

Agenda Date: July 15, 2008  
 Agenda Item: 9B  
 Reviewed by Town Manager:

## Yountville Town Council Staff Report

**TO:** Mayor and Town Council  
**FROM:** Richard Stranzl, Finance Director & Treasurer  
**SUBJECT:** Monthly Financial Report – June 2008

This monthly report presents information concerning: the current status of our invested funds; fund balances; and the budget status of revenues, expenditures & transfers for all funds, as of June 30<sup>th</sup> 2008, the 12<sup>th</sup> and final month of fiscal year 2007-08. During July Staff will accrue many revenue and expenditures to the recently closed fiscal year 2007-08.

1. Monthly Investment Report.

The Town's available fund resources are invested in the State of California's Local Agency Investment Fund (LAIF). During May, LAIF had an average daily portfolio balance of \$72.5 Billion. On June 30<sup>th</sup> the Town had \$7,836,479 invested in LAIF. The average interest rate in May was 2.894% - down 18 basis points from May. Overall interest rates have been in decline since August 2007. While we earned 4.18% in the last quarter, the current monthly rate is 2.89% and further short-term declines are expected. This will result in a reduced rate of return for April-June quarterly earnings that will be received later in July.

2. General Fund.

The following table presents an overview of the General Fund Operating Budget as of May 31<sup>st</sup>.

General Fund Status – June 30, 2008			
	Budget	Actual	% Budget
Revenues	\$ 5,520,000	\$ 4,923,112	89%
Expenditures	4,193,700	3,932,660	94%
Net Surplus	1,326,300	990,450	n/a
Transfers In	22,600	22,600	100%
Transfers Out	- 1,319,200	- 816,774	62%
Unallocated Surplus	29,700		

Table data incorporates fifteen budget modifications approved through April 30<sup>th</sup>. The modified operating budget has a revised estimated surplus of \$29,700, as well as a contingency reserve of \$825,000 – nearly a 20% reserve for expenses (\$4,193,700).

The estimated surplus of \$29,700 incorporates the planned transfer of \$1,319,200 from the General Fund to other reserve, enterprise, special revenue and capital project funds.

General Fund Revenues.

Total General Fund revenues received in June were \$106,065; June is typically a slow revenue reporting month. We received a quarterly Sales Tax report from the State, as well as fees associated with CSD Recreation Programs.

Revenue items of note are outlined in the following table:

General Fund Revenue Activity of Note – June 2008		
Item	Amount	Note
Sales Taxes	38,500	advance + in-lieu
Rent	10,612	lease payment
Property Taxes	5,527	
Camp Program Fees	19,324	fees
Pool Program Fees	13,012	fees
Other Recreation Fees	2,434	ASP, other

During July the Town will receive from our hotel and inn operators the Transient Occupancy Tax revenues received during the May-June period. This revenue will be accrued to fiscal year 2007-08.

will receive LAIF 4<sup>th</sup> fiscal quarter investment earnings, franchise fee revenue, and a Sales Tax advance that will be accrued to the closed fiscal year.

Additionally, during July we

General Fund Expenses.

Total General Fund expenses during June were \$323,858. Expenses year to-date are generally as planned; the Town previously paid in-full its liability, property, and workers compensation insurance premiums for the year, and recently the CDF billed the Town for the 2<sup>nd</sup> semi-annual contractual installment for fire services to the Town. The General Fund transferred, as planned, a combined total of \$29,584 to various reserves, special revenue, capital maintenance, and enterprise funds.

Remaining transfers include; the 6<sup>th</sup> period TOT to the Community Center Project Fund, and closing transfers to the Special Projects and OPEB Reserve funds.

3. Water Operating Fund

The following table provides an overview of the Water Operations Fund Budget as of June 30<sup>th</sup>. Water charges were billed at the end of June for usage during May and June. The amount billed was \$127,499 and most of these charged fees will be received during July.

The following table provides an overview of the Water Operating Fund:

Water Operating Fund Status – May 2008			
	Budget	Actual	% Budget
Revenues	\$ 708,600	\$ 588,555	83%
Expenditures	849,200	674,385	79%
Net Surplus (deficit)	- 140,600	- 85,830	n/a
Transfer In	222,000	218,508	98%
Transfers Out	- 79,400	- 64,526	81%
Final Net	2,000		

The Fund began the fiscal year with a balance of \$219,409, of which \$100,000 represented a contingency for current year water rights expenses.

