



City of Camarillo

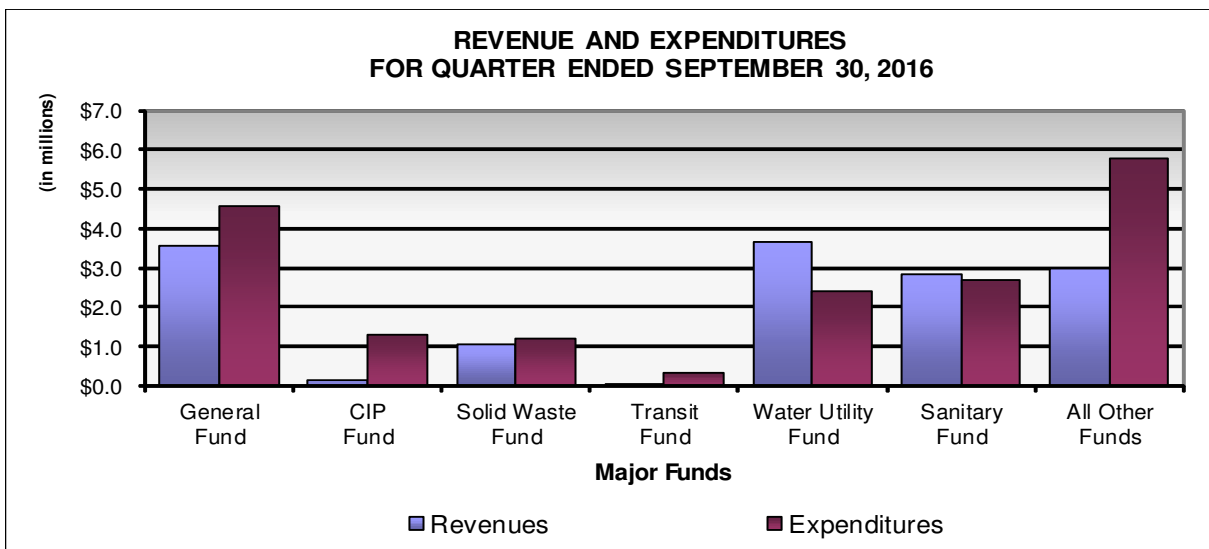
Revenue and Expenditure Reports

Fiscal Year 2016/17 First Quarter Financial Report

July 1 through September 30, 2016

OVERVIEW

The City of Camarillo First Quarter Financial Report summarizes the City’s financial information from July 1 through September 30, 2016. The following chart summarizes actual year-to-date revenues and expenditures, including transfers in/out, and is based on the adopted Fiscal Year (FY) 2016/17 budget adjusted for continuing appropriations (carryovers) and any budget amendments approved by City Council as of September 30, 2016. The General, Capital Improvement Projects (CIP), Solid Waste, Transit, Water Utility, and Sanitary District Funds are considered “**major funds**” and are our primary focus since their budgets represent the majority of the City’s total budget.

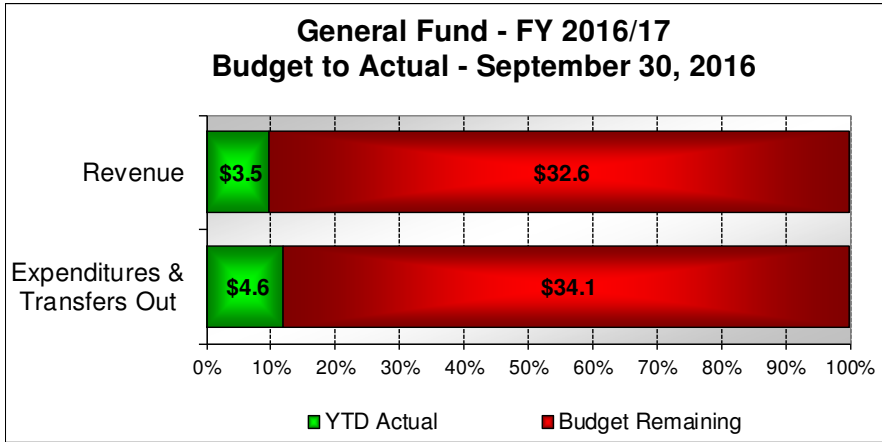


EXECUTIVE SUMMARY

With the first quarter of the fiscal year complete, we appear to be moving along consistent with past trends and as compared to the first quarter of last year. Revenue and expenditure activity, estimated fund balance, and any major variance from the anticipated budget are detailed below for the major funds.

