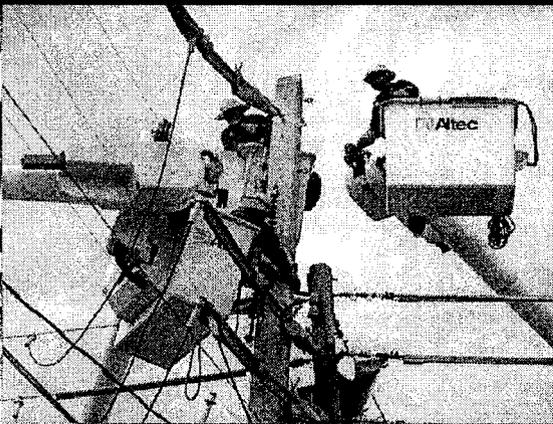




2008-09
First Quarter
Financial Results



General Fund

Overview

The revised budget of \$25,403,699 is \$697,658 greater than original budget of \$24,706,041 due to budget adjustments related to purchase order carry forwards of \$256,590 also known as rollovers, donations of \$1,855, Federal Grant related adjustments totaling \$6,930 for bullet proof vests, Runway 13/31 Phase II & III totaling \$39,624, Fuel site project budget reduction (\$60,000) and Transfer from Discretionary Sales Tax \$452,659. As of December, 25% of the year has passed. The contribution to fund balance at the end of the reporting period is \$2,540,706.

Revenues

Total Revenue of \$8,481,717 represents 33.4% of budget of \$25,403,699. Ad Valorem revenue of \$4,098,289 is 64.6% of the expected budget of \$6,343,764. Ad Valorem revenue is reduced by a credit of \$84,669 due to an adjustment by the Department of Revenue related to an aircraft owned by the Villages Equipment Company as it was determined that aircraft are not taxable as tangible property. Other Taxes and Franchise Fees of \$1,111,303 are at 21.9% of budget. Intergovernmental revenue of \$501,754 is at 21.3% of budget. The State of Florida has revised its projections downward for Revenue Sharing Proceeds, Gas Taxes and the Half Cent Sales for the current fiscal year. The current adjustments recognized by the State were factored into the budget process. Any additional adjustments however will impact future Revenue Sharing Proceeds. Fines & Forfeitures totaling \$33,853 are at 19% of budget. Miscellaneous revenues of \$305,481 are at 25.3% of budget. Utility surcharges which are volume driven and react to seasonal fluctuations are at 23.3% of budget.

Expenditures

Operating expenditures and encumbrances of \$6,480,313 are at 25.5 percent of budget of \$25,403,699. Overall, departmental budgets are performing according to plan.

Fund Balance

Revenue of \$8,481,717 exceeds expenditures of \$5,941,011 by \$2,540,706 at the end of the reporting period.

Cash Reserve Policy

It is important to note that the cash balance of the General Fund of \$6,260,559 has increased by \$1,341,822 or 27.3% over the previous year ended unaudited balance of \$4,918,737. The increase is directly attributable to the upfront collections of Ad Valorem Taxes in the first quarter of the fiscal year.

	2009	2008
Budgeted Revenue	\$24,706,041	\$26,098,344
Reserve Percentage	<u>20%</u>	<u>20%</u>
Required Cash Reserve	\$ 4,941,208	\$ 5,219,668
Unaudited Cash Balance	<u>\$ 6,260,559</u>	<u>\$ 4,918,737</u>
Excess	\$ 1,319,351	\$ (300,931)
Prior year deficiency	\$ (300,931)	\$ (1,153,840)

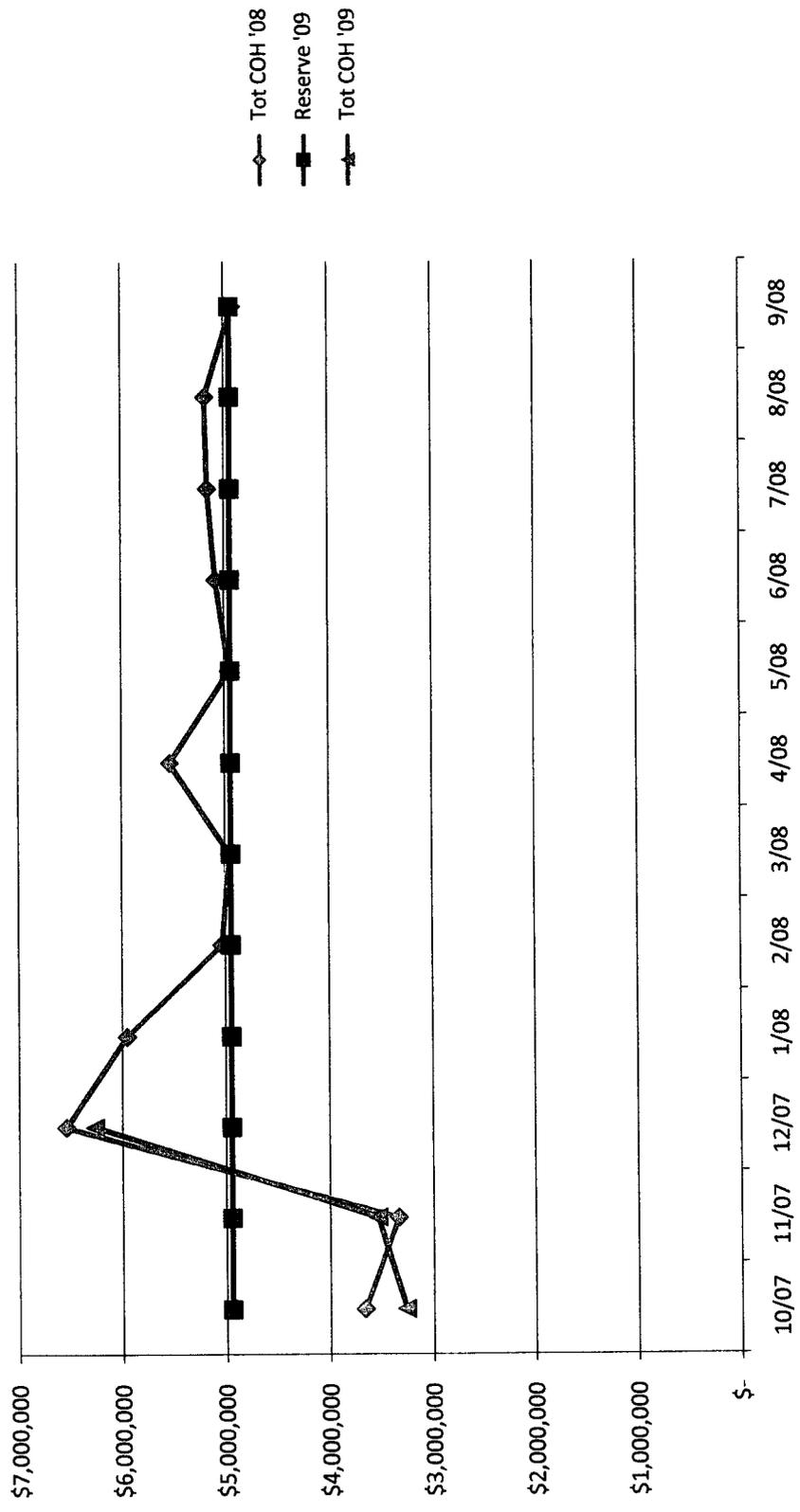
Reconciliation of Budget Changes

Original Budget	\$ 24,706,041
Rollovers	256,590
Donations	1,855
Grants	6,930
Runway Phase II & III	39,624
Fuel Site Project Reduction	(60,000)
Discretionary Sales Tax	<u>452,659</u>
Revised Budget	\$ 25,403,699

Bottom Line:

The overall financial position of the General Fund continues to remain steady. The unaudited cash position has increased from \$4,918,737 to \$6,260,559 by \$1,341,822 or by 27.3% during the first quarter. The contribution to fund balance at the end of the reporting period is \$2,540,706. It is important to note that the increase in cash and the positive contribution to Fund Balance are attributable to the upfront collections of Ad Valorem revenues in the first quarter of the fiscal year.

**General Fund
Cash Reserve vs Cash on Hand**



**City of Leesburg General Fund
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Ad Valorem Taxes	\$ 6,343,764	\$ 6,343,764	\$ 4,098,289
Other Taxes & Franchise Fees	5,078,000	5,078,000	1,111,303
Licenses & Permits	295,635	295,635	226,015
Intergovernmental	2,340,382	2,347,312	501,754
Charges for Services	775,264	775,264	80,453
Fines & Forfeitures	178,000	178,000	33,853
Miscellaneous Revenues	1,205,240	1,207,095	305,481
Revenues From Outside Sources	<u>16,216,285</u>	<u>16,225,070</u>	<u>6,357,148</u>
Other Sources			
Transfers	242,325	694,984	86,946
Utility Contributions	6,813,707	6,813,707	1,703,427
Utility Surcharges	1,433,724	1,433,724	334,196
Fund Balance Appropriated	-	261,164	-
Total Other Sources	<u>8,489,756</u>	<u>9,203,579</u>	<u>2,124,569</u>
Total Revenues	<u>\$ 24,706,041</u>	<u>\$ 25,428,649</u>	<u>\$ 8,481,717</u>
Expenditures			
City Commission	\$ 144,998	\$ 145,686	\$ 32,837
City Manager	404,990	411,345	95,020
City Clerk	179,139	179,139	34,494
City Attorney	202,500	202,500	33,527
Finance	3,075,527	3,075,527	689,806
Human Resources	512,389	513,104	120,429
Information Technology	2,007,130	2,041,723	569,290
GIS/Engineering	447,111	447,111	94,829
Airport Maintenance	678,128	678,128	187,964
Police	7,850,435	7,857,365	1,668,152
Fire	5,974,589	5,904,926	1,312,420
Public Works	3,771,991	3,984,449	864,691
Planning & Zoning	474,299	499,249	111,366
Housing & Economic Development	319,426	344,426	68,650
Library	1,482,082	1,484,835	315,605
Recreation	4,687,266	4,773,253	954,514
Operating Expenditures	<u>32,212,000</u>	<u>32,542,766</u>	<u>7,153,594</u>
Other Expenditures & Contributions			
Transfers	1,849,127	2,281,410	1,106,373
Contingencies	84,266	43,825	-
Non-Departmental	190,125	190,125	479
Computer Maintenance Contributions	(246,140)	(246,140)	(57,420)
Fleet Contributions	(3,290,483)	(3,290,483)	(810,490)
Utility Cost Allocations	(6,092,854)	(6,092,854)	(1,451,525)
Total Other	<u>(7,505,959)</u>	<u>(7,114,117)</u>	<u>(1,212,583)</u>
Total Expenditures	<u>\$ 24,706,041</u>	<u>\$ 25,428,649</u>	<u>\$ 5,941,011</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,540,706</u>