At month-end, the fund, including planned transfers-in, is operating in surplus.

Monthly operating expenses (net of depreciation) were \$66,740. Regular NBA/Kern expenses were billed by Napa County (\$3,848), and the estimated monthly charge for VH Rector water supply purchase was \$20,910. As planned, the Water Operating Fund received \$15,583 from the General Fund and subsequently transferred \$4,167 to the Water Capital Improvement Fund.

It is important to note that the second regular semi-annual installment of NBA/Kern fees remain to be billed during July, and this expense will be accrued to fiscal year 2007-08. This will materially affect the closing surplus/deficit status of the fund.

Water service charges will next be billed at the end of August for July and August usage.

4. Sewer Operating Fund

The following table provides an overview of the Sewer Operations Fund Budget as of June 30<sup>th</sup>. Sewer charges were billed at the end of June for usage during May and June. A total of \$80,712 was billed, and most of these fees will be received in July.

<b>Sewer Operating Fund Status – June 2008</b>			
	Budget	Actual	% Budget
Revenues	\$ 721,400	\$ 741,139	103%
Expenditures	634,600	610,742	96%
Net Surplus (deficit)	87,800	130,397	n/a
Transfer In			
Transfers Out	- 50,000	- 50,004	100%
Capital Contribution	-37,000	- 37,000	100%
Final Net	- 800		

The Fund began the fiscal year with a balance of \$249,342; this represents a 36% reserve against estimated operating expenses.

The estimated monthly charge to the Veterans Home was \$20,243.

Monthly expenses were \$51,811; this includes the required monthly capital contribution of \$3,083 to

our Wastewater Joint Treatment Capital Recovery Fund. The Sewer Operating Fund also made its regular monthly transfer of \$4,167 to the Sewer Capital Fund.

There are some regular operating expenses that will be paid for in July that must be accrued to June.

Sewer charges will next be billed at the end of August for the July and August period.

5. Special Projects Fund

The following table provides an overview of the Special Projects Fund as of May 31<sup>st</sup>

<b>Special Projects Fund Status – June 2008</b>			
	Budget	Actual	% Budget
Revenues	\$ 260,400	\$ 94,660	41%
Expenditures	943,500	368,727	39%
Transfer In	400,000	0	0%
Impact Fees	244,600	0	0%
Debt Payment (WO)	29,400	14,740	50%
Transfers Out	- 85,000	- 31,512	37%
Final Net	-179,100		

This Fund began the year with \$2,173,927 in cash resources. Town-wide Drainage (\$21,437) and CH Fiber Optic Line (\$12,920) project expenses were paid.

The Fund will not receive its General Fund transfer or the estimated allocation of Impact Fees until FY2007-08 is closed.

There will be expenses that are associated with capital projects that will occur in July that will ultimately be accrued to June.

6. Other Special Revenue, Reserve & Project Funds

The following table outlines May revenue and transfer activity of note for all other funds:

<b>Non-General Fund - Revenue &amp; Transfer-in Activity of Note – June 2008</b>		
Town Fund	Amount	Note
GF Liability Insurance Reserve	833	General Fund transfer
GF Retirement Benefit Reserve	4,417	General Fund transfer
Housing Opportunity	4,167	General Fund transfer
Housing Opportunity	27,963	Impact Fees
Sewer Capital Improvement	4,167	Sewer operating transfer
Streets Reserve	4,167	General Fund transfer
Wastewater Joint Capital Recovery	6,166	Capital contributions

Water Capital Improvement	4,167	Water operating transfer
Youth Subsidy Fund	4,396	Contributions, proceeds

Summary. June is a weak general revenue reporting month and report data reflects this. Overall operating expenditures are as-budgeted. The General Fund operating budget now has a revised projected year-end budget surplus of \$29,700. Both water and sewer operating expenses are as-planned and budgeted for. During July and part of August staff will accrue a portion of revenues and expenses to fiscal year 2007-08 where appropriate. The effort to close 2007-08 will continue into August.