GENERAL FUND (101)

The General Fund is where the majority of discretionary funds are recorded and the majority of general municipal services are provided. Through transfers, it is also a major contributor to funds whose revenue sources either do not grow, grow more slowly than the expenditures, or thus do not have sufficient resources to cover the associated expenditures. Included are the Gas Tax Fund, Citywide Lighting & Landscape



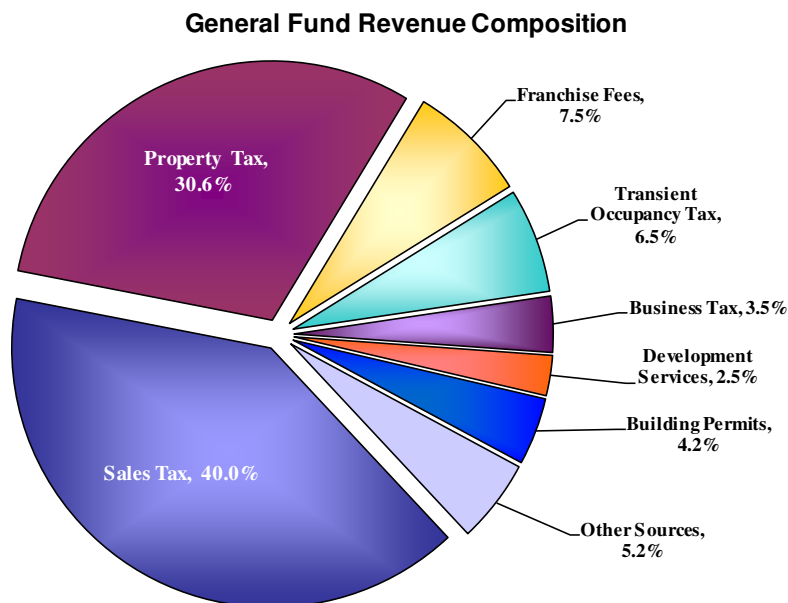
Fund, Storm Water Management Fund, Transit Fund, and Debt Service Funds. In addition, the General Fund is a major contributor to the CIP Fund. Staff continues to implement a long-range plan for fiscal sustainability, including a long-term strategy to address the on-going fiscal impacts of operating transfers from the General Fund.

In total, the General Fund has recorded approximately 9.8% of projected revenues and approximately 11.9% of budgeted expenditures and transfers. Transfers to other funds are typically recorded on an as-needed basis. The unassigned fund balance at September 30, 2016 is projected at \$9.1 million, which is in accordance with City Council reserve policy goal. During the FY 2016-2018 budget process, Council committed \$49.7 million of the General Fund balance for economic development, planned capital projects, and future operating transfers to other funds.

General Fund Summary (September 30, 2016)

| | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|--|----------------|----------------|---------------------|------------------|
| Revenues | \$ 36,088,957 | \$ 36,088,447 | \$ 3,533,362 | 9.8% |
| Expenditures & Transfers Out | 36,076,092 | 38,672,301 | 4,584,410 | 11.9% |
| Revenues Over/(Under) Expenditures | \$ 12,865 | \$ (2,583,854) | (1,051,048) | |
| Unrestricted Available Fund Balance, July 1 | | | 8,744,003 | |
| Unrestricted Available Fund Balance, End of Period | | | <u>\$ 7,692,955</u> | |

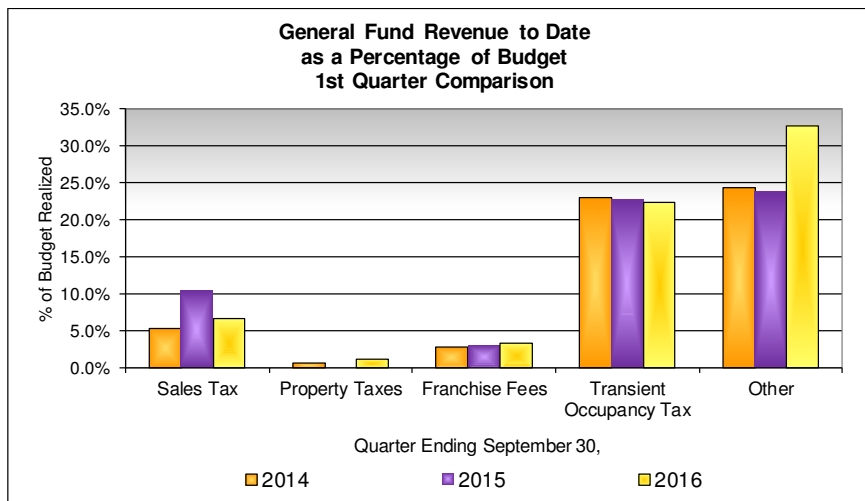
General Fund Revenues. The top seven revenue sources account for approximately 95% of the total projected General Fund revenues. By focusing on these, we can obtain an excellent understanding of the General Fund revenue position.