Stormwater Fund

Overview

The Stormwater fund is a special revenue fund which tracks activities related to various stormwater and drainage improvements within the City of Leesburg. Stormwater relies upon two major sources of revenue which are Intergovernmental and Charges for Services. Charges for Services are very predictable as they reflect monthly charges collected through utility billing. Intergovernmental Revenues are Grant or Grant-type Revenues that are usually collected after project completion. Revenues budgeted in this category are budgeted after receiving a firm commitment from the grantor. The budget serves as a mechanism to plan Capital Outlay. Due to the nature of these funds, revenue and expenditures are not designed to track evenly. Typically funds are accumulated over time and expended as the resources become available. The revised budget of \$2,952,677 is \$1,506,711 greater than the original budget of \$1,445,966 due to adjustments of \$1,378,926 related to purchase order carry forwards also known as rollovers and budget adjustments of \$127,785 related to grant revenues for various Stormwater projects. As of December, 25% of the year has passed. Total revenue of \$389,297 represents 26.9 percent of budget. Total expenditures including encumbrances of \$1,094,884 represents 75.7 percent of budget. Overall, revenues are on track with the exception of Intergovernmental which is directly attributable to the recovery of expenditures related to grant funded projects. The month ending cash balance of \$1,056,455 is available to fund current and future Stormwater projects.

Fund Balance

Year to date operations resulted in a contribution to fund balance of \$1,526. Fund balance is legally restricted to stormwater activities and projects.

Major Projects

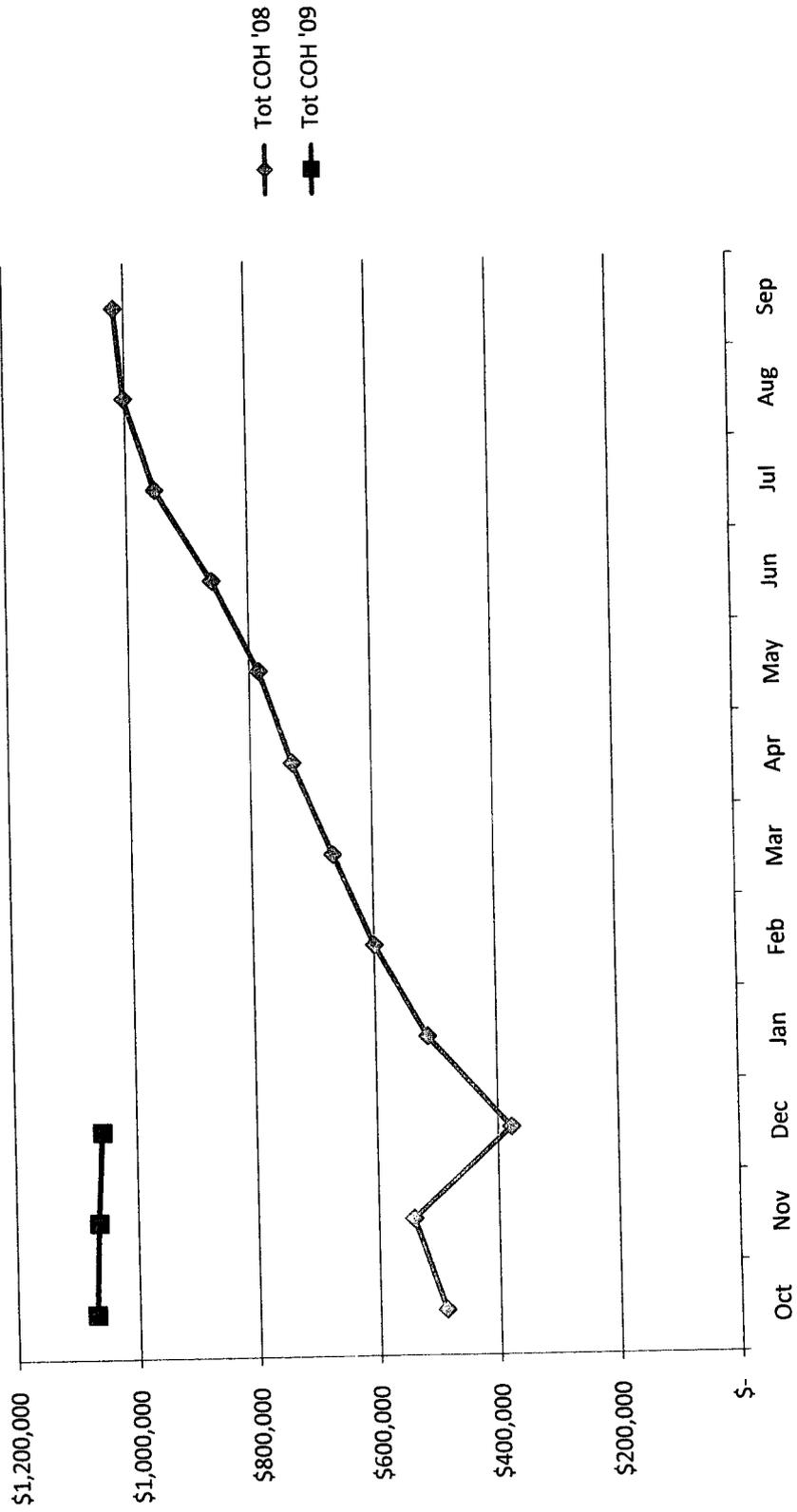
A recap of the major projects associated with the Stormwater Special Revenue Fund is presented below:

Basin Study Update	\$ 30,065
Venetian Gardens Basin	4,421
Miscellaneous Ponds	54,906
-Whispering Pines:	
Canal Street Pond	93,747
Lee Street Pond	50,745
Ditch Lines	<u>4,631</u>
Total	\$ 238,515

Bottom Line:

The Stormwater Fund is performing well and funding is available for current and future projects.

**Stormwater Fund
Cash on Hand**



**City of Leesburg Stormwater Fund
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Intergovernmental	\$ -	\$ -	\$ -
Charges for Services	1,433,966	1,433,966	385,406
Interest	12,000	12,000	3,891
Revenues From Outside Sources	<u>1,445,966</u>	<u>1,445,966</u>	<u>389,297</u>
Other Revenues			
Miscellaneous	-	-	-
Fund Balance Appropriated	-	-	-
Total Other Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ 1,445,966</u>	<u>\$ 1,445,966</u>	<u>\$ 389,297</u>
Expenses			
Salaries & Benefits	\$ 164,236	\$ 164,236	\$ 37,740
Operating Expenses	526,242	526,242	113,705
Capital Outlay	640,000	640,000	236,326
Total Operating Expenses	<u>1,330,478</u>	<u>1,330,478</u>	<u>387,771</u>
Other Expenditures			
Reserve for Future Use	115,488	115,488	-
Contingency	-	-	-
Total Other Expenditures	<u>115,488</u>	<u>115,488</u>	<u>-</u>
Total Expenditures	<u>\$ 1,445,966</u>	<u>\$ 1,445,966</u>	<u>\$ 387,771</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,526</u>

Community Redevelopment Agencies

The City of Leesburg has three Community Redevelopment Agencies; Greater Leesburg, Carver Heights/Montclair and Highway 441/27 which were created to fund redevelopment of their designated areas. Rapid expenditure of available funds and issuance of long-term debt is generally desirable to maximize the time-value of the TIF increment.

Greater Leesburg CRA Fund

Overview

The greater Leesburg CRA is comprised of two components, Main Street and Pine Street. All sources of revenue are split equally between the two.

Main Street

Revenue is \$318,892 and expenditures are \$1,337 at the end of the reporting period. Mortgage payments totaling \$24,047 for the fiscal year are remitted for payment of the Christley property. Payments totaling \$86,946 have been made toward the Main Street loan. The remaining balance on the loan to be paid at the end of fiscal year 2009 totals \$147,170. The projected financial resources left within the Main Street component of the CRA as of September 30, 2009 approximate \$59,000.

Pine Street

Revenue is \$318,892 and expenditures are \$1,337 at the end of the reporting period. The Community Development Corporation (CDC) manages the Pine Street Component of the CRA. The unrestricted cash balance is \$317,554.

Carver Heights/Montclair CRA Fund

Carver Height's revenue of \$354,010 and loan proceeds of \$1,431,878 provide total sources of \$1,758,888. The loan proceeds obtained through Wachovia bank will enable the CRA to plan and implement community improvements. The debt service associated with the loan proceeds approximates \$200,000 per year with the final payment due in fiscal year 2016. Operating expenditures of \$21,020, debt service of \$36,350 and transfers to Kristen Court of \$118,896 total \$176,266. The fund has unrestricted cash of \$586,870 and restricted cash of \$1,491,878 on hand at the end of the reporting period.

Highway 27/441 CRA Fund

Highway 27/441 revenue of \$1,207,586 and loan proceeds of \$250,000 provide total sources of \$1,457,586. The loan proceeds are associated with a Bond Anticipation Note (BAN) obtained through SunTrust Bank totaling \$7,500,000 for infrastructure improvements associated with the 27/441 intersection. Expenditures of \$105,429 and debt service of \$114,225 total \$219,654. The fund has unrestricted cash on hand of \$3,087,878.

City of Leesburg Community Redevelopment Funds
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	<u>Greater Leesburg 2009 Actual</u>	<u>Carver Heights/ Montclair 2009 Actual</u>	<u>27/441 2009 Actual</u>
Revenues			
Lake County Redevelopment	\$ 351,493	\$ 194,188	\$ 661,512
Miscellaneous Revenue	784	1,745	6,984
General Fund Ad Valorem	285,507	158,077	539,090
Loan Proceeds	-	1,431,878	250,000
Total Resources	<u>\$ 637,784</u>	<u>\$ 1,785,888</u>	<u>\$ 1,457,586</u>
Expenditures			
Operating Expenses	\$ 2,675	\$ 21,020	\$ 102,848
Capital Outlay	-	-	2,581
Debt Service	6,012	36,350	114,225
Transfer to General Fund	86,946	-	-
Transfer to Kristen Court	-	118,896	-
Total Expenditures	<u>\$ 95,633</u>	<u>\$ 176,266</u>	<u>\$ 219,654</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 542,151</u>	<u>\$ 1,609,622</u>	<u>\$ 1,237,932</u>
Unrestricted Cash	<u>\$ 542,151</u>	<u>\$ 586,870</u>	<u>\$ 3,087,878</u>
Restricted Cash	<u>\$ -</u>	<u>\$ 1,491,878</u>	<u>\$ -</u>

Capital Projects Fund

- The Capital Projects fund tracks sources and uses of funds associated with projects that generally benefit the citizens of Leesburg as a whole. Bonds and grants account for the major source of cash used in this fund.

