



# City of Camarillo

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## First Quarter Budget Report Fiscal Year 2020/21 *July 1 through September 30, 2020*

To: Greg Ramirez, City Manager

From: Mark Uribe, Interim Director of Finance

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### OVERVIEW

The City of Camarillo First Quarter Financial Report summarizes the City's financial information from July 1 through September 30, 2020 compared to budgetary estimates. In order to provide a perspective, much of the discussion in this First Quarter review will be a comparison of actual revenues and expenditures through September year-over-year, stated as a percentage of total budget.

Overall, the FY 2020/21 First Quarter Budget Report reflects that revenues and expenditures are consistent with projections made in the FY 2020/21 Adopted Budget. There are no major fluctuations that require recommended budget adjustments at this time. However with the delay of information including the timing of sales tax revenues which are typically finalized one quarter after the actual sale transaction, the timing of property tax receipts being December and April, and delays affecting other revenues, pandemic outcomes will continue to be studied and refined in preparation for the midyear budget report.

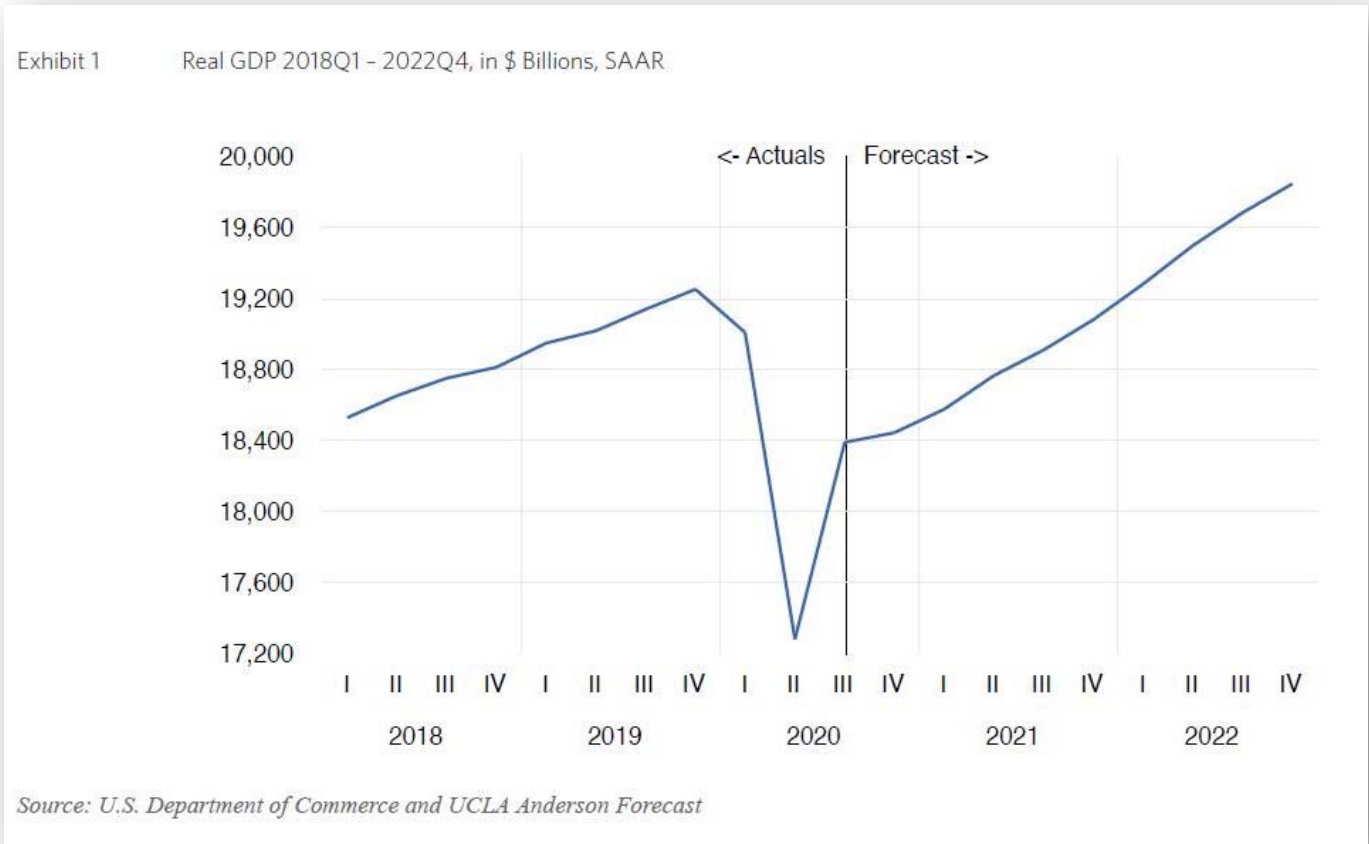
The General, Citywide Lighting and Landscape, Capital Improvement Projects (CIP), Solid Waste, Transit, Water, and Sanitary District Funds are considered "**major funds**" and are our primary focus since their budgets represent the majority of the City's total budget.