Conclusion. On June 24<sup>th</sup>, the Town Council adopted the fiscal year 2008-09 budget, and in subsequent monthly reports to Town Council, all tables and budgetary information will reflect to the new adopted appropriation figures.

During June the Town Auditor conducted preliminary fieldwork in connection with the audit of the 2007-08 financial statements. The auditor will return for five days of fieldwork at the end of September to complete his review and analysis of our financial statements.

**FISCAL IMPACT**

Is there a Fiscal Impact?	N/A
Is it currently budgeted?	N/A
Where is it budgeted?	N/A
Is it Mandatory or Discretionary?	Mandatory
Is there a Staff Resource Impact?	Finance Director staff time for preparation of report.

**ALTERNATIVES**

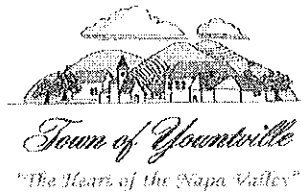
N/A

**RECOMMENDATION**

1. Receive and file report.

**ATTACHMENTS**

1. Treasurer's Report, Including Fund Cash Balances and Balance of Invested Funds.
2. Summary of Fund Revenues, Expenditures, and Transfers



**Monthly Treasurer's Report  
as of June 30, 2008  
Town Council Meeting: July 15, 2008**

<b>FUND CASH RESOURCES</b>				
<b>FUND #</b>	<b>FUND NAME</b>	<b>CASH BALANCE</b>		<b>CHANGE +/-</b>
		<b>5/31/2008</b>	<b>6/30/2008</b>	
01	General	1,323,776.66	940,960.36	(382,816.30)
04	Community Hall Operating Fund	14,084.65	14,439.06	354.41
05	Community Hall Building Fund	25,550.30	25,967.30	417.00
20	Gas Taxes	603,833.93	600,660.90	(3,173.03)
21	Street Reserve	302,776.89	306,943.89	4,167.00
24	Utility Undergrounding	75,431.93	77,190.05	1,758.12
27	Public Safety (COPS) Program	31,807.12	23,473.79	(8,333.33)
28	Fire Services	40,666.44	40,666.44	-
30	Developer Deposits	33,693.02	37,475.52	3,782.50
41	Civic Facilities Impact Fees	2,989.60	3,483.45	493.85
42	Drainage Impact Fees	643.32	727.57	84.25
43	Parks Impact Fees	1,138.20	1,329.93	191.73
44	Public Safety Impact Fees	10,075.11	10,156.45	81.34
45	Traffic Facility Impact Fees	4,779.41	5,072.48	293.07
50	Special Projects	1,904,719.85	1,862,232.77	(42,487.08)
51	Community Center Project	174,797.19	125,475.68	(49,321.51)
58	Water Impact Fees	3,298.41	3,298.41	-
59	Water Conservation In-Lieu	27,938.96	27,938.96	-
60	Water Capital Improvements	101,199.78	105,366.78	4,167.00
61	Water Enterprise Operations	207,728.61	161,259.30	(46,469.31)
62	WasteWater Enterprise Operations	228,465.23	199,010.34	(29,454.89)
63	WW Joint Capital Recovery	558,521.73	566,628.71	8,106.98
64	WasteWater Capital Improvements	1,378,243.66	1,381,213.69	2,970.03
65	Sewer Impact Fees	6,012.26	6,982.53	970.27
70	Housing Opportunity	902,366.92	933,288.84	30,921.92
75	Disaster Response & Cost Recovery	8,824.69	8,824.69	-
76	Flood Wall Capital Maintenance	195,697.56	195,697.56	-
77	Measure A. Debt Service	1,844.09	1,844.09	-
80	Youth Programs	19,656.98	21,297.06	1,640.08
90	General Fund Retirement Reserve	57,707.45	58,892.91	1,185.46
91	General Fund Liability Insurance Reserve	49,040.70	49,873.70	833.00
95	Tallent Lane Road Benefit District	2,203.60	2,203.60	-
96	Mesa Court Drainage Benefit District	15,416.63	15,416.63	-
<b>TOTALS</b>		<b>\$ 8,314,930.88</b>	<b>\$ 7,815,293.44</b>	<b>\$ (499,637.44)</b>