A recap of the major expenditures associated with the Capital Projects Fund is presented below:

Airport Improvements	
Runway 13/31 Extension	\$ 39,124
Runway & Taxi Lights	10,043
Overlay 3/21	<u>10,131</u>
Total Airport	59,298
Public Works	
Refurbish Fuel Facility	5,808
Lake Pointe Circle	75
Highway 441 Streetscape Phase II	35,665
Renovate Old Library	<u>1,789</u>
Total Public Works	43,337
Transportation	6,384
Library	13,056
Recreation	
Fountain Lake Trail	43,725
Lee/Wild Trail Phase 2 Design	<u>116</u>
Total Recreation	<u>43,841</u>
Total Expenditures	\$ 165,916

**City of Leesburg Capital Projects
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Intergovernmental	\$ 3,627,361	\$ 11,738,256	\$ 33,353
Charges for Services	-	60,000	8,736
Miscellaneous Revenues	-	-	4,849
Revenues From Outside Sources	<u>3,627,361</u>	<u>11,798,256</u>	<u>46,938</u>
Transfers	819,509	1,720,584	24,032
Bond Proceeds	-	1,975,901	-
Fnd Bal Appropriated	-	4,668	-
Total Other Sources	<u>819,509</u>	<u>3,701,153</u>	<u>24,032</u>
Total Revenues	<u>\$ 4,446,870</u>	<u>\$ 15,499,409</u>	<u>\$ 70,970</u>
Expenditures			
Airport Maintenance	3,720,370	10,960,301	59,298
Public Works	681,500	3,835,661	49,721
Library	-	-	13,056
Recreation	45,000	703,447	43,841
Operating Expenditures	<u>4,446,870</u>	<u>15,499,409</u>	<u>165,916</u>
Other Expenditures & Contributions	-	-	-
Total Expenditures	<u>\$ 4,446,870</u>	<u>\$ 15,499,409</u>	<u>\$ 165,916</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (94,946)</u>

Special Revenue Funds

Overview

Special revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Due to the nature of these funds, revenue and expenditures are not designed to track evenly. Typically funds are accumulated over time and expended as the resources become available.

Police Forfeiture Fund

Police Forfeiture Revenues are split between State and Federal Forfeitures each having their own rules and restrictions as to how the funds may be spent. Revenue at the end of the reporting period is \$21,299 and expenditures are \$7,755. Unrestricted cash totals \$166,603 and is available for future use.

Police Education

Police Education Revenue is set aside for the specific funding of criminal justice education programs and training courses which include basic recruit training, officer and agency support personnel. Revenue at the end of the reporting period is \$1,459 and expenditures are \$1. Unrestricted cash totals \$22,140 and is available for future use.

Discretionary Sales Tax Fund (Also known as Local Option, LOOP)

LOOP can be used for infrastructure, infrastructure improvements and capital vehicle purchases having an estimated useful life in excess of 5 years and toward debt service used to fund capital projects. Revenue at the end of the reporting period is \$231,419 and expenditures are \$287,820. Unrestricted cash totals \$242,206 and is available for future use.

Police Impact Fee Fund

Police Impact Fees can be spent on capital improvements related to growth which also includes the equipping of officers due to growth related expansion. Revenue at the end of the reporting period is \$9,678 and expenditures are \$4,278. Unrestricted cash totals \$114,064 and is available for future use.

Fire Impact Fee Fund

Fire Impact Fees can be spent on infrastructure improvements related to growth which also includes the equipping of fire personnel due to growth related expansion. Revenue is \$6,079 and expenditures are \$437. The deficiency in unrestricted cash of \$107,887 continues to improve as Fire Impact Fees are collected.

Recreation Impact Fee Fund

Recreation Impact Fees can be spent on infrastructure improvements related to growth which also includes the equipping of new recreational areas due to growth related expansion. Revenue is \$7,694 and expenditures are \$18,573. Unrestricted cash at the end of the fiscal year totals \$429,389 and is available for future use.

City of Leesburg Special Revenue Funds
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	Police Forfeiture	Police Education	Discretionary Sales Tax	Police Impact Fees	Fire Impact Fees	Recreation Impact Fees
Revenues						
Sale of Forfeited Property	\$ 20,695	\$ -	\$ -	\$ -	\$ -	\$ -
Local Option Sales Tax	-	-	230,769	-	-	-
Judgements & Fines Police Educ.	-	1,383	-	-	-	-
Interest Earnings	604	76	650	408	(426)	1,644
Impact Fees	-	-	-	9,270	6,505	6,050
Total Resources	<u>\$ 21,299</u>	<u>\$ 1,459</u>	<u>\$ 231,419</u>	<u>\$ 9,678</u>	<u>\$ 6,079</u>	<u>\$ 7,694</u>
Expenditures						
Operating Expenses	\$ 7,755	\$ 1	\$ 5	\$ 3,838	\$ (3)	\$ 11
Transfer to Debt Service Fund	-	-	282,005	-	-	-
Transfer to Capital Projects Fund	-	-	5,810	-	-	18,222
Transfer to Community Development	-	-	-	440	440	340
Total Expenditures	<u>\$ 7,755</u>	<u>\$ 1</u>	<u>\$ 287,820</u>	<u>\$ 4,278</u>	<u>\$ 437</u>	<u>\$ 18,573</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 13,544</u>	<u>\$ 1,458</u>	<u>\$ (56,401)</u>	<u>\$ 5,400</u>	<u>\$ 5,642</u>	<u>\$ (10,879)</u>
Unrestricted Cash	<u>\$ 166,603</u>	<u>\$ 22,140</u>	<u>\$ 242,206</u>	<u>\$ 114,064</u>	<u>\$ (107,887)</u>	<u>\$ 429,389</u>

Electric Utility

Overview

The revised budget of \$84,077,751 is \$8,124,618 greater than original budget of \$75,953,133 due to budget adjustments related to purchase order carryforwards of \$203,155 also known as rollovers and bond funds totaling \$7,921,463. As of December, 25% of the year has passed. Operating revenues of \$16,204,061 represent 21.6% of budget of \$74,888,133. Operating expenses and encumbrances totaling \$14,370,416 represent 21.4% of budget of \$67,014,095. Year to date net income, as of the end of the month is \$104,680.

Surplus (Net Income)

Total revenues of \$16,348,164 exceed expenses of \$16,243,484 resulting in net income of \$104,680. This report includes the recognition of over/under recovered power costs. The inclusion of these costs more accurately matches the City's electric revenues that will be recovered over future billings. The City also adjusts for the change in fuel costs which is affected through the Bulk Power Fuel Cost Adjustment calculation (BPCA). The adjustment affects billings 60 days after those costs are actually incurred. The BPCA adjustment reflects the changes in the price of purchased power attributable to the changes in the prices of commodities such as coal, oil, natural gas and nuclear energy.

Cash Reserve Calculation	2009	2008
*Budgeted Operating Revenue	\$ 74,888,133	\$ 63,902,848
Less:		
Budgeted Cost of Purchase Power		
Generation	3,863,939	1,932,305
St Lucie	881,108	814,723
Purchase Power	<u>50,049,495</u>	<u>40,015,418</u>
Total Purchase Power	54,794,542	42,762,446
Add:		
General Fund Transfers	4,578,315	4,661,333
Surcharge Revenues	<u>1,088,352</u>	<u>1,142,918</u>
Total Transfers & Surcharges	5,666,667	5,804,251
Minimum Revenue Required	25,760,258	26,944,653
Number of days in the year	<u>365</u>	<u>365</u>
Average daily cash	70,576.04	73,820.97
Number of days required	<u>120</u>	<u>120</u>
Minimum cash balance	8,469,125	8,858,516
Cash on hand	<u>12,639,928</u>	<u>10,410,720</u>
Excess	\$ <u>4,170,803</u>	\$ <u>1,552,204</u>

*Operating revenue does not include income from grants, interest, other non-operating revenues, transfers in from other sources or funds, capital contributions or debt proceeds.

