GENERAL FUND

General Fund 29
General Fund Summary and Fund Balance 35
Revenue Detail 36
Expenditure Summary by Function 39

GENERAL GOVERNMENT

Village Board 42
Municipal Court 44
Legal 46
Administration 47
Clerk 51
Elections 54
Finance 56
Assessing 59
Village Hall 61
Insurance 62
Village Promotion and Goodwill 64

PUBLIC SAFETY

Police Department
- Police Administration 68
- Police Operations 71
- Crossing Guards 74
- Communications 76
- Police Station 78

Fire Protection and Rescue 80
Police and Fire Commission 82
Public Fire Protection Charge 84
Inspection 86
Board of Electrical Examiners 89
Emergency Management 90

GRAFTON
QUALITY LIFE. NATURALLY.

PUBLIC WORKS

Administration 94
Engineering 97
Street Repair and Maintenance 100
Street Cleaning 102
Snow and Ice Control 103
Forestry 104
Traffic Control 106
Sidewalks 108
Storm Water Management 109
Bridges and Dams 111
Equipment Repair and Maintenance 112
Buildings and Garages 113
Sanitation 114
Recycling 116
Weed and Nuisance Control 118

COMMUNITY ENRICHMENT SERVICES

Library 120
Community Activities Department
- Administration 121
- Adult Senior Services 124
- Community Service Center 127
- Parks and Playgrounds 129
- Recreation 131
- Aquatics 132

Cable Television 133
Woodlawn Cemetery 134

CONSERVATION AND DEVELOPMENT

Plan Commission 136
Zoning Board of Appeals 138
Architectural Review Board 139
Historic Preservation Commission 141
Community Development 143

OTHER

Unclassified 148

ASSIGNED SERVICES, FUNCTIONS, AND ACTIVITIES

The General Fund is used to account for all financial resources except those accounted for in another fund. This includes the funding for the day to day operations of the Village.

MAJOR REVENUE SOURCES TRENDS AND ASSUMPTIONS

The top four major revenue sources ranked in descending order are Property Taxes, State – Shared Revenue, State – Local Street Aid, and Applied Fund Balance.

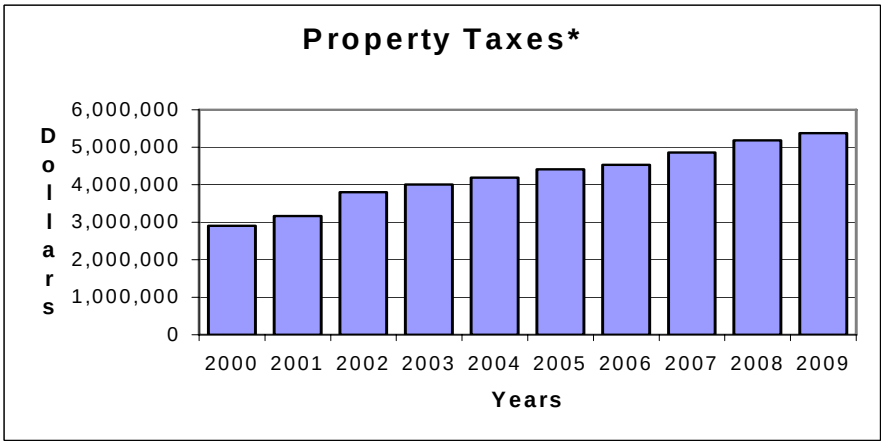
The table below shows a five year history of the top four major revenue sources.

TOP FOUR MAJOR REVENUE SOURCES

	2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
Property Taxes	$4,531,509	$4,856,802	$5,181,199	$5,181,199	$5,369,807
State - Shared Revenue	$611,088	$604,994	$604,994	$596,345	$598,460
State - Local Street Aid	$533,849	$509,878	$509,878	$509,878	$509,878
Applied Fund Balance	($141,633)	($370,158)	$240,208	($146,274)	$383,780

Property Taxes

(In the State of Wisconsin, Property Taxes based upon value of real estate property and business - related personal property.) This is the Village's largest source of revenue at 64 percent. The property tax dollar that will be generated to fund the 2009 General Fund Budget is $5,369,807 as compared to $5,181,199 for the 2008 budget. (Please note that in addition to the General Fund, the Debt Service Fund ($775,000), Capital Projects Fund ($309,301), Equipment Fund ($210,000), and Park and Open Space Fund ($25,000) also receive property taxes as a revenue source.)