Overall these key revenues are performing as projected for the first quarter based on payment schedules and past trends with major variances as noted below. Total revenues through September are at approximately 9.8% of the total budget in comparison to the prior year where revenues to date were 9.6% of budget.

| Revenue Sources | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|---------------------------|----------------------|----------------------|---------------------|------------------|
| Sales Tax | \$ 14,412,500 | \$ 14,412,500 | \$ 967,373 | 6.7% |
| Property Tax | 11,056,512 | 11,056,512 | 136,798 | 1.2% |
| Franchise Fees | 2,707,912 | 2,707,912 | 90,700 | 3.4% |
| Transient Occupancy Tax | 2,351,589 | 2,351,589 | 526,455 | 22.4% |
| Business Tax | 1,273,544 | 1,273,544 | 345,147 | 27.1% |
| Development Services | 916,545 | 916,545 | 942,975 | 102.9% |
| Building Permits | 1,500,000 | 1,500,000 | 373,883 | 24.9% |
| Total | 34,218,602 | 34,218,602 | 3,383,331 | 9.9% |
| Other Revenue Sources | 1,869,845 | 1,869,845 | 150,031 | 8.0% |
| Total Fund Revenue | \$ 36,088,447 | \$ 36,088,447 | \$ 3,533,362 | 9.8% |

- **Sales Tax** – The City has realized 6.7% of the \$14.4 million budgeted Sales Tax, compared to 10.4% this time last year, with only one month of revenue received.
- **Property Tax** - The first of two major apportionments occur in December with the second following in April. Also included in this revenue projection of \$11,056,512 is \$5,796,216 in Property Tax In-Lieu of VLF, which is scheduled to be received in two equal installments in January and May 2017.
- **Franchise Fees** - The majority of the Franchise Fees are received in April 2017.
- **Transient Occupancy Tax (TOT)** – The City has received 22.4% of the budgeted TOT, which is consistent with the first quarter of last year. July and August typically have the highest occupancy rates of the fiscal year with year-to-date average of 87.3%, compared to 86.5% July and August of last year.
- **Business Tax** – As of the first quarter, 27.1% of the budgeted revenue has been realized, which is slightly higher than 26.7% this time last fiscal year and is primarily due to timing of renewals throughout the year.
- **Development Services** - This revenue is higher than anticipated with 102.9% of budget realized and significantly higher than the 52.0% received through first quarter FY 2015/16. This revenue fluctuates due to the timing of planned development projects. Included in the first quarter revenue, are receipts from certain projects that were not anticipated at the time of budget development.
- **Building Permits** - With 24.9% of the annual budget realized in the first quarter, this revenue is tracking as anticipated. At this same time period last year, 14.2% had been realized. This revenue also fluctuates due to the timing of planned development projects.

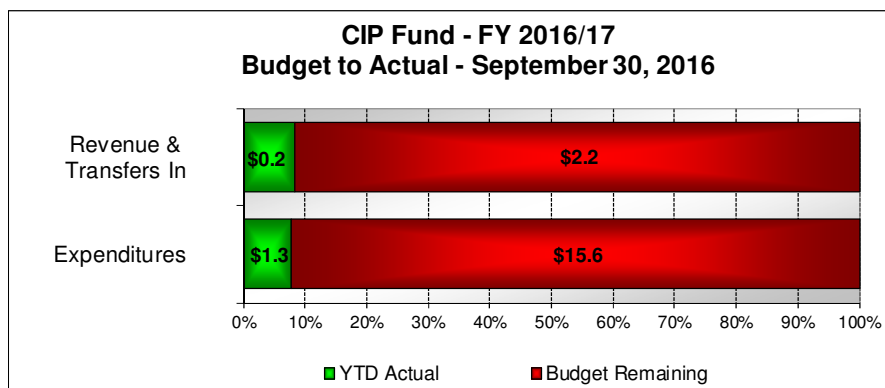


General Fund Expenditures and Transfers. As illustrated in the table below, the majority of General Fund divisional expenditures and transfers are slightly lower than expected overall, averaging 11.9% of the annual budget. As of first quarter last year, 15.8% of budgeted expenditures and transfers have been disbursed.

| Divisions | Adopted Budget | Amended Budget | YTD Actual | Percent Expended |
|--------------------------------|----------------------|----------------------|---------------------|------------------|
| City Council | \$ 653,363 | \$ 653,363 | \$ 151,765 | 23.2% |
| City Clerk | 632,710 | 632,710 | 134,692 | 21.3% |
| City Attorney | 509,374 | 509,374 | 65,855 | 12.9% |
| City Manager | 1,222,705 | 1,222,705 | 168,295 | 13.8% |
| Finance | 1,403,057 | 1,445,472 | 259,240 | 17.9% |
| Community Development | 2,167,152 | 2,189,546 | 400,799 | 18.3% |
| Code Compliance | 725,157 | 725,157 | 165,899 | 22.9% |
| Police | 16,956,544 | 16,956,544 | 2,523,199 | 14.9% |
| DART | 18,706 | 21,263 | 3,853 | 18.1% |
| Building & Safety | 1,043,612 | 1,043,612 | 168,496 | 16.2% |
| Public Works | 1,906,647 | 4,386,484 | 316,490 | 7.2% |
| Cultural Arts Services | 738,830 | 749,875 | 129,802 | 17.3% |
| Economic Development | 333,350 | 371,311 | 95,500 | 25.7% |
| Non Departmental | 42,000 | 42,000 | 525 | 1.3% |
| Total | 28,353,207 | 30,949,416 | 4,584,410 | 14.8% |
| Transfers Out | 7,722,885 | 7,722,885 | - | 0.0% |
| Total Fund Expenditures | \$ 36,076,092 | \$ 38,672,301 | \$ 4,584,410 | 11.9% |

