COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: CAPITAL OUTLAY/DEPRECIATION CONTRA **UNIT NO.** 1985

FUND: General - 0001

BUDGET SUMMARY				
	2008 Actual	2009 Budget	2010 Budget	2009/2010 Change
Expenditures	$ 0	$ (1,953,765)	$ 110,366	$ 2,064,131
Revenues	0	3,791,361	3,814,011	22,650
Property Tax Levy	$ 0	$ (5,745,126)	$ (3,703,645)	$ 2,041,481

Proprietary Fund departments include Enterprise Fund departments (e.g., General Mitchell International Airport) and Internal Service Fund departments (e.g., DAS-Information Management Services Division). Budgeting for Proprietary Fund departments in accordance with Generally Accepted Accounting Principles (GAAP) requires that Proprietary Funds expense the cost of fixed assets over the life of the asset through depreciation. Prior to 1997, fixed assets were defined as buildings and equipment with a cost in excess of $500. In 1997, the definitions regarding fixed assets changed. The per unit cost for non-computer equipment must exceed $2,500 and have a useful life greater than one year. Computer related equipment must exceed $1,000 per unit to be considered a fixed asset.

Appropriations for depreciation are included in Proprietary Fund departmental budgets while appropriations for Capital Outlay - Fixed Assets, the original cost for the fixed asset, are excluded from those budgets. To ensure proper budgeting in accordance with GAAP, yet also ensure that these departments retain control over the purchase of fixed assets, Proprietary Fund departments reflect an appropriation for Capital Outlay - Fixed Assets and an offsetting credit appropriation.

However, the cost of Capital Outlay - Fixed Assets for Proprietary Fund Departments should be included in the property tax levy. In order to achieve this, all capital outlay costs for Proprietary Fund Departments are included in this non-departmental budget. The costs for depreciation should not be included in the tax levy, therefore, an offsetting contra for all Proprietary Fund Departments' depreciation costs is included in this non-departmental budget. This budgetary procedure has no County-wide tax levy impact.

The following table depicts the capital outlay by department for 2010 compared to 2009, the amount of depreciation in 2010 compared to 2009 and finally, the combination of these two entries that determines the tax levy amount for this non-departmental budget.

Org.	Department Name	2009 Capital Outlay	2010 Capital Outlay	2009/2010 Change
1150	DAS-Risk Management	$ 0	$ 0	$ 0
1160	DAS-IMSD	0	0	0
5040	Airport	2,581,650	2,649,964	68,314
5070	Transportation Services	11,056	0	(11,056)
5080	Arch., Eng. & Environ Srvs	0	0	0
5300	Fleet Management	10,301	0	(10,301)
5600	Transit/Paratransit	546,000	1,455,200	909,200
5700	Facilities	0	0	0
TOTAL		$ 3,149,007	$ 4,105,164	$ 956,157

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FUND: General - 0001

Org.	Department Name	2009 Depreciation Contra	2010 Depreciation Contra	2009/2010 Change
1150	DAS-Risk Management	$ (18,939)	$ (19,919)	$ (980)
1160	DAS-IMSD	(2,286,360)	(1,657,912)	628,448
5040	Airport	(1,648,460)	(2,158,168)	(509,708)
5070	Transportation Services	(4,400)	(3,410)	990
5080	Arch., Eng. & Environ Srvs	(18,251)	(11,270)	6,981
5300	Fleet Management	0	0	0
5600	Transit/Paratransit	(2,658,622)	(2,299,319)	359,303
5700	Facilities	0	0	0
TOTAL		$ (6,635,032)	$ (6,149,998)	$ 485,034

Fund Type:	Org. Department Name	2010 Capital Outlay	2010 Depreciation Contra	2010 Net Total Contra
Internal Service	1150-DAS-Risk Management	$ 0	$ (19,919)	$ (19,919)
Internal Service	1160-DAS-IMSD	0	(1,657,912)	(1,657,912)
Enterprise	5040-Airport	2,649,964	(2,158,168)	491,796
Internal Service	5070-Transportation	0	(3,410)	(3,410)
Internal Service	5080-Arch., Eng. & Environ Srvs	0	(11,270)	(11,270)
Enterprise	5600-Transit/Paratransit	1,455,200	(2,299,319)	(844,119)
SUBTOTAL		$ 4,105,164	$ (6,149,998)	$ (2,044,834)

* To accurately budget the effect of the Agreement between General Mitchell International Airport (GMIA) and the carriers serving GMIA, this non-departmental budget reflects the fact that the Airport Capital Reserve will be charged and the general fund balance will be credited for $1,658,811 as a year-end closing entry for the year 2010. This entry includes $2,155,200 for non-terminal depreciation offset by contributions from reserves of $2,649,964 for capitalized operating items and $1,164,047 for principal on non-terminal GMIA and Lawrence J. Timmerman Airport debt, resulting in the net credit of $1,658,811.

EXPENDITURES/REVENUE SUMMARY	Expenditure	Revenue	Tax Levy
Capital Outlay-reflects appropriations for Proprietary Fund departments	$ 4,105,164	$	$
Depreciation Contra-offsets depreciation cost in Proprietary Fund departments.	(6,149,998)		
Airport Year-End Closing Entry			
Airport non-terminal depreciation	2,155,200		
Contribution from Capital Improvement Reserves:			
Payment for Airport capitalized operating items		2,649,964	
Non-Terminal Project Principal		1,164,047	
TOTAL	$ 110,366	$ 3,814,011	$ (3,703,645)