



# City of Camarillo

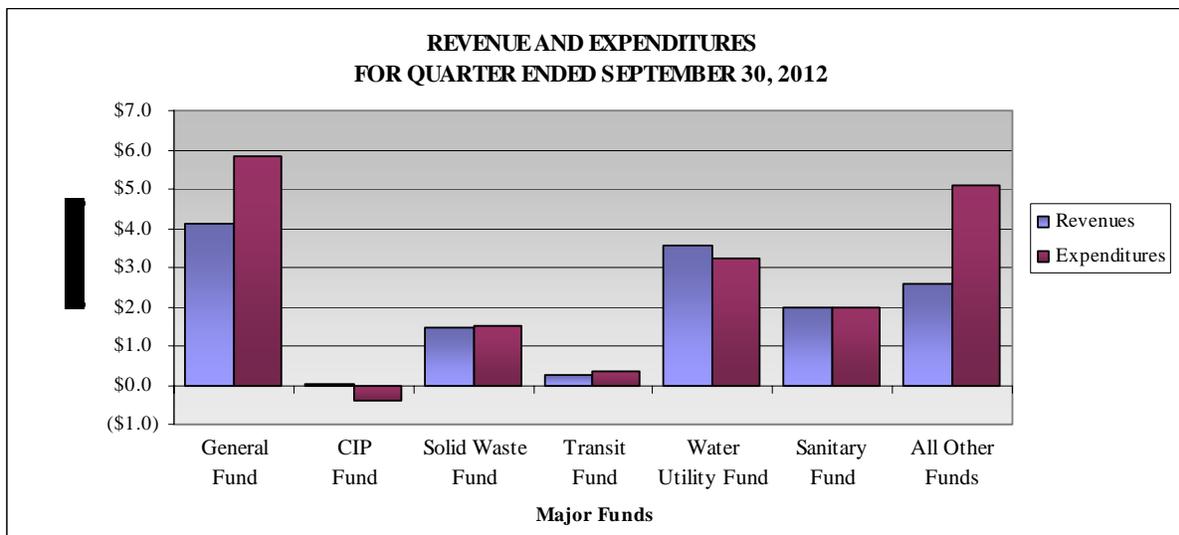
## Revenue and Expenditure Reports

### *Fiscal Year 2012-13 First Quarter Financial Report*

### *July 1 through September 30, 2012*

#### OVERVIEW

The City of Camarillo First Quarter Financial Report summarizes the City’s financial information from July 1 through September 30, 2012. The following chart summarizes actual year to date revenues and expenditures, but does not include transfers in/out or encumbrances, and is based on the adopted Fiscal Year 2012/13 budget, adjusted for encumbrances, continuing appropriations (carryovers), and any budget amendments approved by City Council as of September 30, 2012. 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.

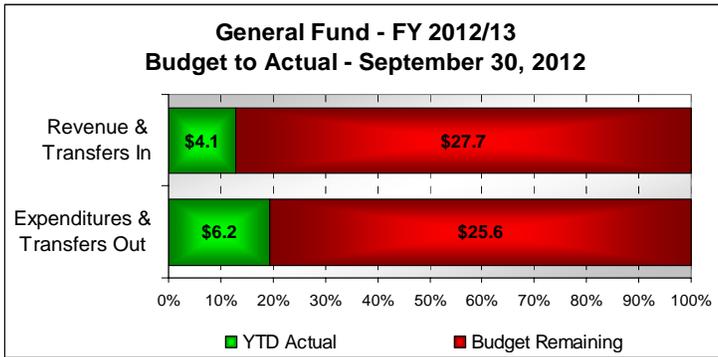


#### EXECUTIVE SUMMARY

With the first quarter of the fiscal year complete, we appear to be moving along as anticipated based on 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, or grow more slowly than the expenditures, and thus do not have sufficient