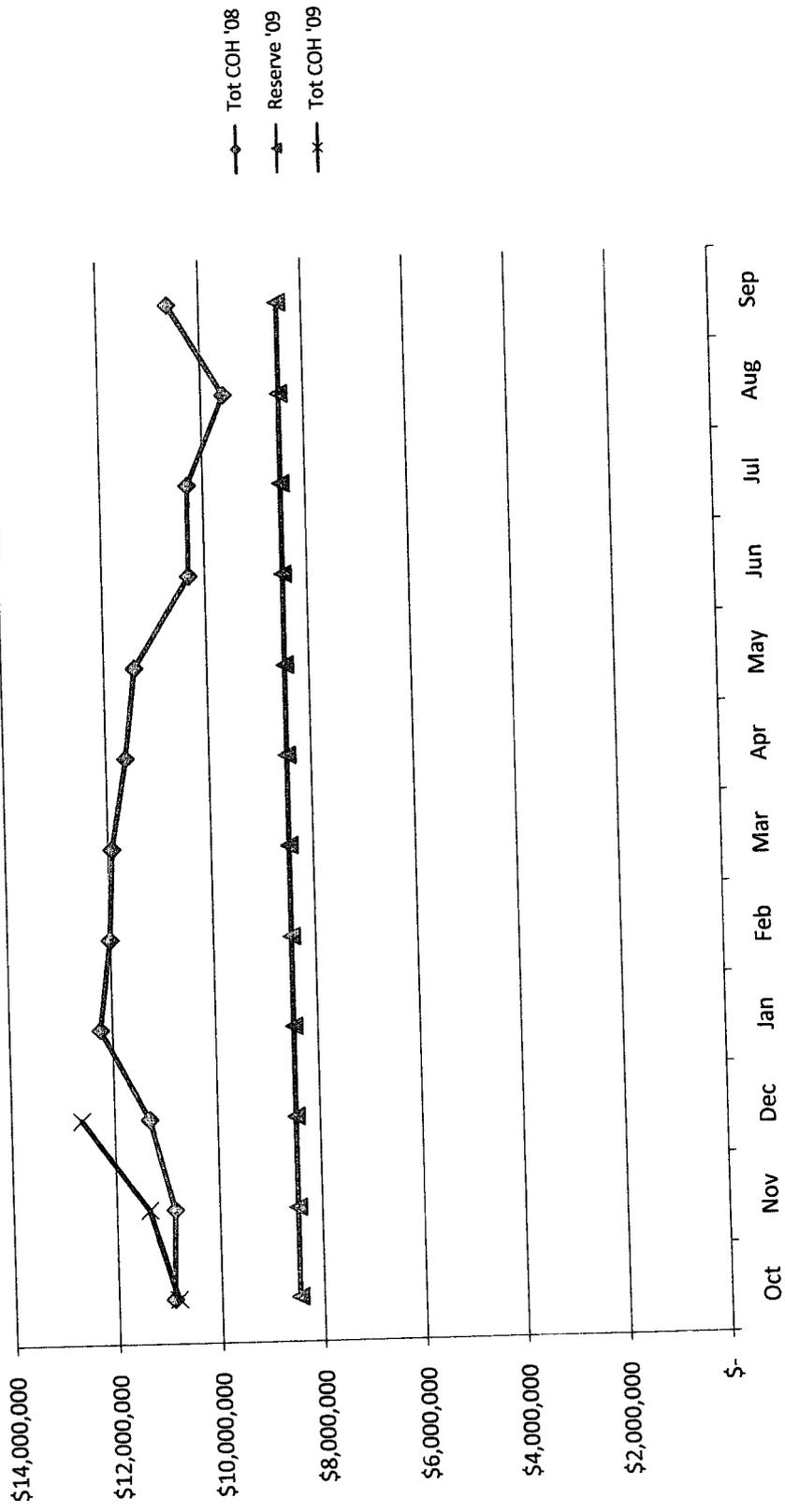
Reconciliation of Budget Changes

Original Budget	\$ 75,953,133
Purchase Order Carryforwards	203,155
Bond Funds	<u>7,921,463</u>
Revised Budget	\$ 84,077,751

Bottom Line:

Net income for the fiscal year is \$104,860. Cash on hand of \$12,639,928 has increased by 2,229,208 or 21.4% over the previous fiscal year end unaudited balance of \$10,410,720. Cash balances are expected to increase in the near term as receivables associated with the increases in the cost of purchased power are collected.

**Electric Fund
Cash Reserve vs. Cash on Hand**



City of Leesburg Electric Systems
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Charges For Services	\$ 73,916,740	\$ 73,916,740	\$ 15,934,452
Other Operating Revenue	971,393	971,393	269,609
Total Operating Revenues	<u>74,888,133</u>	<u>74,888,133</u>	<u>16,204,061</u>
Expenses			
Generation	3,863,939	3,863,939	554,645
St. Lucie	881,108	881,108	151,283
Purchased Power	50,049,495	50,049,495	10,764,767
Administration	3,249,804	3,249,804	857,467
Distribution	5,123,889	5,217,399	851,540
Traffic Light Operations	-	-	-
Uncollectable Accounts	75,000	75,000	18,750
Customer Accounts	1,414,759	1,414,759	440,863
Meter Reading	156,101	156,101	31,083
Depreciation	2,200,000	2,200,000	580,800
Total Operating Expenses	<u>67,014,095</u>	<u>67,107,605</u>	<u>14,251,198</u>
Net Income From Operations	7,874,038	7,780,528	1,952,863
Non-Operating Revenue (Expense)			
Grants	-	-	-
Interest Income	285,000	285,000	74,442
Other Non-Operating Income	220,000	220,000	21,083
Debt Service	(2,741,422)	(2,741,422)	(499,936)
Customer Deposit Interest	(100,000)	(100,000)	(14,725)
Decommission Trust CR #3	(326,379)	(326,379)	(81,595)
Other Non-Operating Expense	(104,570)	(104,570)	(24,006)
Total Non-Operating Revenue (Expense)	<u>(2,767,371)</u>	<u>(2,767,371)</u>	<u>(524,737)</u>
Income Before Operating Transfers	5,106,667	5,013,157	1,428,126
Transfers to Other Funds			
General Fund	4,578,315	4,578,315	1,144,579
Capital Projects Fund	-	-	-
Surcharges to General Fund	1,088,352	1,088,352	252,817
Total Transfers	<u>5,666,667</u>	<u>5,666,667</u>	<u>1,397,396</u>
Net Income After Transfers	(560,000)	(653,510)	30,730
Other Sources			
Capital Contributions	560,000	560,000	48,578
Debt Proceeds	-	7,921,463	-
Fund Balance-Rollovers	-	203,155	-
Capital Projects	-	(8,031,108)	25,372
Net Other Sources	<u>560,000</u>	<u>653,510</u>	<u>73,950</u>
Contribution to Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,680</u>

Gas Utility

Overview

The revised budget of \$13,530,956 is \$2,248,166 greater than original budget of \$11,282,790 due to budget adjustments related to purchase order carryforwards of \$25,000 also known as rollovers and bond funds totaling \$2,223,166. As of December, 25% of the year has passed. Operating revenue of \$2,373,854 represents 22.9% of budget of \$10,341,871. Operating expenses and encumbrances totaling \$1,878,798 represent 22.1% of budget of \$8,499,747. Year to date net income at the end of the month is \$230,898.

Surplus (Net Loss)

Total revenue of \$2,398,220 exceeds total expenses of \$2,167,322 resulting in net income of \$230,898.

Cash Reserve Calculation	2009	2008
*Budgeted Operating Revenue	\$ 10,341,871	\$10,712,284
Less:		
Budgeted Cost of Purchased Gas	<u>5,808,010</u>	<u>5,536,125</u>
Net Revenue	4,533,861	5,176,159
Add:		
General Fund Transfers	745,308	786,735
Surcharge Revenues	<u>1,119,033</u>	<u>126,884</u>
Total Transfers & Surcharges	8,57,211	913,619
Minimum Revenue Required	5,391,072	6,089,778
Number of days in the year	<u>365</u>	<u>365</u>
Average daily cash	14,770.06	16,684.32
Number of days required	<u>90</u>	<u>90</u>
Minimum cash balance	1,329,305	1,501,589
Cash on hand	<u>2,895,740</u>	<u>3,038,791</u>
Excess	<u>\$ 1,566,435</u>	<u>\$ 1,537,202</u>

*Operating revenue does not include income from grants, interest, other non-operating revenues, transfers in from other sources or funds, capital contributions or debt proceeds.

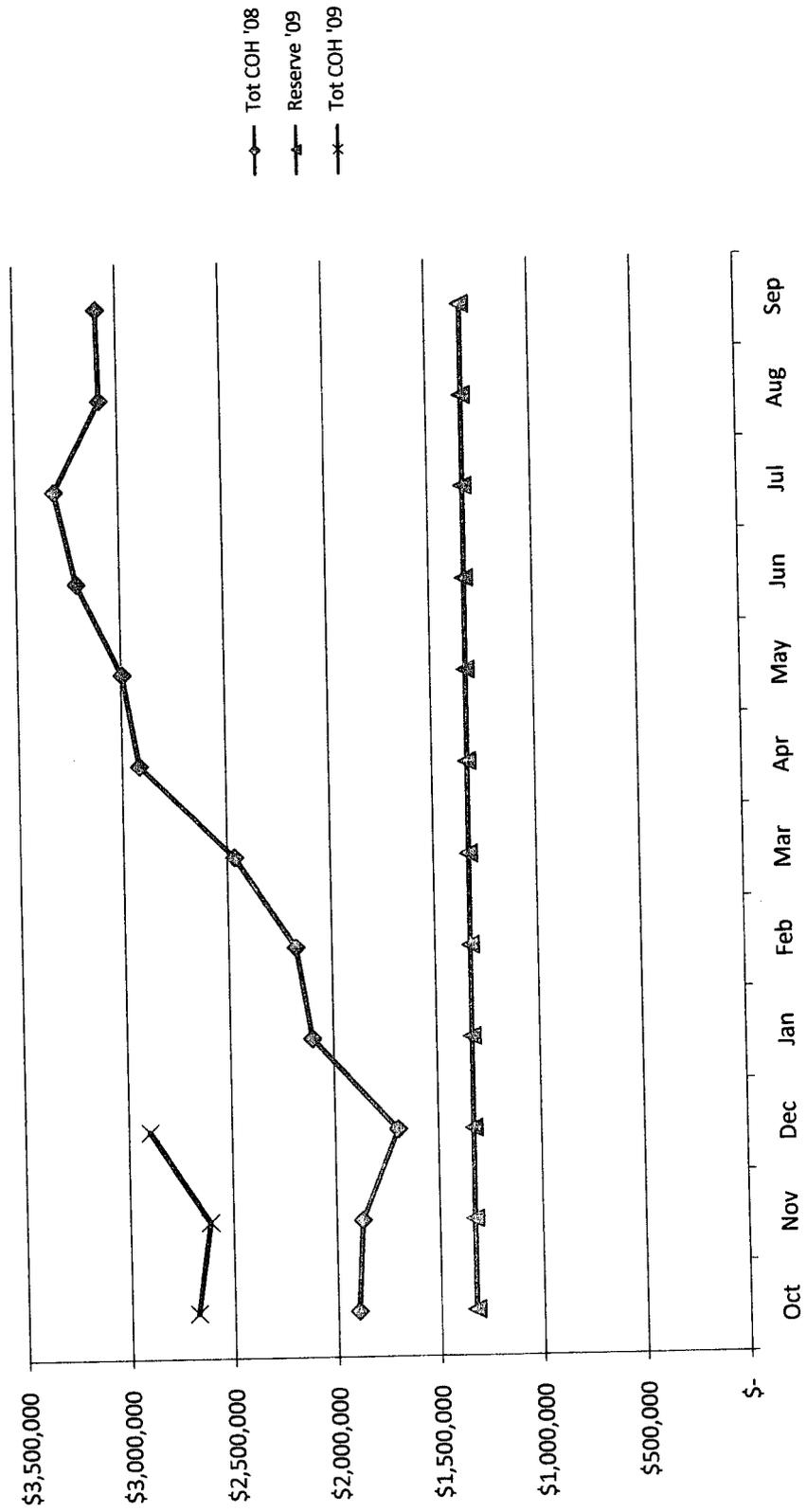
Reconciliation of Budget Changes

Original Budget	\$ 11,282,790
Purchase Order Carryforwards	25,000
Bond Funds	<u>2,223,166</u>
Revised Budget	\$ 13,530,956

Bottom Line:

Net income for the fiscal year is \$230,898. The cash reserve excess of \$1,566,435 has increased from the previous fiscal year end excess of \$1,537,202 by \$29,233. Cash on hand of \$2,895,740 has decreased by \$143,051 or 4.7% from the previous fiscal year end unaudited balance of \$3,038,791.