- City Attorney and Police Services expenditures are lower than anticipated due to timing of monthly invoices with only July services reflected at this time.
- City Manager division expenditures are lower than projected, primarily due to administrative costs not expended in the first quarter, such as Youth Employment Services and *CityScene* printing costs.
- Public Works division expenditure budget includes a \$2.2 million appropriation for a one-time capital project. Excluding the Camarillo Springs Debris Flow expenditure, the division is slightly lower than expected at 14.7% expended.

CAPITAL IMPROVEMENT PROJECTS FUND (410)



The Capital Improvement Projects (CIP) Fund accounts for the general capital projects. Revenues and expenditures are budgeted in the year corresponding with the various stages of the projects and include balances carried forward from the previous budget year. On June 22, 2016, the City Council approved year one of the City’s Five-Year Capital Improvement

Program 2016-2021, with a total expenditure budget of \$27.4 million, of which \$3,650,000 is budgeted in the CIP Fund. The amended budget includes carry-over funding for uncompleted projects from prior years and any budget changes approved by the City Council.

Capital Improvement Projects Fund Summary (September 30, 2016)

| | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|---------------------------------------|---------------------------|---------------------------|-----------------------|-----------------------------|
| Revenues & Transfers In | \$ 1,990,000 | \$ 2,390,000 | \$ 153,574 | 6.4% |
| Expenditures | 3,650,000 | 16,909,442 | 1,275,487 | 7.5% |
| Revenues Over/(Under) Expenditures | \$ (1,660,000) | \$ (14,519,442) | (1,121,913) | |
| Available Fund Balance, July 1 | | | 15,995,915 | |
| Available Fund Balance, End of Period | | | <u>\$ 14,874,002</u> | |

Funding for the CIP projects comes from a variety of sources, including federal, state, and county agencies, as well as capital fees collected from developers and interfund transfers.

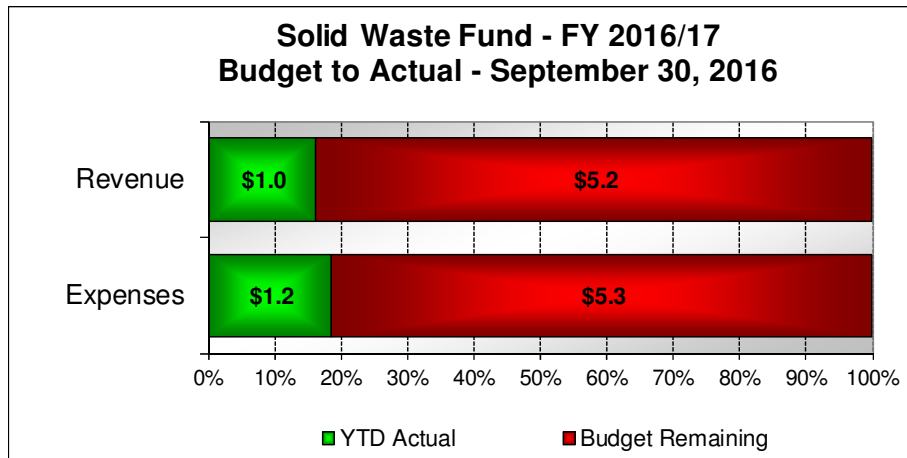
At this point in the fiscal year, the CIP Fund has recognized 6.4% of the projected revenues. Federal Capital Grants for transportation projects are the primary source, and funds are typically drawn down on a reimbursement basis after the expenditures are incurred.

| Revenue Sources | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|---------------------------|---------------------------|---------------------------|-----------------------|-----------------------------|
| Grants | \$ 395,000 | \$ 395,000 | \$ - | 0.0% |
| Development Services | - | - | 153,574 | N/A |
| Investment Income | 105,000 | 105,000 | - | 0.0% |
| Total | 500,000 | 500,000 | 153,574 | 30.7% |
| Transfers In | 1,490,000 | 1,890,000 | 0 | 0.0% |
| Total Fund Revenue | \$ 1,990,000 | \$ 2,390,000 | \$ 153,574 | 6.4% |