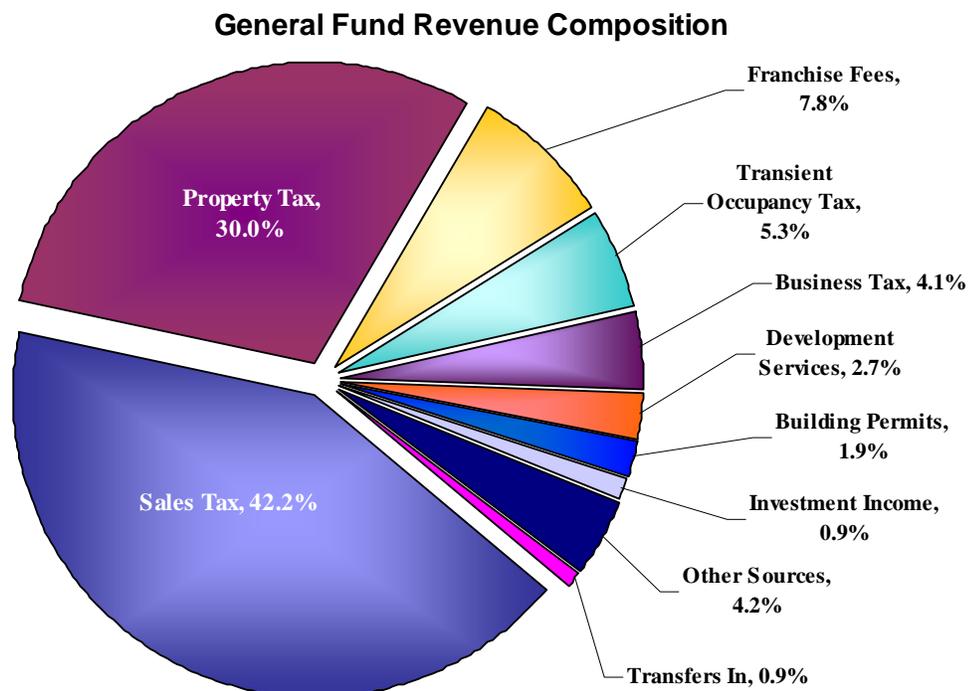
resources to cover the associated expenditures. Included are the Gas Tax Fund, Citywide Lighting & Landscape Fund, Transit Fund and Debt Service Funds. In addition, the General Fund is a major contributor to the CIP Fund. Staff is working to fully implement a long-term strategy to address the on-going fiscal impacts of operating transfers from the General Fund, and will be one of the key deliverables of our long-range plan for fiscal sustainability.

In total, the General Fund has recorded 13.1% of projected revenues, 23.0% of budgeted expenditures, and 6.5% of budgeted transfers. Transfers to other funds are typically generated on an as-needed basis. Fund balance at September 30, 2012 is projected at \$47.3 million, which is in accordance with City Council policy.

**General Fund Summary (September 30, 2012)**

	Adopted Budget	Amended Budget	YTD Actual	Percent Realized
Revenues & Transfers In	\$ 31,800,333	\$ 31,821,291	\$ 4,127,650	13.0%
Expenditures & Transfers Out	31,755,525	31,873,871	6,237,592	19.6%
Revenues Over/(Under) Expenditures	\$ 44,808	(52,580)	\$ (2,109,942)	
Available Fund Balance, July 1 (estimated)		47,385,037		
Available Fund Balance, End of Period (estimated)		\$ 47,332,457		

**General Fund Revenues.** The top eight revenue sources account for approximately 94.9% of the total projected General Fund revenues. By focusing on these, we can obtain an excellent understanding of the General Fund revenue position.