* For the Property Taxes graph as well as all other graphs, please note that years 1999-2006 are actual, 2007 is estimated, and 2008 is approved.

Over the past 10 year, property taxes as a major revenue source in the General Fund have increased by 85 percent while the overall General Fund expenditures have increased 52 percent during the same period.

In 2008, the Village's non-TID property tax base increased by $46,329,400 or 4.3 percent. Of the 4.3 percent, approximately 2.5 percent is due to property value appreciation and the remaining 1.8 percent is due to new construction. Factors affecting property taxes in the near future include anticipated limited demand for new single housing construction, new debt service associated with the planned replacement Public Works facility, and continued commercial demand on the Village's east side.

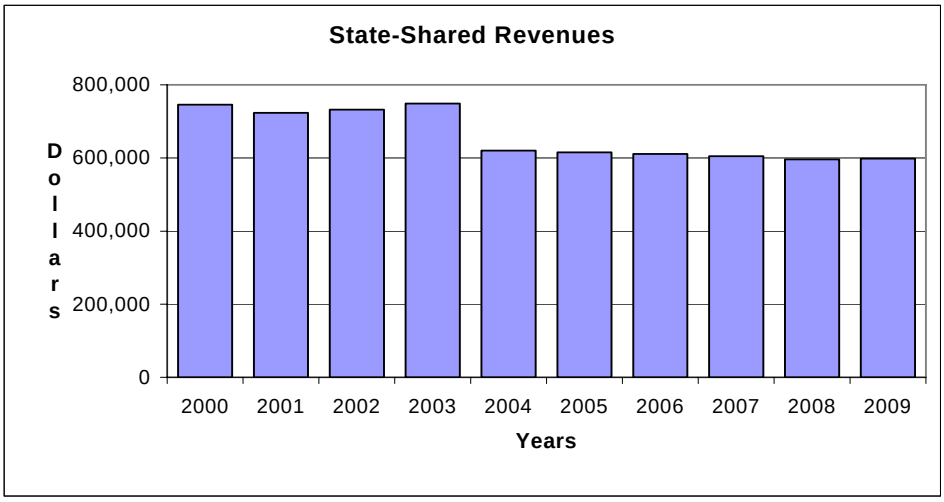
Even with the Village Board's goal of increasing the equalized tax rate at no more than inflationary levels, the Village should continue to receive increasing property tax revenues due to continue steady growth.

State - Shared Revenue

In 2009, the Village will receive $598,460, a $2,155 increase over the 2008 actual funding level ($596,345). Except for 2002 and 2003 in which the State increased overall funding for Shared Revenue, the Village has annually received the same or less money each year. Consistent with prior years, the Village anticipates decreases in funding due to this state program's base formula that reduces funding for communities that experience a tax base growth above the statewide average.

A component of the state program is the Expenditure Restraint Program. The Program rewards communities that keep spending at levels no greater than inflation (plus slight adjustments to recognize increased service demands associated with development). In 2009, the Village will continue to be eligible for this program and will receive $141,902. Based upon past budgetary decisions, the Village predicts continued eligibility under this proposed criterion.