**Gas Fund
Cash Reserve vs. Cash on Hand**



City of Leesburg Gas Systems
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	Original Budget	Revised Budget	2009 Actual
Revenue			
Charges For Services	\$ 10,216,871	\$ 10,216,871	\$ 2,336,937
Other Operating Revenue	125,000	125,000	36,917
Total Operating Revenues	10,341,871	10,341,871	2,373,854
Expenses			
Purchased Gas	5,808,010	5,808,010	1,150,027
Administration	952,668	952,668	179,738
Distribution	935,893	935,893	379,239
Uncollectable Accounts	25,000	25,000	6,250
Customer Accounts	375,677	375,677	66,756
Meter Reading	77,499	77,499	15,432
Depreciation	325,000	325,000	81,356
Total Operating Expenses	8,499,747	8,499,747	1,878,798
Net Income From Operations	1,842,124	1,842,124	495,056
Non-Operating Revenue (Expense)			
Grants	-	-	-
Interest Income	80,000	80,000	20,405
Other Non-Operating Income	52,414	52,414	1,673
Debt Service	(423,831)	(423,831)	(73,638)
Customer Deposit Interest	-	-	(925)
Other Non-Operating Expense	-	-	-
Total Non-Operating Revenue (Expense)	(291,417)	(291,417)	(52,485)
Income Before Operating Transfers	1,550,707	1,550,707	442,571
Transfers to Other Funds			
General Fund	745,308	745,308	186,327
Surcharges to General Fund	111,903	111,903	28,364
Total Transfers	857,211	857,211	214,691
Net Income After Transfers	693,496	693,496	227,880
Other Sources			
Capital Contributions	708,505	708,505	2,288
Transfer from Wastewater	100,000	100,000	-
Appropriated Retained Earnings	-	25,000	-
Debt Proceeds	-	2,223,166	-
Capital Projects	(1,154,505)	(3,402,671)	730
Net Other Sources	(346,000)	(346,000)	3,018
Contribution to Fund Balance	\$ 347,496	\$ 347,496	\$ 230,898

Water Utility

Overview

The revised budget of \$18,759,430 is \$10,092,893 greater than the original budget of \$8,666,537 due to budget adjustments related to purchase order carryforwards of \$550,986 also known as rollovers, bond funds totaling \$9,519,984 and renewal and replacement proceeds of \$21,923. As of December, 25% of the year has passed. Operating revenue of \$1,897,861 represents 26.9% of budget of \$7,063,851. Operating expenses and encumbrances totaling \$1,543,159 represent 24.9% of budget of \$6,178,141. Net income at the end of the month is \$173,669.

Surplus (Net Income)

Total revenues of \$1,958,687 exceed total expenses of \$1,785,018 by \$173,669.

Cash Reserve Calculation

	2009	2008
*Budgeted Operating Revenue	\$ 7,063,851	\$7,717,188
Reserve Percentage	<u>25%</u>	<u>25%</u>
Required Reserve	1,765,963	1,929,297
Cash on hand	<u>3,478,517</u>	<u>3,594,641</u>
Excess	\$ <u>1,712,554</u>	<u>\$1,665,344</u>

*Operating revenue does not include income from grants, interest, other non-operating revenues, transfers in from other sources or funds, capital contributions or debt proceeds.

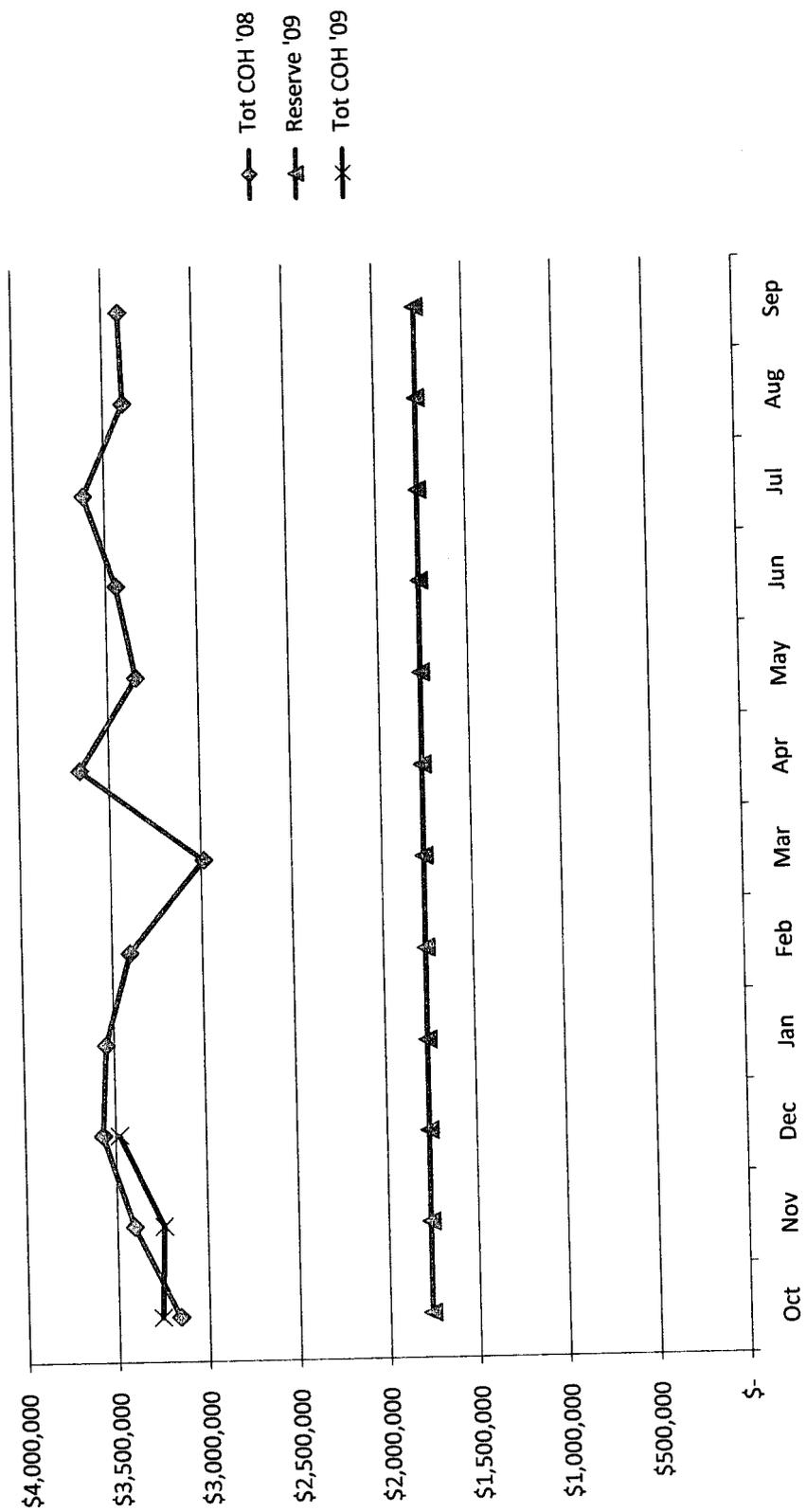
Reconciliation of Budget Changes

Original Budget	\$ 8,666,537
Purchase Order Carryforwards	550,986
Bond Funds	9,519,984
Appropriated Renewal and Replacement	<u>21,923</u>
Revised Budget	\$ 18,759,430

Bottom Line:

Net income for the fiscal year is \$173,669. The cash reserve excess of \$1,712,554 has increased by \$47,210 over the previous fiscal year end excess of \$1,665,344. Cash on hand of \$3,478,517 has decreased by \$116,124 or 3.2% from the previous fiscal year end unaudited balance of \$3,594,641.

**Water Fund
Cash Reserve vs. Cash on Hand**



City of Leesburg Water Utility
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Charges For Services	\$ 6,896,301	\$ 6,896,301	\$ 1,855,552
Other Operating Revenue	<u>167,550</u>	<u>167,550</u>	<u>42,309</u>
Total Operating Revenues	<u>7,063,851</u>	<u>7,063,851</u>	<u>1,897,861</u>
Expenses			
Administration	1,108,577	1,108,577	180,991
Treatment	1,390,954	1,412,877	408,441
Distribution	2,142,811	2,142,811	323,597
Uncollectable Accounts	20,000	20,000	5,000
Customer Accounts	567,245	567,245	125,206
Meter Reading	138,554	138,554	27,589
Depreciation	<u>810,000</u>	<u>810,000</u>	<u>238,854</u>
Total Operating Expenses	<u>6,178,141</u>	<u>6,200,064</u>	<u>1,309,678</u>
Net Income From Operations	885,710	863,787	588,183
Non-Operating Revenue (Expense)			
Impact Fees	104,070	104,070	42,844
Interest Income	75,000	75,000	44,336
Other Non-Operating Income	-	-	(42,217)
Debt Service	(1,560,261)	(1,560,261)	(287,683)
Customer Deposit Interest	<u>(12,000)</u>	<u>(12,000)</u>	<u>(1,290)</u>
Total Non-Operating Revenue (Expense)	<u>(1,393,191)</u>	<u>(1,393,191)</u>	<u>(244,010)</u>
Income Before Operating Transfers	(507,481)	(529,404)	344,173
Transfers to Other Funds			
General Fund	520,442	520,442	130,110
Building Fund	-	-	520
Surcharges to General Fund	<u>233,469</u>	<u>233,469</u>	<u>53,015</u>
Total Transfers	<u>753,911</u>	<u>753,911</u>	<u>183,645</u>
Net Income After Transfers	(1,261,392)	(1,283,315)	160,528
Other Sources (Uses)			
Capital Contributions	672,228	672,228	15,863
Transfer from Wastewater	500,000	500,000	-
Appropriated Renewal & Replacement	251,388	273,311	-
Debt Proceeds	-	9,519,984	-
Capital Projects	<u>(162,224)</u>	<u>(9,682,208)</u>	<u>(2,722)</u>
Net Other Sources	<u>1,261,392</u>	<u>1,283,315</u>	<u>13,141</u>
Contribution to Fund Balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>173,669</u>

Wastewater Utility

Overview

The revised budget of \$12,478,781 is \$2,152,685 greater than the original budget of \$10,326,096 due to budget adjustments related to purchase order carryforwards of \$130,571, bond funds totaling \$1,943,984 and debt service of \$78,130. As of December, 25% of the year has passed. Operating revenue of \$2,246,697 represents 22.8% of budget of \$9,866,096. Operating expenses and encumbrances totaling \$1,834,057 represent 25.7% of budget of \$7,141,090. Net income at the end of the month is \$319,183.