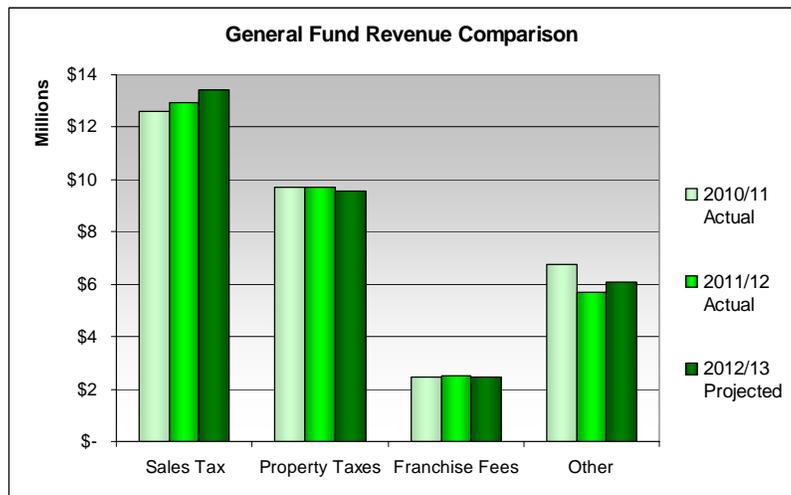


Overall, these key revenues are performing as projected for the first quarter based on payment schedules and past trends with major variances noted below. Total revenues through September are at approximately 13.0% of total budget, compared to prior year, revenues to date were 12.6% of budget.

Revenue Sources	Adopted Budget	Amended Budget	YTD Actual	Percent Realized
Sales Tax	\$ 13,435,000	\$ 13,435,000	\$ 2,571,026	19.1%
Property Tax	9,538,870	9,538,870	96,325	1.0%
Franchise Fees	2,468,900	2,468,900	70,973	2.9%
Transient Occupancy Tax	1,685,000	1,685,000	514,889	30.6%
Business Tax	1,292,000	1,292,000	321,191	24.9%
Development Services	868,190	868,190	197,508	22.8%
Building Permits	600,000	600,000	109,839	18.3%
Investment Income	300,050	300,050	826	0.3%
Total	30,188,010	30,188,010	3,882,576	12.9%
Other Revenue Sources	1,312,323	1,333,281	245,074	18.4%
Transfers In	300,000	300,000	-	0.0%
<b>Total Fund Revenue</b>	<b>\$ 31,800,333</b>	<b>\$ 31,821,291</b>	<b>\$ 4,127,650</b>	<b>13.0%</b>

➤ **Sales Tax** – The City has received 19.1% of the budgeted Sales Tax, compared to 17.4% this time last year. Included under this revenue projection of \$13,435,000 is the In-Lieu Sales Tax (\$3,390,000) which is received in two installments in January and May.

➤ **Property Tax** - The first of two major apportionments occur in December with the second following in April. Also included under this revenue projection of \$9,538,870 is the In-Lieu Motor Vehicle Fees (\$5,048,930) which is to be received in two equal installments in January and May.



➤ **Franchise Fees** - The majority of the Franchise Fees are received in April.

➤ **Transient Occupancy Tax (TOT)** – The City has received 30.6% of the budgeted TOT, compared to 29.2% first quarter last year.

➤ **Business Tax** – As of the first quarter, 24.9% of the budgeted revenue has been realized. With 25% of the fiscal year lapsed, this revenue is tracking as projected.

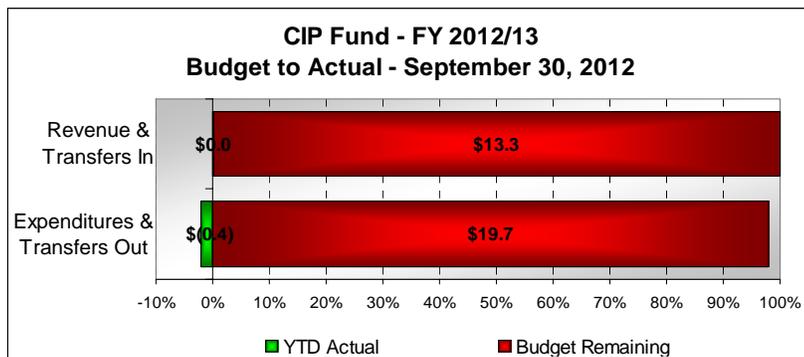
➤ **Development Services** - This revenue is slightly lower than anticipated with 22.8% of budget realized, but higher than the 11.8% received through first quarter 2011. This revenue should meet current year projections with planned development later in the fiscal year.

**General Fund Expenditures.** As illustrated in the table below, overall the majority of General Fund divisional expenditures are slightly lower than expected, averaging 23.0% of the annual budget. As of first quarter last year, 21.8% of budgeted expenditures had been disbursed.

