fire Department expansion, provide additional economic development support.....

Council Goal Results: REPLENISH THE GENERAL FUND

Perceptions

- Council Perception
- Employee Perception
- Community Perception
- Outside Perception

The Fix???

- Local Option Sales Tax, Storm Sewer Fees, Levy Rate Increases, Franchise Fee, Grant Requests, Reductions in Staff, Private Contracting, Sewer Rate Increases, Salary Allocations.....
- PAIN – EVERYONE SHARES
- IRR
- SELF SUPPORT – Outside Funding Requests
- Plan, Plan, Plan
- City Manager = Bad Cop