### EXECUTIVE SUMMARY

During the FY 2020/21 Budget development, the economic impacts of the COVID-19 pandemic were a large variable to contend with. Sales tax and transient occupancy tax revenues were immediately affected with store closures and stay-at-home orders. The economic shutdown resulted in a steep recession, and the question became: how will the recovery look? Economists opinions ranged from an "L-shaped" curve to a "V-shaped" curve.

The results of first quarter economic data for FY 2020/21 show there was a V-shaped bounce back, illustrated in the U.S. Gross Domestic Product graph below. This steep recovery can be attributed to the reopening of businesses, and the swift Federal stimulus package. Most economic

forecasts show a more gradual recovery moving forward. That modest continued recovery outlook is largely based on the path of the pandemic. The projection illustrated below assumes that an effective vaccine would be widely available in 2021.



Closer to home, Ventura County upgraded to the Red Tier of the Governor’s scale on October 6<sup>th</sup>. This meant a relaxation of restrictions, including retail stores were able to open up to 50% of indoor capacity, up from 25% previously. If the virus metrics continue to improve, the County may be eligible to move to the Orange Tier by October 27<sup>th</sup>, which would mean retail stores could open to 100% capacity.

Overall, the FY 2020/21 First Quarter Budget Report reflects that revenues and expenditures are consistent with projections made in the FY 2020/21 Adopted Budget. There are no major fluctuations that require recommended budget adjustments at this time.

Most revenues and expenditures do not occur uniformly throughout the year, so at the end of the first quarter we would not expect to see 25% of the annual budget realized in actual activity. For example: property tax revenue is the largest revenue source to the General Fund for FY 2020/21 and it is received primarily in two installments – December and April. Therefore, at the end of September, the actual property tax revenue received would be minimal compared to the budget. Based on that data, there would be no indication that we should adjust our projections for the year. Given the dynamic timing of revenues and expenditures, our first quarter analysis compares actual activity for the period to the actual activity over the same period in the previous year to

measure consistency. That measurement is stated in terms of actual revenue or expenditures as percentage of the annual budget.

The Mid-Year Budget Review scheduled for January 2021 is typically the time to consider any adjustments to the annual budget because we would have six months of data for analysis to make more informed budgetary decisions.

**GENERAL FUND (101)**

The General Fund is where the majority of discretionary funds are recorded and the majority of general municipal services are provided. Operating transfers are made to the Citywide Lighting & Landscape and Library Debt Service Funds. In FY 2020/21 the Transit Fund will receive CARES Act funding, therefore no General Fund transfer is required. In addition, the General Fund will transfer a portion of its fund balance commitment for the Dizdar Park project to the Camarillo Corridor Project Fund.