Divisions	Adopted Budget	Amended Budget	YTD Actual	Percent Expended
City Council	\$ 720,207	\$ 720,207	\$ 175,852	24.4%
City Clerk	564,869	564,869	113,457	20.1%
City Attorney	453,871	453,871	79,645	17.6%
City Manager	924,924	932,174	175,997	18.9%
Finance	1,540,823	1,569,583	318,394	20.3%
Community Development	1,915,572	1,948,363	502,204	25.8%
Code Compliance	735,870	735,870	155,625	21.2%
Police	15,202,706	15,217,706	3,563,783	23.4%
DART	17,710	17,710	3,626	20.5%
Building & Safety	580,656	580,656	163,461	28.2%
Public Works	1,618,038	1,622,982	348,080	21.5%
Cultural Arts Services	659,138	662,488	132,342	20.0%
Economic Development	311,041	337,292	100,118	29.7%
Non Departmental	7,500	7,500	8	0.1%
Total	25,252,925	25,371,271	5,832,592	23.0%
Transfers Out	6,502,600	6,502,600	405,000	6.2%
<b>Total Fund Expenditures</b>	<b>\$ 31,755,525</b>	<b>\$ 31,873,871</b>	<b>\$ 6,237,592</b>	<b>19.6%</b>

Building & Safety and Economic Development divisions have expended slightly higher than the expected 25% primarily due to first of year standing accruals and annual costs expended in the first quarter of the fiscal year.

### 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 27, 2012, the City Council approved year one of the City's Five-Year Capital Improvement Program 2012-2017 with a

total expenditure budget of \$26.3 million. Included in that total is \$10.4 million of funding, and \$12.4 million expenditures in the CIP Fund for new or existing capital projects. 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, 2012)**

	Adopted Budget	Amended Budget	YTD Actual	Percent Realized
Revenues & Transfers In	\$ 10,734,500	\$ 13,271,594	\$ 25,999	0.2%
Expenditures & Transfers Out	12,730,000	19,252,619	(407,205)	-2.1%
Revenues Over/(Under) Expenditures	\$ (1,995,500)	(5,981,025)	\$ 433,204	
Available Fund Balance, July 1 (estimated)		11,677,917		
Available Fund Balance, End of Period (estimated)		\$ 5,696,892		

Funding for the CIP projects comes from a variety of sources including Federal, State, County, capital fees collected from developers, and transfers from the General Fund and the Transportation Fund.

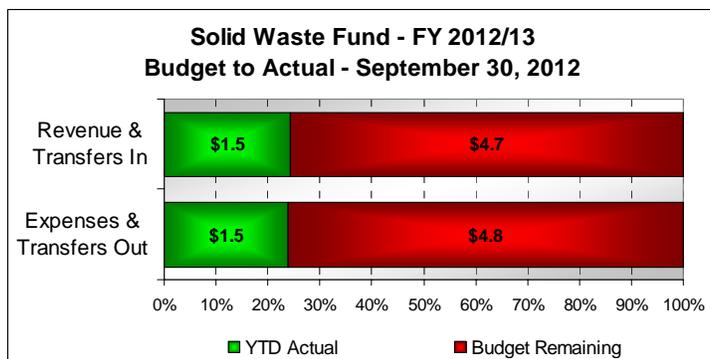
At this point in the fiscal year, the CIP Fund has recognized 0.2% of the projected revenues. Federal Capital Grants for transportation projects are the primary source, and funds are typically drawn down on a reimbursement basis after the expenditures are incurred. Investment earnings had not been posted as of this report. There is typically a delay at the first of the fiscal year due to the audit processes.

Revenue Sources	Adopted Budget	Amended Budget	YTD Actual	Percent Realized
Grants	\$ 6,459,000	\$ 8,996,094	\$ -	0.0%
Development Services	165,000	165,000	25,999	15.8%
Investment Income	75,500	75,500	-	0.0%
Contributions	300,000	300,000	-	0.0%
Total	6,999,500	9,536,594	25,999	0.3%
Transfers In	3,735,000	3,735,000	0	0.0%
<b>Total Fund Revenue</b>	<b>\$ 10,734,500</b>	<b>\$ 13,271,594</b>	<b>\$ 25,999</b>	<b>0.2%</b>

The budgeted expenditures for this fund total \$18,952,619, and a transfer to the General Fund of \$300,000. The negative expenditure total of \$407,205 was due to a refund from the prior period. The following represents the projects that account for the majority of expenditures to date:

Project Expenditures		Adopted Budget	Amended Budget	YTD Actual	Percent Expended
Adolfo Road Widening Phase 1	ST0005	\$ -	\$ 672,821	\$ 167,274	24.9%
Springville Interchange	ST0102	-	432,300	97,468	22.6%
<b>Total Major Projects</b>		<b>\$ -</b>	<b>\$ 1,105,121</b>	<b>\$ 264,742</b>	<b>24.0%</b>

**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.

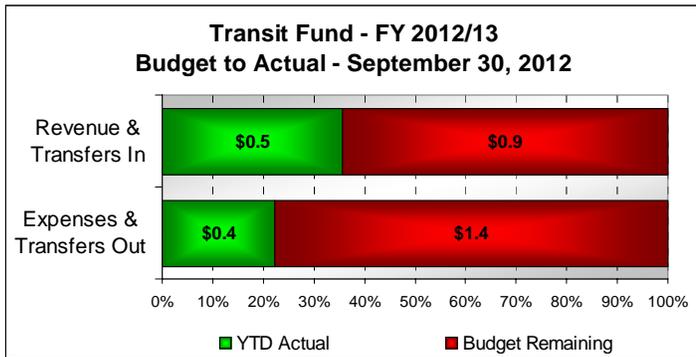
The Solid Waste Fund has recognized 23.5% of projected revenues and 24.0% of budgeted expenses. Both revenues and expenses are

meeting projections through the first quarter.

**Solid Waste Summary (September 30, 2012)**

	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
<b><u>Revenues</u></b>				
Solid Waste Services	\$ 6,071,530	\$ 6,071,530	\$ 1,437,795	23.7%
Grants	36,738	36,738	-	0.0%
Other Revenue Sources	80,300	80,300	19,010	23.7%
<b>Total Solid Waste Fund Revenue</b>	<b>6,188,568</b>	<b>6,188,568</b>	<b>1,456,805</b>	<b>23.5%</b>
<b><u>Expenses</u></b>				
Operating Expenses	6,337,555	6,369,280	1,525,197	24.0%
<b>Total Solid Waste Fund Expenses</b>	<b>\$ 6,337,555</b>	<b>\$ 6,369,280</b>	<b>\$ 1,525,197</b>	<b>24.0%</b>
Revenues Over/(Under) Expenses	(148,987)	(180,712)	(68,392)	
Available Fund Balance, July 1 (estimated)		<u>1,053,615</u>		
Available Fund Balance, End of Period (estimated)		\$ 872,903		

**TRANSIT FUND (810)**



The Transit Fund is where costs associated with operating the City’s transit system are recorded. Funding for the Transit Fund comes from a variety of sources including Federal Grants, ridership fares, and transfers from the General Fund and the Air Quality Fund. Federal Transit Administration (FTA) Grants provide for a majority of the revenues received in this fund, which are received at fiscal year end, after all the expenses are incurred. The Transit Fund relies

on interfund transfers to meet its operational needs. This fund includes the City’s portion of the costs of the intercity bus that is operated by the Ventura County Transportation Commission (VCTC).

The Transit Fund has recognized 36.9% of projected revenues and transfers in, and 19.7% of budgeted expenses and transfers out. Revenues appear above projections through the first quarter due to the timing of a pass-through receipt of \$150,000 that had not yet been disbursed. After adjusting for that anomaly, 26.6% of projected revenues have been realized, which is aligned with the City projections.

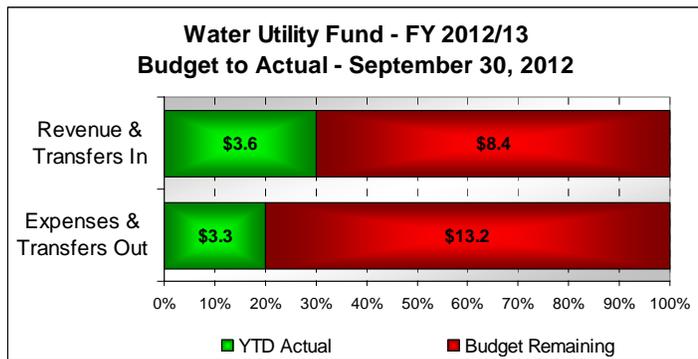
**Transit Fund Summary (September 30, 2012)**