The budgeted expenditures for this fund total \$16.9 million with no budgeted transfers out. Through the first quarter, 7.5% of budgeted expenditures have been disbursed due to timing of projects. The following represents the projects that account for the expenditures to date:

| Project Expenditures | | Adopted Budget | Amended Budget | YTD Actual | Percent Expended |
|----------------------------------|----------|---------------------------|---------------------------|-----------------------|-----------------------------|
| Annual Pavement Rehab | Multiple | \$ 380,000 | \$ 8,565,713 | \$ 944,320 | 11.0% |
| Santa Rosa Road Widening | ST0501 | - | 2,219,047 | 328,899 | 14.8% |
| Conference Center Drain | CC1101 | - | 1,800,000 | - | 0.0% |
| Fire Station Reuse | CF0901 | 500,000 | 500,000 | - | 0.0% |
| Camarillo Heights-MP of Drainage | SD0502 | 400,000 | 500,000 | - | 0.0% |
| Other Projects | | 2,370,000 | 3,324,682 | 2,248 | 0.1% |
| Total Major Projects | | \$ 3,650,000 | \$ 16,909,442 | \$ 1,275,467 | 7.5% |

SOLID WASTE FUND (805)



The City provides refuse and recycling programs for residential and commercial customers and a green waste program for residential customers. The City contracts with a local hauler through an exclusive franchise agreement.

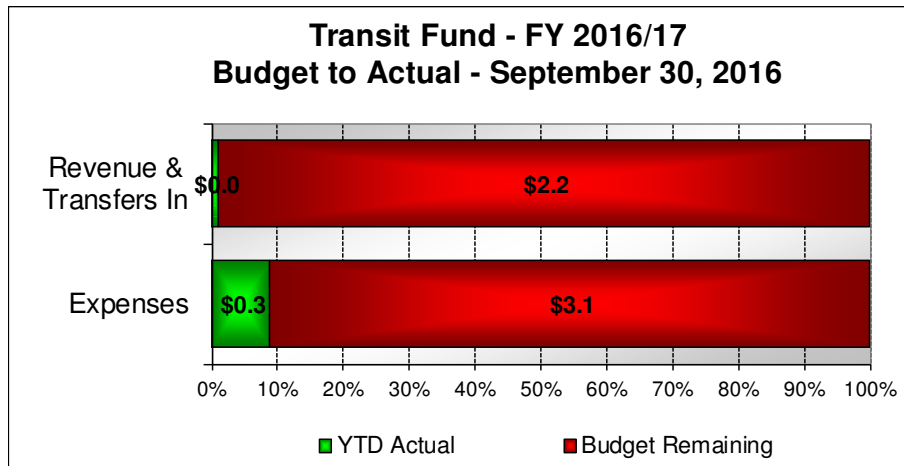
The Solid Waste Fund has recognized 16.9% of projected revenues and 18.0% of budgeted expenses, compared with 17.1% and 17.0%, respectively, this time last year. Both revenues and expenses are meeting projections through the first quarter, considering a timing factor. Grant revenues are typically received at the end of the fiscal year.

and 17.0%, respectively, this time last year. Both revenues and expenses are meeting projections through the first quarter, considering a timing factor. Grant revenues are typically received at the end of the fiscal year.

Solid Waste Fund Summary (September 30, 2016)

| | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|--|------------------|------------------|-------------------|------------------|
| Revenues | | | | |
| Solid Waste Services | \$ 6,104,555 | \$ 6,104,555 | \$ 1,032,427 | 16.9% |
| Grants | 35,700 | 35,700 | - | 0.0% |
| Other Revenue Sources | 77,500 | 77,500 | 19,567 | 25.3% |
| Total Solid Waste Fund Revenue | 6,217,755 | 6,217,755 | 1,051,994 | 16.9% |
| Expenses | | | | |
| Operating Expenses | 6,505,932 | 6,505,932 | 1,172,698 | 18.0% |
| Total Solid Waste Fund Expenses | 6,505,932 | 6,505,932 | 1,172,698 | 18.0% |
| Revenues Over/(Under) Expenses | \$ (288,177) | \$ (288,177) | (120,704) | |
| Available Working Capital, July 1 | | | 553,776 | |
| Available Working Capital, End of Period | | | <u>\$ 433,072</u> | |

TRANSIT FUND (810)



The Transit Fund is where costs associated with operating the City’s transit system are recorded. The Transit Fund has recognized 1.2% of projected revenues and transfers in, compared with 15.7% last year. First quarter FY 2015/16, a budgeted transfer of \$400,000 had been posted. Funding for the Transit Fund comes from a variety of sources, including Federal Grants, rider-ship fares, and transfers from the

General Fund and the Air Quality Fund. The Federal Transit Administration (FTA) Grants provide for a majority of the revenues received in this fund, which are received or accrued for at fiscal year-end after all the expenses are incurred. Other Revenue Sources include ADA Paratransit Ridership funds. The Transit Fund relies on interfund transfers from the General Fund to meet its operational needs.