**General Fund Summary (September 30, 2020)**

	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
Revenues & Transfers In	\$43,120,245	\$40,706,047	\$40,706,067	\$ 2,475,653	6.1%
Expenditures & Transfers Out	39,430,332	40,216,792	41,700,356	7,184,585	17.2%
Revenues Over/(Under) Expenditures	3,689,913	489,255	(994,289)	(4,708,932)	
Fund Balance, July 1	62,483,407	66,173,320	66,173,320		
Fund Balance, End of Period	<u>\$66,173,320</u>	<u>\$66,662,575</u>	<u>\$65,179,031</u>		

**Fiscal Year 2019/2020**

The FY 2019/20 unaudited fund balance is \$66.2 million, \$2.2 million (3.5%) greater than anticipated. Overall, revenues exceeded budget by \$913,442 (2.1%), while expenditures and transfers came in under budget by \$974,408 (2.5%) and \$316,923 (0.8%), respectively.

The primary revenues exceeding budget for the year were:

- Investment Earnings. An increase of \$313,480 is due to a year-end adjustment for net fair value of the City’s investment portfolio. This is a non-cash entry required by the Governmental Accounting Standards Board (GASB).
- Building Permits and Development Services. Revenues from development activity exceeded the budget by approximately \$480,000, primarily from strong building activity that unexpectedly continued through the months of the COVID emergency.
- Property Tax. Revenues exceeded budget by approximately \$140,000, or less than 1%.

Expenditures for the year came in under budget primarily in the following areas:

- Service Contracts. Savings on various contracts of approximately \$540,000 were realized at the end of the fiscal year. These include the Ventura County Sheriff contract for

vacancies throughout the year, and consultant services related to projects or programs that were either cancelled or postponed, primarily due to the pandemic.

- **Internal Service Allocation Costs.** Certain costs for activities or purchases are centralized in an Internal Service Fund and allocated out to the various departments based on their usage. For example, Information Technology (IT) costs such as computers, phones, and network storage are allocated out to the various departments based on their number of users. Savings for FY 2019/20 in Internal Service Costs of approximately \$250,000 were primarily due to maintenance or equipment purchases that were postponed.
- **Personnel Costs.** Savings of approximately \$190,000 resulted from vacancies throughout the fiscal year.

Operating transfers out were less than expected by \$316,923 primarily due to expenditure savings of \$60,000 in lighting and landscape and \$249,000 in transit operations, therefore reducing the required transfer out of the General Fund to cover those costs.

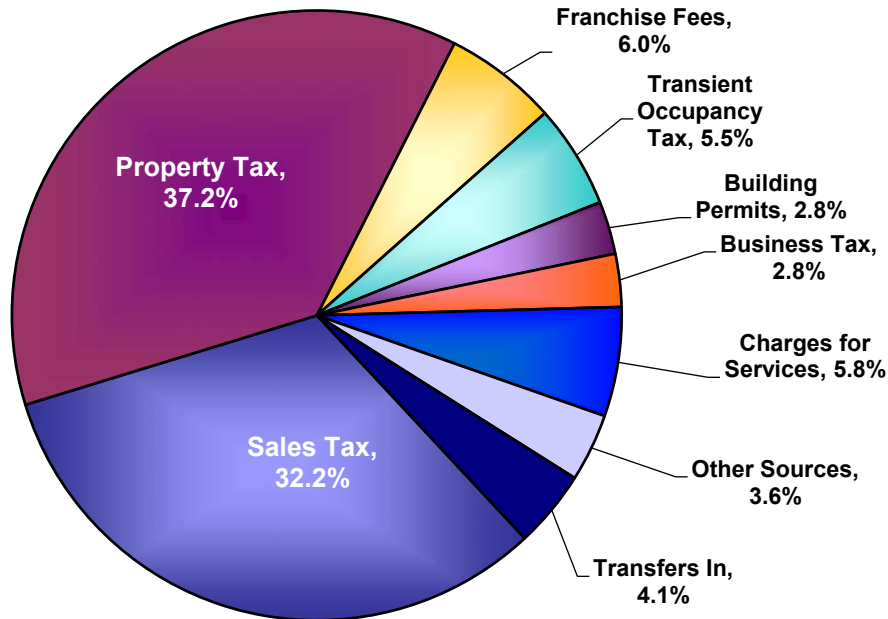
### **Fiscal Year 2020/2021 First Quarter**

The current budget is operationally balanced, with estimated operating revenues exceeding estimated operating expenditures by approximately \$256,000. During the first quarter, City Council appropriated \$1.0 million for the City's Business Assistance Grant Program and \$250,000 for the barricade reimbursement program. These one-time programs will be funded by the General Fund Economic Development Commitment fund balance.