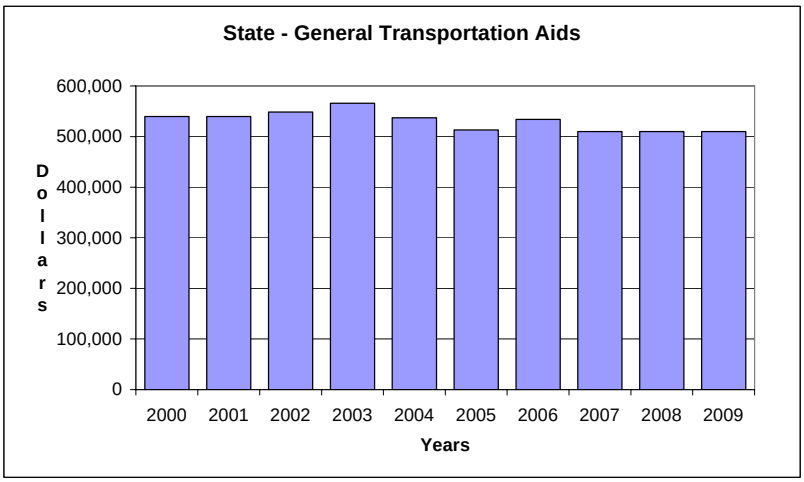
As part of the political discussions associated with past budgets, as well as the most recent 2007-2009 State of Wisconsin biennium budget, funding levels and formula changes of State Shared Revenue are consistently debated. No change will be in effect for 2009.



From 2000 through 2009, the graph identifies a significant reduction in State – Shared Revenue. The Village has relied upon local property tax increases to offset this reduction.

State – General Transportation Aids

This State aid program recognizes local government's prior year's costs for constructing and maintaining local streets. Funding for Local Street Aid is based on a formula that includes actual expenditures of eligible expenditures for local street maintenance and number of street miles.



In 2009, the Village will receive $674,313 of which $598,460 is assigned to the General Fund. The total amount of General Transportation Aids received from the State in 2008 was $586,359. (The 2009 revenue is the highest amount in over 10 years due to the State funding formula which recognizes the Village's significant street reconstruction costs in the Downtown, East Side and the South Commercial Districts.) The remaining $164,435 in 2009 has been allocated to the Capital Projects Fund to assist in paying for the 2009 Street Improvement Program.

The Village anticipates that future General Transportation Aids will be higher than the 2009 level. This is due to the state formula which uses a 6 year average of Village expenses associated with street construction or reconstruction efforts. The Village has significantly increased its expenditures in the past 4 years.

Applied Fund Balance

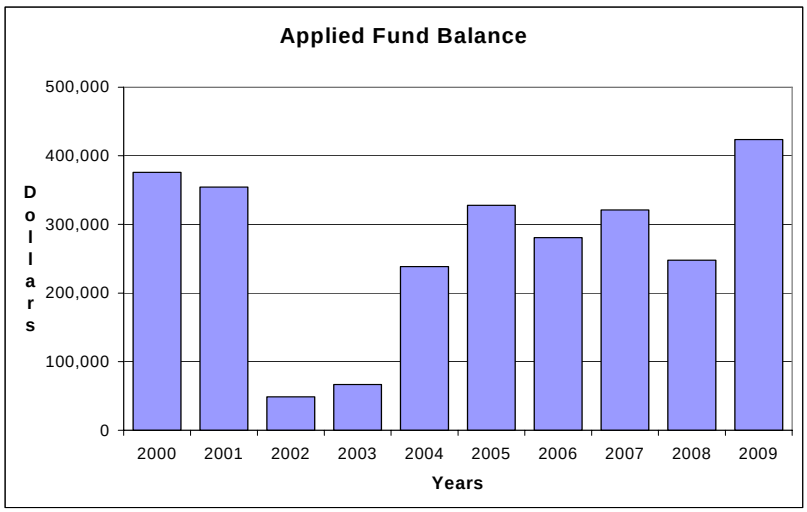
Annually, the Village has Applied Fund Balance in order to reduce the next year's property tax levy requirement. The application of fund balance is a challenging balancing act as the Village also strives to increase its fund balance to 25 percent of current year's expenditure level. (In 2008, the Village Board increased its fund balance percentage goal from 20 percent to 25 percent.)

For the 2009 budget, the Village plans to utilize $383,780 in Applied Fund Balance. The Village is able to apply this significant amount of Fund Balance while still increasing the planned 2009 end-of-year fund balance toward 25 percent. The planned 2009 end-of-year fund balance is 23 percent as compared to the originally planned 2008 end-of-year fund balance of 20 percent.