Surplus (Net Income)

Total revenues of \$2,363,544 exceed total expenses of \$2,044,361 by \$319,183.

Cash Reserve Calculation

	2009	2008
*Budgeted Operating Revenue	\$ 9,866,096	\$9,713,012
Reserve Percentage	<u>25%</u>	<u>25%</u>
Required Reserve	2,466,524	2,428,253
Cash on hand	<u>2,617,780</u>	<u>2,336,001</u>
Excess	\$ <u>151,256</u>	\$ <u>(92,252)</u>

*Operating revenue does not include income from grants, interest, other non-operating revenues, transfers in from other sources or funds, capital contributions or debt proceeds.

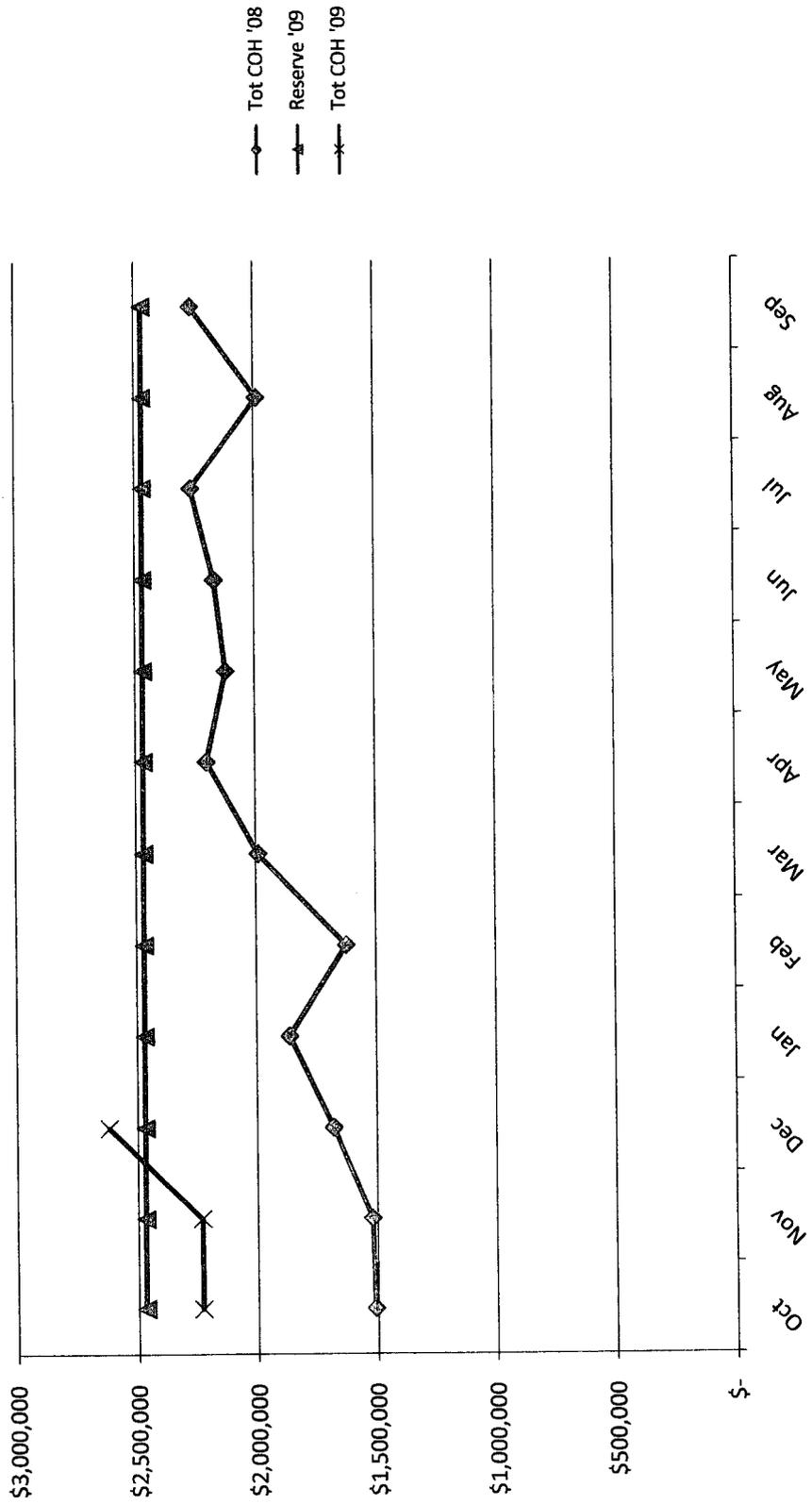
Reconciliation of Budget Changes

Original Budget	\$ 10,326,096
Purchase Order Carryforwards	130,571
Bond Funds	1,943,984
Debt Service	<u>78,130</u>
Revised Budget	\$ 12,478,781

Bottom Line:

Net income for the fiscal year is \$319,183. The cash reserve excess of \$151,256 has increased by \$243,508 from the previous fiscal year end deficiency of \$92,252. The utility is now compliant with the cash reserve policy. Cash on hand of \$2,617,780 has increased by \$281,779 or 12.1% over the previous fiscal year end unaudited balance of \$2,336,001.

**Wastewater Fund
Cash Reserve vs. Cash on Hand**



**City of Leesburg Wastewater Utility
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Charges For Services	\$ 9,649,456	\$ 9,649,456	\$ 2,210,944
Other Operating Revenue	216,640	216,640	35,753
Total Operating Revenues	<u>9,866,096</u>	<u>9,866,096</u>	<u>2,246,697</u>
Expenses			
Administration	762,353	767,353	143,750
Canal Street-Treatment	1,113,579	1,199,997	261,876
Turnpike-Treatment	754,295	754,295	148,632
Laboratory	203,911	203,911	38,207
Sprayfield	258,782	260,829	49,220
Collections	990,207	1,016,041	226,344
Lift Stations	1,111,491	1,115,744	243,946
Uncollectable Accounts	20,000	20,000	5,000
Customer Accounts	703,549	703,549	159,196
Meter Reading	122,923	122,923	24,477
Depreciation	1,100,000	1,100,000	325,392
Total Operating Expenses	<u>7,141,090</u>	<u>7,264,642</u>	<u>1,626,040</u>
Net Income From Operations	2,725,006	2,601,454	620,657
Non-Operating Revenue (Expense)			
Impact Fees	-	-	98,643
Interest Income	60,000	60,000	17,524
Other Non-Operating Income	-	-	680
Debt Service	(1,833,331)	(1,911,461)	(237,873)
Customer Deposit Interest	-	-	(38)
Total Non-Operating Revenue (Expense)	<u>(1,773,331)</u>	<u>(1,851,461)</u>	<u>(121,064)</u>
Income Before Operating Transfers	951,675	749,993	499,593
Transfers to Other Funds			
General Fund	719,642	719,642	179,910
Building Fund	-	-	500
Total Transfers	<u>719,642</u>	<u>719,642</u>	<u>180,410</u>
Net Income After Transfers	232,033	30,351	319,183
Other Sources (Uses)			
Renewal & Replacement	400,000	400,000	-
Appropriated Retained Earnings	-	208,701	-
Debt Proceeds	-	1,943,984	-
Capital Projects	(400,000)	(2,351,003)	-
Net Other Sources	<u>-</u>	<u>201,682</u>	<u>-</u>
Contribution to Fund Balance	<u>\$ 232,033</u>	<u>\$ 232,033</u>	<u>\$ 319,183</u>

Combined Cash Reserve-Utility System

In order to accurately determine liquidity, the Utility System needs to be reviewed both individually and combined. Individually all utilities but Wastewater meet their required reserve. On a combined basis the Utility System meets the required cash reserve. Because of the structuring of previous bond issues, Wall Street looks at the combined Utility to determine compliance with the cash reserve policy.

Excess (Deficiency) of Combined Utility Cash Reserves

	2009	2008
Gas	\$ 1,566,435	\$1,537,202
Water	1,712,554	1,665,344
Wastewater	<u>151,256</u>	<u>(92,252)</u>
Combined Excess (Deficiency) \$	3,430,245 (a)	\$3,110,294

(a) The City is compliant with the combined cash reserve policy

Bottom Line:

The cash reserve excess of \$3,430,245 has increased by \$319,951 from the previous fiscal year end excess of \$3,110,294.

Communications

Overview

The revised budget of \$1,189,221 is \$5,000 greater than original budget of \$1,184,221 due to purchase order carryforwards also known as rollovers. As of December, 25% of the year has passed. Operating revenues totaling \$287,270 represent 24.5% of budget of \$1,172,221. Operating expenses and encumbrances totaling \$229,705 represent 25.8% of budget of \$889,781. Net income at the end of the reporting period is \$47,654.

Surplus (Net Income)

Total revenues of \$288,397 exceed expenses of \$240,743 by \$47,654.