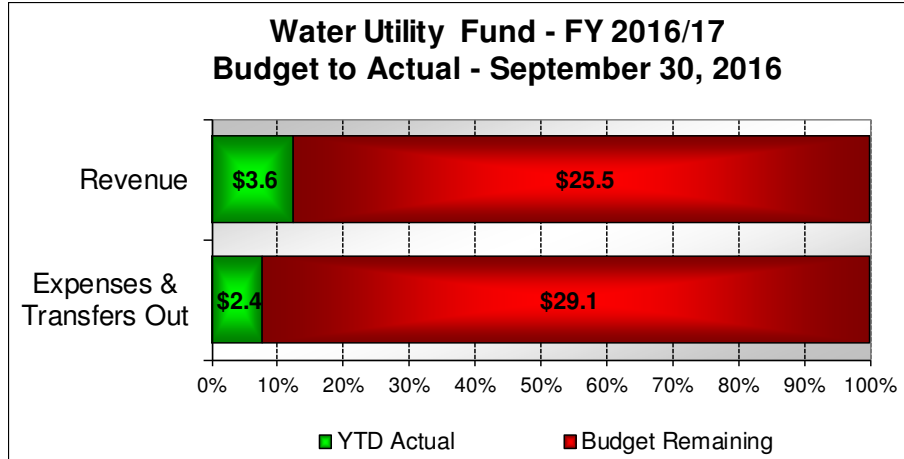
The Transit Fund has expended 9.5% of budgeted expenses, compared with 8.1% this time last year. Operating expenses appear lower than expected, due to a one-month lag in transit service contract disbursements. At this juncture, the expenses are tracking as anticipated.

Transit Fund Summary (September 30, 2016)

| | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|---|----------------|----------------|------------|------------------|
| <u>Revenues</u> | | | | |
| Transit Services | \$ 174,000 | \$ 174,000 | \$ 26,859 | 15.4% |
| Grants | 1,375,840 | 1,661,856 | - | 0.0% |
| Other Revenue Sources | 50,000 | 50,000 | - | 0.0% |
| Total | 1,599,840 | 1,885,856 | 26,859 | 1.4% |
| Transfers In | 350,000 | 350,000 | - | 0.0% |
| Total Transit Fund Revenue | 1,949,840 | 2,235,856 | 26,859 | 1.2% |
| <u>Expenses</u> | | | | |
| Operating Expenses | 1,948,130 | 1,912,130 | 311,726 | 16.3% |
| Capital Purchases | 300,000 | 980,719 | - | 0.0% |
| Capital Projects | 294,716 | 294,716 | 326 | 0.1% |
| Depreciation | 149,100 | 149,100 | - | 0.0% |
| Metrolink Station Maint. | 76,812 | 76,812 | 12,963 | 16.9% |
| Operating Expenses | | | | |
| Total Transit Fund Expenses | 2,768,758 | 3,413,477 | 325,015 | 9.5% |
| Revenues Over/(Under) Expenses | \$ (818,918) | \$ (1,177,621) | (298,156) | |
| Available Working Capital Balance, July 1 | | | 488,225 | |
| Adjustments to Working Capital | | | 326 | |
| Available Working Capital, End of Period | | | \$ 190,395 | |

WATER UTILITY FUND (860)

The Water Utility Fund is where revenue and expenses associated with the City’s water service are recorded. This fund is fully self-supporting and derives the majority of its revenue from ratepayers. Other revenue sources include investment earnings and capital fees collected from developers. The City provides water and associated maintenance to approximately 13,350 customers. Depending on the location, four other water companies may provide water to Camarillo residents.



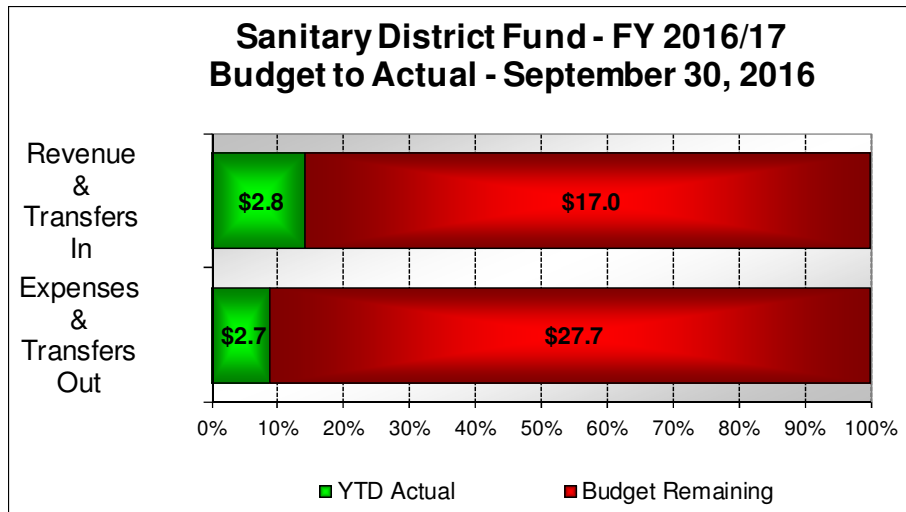
The Water Utility Fund has recognized 12.5% of projected revenues, including a budgeted \$15.0 million bond issuance. For comparison purposes, without the budgeted bond proceeds, 25.7% of projected revenues have been realized, compared to 25.0% last fiscal year. 7.6% of budgeted expenses and transfers out have been realized, compared to 12.3% last fiscal year. Revenues are on track with projections through the