In 2008, the Village identified $240,208 in anticipated Applied Fund Balance. In actuality, the Village from 2000 – 2008 has not utilized Applied Fund Balance as compared to its budgeted

estimate. The reason for the nonexistent use of Applied Fund Balance was due to a combination of higher than anticipated revenues and careful review of expenditures by Department Heads.

Below is a 10-year history of the *budgeted* Applied Fund Balance. The budgeted amount in 2002 was the lowest amount and 2009 is the highest amount of Applied Fund Balance in the 10-year period.



In order to keep in "check" the Village's use of Applied Fund Balance, the Village Board approved a guideline to limit the annual use of fund balance to no more than 5.00 percent of Total Revenues. In 2009, the proposed budget utilizes 4.55 percent as compared to 3.00 percent in 2008.

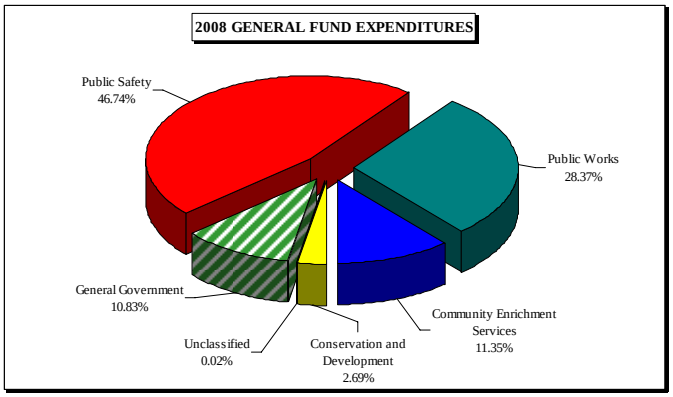
It is projected that the Village will continue to budget significant amounts of Applied Fund Balance due to a combination of the Village Board's desire to minimize the tax levy increases and not decrease expenditures (in light of their desire to retain the current level of services).

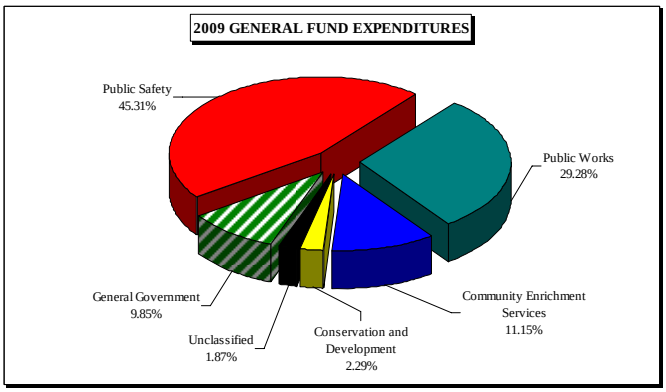
GENERAL FUND EXPENDITURES

The 2009 anticipated level of overall expenditures is $8,430,860 or 6.40 percent ($507,110) more than the 2008 Adopted Budget level of $7,923,750 (see page 27). All proposed expenditures included in the General Fund are financed by 2009 revenues or fund balance, not by short or long term debt financing.

The table below portrays the percentage change across the expenditure categories for 2008 and 2009. Several material changes in expenditure levels exist in proportion to the entire budget.

Expenditures	2008 Adopted	Percent	2009 Adopted	Percent
General Government	$857,946	10.83%	$830,678	9.85%
Public Safety	3,703,271	46.74%	3,820,352	45.31%
Public Works	2,248,342	28.37%	2,468,698	29.28%
Community Enrichment Services	899,094	11.35%	940,127	11.15%
Conservation & Development	213,459	2.69%	212,959	2.29%
Unclassified	1,638	0.02%	158,046	1.87%
Total Expenditures	$7,923,750	100.00%	$8,430,860	100.00%





Of the six expenditure categories in 2009, four are proposed to increase over the 2008 budget level. The exceptions are General Government and Conservation and Development. I have highlighted significant projects or expenditures below in each category. Please note that the comparisons are between 2008 Adopted and 2009 Adopted (see pages 37 - 38).