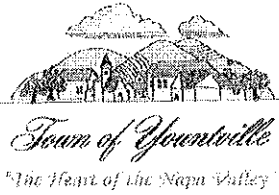
<b>BANK ACCOUNTS/INTEREST RATE (APR)</b>				
	<b>CASH</b>	<b>CASH BALANCE</b>		<b>CHANGE</b>
		<b>5/31/2008</b>	<b>6/30/2008</b>	
1	Petty Cash/Register Funds-N/A	400.00	400.00	-
2	WestAmerica Checking	(79,546.74)	(240,921.50)	(161,374.76)
3	WestAmerica M/Mkt Acct	657,598.59	219,335.91	(438,262.68)
4	State Treasurer LAIF - 2.894%	7,736,479.03	7,836,479.03	100,000.00
<b>TOTAL PER BANKS</b>		<b>\$ 8,314,930.88</b>	<b>\$ 7,815,293.44</b>	<b>\$ (499,637.44)</b>

**ACKNOWLEDGMENT**

I certify that these investments are in conformity with State law and the Town's Investment Policy. The Town's Cash Management Program provides sufficient liquidity to meet the next six months estimated expenditures.

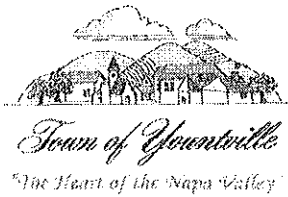
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Richard Stranzl, Town Treasurer

07/09/08  
Date



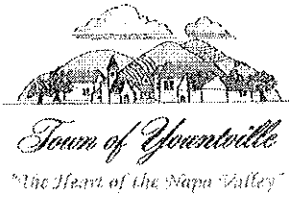
**Summary of Fund Revenues, Expenditures & Transfers  
as of June 30, 2008  
Council Meeting: July 15, 2008**

<b>FUND #</b>	<b>FUND / DEPARTMENT</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>DIFF</b>	<b>% compl</b>
<b>FUND 01</b>	<b>GENERAL FUND</b>				
	Revenues	4,923,112	5,520,000	(596,888)	89%
	Expenditures				
	Town Council	35,091	45,800	10,709	77%
	Non-Departmental	229,440	229,200	(240)	100%
	Community Promotion	259,110	280,300	21,190	92%
	Administration	206,813	207,100	287	100%
	Finance	200,334	198,200	(2,134)	101%
	Town Attorney	87,177	85,600	(1,577)	102%
	Town Clerk	109,993	116,600	6,607	94%
	Planning & Building	511,554	500,100	(11,454)	102%
	Sheriff	441,730	470,800	29,070	94%
	Fire	247,744	430,900	183,156	57%
	PW Public Works	276,853	259,900	(16,953)	107%
	PW Government Buildings	98,370	92,000	(6,370)	107%
	PW Streets Maintenance/Operation	181,508	208,600	27,092	87%
	PW Parks Maintenance/Operation	269,963	298,100	28,137	91%
	CSD Community Services Department	380,189	366,500	(13,689)	104%
	CSD Camp Programs	60,689	66,500	5,811	91%
	CSD Aquatics Program	109,755	102,600	(7,155)	107%
	CSD Community Hall	148,783	156,800	8,017	95%
	CSD After School Program	77,564	78,100	536	99%
	Total Expenditures	3,932,660	4,193,700	261,040	94%
	Transfers In	22,600	22,600	-	100%
	Transfers Out	(816,774)	(1,319,200)	502,426	62%
<b>FUND 04</b>	<b>COMMUNITY HALL OPERATING</b>				
	Revenues	-	-	-	0%
	Expenditures	-	-	-	0%
	Transfers Out	(22,600)	(22,600)	-	100%
<b>FUND 05</b>	<b>COMMUNITY HALL BUILDING</b>				
	Revenues	848	1,200	(352)	71%
	Expenditures	933	10,000	9,067	9%
	Transfers In	5,004	5,000	4	100%
<b>FUND 20</b>	<b>STATE GAS TAXES</b>				
	Revenues	443,932	491,000	(47,068)	90%
	Expenditures	46,372	288,500	242,128	16%
<b>FUND 21</b>	<b>STREETS RESERVE</b>				
	Revenues	10,344	12,000	(1,656)	86%
	Expenditures	-	-	-	0%
	Transfers In	50,004	50,000	4	100%



