

Agenda Item Number 16.A.

Second Quarter (Mid-Year) Financial Report

Presenter: George Kloeppe

Action Recommended: None. Information and Discussion Only

Background:

The attached report compares LCOG's actual cash experience to the adopted FY 2003-2004 Budget. The report covers the six-month period from July through December 2003. With one half of the fiscal year completed, a reasonable target for both expenses and revenues would be 50 percent. However, this report does not reflect accruals, such as accounts receivable and accounts payable. In addition, not all of the agency's revenues and expenses occur in a monthly or quarterly cycle. Consequently, the report offers a better picture of LCOG's cash position on December 31 than it does the agency's overall financial situation.

At the end of the second quarter, revenues (at 49 percent of budget) exceeded expenses (43 percent) by \$1,849,219.

Overall, the financial situation reflected in this Report is acceptable. Because the "Personal Services" (staff cost) line item is always a large element of LCOG's budget, it is useful to note that, at the mid-year point, 43 percent of the appropriation in that line item had been expended to meet personnel costs.

Staff will be prepared to respond to any questions, which Board members may have regarding the financial experience during the first quarter of this fiscal year.