first quarter. Water Sales revenue is slightly higher than projected through the first quarter at 27.6%. Expenses are under budget, primarily due to one-time planned capital improvement projects that have not begun.

Water Utility Fund Summary (September 30, 2016)

| | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|--|-------------------|-------------------|----------------------|------------------|
| Revenues | | | | |
| Water Sales | \$ 8,856,325 | \$ 8,856,325 | \$ 2,440,639 | 27.6% |
| Base Rate Charges | 4,133,305 | 4,133,305 | 830,261 | 20.1% |
| Other Water Services Revenue Sources | 447,210 | 447,210 | 68,739 | 15.4% |
| Capital Improvement Fees | 30,000 | 30,000 | 52,321 | 174.4% |
| Investment Income | 225,300 | 225,300 | - | 0.0% |
| Proceeds of Bond Issuance | 15,000,000 | 15,000,000 | - | 0.0% |
| Other Revenue Sources | 416,098 | 416,098 | 239,327 | 57.5% |
| Total Water Utility Fund Revenue | 29,108,238 | 29,108,238 | 3,631,287 | 12.5% |
| Expenses | | | | |
| General & Administrative | 2,746,003 | 2,934,884 | 613,106 | 20.9% |
| Maintenance & Operations | 10,023,530 | 10,032,770 | 1,828,093 | 18.2% |
| Capital Purchases | 37,000 | 37,000 | - | 0.0% |
| Capital Projects | 17,350,000 | 17,590,797 | (27,619) | -0.2% |
| Depreciation | 977,000 | 977,000 | - | 0.0% |
| Total | 31,133,533 | 31,572,451 | 2,413,580 | 7.6% |
| Transfers Out | 233,624 | 233,624 | - | 0.0% |
| Total Water Utility Fund Expenses | 31,367,157 | 31,806,075 | 2,413,580 | 7.6% |
| Revenues Over/(Under) Expenses | \$ (2,258,919) | \$ (2,697,837) | 1,217,707 | |
| Available Working Capital, July 1 | | | 38,511,429 | |
| Adjustments to Working Capital | | | (27,619) | |
| Available Working Capital, End of Period | | | <u>\$ 39,701,517</u> | |

SANITARY DISTRICT FUNDS (871/872/873)



The Camarillo Sanitary District (CSD) is a separate governmental entity, formed in 1955 to provide wastewater treatment services for residential and commercial customers within its boundaries. The CSD is fully self-supporting and derives the majority of its revenue from ratepayers for services rendered. Other funding sources include property taxes and capital fees collected from developers. The CSD has been divided into three separate funds

for budgeting purposes. The separation of these funds allows for ease in cash flow and rate setting.

In total, the Sanitary District Funds have recognized 14.4% of projected revenues and transfers in. This time last year, 14.6% of projected revenues and transfers in had been realized. Budgeted expenses and transfers out are lower than anticipated at 8.9% realized, compared to 8.0% this time last year.

Sanitary District Summary (September 30, 2016)