In the individual program budgets, higher 2009 wages exist for step increases for union and non-represented employees, and a wage adjustment for permanent part-time and seasonal employees. At the present time, no signed contracts are in effect for any of the three unions that have staff budgeted in the General Fund - LAW (Police Officers), LAW (Telecommunicator/Clerical Unit) and Teamster Local No. 200. Anticipated wage adjustments for all permanent full-time non-represented employees are, instead of the individual program budgets, budgeted in Unclassified - Wage Adjustment Reserve.

In light that the General Fund accounts for activity associated with providing direct services to the community and related personnel or contractors needed to provide these services, the 2009 budget is impacted by higher costs associated with 2008 costs trends or 2008 decisions made. In 2008, the Village incurred significantly higher fuel charges and utility charges over the prior year. In addition, the Village Board bid out and approved a 5 year contract for garbage and recycling with approximately a 50 percent increase in charges, effective in 2009. These higher charges significantly impacted many of the General Fund program budgets in 2009.

In the General Government programs, the overall level of expenditures is projected to decrease. Significant changes for 2009 are the decrease from four 2008 elections to two 2009 elections

($18,987), elimination of the printing and mailing to all residents of The Village Messenger ($7,500), and transfer the replacement costs of American flags to TID No. 3 ($2,000).

An overall increase is proposed in the 2009 Public Safety programs. The major changes are due to the higher fuel costs of $13,414 for Police squads. An additional cost of $5,853 is anticipated for the Police Station's higher janitorial and elevator maintenance contracts. In Inspection, additional part-time inspectors to monitor the construction of the Aurora Medical Center are expected to cost $12,439.

The major changes in costs within the 2009 Public Works programs are due to higher electric rates for and more street lights ($23,636), overall projected increase of $26,465 for Snow and Ice Control in light of recently experienced costs associated with the 2007-2008 winter season, projected increases in fuel cost for the department fleet ($19,899), and increased overall sanitation/recycling contract ($156,735).

The 2009 budget for Community Enrichment Services is proposed to increase by $41,033. The significant increases include $3,452 for the net subsidy cost to operate the Family Aquatic Center and an additional $34,808 over the 2008 financial support level of $418,949 for the U.S.S. Liberty Memorial Public Library.

No material changes are proposed for the 2009 Conservation and Development programs.

The 2009 Unclassified category contains a Reserve for Contingency level of $32,796 for unanticipated projects or operating costs; $123,549 for the anticipated wage adjustment of permanent union and non-represented employees; as well as $1,701 for the sundry unclassified items.

GENERAL FUND SUMMARY

	2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
Revenues					
Taxes	4,754,359	5,108,609	5,398,199	5,409,319	5,594,807
Intergovernmental Revenues	1,306,836	1,269,093	1,267,288	1,268,474	1,270,751
Licenses and Permits	378,365	537,137	312,495	501,857	329,235
Fines and Forfeitures	125,680	126,026	117,600	133,000	127,500
Charges for Services	278,050	360,691	304,386	278,480	259,353
Intergovernmental Charges	43,076	48,814	50,175	50,075	52,529
Interest Income	234,014	317,164	200,000	200,000	200,000
Miscellaneous	41,738	64,455	29,399	150,342	146,959
Other Financing Sources	3,198	3,689	4,000	66,446	65,946
Total Revenues & Other Financing Sources	7,165,316	7,835,678	7,683,542	8,057,993	8,047,080
Expenditures					
General Government	743,099	783,229	857,946	840,178	830,678
Public Safety	3,250,305	3,479,006	3,703,271	3,623,439	3,820,352
Public Works	2,026,651	2,158,727	2,248,342	2,316,957	2,468,698
Community Enrichment Services	842,609	850,488	899,094	891,008	940,127
Conservation & Development	156,294	191,663	213,459	211,349	212,959
Unclassified	4,725	2,407	1,638	1,788	158,046
Total Expenditures & Other Financing Uses	7,023,683	7,465,520	7,923,750	7,884,719	8,430,860
Revenue less expenditures	141,633	370,158	(240,208)	173,274	(383,780)
Fund Balance - Beginning Year	**1,624,465**	**1,766,098**	**1,835,107**	**2,136,256**	**2,309,530**
Fund Balance - Ending Year*	**1,766,098**	**2,136,256**	**1,594,899**	**2,309,530**	**1,925,750**
*Ending Fund Balance consists of:					
General Fund - undesignated	1,764,917	2,135,075	1,594,899	2,309,530	1,925,750
Reserved - Senior Chorus	1,181	1,181	0	0	0
	1,766,098	2,136,256	1,594,899	2,309,530	1,925,750

