PROJECTED CHANGES IN FUND BALANCE/FUND EQUITY

	Revised FY 07/08 Budget	Projected FY 07/08 Budget	FY 08/09 Budget	Change Between Revised FY 08/09 & FY 08/09 Budget
GENERAL FUND				
Revenues	$20,592,524	$20,545,359	$17,532,487	($3,060,037)
Expenditures	$21,638,549	$21,068,466	$17,460,292	($4,178,257)
Appropriation To (From) Fund Balance	($1,046,025)	($523,107)	$72,195	$1,118,220
FUND BALANCE - October 1	$9,098,935	$9,098,935	$8,575,828	($523,107)
Appropriation TO (FROM) Fund Balance	($1,046,025)	($523,107)	$72,195	$1,118,220
FUND BALANCE - September 30	$8,052,910	$8,575,828	$8,648,023	$595,113
OTHER GOVERNMENTAL FUNDS				
Revenues	$18,211,487	$18,203,093	$17,548,105	($663,382)
Expenditures	$18,982,535	$18,034,126	$20,016,769	$1,034,234
Appropriation To (From) Fund Balance	($771,048)	$168,967	($2,468,664)	($1,697,616)
FUND BALANCE - October 1	$11,351,761	$11,351,761	$11,520,728	$168,967
Appropriation TO (FROM) Fund Balance	($771,048)	$168,967	($2,468,664)	($1,697,616)
FUND BALANCE - September 30	$10,580,713	$11,520,728	$9,052,064	($1,528,649)
ENTERPRISE FUNDS Fund Equity - noncapital portion of net assets				
Revenues	$12,197,236	$10,842,589	$10,516,938	($1,680,298)
Expenditures (including capital)	$13,518,355	$12,176,413	$12,833,544	($684,811)
Appropriation To (From) Fund Balance	($1,321,119)	($1,333,824)	($2,316,606)	($995,487)
	Net Assets less Net Capital			
FUND EQUITY - October 1	$11,456,175	$11,456,175	$10,122,351	($1,333,824)
Appropriation TO (FROM) Fund Balance	($1,321,119)	($1,333,824)	($2,316,606)	($995,487)
FUND EQUITY - September 30	$10,135,056	$10,122,351	$7,805,745	($2,329,311)

Causes and Consequences of Changes in Fund Balance in Excess of 10%

Major:
Per the most recently audited 2007 Comprehensive Annual Financial Report (CAFR) the major governmental funds are the General Fund, the Public and Communications Service Tax Fund, the Road Improvements Fund and the TLBD Debt Service Fund (Phase I). The only one which is budgeted to experience a change in fund balance greater than 10% is the Road Improvements Fund which is budgeted to appropriate $735,065. This fund accounts for collected one-cent sales tax revenues for transportation-related improvements. This budgeted appropriation does not present negative consequence to the fund as additional reimbursement revenues from the Discretionary Sales Surtax Clearing Trust Fund are anticipated in fiscal year 2009 to recoup the 2008 expenditures. Additionally, at the beginning of fiscal year 2009, the trust fund balance exceeded the 2009 budgeted reimbursement revenue.

Non-major Funds in the Aggregate:
The non-major funds in the aggregate are anticipated to decline by 17%. The chief reason for the decline points to capital projects. Specifically, the 1999 Construction Fund (#305) a budgeted appropriation from fund balance of $995,550 and the Utility/Public Works Facility Capital Project Fund (#311) a budgeted appropriation from fund balance of $1,538,218 as a result of the capital projects set forth on pages 63-65. Given that these funds are capital project funds, their appropriations cause no adverse affect to the funds as they were established for such purposes.

Enterprise:
The Water and Sewer Utility is budgeted to have a 22% decrease in fund equity (net assets less net capital). This is largely due to a total capital budget in the operating fund of $1,257,200. Two of the utility's funds, namely Revenue Generation (#3620) and 2000 Utility Construction (#3640) are temporary in nature and anticipated to be phased out in the short-run. The capital expenditures in those two divisions are budgeted at $46,166 and $398,038, respectively. Flat revenues, some decreasing revenues (connection fees) and increasing costs have been observed in this utility fund. A rate study was initiated in fiscal year 2008 and implementation of a rate increase is being considered for the second quarter of fiscal year 2009.

Development Services' fund equity (net assets less net capital) is budgeted to have an approximate 16% decrease. A rate study was performed in fiscal year 2003 with the inception of this fund. The rates in this fund were last adjusted in August 2005 with the adoption of Resolution 2005-29. Fund decline is anticipated as the City approaches build out and pursues technological strides. Winter Springs, along with the rest of the State, has seen a significant decline in construction starts which accounts for the sluggish revenues in recent years. Fund expenditures are responsive to the revenue stream. It should be noted that even with the fund equity decline the ending equity exceeds the target of maintaining 90 days of operating expenditures.

The Stormwater Fund is budgeted to have an approximate 39% decrease in fund equity (net assets less net capital). This is largely due to a non-recurring transfer of $100,000 to fund #311 for construction costs as well as capital expenditures of $242,750. It should be noted that even with the fund equity decline the ending equity exceeds the target of maintaining 90 days of operating expenditures. June 2005 saw the last rate increase.