| All Sanitary District Funds | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|---|-------------------|-------------------|----------------------|------------------|
| Revenues | | | | |
| Regular Rate Charges | \$ 11,554,310 | \$ 11,554,310 | \$ 2,332,724 | 20.2% |
| Property Taxes | 1,075,522 | 1,075,522 | 7,027 | 0.7% |
| Base Rate Charges | 1,180,745 | 1,180,745 | 210,965 | 17.9% |
| Billing & Penalty Fees | 188,000 | 188,000 | 47,647 | 25.3% |
| Other Revenue Sources | 239,775 | 239,775 | 56,655 | 23.6% |
| Capital Improvement Fees | 141,035 | 141,035 | 36,105 | 25.6% |
| Grants & Subventions | 250,000 | 250,000 | 154,324 | 61.7% |
| Investment Income | 186,500 | 186,500 | 60 | 0.0% |
| Total | 14,815,887 | 14,815,887 | 2,845,507 | 19.2% |
| Transfers In | 5,000,000 | 5,000,000 | - | 0.0% |
| Total Sanitary District Revenue | 19,815,887 | 19,815,887 | 2,845,507 | 14.4% |
| Expenses | | | | |
| General & Administrative | 3,204,230 | 3,301,284 | 549,291 | 16.6% |
| Maintenance & Operations | 5,567,376 | 5,577,376 | 993,699 | 17.8% |
| Debt Service | 1,313,594 | 1,313,594 | (55,781) | -4.3% |
| Capital Purchases | 215,000 | 220,308 | 25,299 | 11.5% |
| Capital Projects | 6,820,000 | 12,667,218 | 1,184,145 | 9.4% |
| Depreciation | 2,180,000 | 2,180,000 | - | 0.0% |
| Total | 19,300,200 | 25,259,780 | 2,696,653 | 10.7% |
| Transfers Out | 5,125,667 | 5,125,667 | - | 0.0% |
| Total Sanitary District Expenses | 24,425,867 | 30,385,447 | 2,696,653 | 8.9% |
| Revenues Over/(Under) Expenses | \$ (4,609,980) | \$ (10,569,560) | 148,854 | |
| Available Working Capital, July 1 (unaudited) | | | 32,035,655 | |
| Adjustments to Working Capital | | | 1,184,145 | |
| Available Working Capital, End of Period | | | <u>\$ 33,368,654</u> | |

The following summary highlights the Sanitary District Funds individually:

| Operating Fund (871) | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|-----------------------------|-----------------------|-----------------------|-------------------|-------------------------|
| Revenues | \$ 13,227,430 | \$ 13,227,430 | \$ 2,646,746 | 20.0% |
| Expenses & Transfers Out | 16,077,273 | 16,184,327 | 1,542,990 | 9.5% |

| Debt Service Fund (872) | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|--------------------------------|-----------------------|-----------------------|-------------------|-------------------------|
| Revenues | \$ 1,088,422 | \$ 1,088,422 | \$ 8,332 | 0.8% |
| Expense | 1,313,594 | 1,313,594 | (55,781) | -4.3% |

| Capital Projects Fund (873) | Adopted Budget | Amended Budget | YTD Actual | Percent Realized |
|------------------------------------|-----------------------|-----------------------|-------------------|-------------------------|
| Revenues & Transfers In | \$ 5,500,035 | \$ 5,500,035 | \$ 190,429 | 3.5% |
| Expenses | 7,035,000 | 12,887,526 | 1,209,444 | 9.4% |

Operating Fund revenues are tracking as expected with 20.0% of budget received. Expenses are slightly under projections at 9.5%, compared with 19.8% this time last year, primarily due to transfers to the CSD Capital Projects Fund that have not been processed.

Revenues in the Debt Service Fund are primarily Property Taxes, which are received in two installments, the first in December and the second in April. Expenses reflect a reclass of prior period bond interest of \$55,781 to a capital improvement project.

The Capital Projects Fund has had little activity during the first quarter, which is reflected in the low percent realized to date.

ALL OTHER FUNDS

Lighting & Landscape Maintenance District Fund (220) - The first apportionment of the primary revenue (Property Taxes) will not be received until December.

Storm Water Management Fund (270) - The revenues are currently tracking at 0.1% of the budget. The current fiscal year budgeted annual Special Assessment of \$154,100 is not anticipated until June 2017. Expenditures are lower than anticipated at 13.3%, primarily due to permit fees typically disbursed in October and timing of contract services invoicing.

Library Operating Fund (284) - The first apportionment of the primary revenue (Property Taxes) will not be received until December. Expenditures are on track at 24.4% of the annual budget.

Risk Management Fund (510) - Liability and property insurance premiums are due in full at the beginning of each fiscal year, thus the 52.2% expenditures ratio.

Corporation Yard, Police, Library, Camarillo Ranch, and Chamber of Commerce Facility Funds (551, 552, 553, 554, 555) - Expenditures are significantly lower than expected in these funds, primarily due to unexpended planned capital purchases and projects.

Reclaimed Water Fund (861) - Revenue at 42.1% realized is primarily due to increased irrigation water sales and capital fee surcharges. Expenses at 6.6% reflect unexpended planned capital projects.

SUMMARY

With the first quarter of the fiscal year complete, all revenues are tracking at 12.8% of budget, compared to 16.5% last year. Our expenditures are at 12.3%, compared with 13.8% as of first quarter last year. We will continue to monitor our revenues and expenditures closely and will provide Council with a detailed analysis of the City's financial position during the mid-year budget review process.

This summary is based on information produced by the City's Finance Department. If you would like additional information or have any questions about the report, please contact me at 388-5320.

Sincerely,

Genie Wilson
Director of Finance