GENERAL FUND REVENUES DETAIL

Account Number		2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
	Taxes					
41.411100	General Property Taxes	4,531,509	4,856,802	5,181,199	5,181,199	5,369,807
41.413100	Tax from Municipal Utility	205,027	237,294	210,000	210,000	210,000
41.418000	Interest on Taxes	17,824	14,513	7,000	18,120	15,000
Total Taxes		4,754,359	5,108,609	5,398,199	5,409,319	5,594,807
	Intergovernmental Revenue					
43.432100	Federal - Police Vests	0	0	0	1,575	0
43.432200	Federal - Tax Credits Diesel Fuel	1,041	1	0	0	0
43.434000	State - Shared Revenue	611,088	604,994	604,994	596,345	598,460
43.434010	State - Fire Ins. Tax Rebate	33,369	30,645	30,645	29,624	29,624
43.434100	State - Computer Exemption	29,770	35,980	33,890	33,876	33,876
43.434500	State - Police Recertification	4,200	0	0	1,055	4,400
43.435300	State - Transportation Aids	533,849	509,878	509,878	509,878	509,878
43.435310	State - Highway Maintenance	56,383	56,442	56,729	56,729	56,513
43.435810	State - DNR Grant	5,950	0	0	0	0
43.435850	State - Recycling Grant	31,186	31,153	31,152	39,392	38,000
Total Intergovernmental		1,306,836	1,269,093	1,267,288	1,268,474	1,270,751
	Licenses and Permits					
44.441100	Liquor & Malt Beverage Licenses	11,432	12,312	15,480	13,407	22,900
44.441200	Operators Licenses	5,190	3,400	2,500	4,425	3,450
44.441210	Cigarette Licenses	1,600	1,500	1,500	1,300	1,300
44.441230	Amusement License	325	315	315	285	285
44.441250	Business & Occupation Licenses	9,620	7,990	6,000	6,000	6,000
44.441290	Franchise Fees - Cable TV	111,473	119,665	115,000	118,000	120,000
44.442010	Bicycle Licenses	215	295	200	200	200
44.442020	Dog/Cat License	1,248	1,544	1,500	1,600	2,100
44.443100	Building Permits	158,962	286,240	115,000	273,400	115,000
44.443200	Electrical Permits	29,234	42,058	20,000	32,800	20,000
44.443300	Plumbing Permits	30,131	43,394	20,000	34,200	20,000
44.444010	Land Use Fees	8,674	13,433	10,000	4,800	8,000
44.445100	Sidewalk/Street Permits	6,758	4,200	3,500	3,515	3,500
44.446000	Sign Permit Fees	0	0	0	5,200	5,000
44.449000	Miscellaneous Permits	3,503	791	1,500	2,725	1,500
Total Licenses and Permits		378,365	537,137	312,495	501,857	329,235