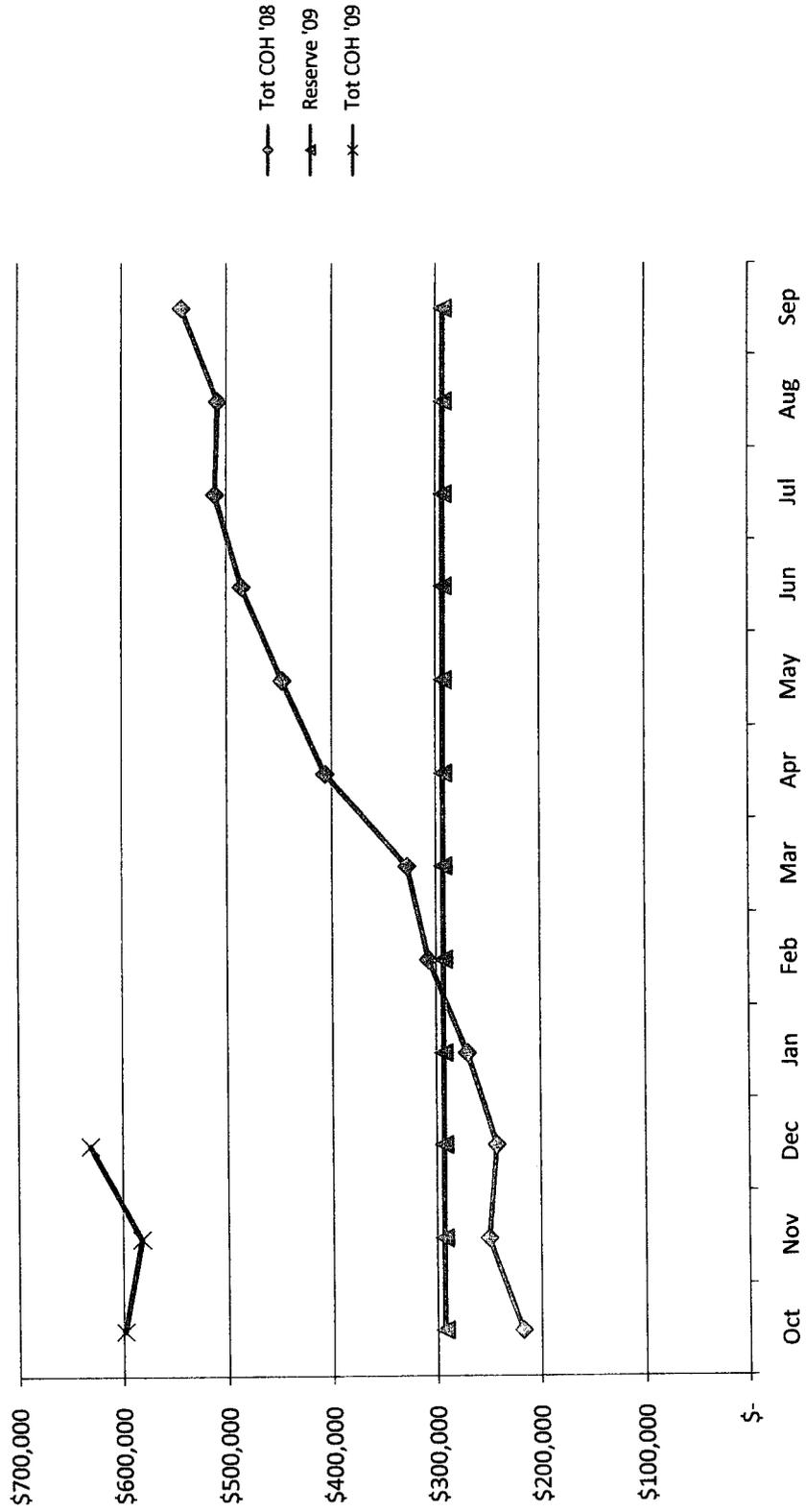
Cash Reserve Calculation	2009	2008
*Budgeted Operating Revenue	\$ 1,172,221	\$ 1,188,576
Reserve Percentage	<u>25%</u>	<u>25%</u>
Required Reserve	293,055	297,144
Cash on hand	<u>631,857</u>	<u>548,565</u>
Excess	\$ 338,802	\$ 251,421

*Operating revenue does not include income from grants, interest, other non-operating revenues, transfers in from other sources or funds, capital contributions or debt proceeds.

Bottom Line:

Net income at the end of the reporting period is \$47,654. The cash reserve excess of \$338,802 has increased by \$87,381 over the previous fiscal year end excess of \$251,421. Cash on hand of \$631,857 has increased by \$83,292 over the previous fiscal year end unaudited balance of \$548,565.

**Communications Fund
Cash Reserve vs. Cash on Hand**



**City of Leesburg Communication Systems
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Charges For Services	\$ 1,172,221	\$ 1,172,221	\$ 286,546
Other Operating Revenue	-	-	724
Total Operating Revenues	<u>1,172,221</u>	<u>1,172,221</u>	<u>287,270</u>
Expenses			
Communications	492,808	492,808	128,041
Internet Service Provider	70,518	70,518	22,522
Uncollectable Accounts	1,455	1,455	364
Depreciation	325,000	325,000	78,778
Total Operating Expenses	<u>889,781</u>	<u>889,781</u>	<u>229,705</u>
Net Income From Operations	282,440	282,440	57,565
Non-Operating Revenue (Expense)			
Grants	-	-	-
Interest Income	-	-	2,179
Other Non-Operating Income	12,000	12,000	(1,051)
Debt Service	(104,230)	(104,230)	(11,009)
Customer Deposit Interest	(210)	(210)	(30)
Other Non-Operating Expense	-	-	-
Total Non-Operating Revenue (Expense)	<u>(92,440)</u>	<u>(92,440)</u>	<u>(9,911)</u>
Income Before Operating Transfers	190,000	190,000	47,654
Transfers to Other Funds			
General Fund	-	-	-
Surcharges to General Fund	-	-	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Net Income After Transfers	190,000	190,000	47,654
Other Sources			
Capital Contributions	-	-	-
Appropriated Retained Earnings	-	-	-
Contribution From General Fund	-	-	-
Capital Projects	(190,000)	(190,000)	-
Net Other Sources	<u>(190,000)</u>	<u>(190,000)</u>	<u>-</u>
Contribution to Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,654</u>

Solid Waste

Overview

The revised budget of \$3,816,896 is \$67,650 greater than original budget of \$3,749,246 due to purchase order carryforwards also known as rollovers. As of December, 25% of the year has passed. Operating revenue of \$933,165 represents 25.2% of budget of \$3,710,019. Operating expenses and encumbrances totaling \$637,011 represent 19.2% of budget of \$3,324,246. Net Income at the end of the reporting period is \$327,214.

Surplus (Net Income)

Total revenues of \$936,891 exceed total expenses of \$609,677 by \$327,214.

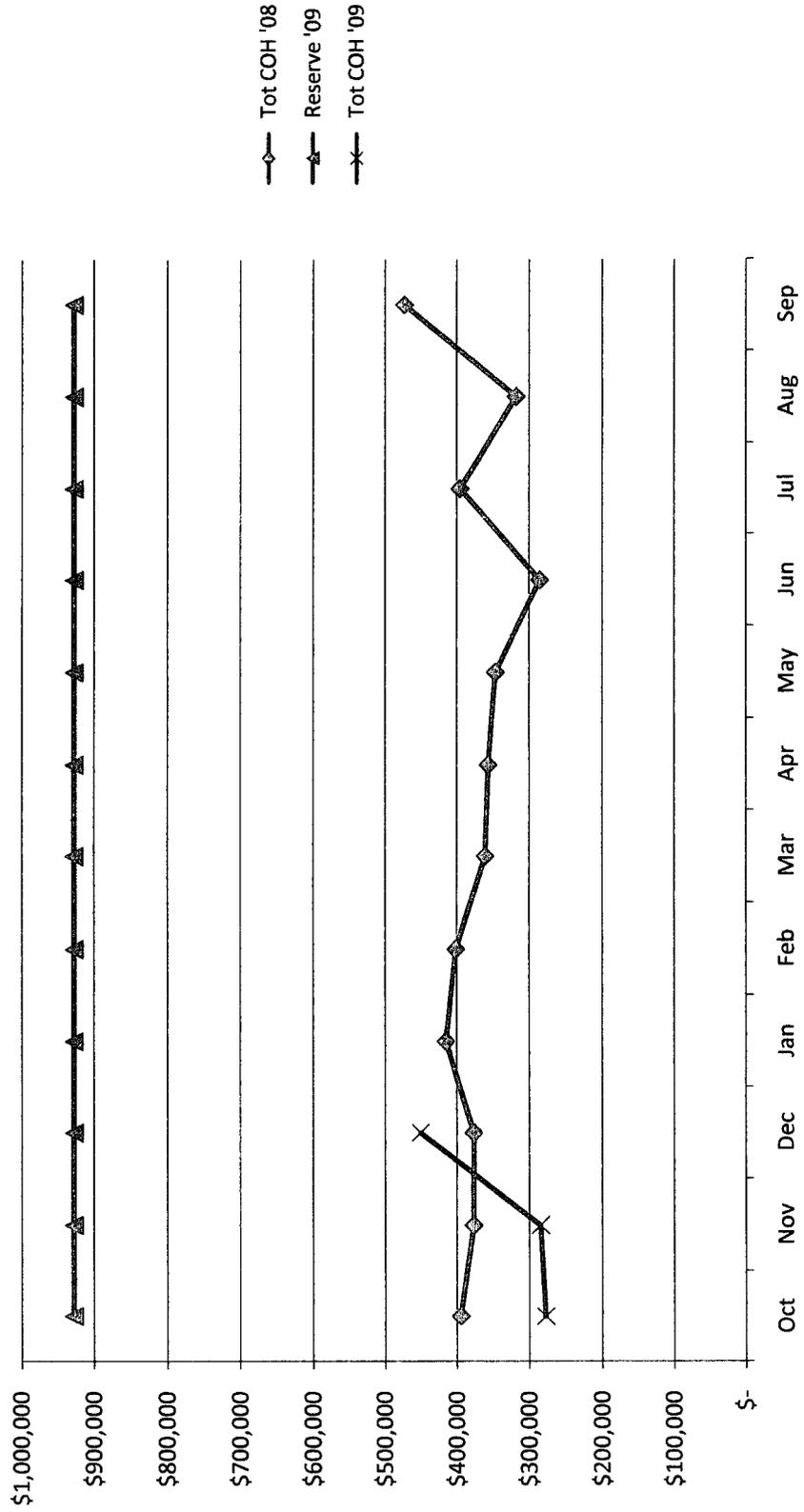
Cash Reserve Calculation	2009	2008
*Budgeted Operating Revenue	\$ 3,710,019	\$3,662,779
Reserve Percentage	<u>25%</u>	<u>25%</u>
Required Reserve	927,504	915,694
Cash on hand	<u>450,396</u>	<u>365,260</u>
Deficiency	\$ (477,108)	\$ (550,434)

*Operating revenue does not include income from grants, interest, other non-operating revenues, transfers in from other sources or funds, capital contributions or debt proceeds.

Bottom Line:

Year to date net income is \$327,214. Cash on hand of 450,396 has increased by \$85,136 from the previous fiscal year end unaudited balance of \$365,260.