	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
<b><u>Revenues</u></b>				
Transit Services	\$ 92,000	\$ 92,000	\$ 14,274	15.5%
Grants	636,080	636,080	72,569	11.4%
Other Revenue Sources	2,500	2,500	150,000	6000.0%
Total	730,580	730,580	236,843	32.4%
Transfers In	725,000	725,000	300,000	41.4%
Total Transit Fund Revenue	1,455,580	1,455,580	536,843	36.9%
<b><u>Expenses</u></b>				
Operating Expenses	1,298,622	1,298,622	243,354	18.7%
Capital Purchases	104,000	194,164	90,712	46.7%
Depreciation	144,200	144,200	-	0.0%
Metrolink Station Maint.	88,075	88,075	15,804	17.9%
Operating Expenses				
Total	1,634,897	1,725,061	349,870	20.3%
Transfers Out	50,000	50,000	-	0.0%
Total Transit Fund Expenses	\$ 1,684,897	1,775,061	\$ 349,870	19.7%
Revenues Over/(Under) Expenses	(229,317)	(319,481)	186,973	
Available Fund Balance, July 1 (estimated)		645,644		
Available Fund Balance, End of Period (estiamted)		\$ 326,163		

Operating expenses appear lower than expected at 18.7% due to a one-month lag in transit service contract disbursements. At this juncture, the expenses are tracking as anticipated.

**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. The City provides water and associated maintenance to approximately 13,270 customers. Four other water companies provide water to Camarillo residents.



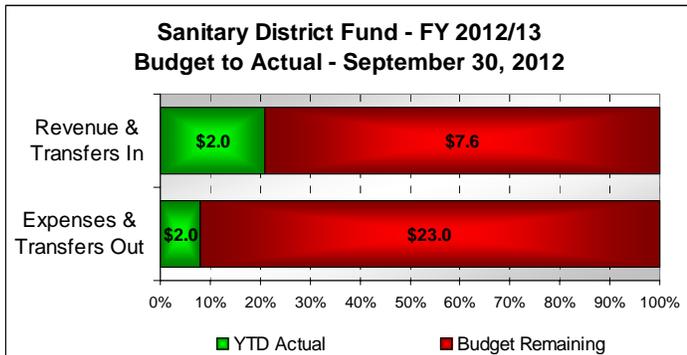
The Water Utility Fund has recognized 29.9% of projected revenues and 19.7% of budgeted expenses and transfers out, compared to last fiscal year 31.5% and 23.1% respectively. Revenues are above projections through the first quarter due to better than expected Water Sales, 32.0% received to date, primarily due to weather conditions, and Capital Improvement Fees that exceeded budget by \$110 thousand. Expenses are under budget primarily due to capital projects

that have not begun.

**Water Utility Fund Summary (September 30, 2012)**

	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
<b><u>Revenues</u></b>				
Water Sales	\$ 7,944,750	\$ 7,944,750	\$ 2,544,857	32.0%
Base Rate Charges	2,648,000	2,648,000	573,240	21.7%
Other Water Services Revenue Sources	995,530	995,530	228,187	22.9%
Capital Improvement Fees	10,000	10,000	120,296	1203.0%
Investment Income	177,150	177,150	-	0.0%
Other Revenue Sources	216,883	216,883	112,879	52.1%
<b>Total Water Utility Fund Revenue</b>	<b>11,992,313</b>	<b>11,992,313</b>	<b>3,579,459</b>	<b>29.9%</b>
<b><u>Expenses</u></b>				
General & Administrative	2,480,633	2,791,565	544,382	19.5%
Maintenance & Operations	9,299,871	9,310,302	2,571,400	27.6%
Debt Service	13,300	13,300	6,642	49.9%
Capital Purchases	598,000	598,220	-	0.0%
Capital Projects	2,200,000	2,556,608	129,538	5.1%
Depreciation	849,750	849,750	-	0.0%
<b>Total</b>	<b>15,441,554</b>	<b>16,119,745</b>	<b>3,251,962</b>	<b>20.2%</b>
Transfers Out	400,000	400,000	-	0.0%
<b>Total Water Utility Fund Expenses</b>	<b>15,841,554</b>	<b>16,519,745</b>	<b>3,251,962</b>	<b>19.7%</b>
Revenues Over/(Under) Expenses	\$ (3,849,241)	(4,527,432)	\$ 327,497	
Available Fund Balance, July 1 (estimated)		<u>52,598,061</u>		
Available Fund Balance, End of Period (estimated)		\$ 48,070,629		