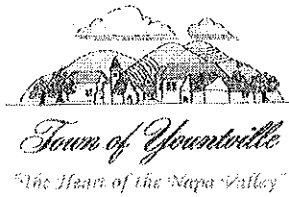
**Summary of Fund Revenues, Expenditures & Transfers  
as of June 30, 2008  
Council Meeting: July 15, 2008**

<b>FUND #</b>	<b>FUND / DEPARTMENT</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>DIFF</b>	<b>% compl</b>
<b>FUND 24</b>	<b>UTILITY UNDERGROUNDING</b>				
	Revenues	5,973	82,000	(76,027)	7%
	Expenditures	9,850	150,000	140,150	7%
<b>FUND 27</b>	<b>PUBLIC SAFETY (COPS)</b>				
	Revenues	100,940	100,800	140	100%
	Expenditures	91,667	115,000	23,333	80%
	Transfers In	14,200	14,200	-	100%
<b>FUND 28</b>	<b>FIRE SERVICES</b>				
	Revenues	1,421	2,000	(579)	71%
	Expenditures	-	-	-	0%
<b>FUND 41</b>	<b>CIVIC FACILITIES IMPACT FEES</b>				
	Revenues	3,483	78,500	(75,017)	4%
	Allocated Impact Fees	-	(78,500)	78,500	0%
<b>FUND 42</b>	<b>DRAINAGE IMPACT FEES</b>				
	Revenues	584	13,200	(12,616)	4%
	Allocated Impact Fees	-	(13,200)	13,200	0%
<b>FUND 43</b>	<b>PARKS IMPACT FEES</b>				
	Revenues	1,330	28,200	(26,870)	5%
	Allocated Impact Fees	-	(28,200)	28,200	0%
<b>FUND 44</b>	<b>PUBLIC SAFETY IMPACT FEES</b>				
	Revenues	885	11,200	(10,315)	8%
	Allocated Impact Fees	-	(11,200)	11,200	0%
<b>FUND 45</b>	<b>TRAFFIC FACILITIES IMPACT FEES</b>				
	Revenues	5,073	124,000	(118,927)	4%
	Allocated Impact Fees	-	(124,000)	124,000	0%
<b>FUND 50</b>	<b>SPECIAL PROJECT</b>				
	Revenues	94,660	231,000	(136,340)	41%
	Revenues - Debt Payment from WO	14,740	29,400	(14,660)	50%
	Expenditures	368,727	943,500	574,773	39%
	Transfers In	-	400,000	(400,000)	0%
	Transfers Out	(31,512)	(85,000)	53,488	37%
	Allocated Impact Fees	-	244,600	(244,600)	0%
<b>FUND 51</b>	<b>COMMUNITY CENTER FUND</b>				
	Revenues	21,485	5,030,000	(5,008,515)	0%
	Expenditures	1,172,134	5,507,000	4,334,866	21%
	Transfers In	447,566	550,000	(102,434)	81%