GENERAL FUND REVENUES DETAIL

Account Number		2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
	Fines and Forfeitures					
45.451100	Court Fines and Bonds	104,090	107,799	100,000	110,000	105,000
45.451200	Other Municipal Court Revenues	780	2,320	600	2,000	4,500
45.451300	Parking Violation	20,810	15,907	17,000	21,000	18,000
Total Fines and Forfeitures		125,680	126,026	117,600	133,000	127,500
	Charges for Services					
46.461110	Property Inquiry Fees	4,549	3,979	4,500	4,375	4,300
46.461120	Publication Fees	48	59	62	48	48
46.461140	Photocopies	1,073	1,381	900	1,300	1,250
46.463500	Weights & Measures	3,892	3,397	3,400	5,636	5,600
46.463600	Assessing Records Maintenance	12,310	18,055	14,000	29,150	15,000
46.463900	Material Sales	245	360	255	300	255
46.464400	Weed Cutting	237	413	200	819	400
46.467200	Park Fees	13,586	21,805	13,000	18,000	14,000
46.467350	Senior Recreation Fees	4,751	4,777	4,250	5,556	4,500
46.467900	Other Charges for Services	90,442	146,494	148,819	75,000	75,000
46.467910	Engineering/Inspection Charges	56,936	52,884	30,000	23,296	30,000
46.467920	Planning Charges	89,981	107,087	85,000	115,000	109,000
Total Charges for Services		278,050	360,691	304,386	278,480	259,353
	Intergovernmental Charges					
47.473620	Cedarburg School-Crossing Guards	4,899	4,615	4,900	4,800	4,950
47.474200	Fire Dept. - Dispatch Services	30,777	36,936	37,801	37,801	39,813
47.474300	Fire Dept. - Worker's Compensation	7,400	7,263	7,474	7,474	7,766
Total Intergovernmental Charges		43,076	48,814	50,175	50,075	52,529
	Interest Income					
48.481000	Interest Income-Investments	224,088	317,164	200,000	200,000	200,000
48.481010	Interest Income-Spec Assessments	9,926	0	0	0	0
Total Interest Income		234,014	317,164	200,000	200,000	200,000

GENERAL FUND REVENUES DETAIL

Account Number		2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
	Miscellaneous Revenue					
48.482000	Land/Building Rental	16,101	16,289	16,451	17,103	17,787
48.482010	Room Rental	2,290	1,379	1,000	1,119	1,000
48.482100	Equipment Sales	400	6,125	500	100	500
	PILOT	0	0	0	115,875	115,875
48.484000	Property Damage	13,794	2,465	0	3,518	0
48.484010	Worker's Compensation	0	0	0	0	0
48.485710	Donations	2,394	10,500	1,750	1,542	0
48.486100	Miscellaneous Revenue	4,811	21,073	3,300	4,500	3,500
48.487000	Recycling	1,948	1,888	1,500	1,562	1,500
48.487500	Garbage/Recycling (4 Family)	0	4,736	4,898	5,023	6,797
Total Miscellaneous Revenue		41,738	64,455	29,399	150,342	146,959
	Other Financing Sources					
49.492803	Transfer from Perpetual Care Fund	3,198	3,689	4,000	3,000	2,500
49.492900	Transfer from Enterprise Fund	0	0	0	63,446	63,446
Total Other Financing Sources		3,198	3,689	4,000	66,446	65,946
TOTAL GENERAL FUND REVENUES		7,165,316	7,835,678	7,683,542	8,057,993	8,047,080