As of September 30, the General Fund has recorded approximately 6.1% of the projected revenues and approximately 17.2% of budgeted expenditures and transfers. These percentages are consistent with prior year percentage of budget trends of 5.8% and 16.6% respectively over the same measurement period. Transfers to other funds are recorded on an as-needed basis, and typically occur toward the end of the fiscal year.

**General Fund Revenues.** The economic impacts of the COVID 19 pandemic are anticipated to affect sales tax and transient occupancy tax primarily due to the pandemic-driven economic shutdown and anticipated recovery from the resulting recession. The anticipated impacts were factored into projections in the FY 2020/21 Adopted Budget. Actual consumer behavior and the state's guidelines and restrictions in the phased re-opening process could not be anticipated. There are seven primary revenue sources that account for approximately 92.3% of the total projected General Fund revenues.

## General Fund Revenue Composition



Revenue Sources	FY 2019/20		FY 2020/21		
	Prior Year Actual	Adopted Budget	Current Budget	As of September 30	Percent Realized
Sales Tax	\$ 13,331,297	\$ 13,096,512	\$ 13,096,512	\$ 1,061,991	8.1%
Property Tax	16,289,540	15,149,137	15,149,137	146,411	1.0%
Franchise Fees	2,773,835	2,449,277	2,449,297	73,169	3.0%
Transient Occupancy Tax	2,227,001	2,228,480	2,228,480	332,957	14.9%
Building Permits	1,130,799	1,132,049	1,132,049	265,546	23.5%
Business Tax	1,372,952	1,143,226	1,143,226	357,279	31.3%
Charges for Services	2,246,711	2,361,000	2,361,000	138,243	5.9%
<b>Total</b>	<b>39,372,135</b>	<b>37,559,681</b>	<b>37,559,701</b>	<b>2,375,596</b>	<b>6.3%</b>
Other Revenue Sources	2,602,239	1,482,556	1,482,556	100,057	6.8%
Transfers In	1,145,871	1,663,810	1,663,810	-	0.0%
<b>Total Fund Revenue</b>	<b>\$ 43,120,245</b>	<b>\$ 40,706,047</b>	<b>\$ 40,706,067</b>	<b>\$ 2,475,653</b>	<b>6.1%</b>

- **Sales Tax** – The City has realized 8.1% of the \$13.1 million annual budgeted Sales Tax, compared to 8.7% realized for the first quarter last year.
- **Property Tax** – Very little property tax revenue is received in the 1<sup>st</sup> Quarter of the Fiscal Year. The first of two major apportionments is received in December with the second following in April. Property tax is the largest revenue source for the General Fund in FY 2020/21 and was not negatively impacted by the pandemic-induced recession.
- **Franchise Fees** – Gas and electric Franchise Fees are received in April. Refuse fees are received monthly and cable franchise fees are received quarterly. Both refuse and cable fees are trending consistent with the first quarter of FY 19/20.
- **Transient Occupancy Tax (TOT)** - The City has received 14.9% of the annual budgeted TOT, compared with 18.2% at the first quarter last fiscal year. Average occupancy for the

1<sup>st</sup> quarter was 63.3%, lower than the 80.76% reported over the same period last fiscal year. The decrease can be attributed to COVID-19 travel restrictions

- **Business Tax** - As of September 30, 31.3% of the annual budgeted revenue has been received, which is higher than the 25.9% at this time last fiscal year.
- **Development Services** - This revenue is primarily from Zoning and Planning Fees, Subdivision Fees, and Engineering Inspection Fees received early in the development process. This revenue fluctuates due to the timing of planned development projects. Through September 30, 9.2% of the annual budget had been realized, compared with 48.6% last fiscal year.
- **Building Permits** - This revenue fluctuates due to the timing of planned development projects. In the first quarter, 23.5% of the annual budgeted revenue was realized, compared to 26.3% in the 1<sup>st</sup> quarter last FY.

