

November 1, 2007

**To:** LCOG Executive Committee

**From:** George Kloeppe, Executive Director

**Subject:** First Quarter, FY 2007-08, Financial Report

The attached report compares LCOG's actual cash experience to the adopted FY 2007-2008 Budget. The report covers the three-month period from July through September 2007. With one fourth of the fiscal year completed, a reasonable target for both expenses and revenues would be 25 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 September 30 than it does the agency's overall financial situation.

At the end of the first quarter, revenues (at 43 percent of budget) exceeded expenses (19 percent) by \$6,263,109.

Overall, the financial situation reflected in this Report is positive and healthy. Because the "Personal Services" (staff cost) line item is a large element of LCOG's total budget, it is useful to note that, at the end of the first quarter, 24 percent of the appropriation in that line item had been expended to meet staffing expenses.

This report is scheduled to go to the Board as an information item on December 13. Under this item, staff can respond to any questions, which the Committee may have regarding the financial experience during the first quarter of this fiscal year.

Attachments