**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 20.4% of projected revenues, and 7.9% of budgeted expenses. Revenues are tracking as expected with the exception of Capital Improvement Fees that have exceeded projections by \$82 thousand.

**Sanitary District Summary (September 30, 2012)**

<b>All Sanitary District Funds</b>	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
<b><u>Revenues</u></b>				
Regular Rate Charges	\$ 7,410,000	\$ 7,410,000	\$ 1,582,363	21.4%
Property Taxes	942,920	942,920	5,818	0.6%
Base Rate Charges	812,000	812,000	164,229	20.2%
Billing & Penalty Fees	186,890	186,890	47,062	25.2%
Other Revenue Sources	181,410	181,410	51,730	28.5%
Capital Improvement Fees	30,000	30,000	112,095	373.7%
Investment Income	79,050	79,050	-	0.0%
<b>Total Sanitary District Revenue</b>	<b>9,642,270</b>	<b>9,642,270</b>	<b>1,963,297</b>	<b>20.4%</b>
<b><u>Expenses</u></b>				
General & Administrative	2,511,324	2,543,067	522,291	20.5%
Maintenance & Operations	4,746,637	4,786,642	854,164	17.8%
Debt Service	1,456,600	1,456,600	(73,711)	-5.1%
Capital Purchases	336,000	349,752	18,467	5.3%
Capital Projects	11,030,000	13,712,977	648,360	4.7%
Depreciation	2,070,350	2,070,350	-	0.0%
<b>Total Sanitary District Expenses</b>	<b>22,150,911</b>	<b>24,919,388</b>	<b>1,969,571</b>	<b>7.9%</b>
Revenues Over/(Under) Expenses	\$(12,508,641)	(15,277,118)	\$ (6,274)	
Available Fund Balance, July 1 (estimated)		<u>62,756,740</u>		
Available Fund Balance, End of Period (estimated)		\$ 47,479,622		

The following summary highlights the Sanitary District Funds individually:

<b>Operating Fund (871)</b>	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
Revenues	\$ 8,615,900	\$ 8,615,900	\$ 1,844,177	21.4%
Expenses & Transfers Out	11,302,261	11,374,009	1,376,455	12.1%
<b>Debt Service Fund (872)</b>	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
Revenues & Transfers In	\$ 1,475,470	\$ 1,475,470	\$ 7,011	0.5%
Expenses & Transfers Out	5,656,600	5,656,600	(73,711)	-1.3%
<b>Capital Projects Fund (873)</b>	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>Percent Realized</b>
Revenues & Transfers In	\$ 5,700,900	\$ 5,700,900	\$ 112,109	2.0%
Expenses	11,366,000	14,062,729	666,827	4.7%

Operating Fund revenues are tracking as expected, with 21.4% of budget received. Expenses are slightly under projections at 14.6%, compared with 15.8% this time last year.

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 are under budget due to a reclass of prior period bond interest of \$73,711 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 annual Special Assessment (\$153,370) is not anticipated until June 2013. The revenues are currently tracking at 1.8% of budget, compared to 3.5% through first quarter last fiscal year.

**Library Operating Fund (284)** – The first apportionment of the primary revenue (Property Taxes) will not be received until December.

**Risk Management Fund (510)** - Liability and property insurance premiums are due in full at the beginning of each fiscal year. Thus the 69.7% expenditures ratio, which is slightly lower than 71.4% last year.

## SUMMARY

With the first quarter of the fiscal year complete, all revenues are tracking at 15.8% of budget, compared with 15.5% last year. Our expenditures are at 14.8%, compared with 15.4% 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,



Ronnie J. Campbell  
Director of Finance