**General Fund Expenditures and Transfers.** As illustrated in the table below, the majority of the General Fund divisional expenditures and transfers are trending consistent with prior year, averaging 17.2% of the annual budget compared with 16.0% from the first quarter last fiscal year.

Divisions	FY 2019/2020		FY 2020/21		
	Prior Year Actual	Adopted Budget	Current Budget	As of September 30	Percent Expended
City Council	\$ 584,546	\$ 432,352	\$ 429,852	\$ 98,187	22.8%
City Clerk	644,445	578,833	578,833	119,127	20.6%
City Attorney	705,301	633,252	633,252	61,916	9.8%
City Manager	1,881,665	1,754,127	1,756,627	265,611	15.1%
Community Relations	-	205,713	205,713	38,238	18.6%
Finance	1,485,486	1,394,250	1,394,263	267,609	19.2%
Human Resources	387,444	337,515	337,515	70,360	20.9%
Community Development	1,558,950	1,803,616	1,922,934	379,592	19.7%
Code Compliance	744,785	748,108	748,108	138,571	18.5%
Police	17,534,847	18,130,442	18,130,442	2,663,259	14.7%
DART	8,254	19,428	19,428	677	3.5%
Building & Safety	871,634	808,290	808,290	25,086	3.1%
Public Works	1,575,080	2,062,370	2,182,435	464,920	21.3%
Traffic/Signal Maintenance	1,011,351	993,757	998,307	157,946	15.8%
Storm Water Management	751,657	877,178	882,839	84,968	9.6%
Street Maintenance	2,278,805	2,152,903	2,152,903	428,268	19.9%
Cultural Arts Services	605,246	327,409	296,366	51,823	17.5%
Library Operations	2,516,932	3,984,163	3,984,163	725,204	18.2%
Economic Development	432,162	433,057	1,698,057	1,143,223	67.3%
Non Departmental	11,701	-	-	-	0.0%
<b>Total</b>	<b>35,590,291</b>	<b>37,676,763</b>	<b>39,160,327</b>	<b>7,184,585</b>	<b>18.4%</b>
Transfers Out	3,840,043	2,540,029	2,540,029	-	0.0%
<b>Total Fund Expenditures</b>	<b>\$ 39,430,334</b>	<b>\$ 40,216,792</b>	<b>\$ 41,700,356</b>	<b>\$ 7,184,585</b>	<b>17.2%</b>

All General Fund division expenditures are trending consistent with the prior year percentage of budget through the first quarter of the fiscal year. Funding for the \$1.0 million economic development grant program was disbursed in July 2020.

The projected fund balance at June 30, 2021 is \$64.4 million. During the FY 2020/21 annual budget process, the City Council committed \$49.5 million of the General Fund balance for the following: Council reserve goal, economic development, Dizdar park renovations, natural disaster recovery, Pleasant Valley Rec. and Park District (Senior Center), Camarillo springs debris barrier remediation maintenance, and other anticipated outflows. To date, Council has authorized the use of \$1.25 million in economic development committed funds for business assistance and grant programs resulting from the COVID-19 pandemic.

**Citywide Lighting & Landscape District Fund (220)**

The Citywide Lighting and Landscape Maintenance District supports maintenance throughout the City. The primary source of funding is the City’s share of the 1% ad valorem property tax which is designated for this purpose. Property tax revenues are projected to be \$2.2 million with a General Fund transfer covering the remainder of the operating costs.