GENERAL FUND EXPENDITURES SUMMARY

Account Number		2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
	General Government					
100.511000	Village Board	36,770	38,405	39,199	39,849	39,940
100.512000	Municipal Court	0	0	0	0	0
100.513000	Legal	15,662	27,144	25,000	20,000	25,000
100.514100	Administration	192,749	198,155	214,333	212,961	220,048
100.514200	Clerk	124,339	132,470	146,144	141,606	146,276
100.514400	Elections	23,885	8,428	30,733	30,460	11,740
100.515100	Finance	191,625	203,622	229,598	227,536	224,962
100.515300	Assessing	91,514	97,810	95,412	92,967	95,311
100.516000	Village Hall	32,730	31,070	32,643	31,923	32,770
100.519300	Insurance	7,407	7,131	7,536	7,009	6,749
100.519900	Village Promotion & Goodwill	26,418	38,994	37,348	35,867	27,882
Total General Government		743,099	783,229	857,946	840,178	830,678
	Public Safety					
	Police:					
100.520000	Administration	428,331	388,649	483,427	488,231	489,643
100.521000	Operations	1,777,925	1,946,978	2,092,878	2,037,021	2,162,201
100.521030	Crossing Guards	18,884	19,395	20,514	20,349	21,070
100.521070	Communications	337,701	350,375	366,976	316,755	390,479
100.521100	Police Building	39,360	73,044	63,266	62,324	66,513
	Sub-Total Police	2,602,201	2,778,441	3,027,061	2,924,680	3,129,906
100.522010	Fire Protection and Rescue	258,366	262,717	271,909	270,513	277,225
100.522020	Police and Fire Commission	2,888	21,777	2,675	11,965	0
100.522040	Public Fire Protection Charge	210,000	210,000	210,000	210,000	210,000
100.524000	Inspection	175,716	206,020	190,557	205,256	201,927
100.524050	Board of Electrical Examiners	130	1	177	177	178
100.525000	Emergency Government	1,004	50	892	848	1,116
Total Public Safety		3,250,305	3,479,006	3,703,271	3,623,439	3,820,352
	Public Works					
100.531000	Administration	182,757	187,915	196,177	195,844	199,481
100.531100	Engineering	158,625	177,840	175,111	174,329	178,752
100.533010	Street Repair & Maintenance	722,433	776,342	819,360	828,885	850,301
100.534010	Street Cleaning	37,143	39,042	50,236	52,004	55,870
100.534020	Snow and Ice Control	73,133	184,834	106,691	165,158	132,803
100.534040	Forestry	52,623	39,798	60,873	38,795	47,635
100.534060	Traffic Control	32,771	22,091	30,806	25,830	27,550
100.534300	Sidewalks	924	2,748	3,568	1,501	2,451
100.534400	Storm Water Management	132,623	72,410	96,339	73,140	86,870
100.534600	Bridges and Dams	845	1,269	1,797	1,318	1,333
100.534700	Equipment Repair & Maintenance	214,452	232,053	235,293	279,536	260,624
100.534800	Building and Garages	41,998	35,269	57,470	49,316	58,254
100.536200	Sanitation	246,161	257,355	260,361	274,370	382,783
100.536320	Recycling	126,074	125,413	150,104	153,770	180,050
100.536400	Weed and Nuisance Control	4,089	4,348	4,156	3,161	3,941
Total Public Works		2,026,651	2,158,727	2,248,342	2,316,957	2,468,698

GENERAL FUND EXPENDITURES SUMMARY

Account Number		2006 Actual	2007 Actual	2008 Adopted	2008 Estimated	2009 Adopted
	Community Enrichment Services					
	Community Activities:					
100.553100	Administration	170,966	179,078	202,020	198,404	201,054
100.551400	Adult Senior Services	72,591	75,530	78,003	77,259	82,185
100.551410	Community Service Center	1,725	3,529	6,515	4,582	3,755
100.553000	Recreation	3,253	2,671	2,927	2,921	1,409
100.552000	Parks and Playgrounds	133,184	111,091	120,807	120,628	124,482
100.554200	Aquatics	65,240	67,680	61,727	60,537	65,179
	Sub-Total Community Activities	446,959	439,579	471,999	464,331	478,064
100.551100	Library	388,966	398,509	418,949	418,949	453,631
100.555000	Cable Television	500	40	1,610	913	1,804
100.559100	Woodlawn Cemetery	6,184	12,360	6,536	6,815	6,628
Total Community Enrichment Services		842,609	850,488	899,094	891,008	940,127
	Conservation and Development					
100.563000	Plan Commission	1,582	1,647	1,542	1,442	1,650
100.564000	Zoning Board of Appeals	106	532	1,210	1,210	1,210
100.564100	Architectural Review Board	501	464	799	556	713
100.564200	Historic Preservation Commission	2	3,596	1,390	1,255	1,380
100.567000	Community Development	154,103	185,424	208,518	206,886	208,006
Total Conservation and Development		156,294	191,663	213,459	211,349	212,959
100.599000	Unclassified	4,725	2,407	1,638	1,788	158,046
100.592000	Other Financing Uses	0	0	0	0	0
TOTAL GENERAL FUND EXPENDITURES		7,023,683	7,465,520	7,923,750	7,884,719	8,430,860