

FINANCIAL INFORMATION

BASIS OF ACCOUNTING AND PRESENTATION

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The modified accrual basis of accounting is used to account for all governmental funds of the City. Revenues for such funds are recognized when they become measurable and available as net current assets. Expenditures, other than interest or long-term debt, are recognized when incurred and measurable.

All proprietary funds are accounted for using the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when they are incurred except for prepaid expenses, such as insurance, which are fully expended at the time, of payment.

FUND BALANCES AND RETAINED EARNINGS

The following table depicts **audited fund balances** and retained earnings for the last five fiscal years ending June 30:

For the Fiscal Year Ended June 30

<u>Fund Type</u>	<u>2003</u>
Governmental	
General	\$3,380,694
Special Revenue	852,511
Debt Service	0
Capital Projects	<u>0</u>
Total	<u>\$4,233,205</u>

For the Fiscal Year Ended June 30

<u>Fund Type</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental				
General	\$5,059,930	\$3,596,167	\$1,806,093	\$1,827,903
Debt Service	0	0	0	185,455
Other Governmental	924,073	1,252,435	1,077,696	1,376,158
Proprietary				
Sewer Enterprise	20,151,510	23,341,435	27,522,899	30,510,699
Total	<u>\$26,135,513</u>	<u>\$28,190,037</u>	<u>\$30,406,688</u>	<u>\$33,900,215</u>