**Summary of Fund Revenues, Expenditures & Transfers  
as of June 30, 2008  
Council Meeting: July 15, 2008**

<b>FUND #</b>	<b>FUND / DEPARTMENT</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>DIFF</b>	<b>% compl</b>
<b>FUND 58</b>	<b>WATER IMPACT FEES</b>				
	Revenues	3,298	155,800	(152,502)	2%
	Allocated Impact Fees	-	(155,800)	155,800	0%
<b>FUND 59</b>	<b>WATER CONSERVATION IN-LIEU</b>				
	Revenues	976	800	176	122%
	Expenditures	-	-	-	0%
<b>FUND 60</b>	<b>WATER CAPITAL IMPROVEMENT</b>				
	Revenues	3,514	2,000	1,514	176%
	Expenditures (net of depreciation)	51,993	177,800	125,807	29%
	Expenditures - Debt Service to WW64	-	84,200	84,200	0%
	Transfers In	64,744	129,400	(64,656)	50%
	Allocated Impact Fees	-	155,800	(155,800)	0%
<b>FUND 61</b>	<b>WATER OPERATIONS</b>				
	Revenues	588,555	708,600	(120,045)	83%
	Expenditures (net of depreciation)	674,385	849,200	174,815	79%
	Transfers In	218,508	222,000	(3,492)	98%
	Transfers Out	(49,786)	(50,000)	214	100%
	Transfers Out - Debt Service SP50	(14,740)	(29,400)	14,660	50%
<b>FUND 62</b>	<b>WASTEWATER OPERATION</b>				
	Revenues	741,139	721,400	19,739	103%
	Expenditures (net of depreciation)	610,742	634,600	23,858	96%
	Transfers In	-	-	-	0%
	Transfers Out	(50,004)	(50,000)	(4)	100%
	Capital Contribution WWO to JTP	(37,000)	(37,000)	-	100%
<b>FUND 63</b>	<b>WASTEWATER JOINT CAPITAL JTP</b>				
	Revenues	38,542	38,000	542	101%
	Expenditures (net of depreciation)	93,206	420,000	326,794	22%
	Allocated Impact Fees	-	46,500	(46,500)	0%
	Capital Contribution VH to JTP	37,000	37,000	-	100%
	Capital Contribution from WWO	37,000	37,000	-	100%
<b>FUND 64</b>	<b>SEWER CAPITAL IMPROVEMENT</b>				
	Revenues	53,692	48,000	5,692	112%
	Revenues Debt Service Repayment	-	83,800	(83,800)	0%
	Expenditures (net of depreciation)	184,390	379,000	194,610	49%
	Transfers In	50,004	50,000	4	100%
	Allocated Impact Fees	-	108,500	(108,500)	0%
<b>FUND 65</b>	<b>SEWER IMPACT FEES</b>				
	Revenues	6,982	156,000	(149,018)	4%
	Allocated Impact Fees	-	(156,000)	156,000	0%



**Summary of Fund Revenues, Expenditures & Transfers  
as of June 30, 2008  
Council Meeting: July 15, 2008**

<b>FUND #</b>	<b>FUND / DEPARTMENT</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>DIFF</b>	<b>% compl</b>
<b>FUND 70</b>	<b>HOUSING OPPORTUNITY</b>				
	Revenues	62,127	40,000	22,127	155%
	Expenditures	138,061	956,300	818,239	14%
	Transfers In	50,004	50,000	4	100%
<b>FUND 75</b>	<b>EMERGENCY COST RECOVERY</b>				
	Revenues	1,207	1,000	207	121%
	Expenditures	28,891	24,800	(4,091)	116%
<b>FUND 76</b>	<b>FLOODWALL MAINTENANCE</b>				
	Revenues	6,936	9,000	(2,064)	77%
	Expenditures	4,569	10,000	5,431	46%
<b>FUND 77</b>	<b>MEASURE A. DEBT SERVICE</b>				
	Revenues	266,338	265,300	1,038	100%
	Expenditures	264,530	264,800	270	100%
<b>FUND 80</b>	<b>YOUTH PROGRAMS</b>				
	Revenues	22,726	15,900	6,826	143%
	Expenditures	23,653	24,000	347	99%
<b>FUND 90</b>	<b>GENERAL - RETIREMENT RESERVE</b>				
	Revenues	2,100	2,400	(300)	88%
	Expenditures	54,668	53,000	(1,668)	103%
	Transfers In	53,004	53,000	4	100%
<b>FUND 91</b>	<b>GENERAL - LIABILITY RESERVE</b>				
	Revenues	1,572	1,800	(228)	87%
	Expenditures	3,476	10,000	6,524	35%
	Transfers In	9,996	10,000	(4)	100%
<b>FUND 95</b>	<b>TALLEN LANE BENEFIT DISTRICT</b>				
	Revenues	77	100	(23)	77%
	Expenditures	-	-	-	0%
<b>FUND 96</b>	<b>MESA COURT DRAINAGE DISTRICT</b>				
	Revenues	539	500	39	108%
	Expenditures	-	-	-	0%