**Citywide Lighting and Landscape Fund Summary (September 30, 2020)**

	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
Revenues & Transfers In	\$ 4,493,786	\$ 4,036,250	\$ 4,036,250	\$ 16,061	0.4%
Expenditures & Transfers Out	4,554,674	4,032,687	4,097,158	717,898	17.5%
Revenues Over/(Under) Expenditures	(60,888)	3,563	(60,908)	(701,837)	
Fund Balance, July 1	60,888	-	-		
Fund Balance, June 30	\$ -	\$ 3,563	\$ (60,908)		

Through the first quarter of FY 2020/21, the Fund has recognized a minimal amount of the projected revenues and transfers in, due to the timing of property tax payments to be received in December and April.

Through September 30, 2020, \$717,898 million or 17.5% of annual budgeted expenditures have been disbursed. This is consistent with the 19.6% of annual budgeted expenditures recorded over the same period last fiscal year.

**CAPITAL IMPROVEMENT PROJECTS FUND (410)**

The Capital Improvement Projects (CIP) Fund accounts for the City’s general capital projects, primarily the Annual Pavement Program. Revenues and expenditures are budgeted in the fiscal year corresponding with the various stages of the projects.

On June 10, 2020, the City Council approved year one of the City’s 2020-2025 Five-Year Capital Improvement Program. The citywide CIP Plan includes a total expenditure budget of \$41 million for FY 2020/21, of which \$3,710,000 was budgeted in the CIP Fund (410). The current budget includes carry-over funding for ongoing projects from prior fiscal years and any budget changes approved by the City Council in the current fiscal year.

## Capital Improvement Projects Fund Summary (September 30, 2020)

	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
Revenues & Transfers In	\$ 5,035,576	\$ 3,710,000	\$ 7,368,712	\$ 1,327,766	18.0%
Expenditures & Transfers Out	5,335,343	3,710,000	8,919,690	1,344,190	15.1%
Revenues Over/(Under) Expenditures	(299,767)	-	(1,550,978)	(16,424)	
Fund Balance, July 1	6,800,322	6,500,555	6,500,555		
Fund Balance, June 30	<u>\$ 6,500,555</u>	<u>\$ 6,500,555</u>	<u>\$ 4,949,577</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. Through the first quarter of FY 2020/21, the CIP Fund has realized 18.0% of the projected annual revenues and transfers in.

Timing of capital projects fluctuates throughout the year. Through September 30, 2020, \$1.3 million or 15.8% of total budgeted expenditures have been disbursed.

### **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.

### **Solid Waste Fund Summary (September 30, 2020)**

	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
<b><u>Revenues</u></b>					
Solid Waste Services	\$ 7,601,466	\$ 7,795,891	\$ 7,795,891	\$ 1,253,920	16.1%
Grants	51,470	36,086	36,086	-	0.0%
Other Revenue Sources	64,918	86,230	86,230	(334)	-0.4%
Total Solid Waste Fund Revenue	<u>7,717,854</u>	<u>7,918,207</u>	<u>7,918,207</u>	<u>1,253,586</u>	<u>15.8%</u>
<b><u>Expenses</u></b>					
Operating Expenses	7,653,779	7,931,688	7,931,688	1,285,945	16.2%
Total Solid Waste Fund Expenses	<u>7,653,779</u>	<u>7,931,688</u>	<u>7,931,688</u>	<u>1,285,945</u>	<u>16.2%</u>
Revenues Over/(Under) Expenses	64,075	(13,481)	(13,481)	(32,359)	
Working Capital, July 1	350,591	422,451	422,451		
Adjustment to Working Capital	7,785	1,000	1,000		
Working Capital, June 30	<u>\$ 422,451</u>	<u>\$ 409,970</u>	<u>\$ 409,970</u>		

Through the first quarter of FY 2020/21, the Solid Waste Fund has recognized 15.8% of annual projected revenues and 16.2% of annual budgeted expenses, compared with last fiscal year at 16.9% and 18.4% respectively.



**TRANSIT FUND (810)**

Costs associated with operating the City’s transit system are recorded in the Transit Fund. The City receives Federal Transit grants of approximately \$1.4 million each year, with the General Fund providing a matching portion to cover actual transit expenses. Grants are received on a reimbursement basis after expenses have been incurred.

**Transit Fund Summary (September 30, 2020)**

	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
<b><u>Revenues</u></b>					
Transit Services	\$ 158,230	\$ 193,500	\$ 193,500	\$ 4,645	2.4%
Grants	1,481,005	3,150,126	3,150,126	-	0.0%
Other Revenue Sources	1,418	-	-	-	0.0%
Total	1,640,653	3,343,626	3,343,626	4,645	0.1%
Transfers In	961,608	-	-	-	0.0%
Total Transit Fund Revenue	2,602,261	3,343,626	3,343,626	4,645	0.1%
<b><u>Expenses</u></b>					
Operating Expenses	2,297,516	2,939,428	2,939,428	57,594	2.0%
Capital Purchases	214,730	150,000	150,000	-	0.0%
Grants/Allocations/Depreciation	258,180	254,198	254,198	5,925	2.3%
Total Transit Fund Expenses	2,770,426	3,343,626	3,343,626	63,519	1.9%
Revenues Over/(Under) Expenses	(168,165)	-	-	(58,874)	
Working Capital Balance, July 1	312,992	375,536	375,536		
Adjustments to Working Capital	230,709	225,768	225,768		
Working Capital, June 30	\$ 375,536	\$ 601,304	\$ 601,304		

In FY 2020/21, funding for the Transit Fund operations will come primarily from the CARES Act allocation for which there is no General Fund matching requirement. CARES Act money will be received from VCTC on a reimbursement basis.

In FY 2020/21, the Transit Fund has expended 1.9% of annual budgeted expenses through September 30, lower than the 8.5% received last year, primarily due to timing of transit service contract disbursements. Once disbursed to the Transit Operator, these costs will be submitted for reimbursement to the City.

**WATER FUNDS (860 thru 864)**

The Water Utility Fund is where revenue and expenses associated with the City’s water service, including Reclaimed Water, Water Conservation Credit, Water Capital Projects, and Water Debt 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 13,300 customers. Four other water districts service portions of the City, with the largest of these districts being Camrosa Water District, which serves customers east of Lewis Road. The Water Utility

Fund has been divided into five separate funds for budgeting and accounting purposes. For purposes of this report, the funds have been combined.

### Water Funds Summary (September 30, 2020)

All Water Funds	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
<b><u>Revenues</u></b>					
Water Service Charges	\$ 14,664,729	\$ 15,032,000	\$ 15,032,000	\$ 3,794,469	25.2%
Base Rate Charges					
Other Water Services Revenue Sources	394,466	434,045	434,045	49,556	11.4%
Investment Income	1,203,043	431,068	431,068	31	0.0%
Grants	4,920,554	-	-	-	0.0%
Other Revenue Sources	1,380,948	384,518	384,518	51,982	13.5%
Capital Improvement Fees	9,217	2,876,815	2,876,815	4,646	0.2%
Proceeds of Bonds Issued	13,032,338	-	-	-	0.0%
Total Water Funds Revenue	35,605,295	19,158,446	19,158,446	3,900,684	20.4%
<b><u>Expenses</u></b>					
General & Administrative	2,835,946	2,686,362	2,715,035	562,202	20.7%
Maintenance & Operations	10,717,674	10,812,891	10,845,129	2,105,990	19.4%
Water Conservation Credit	164,831	450,000	549,303	8,620	1.6%
Capital Purchases & Projects	14,314,987	26,645,000	50,948,160	3,583,829	7.0%
Debt Service	1,103,548	812,100	812,100	-	0.0%
Depreciation	1,044,572	1,031,932	1,031,932	-	0.0%
Total	30,181,558	42,438,285	66,901,659	6,260,641	9.4%
Revenues Over/(Under) Expenses	5,423,737	(23,279,839)	(47,743,213)	(2,359,957)	
Working Capital, July 1	44,118,361	49,062,419	49,062,419		
Adjustments to Working Capital	(479,679)	1,045,788	1,045,788		
Working Capital, June 30	\$49,062,419	\$ 26,828,368	\$ 2,364,994		

Through the first quarter of FY 2020/21 in total, the Water Funds have recognized 16.3% of annual projected revenues, compared to 34.0% last fiscal year. This is primarily due to the issuance of bonds for the Desalter Project last fiscal year.

Approximately 8.6% of annual budgeted expenses have been disbursed. This time last year, 16.4% of annual budgeted expenses and transfers out had been disbursed, primarily due to the timing of capital projects. General and maintenance year to date expenses of 20.7% and 19.4% realized this fiscal year to date are consistent with last fiscal year, 23.4% and 19.6% respectively.

### **SANITARY DISTRICT FUNDS (871 thru 873)**

The Camarillo Sanitary District (CSD) is a separate governmental entity, formed in 1955 to provide wastewater treatment services for approximately 14,919 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 and accounting purposes. For purposes of this report, the funds have been combined.

## Sanitary District Summary (September 30, 2020)

All Sanitary District Funds	FY 2019/20	FY 2020/21			
	Actuals	Adopted Budget	Current Budget	As of September 30	Percent Realized
<b>Revenues</b>					
Sewer Service Charges	\$ 14,015,327	\$ 13,600,000	\$ 13,600,000	\$ 2,725,297	20.0%
Property Taxes	1,274,488	1,261,166	1,261,166	8,329	0.7%
Base Rate Charges					
Other Revenue Sources	317,666	425,660	425,660	54,905	12.9%
Capital Improvement Fees	41,324	2,706,508	2,706,508	22,942	0.9%
Proceeds from Bonds Issued	-	-	-	-	0.0%
Investment Income	1,329,914	498,893	498,893	871	0.2%
Total Sanitary District Revenue	16,978,719	18,492,227	18,492,227	2,812,344	15.2%
<b>Expenses</b>					
General & Administrative	3,137,302	3,242,320	3,705,194	648,787	17.5%
Maintenance & Operations	5,224,562	6,111,458	6,111,253	932,575	15.3%
Debt Service	1,291,278	1,309,394	1,309,394	-	0.0%
Capital Projects & Purchases	790,980	8,072,000	17,290,353	132,223	0.8%
Grants/Allocations/Depreciation	2,629,865	2,629,785	2,629,785	-	0.0%
Total Sanitary District Expenses	13,073,987	21,364,957	31,045,979	1,713,585	5.5%
Revenues Over/(Under) Expenses	3,904,732	(2,872,730)	(12,553,752)	1,098,759	
Working Capital, July 1	49,855,852	56,289,815	56,289,815		
Adjustments to Working Capital	2,529,231	2,679,897	2,679,897		
Working Capital, June 30	\$56,289,815	\$ 56,096,982	\$ 46,415,960		

Through the first quarter of FY 2020/21, the Sanitary District Funds have recognized 15.2% of annual projected revenues, compared to 18.2% last fiscal year. Year to date expenses and transfers out are 5.5% of total annual budget, compared to 9.4% last fiscal year primarily due to timing of debt service payments and capital project activity.

Approximately of 5.3% of annual budgeted expenses have been disbursed. This time last year, 9.4% of annual budgeted expenses and transfers out had been disbursed primarily due to the timing of capital projects. General and maintenance year to date expenses of 17.5% and 15.3% of annual budget are consistent with last fiscal year, 20.7% and 17.8% respectively.

### **SUMMARY**

With the first quarter of the fiscal year complete, there are no significant changes to estimates in the FY 2020/21 revenue or expenditure budgets. Staff will continue to monitor economic conditions and the impacts on the City's revenues and expenditures closely and provide an updated a mid-year report in January 2021.

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 Rena Bassett, Budget Analyst at (805) 388-5320.