**Solid Waste Fund
Cash Reserve vs. Cash on Hand**



City of Leesburg Solid Waste Fund
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Charges For Services	\$ 3,675,021	\$ 3,675,021	\$ 924,262
Other Operating Revenue	34,998	34,998	8,903
Total Operating Revenues	<u>3,710,019</u>	<u>3,710,019</u>	<u>933,165</u>
Expenses			
Long-Term Care	131,442	249,092	-
Residential	1,466,152	1,466,152	267,223
Commercial	1,279,059	1,279,059	175,237
Uncollectable Accounts	15,000	15,000	8,750
General & Administrative	136,493	136,493	28,270
Customer Accounts	276,100	276,100	63,156
Depreciation	20,000	20,000	4,516
Total Operating Expenses	<u>3,324,246</u>	<u>3,441,896</u>	<u>547,152</u>
Net Income From Operations	385,773	268,123	386,013
Non-Operating Revenue (Expense)			
Grants	-	-	-
Interest Income	17,531	17,531	1,838
Other Non-Operating Income	21,696	21,696	1,888
Debt Service	-	-	-
Customer Deposit Interest	-	-	(25)
Other Non-Operating Expense	-	-	-
Total Non-Operating Revenue (Expense)	<u>39,227</u>	<u>39,227</u>	<u>3,701</u>
Income Before Operating Transfers	425,000	307,350	389,714
Transfers to Other Funds			
General Fund	250,000	250,000	62,500
General Fund Fixed Asset	-	-	-
Surcharges to General Fund	-	-	-
Total Transfers	<u>250,000</u>	<u>250,000</u>	<u>62,500</u>
Net Income After Transfers	175,000	57,350	327,214
Other Sources (Uses)			
Capital Contributions	-	-	-
Appropriated Retained Earnings	-	67,650	-
Capital Projects	(175,000)	(125,000)	-
Net Other Sources	<u>(175,000)</u>	<u>(57,350)</u>	<u>-</u>
Contribution to Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327,214</u>

Healthcare

Overview

The original budget of \$4,218,813 has remained unchanged. As of December 25% of the year has passed. Operating revenue of \$1,070,993 represents 25.4% of budget of \$4,218,813. Operating expenses and encumbrances totaling 596,949 represent 13.6% of budget of \$4,379,563. Year to date net income is \$502,121.

Surplus (Net Income)

Total revenue of \$1,099,070 exceeds total expenses of \$596,949 by \$502,121.

Cash Reserve Calculation

The cash reserve policy requires that there be adequate cash on hand to meet the obligations of the Health Insurance Fund. The results of the calculation are presented below:

	2009	2008
*Budgeted Expenditures	\$ 4,218,813	\$4,424,349
Number of days in the year	<u>365</u>	<u>365</u>
Average daily claims expense	11,558	12,122
Cash on hand	\$ 3,230,122	\$3,042,507
Average daily claims expense	<u>11,558</u>	<u>12,122</u>
Number of days cash on hand	279.47	250.99

Bottom Line:

Year to date net income is \$502,121. Cash on hand of \$3,230,122 has increased by \$187,615 or 6.2% from the previous fiscal year end unaudited balance of \$3,042,507. The number of day's cash on hand of 279.47 has increased from the previous fiscal year end balance of 250.99 by 28.48 days or 11.3%.

City of Leesburg Healthcare Fund
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Employee Contributions	\$ 835,118	\$ 835,118	\$ 209,244
Employer Contributions	2,867,571	2,867,571	710,576
Retiree's Contribution	196,451	196,451	54,767
Retiree's Employer Contribution	288,198	288,198	85,278
Continuation Coverage	31,475	31,475	11,128
Revenues From Outside Sources	<u>4,218,813</u>	<u>4,218,813</u>	<u>1,070,993</u>
Other Revenues			
Interest on Investments	90,750	90,750	11,947
Other Income	70,000	70,000	16,130
Fund Balance Appropriated	-	-	-
Total Other Revenues	<u>160,750</u>	<u>160,750</u>	<u>28,077</u>
Total Revenues	\$ 4,379,563	\$ 4,379,563	\$ 1,099,070
Expenses			
Retiree Health Insurance	\$ 288,198	\$ 288,198	\$ 85,278
Professional Services	472,232	472,232	110,908
Insurance Premiums	329,600	329,600	79,949
Insurance Claims	2,577,826	2,577,826	250,072
Prescription Claims	711,707	711,707	108,489
Medicare Part D Subsidy	-	-	(37,747)
Reinsurance Recoveries	-	-	-
Incurred But Not Reported (IBNR)	-	-	-
Total Operating Expenses	<u>4,379,563</u>	<u>4,379,563</u>	<u>596,949</u>
Other Expenditures			
Reserve for Future Use	-	-	-
Contingency	-	-	-
Total Other Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ 4,379,563	\$ 4,379,563	\$ 596,949
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>502,121</u>

Workers Compensation

Overview

The revised budget of \$1,024,590 is \$400,000 greater than original budget of \$624,590 due to budget adjustments related to the Old Library Rehab. As of December, 25% of the year has passed. Operating revenue of \$131,796 represents 27.8% of budget of \$474,590. Operating expenses and encumbrances totaling \$102,713 represent 19.6% of budget of \$524,590.

Surplus (Net Income)

Total revenue of \$141,416 exceeds expenses of \$102,713 by \$38,703.

Cash Reserve Calculation

The cash reserve policy requires that there be adequate cash on hand to meet the obligations of the Workers Compensation Fund. The results of the calculation are presented below:

	2009	2008
Budgeted Expenditures	\$ 524,590	\$ 523,468
Number of days in the year	<u>365</u>	<u>365</u>
Average daily claims expense	\$ 1,437.23	\$ 1,434.16
Cash on Hand	\$2,579,912	\$2,550,147
Average daily claims expense	<u>\$ 1,437.23</u>	<u>\$ 1,434.16</u>
Number of days cash on hand	1,795.05	1,778.35

Bottom Line:

Year to date net income is \$38,703. The City is well-protected from periods of high claims due to healthy reserves and effective risk management. Cash on hand of \$2,579,912 has increased by \$29,765 from the previous fiscal year end unaudited cash balance of \$2,550,147. The number of day's cash on hand of 1,795.05 has increased from the previous fiscal year end balance of 1,778.35 by 16.7 days. Included in the 2008-09 budgets are transfers for Kristen Court and the Old Library Rehabilitation project totaling \$100,000 and \$400,000 respectively. Once these transfers occur, cash on hand will be reduced by \$500,000. The effect of this transfer will be a reduction of day's cash on hand from 1,795 to 1,447 or 348 days.

**City of Leesburg Workers' Compensation
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Revenue			
Employee Contributions	\$ -	\$ -	\$ -
Employer Contributions	474,590	474,590	131,796
Retiree's Contribution	-	-	-
Retiree's employer Contribution	-	-	-
Continuation Coverage	-	-	-
Revenues From Outside Sources	<u>474,590</u>	<u>474,590</u>	<u>131,796</u>
Other Revenues			
Interest on Investments	50,000	50,000	9,620
Other Income	-	-	-
Total Other Revenues	<u>50,000</u>	<u>50,000</u>	<u>9,620</u>
Total Revenues	\$ 524,590	\$ 524,590	\$ 141,416
Expenses			
Retiree Health Insurance	\$ -	\$ -	\$ -
Professional Services	43,375	43,375	14,377
Insurance Premiums	88,000	88,000	-
Insurance Claims	353,215	353,215	81,112
Prescription Claims	-	-	-
Self Insurance Assessment	40,000	40,000	7,224
Reinsurance Recoveries	-	-	-
Incurred But Not Reported (IBNR)	-	-	-
Total Operating Expenses	<u>524,590</u>	<u>524,590</u>	<u>102,713</u>
Other Expenditures			
Reserve for Future Use	-	-	-
Contingency	-	-	-
Total Other Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ 524,590	\$ 524,590	\$ 102,713
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>38,703</u>

Building Permits Fund

Overview

The original budget of \$881,000 remains unchanged. As of December 25% of the year has passed. Operating revenue of \$82,771 represents 9.7% of budget of \$850,000. Operating expenses of \$140,339 represent 21.7% of budget of \$646,231. The net loss for the year is \$45,864.

Surplus (Net Loss)

Total expenses of \$140,339 exceed total revenues of \$94,475 by \$45,864.

Cash Reserve Calculation

The cash reserve policy requires that there be adequate cash on hand to meet the obligations of the Building Permits Fund. The results of the calculation are presented below:

	2009	2008
Budgeted Expenditures	\$ 646,231	\$ 893,578
Number of days in the year	<u>365</u>	<u>365</u>
Average daily expense	\$ 1,770.50	\$ 2,448.46
Actual cash on hand	(54,766.61)	12,687
Average daily expense	<u>\$ 1,770.50</u>	<u>\$ 2,448.46</u>
Number of days cash on hand	0	5.2

Reconciliation of Budget Changes

Original Budget	\$ 881,000
Budget Changes	<u>0</u>
Revised Budget	\$ 881,000

Bottom Line

The year to date net loss is \$45,864. The cash deficit is \$54,766.61. Action has been taken to reduce expenditures with the elimination of two building inspector positions in January. In addition two vehicles have been returned to Fleet.

City of Leesburg Building Permits Fund
Statement of Revenues and Expenditures
For the Three Months Ended December 31, 2008

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>2009 Actual</u>
Permit Revenue			
Building	\$ 595,000	\$ 595,000	\$ 62,215
Plumbing	55,000	55,000	4,706
Electric	85,000	85,000	8,123
Gas	40,000	40,000	1,386
Mechanical	70,000	70,000	4,921
Sign	5,000	5,000	1,420
Revenues From Outside Sources	<u>850,000</u>	<u>850,000</u>	<u>82,771</u>
Other Revenues			
Intergovernmental Revenue	30,000	30,000	2,050
Investment Income	1,000	1,000	(105)
Miscellaneous	-	-	9,759
Fund Balance Appropriated	-	-	-
Total Other Revenues	<u>31,000</u>	<u>31,000</u>	<u>11,704</u>
Total Revenues	\$ 881,000	\$ 881,000	\$ 94,475
Expenses			
Salaries & Benefits	\$ 460,697	\$ 460,697	\$ 98,077
Operating Expenses	185,534	185,534	42,262
Capital Outlay	-	-	-
Total Operating Expenses	<u>646,231</u>	<u>646,231</u>	<u>140,339</u>
Other Expenditures			
Reserve for Future Use	234,769	234,769	-
Contingency	-	-	-
Total Other Expenditures	<u>234,769</u>	<u>234,769</u>	<u>-</u>
Total Expenditures	\$ 881,000	\$ 881,000	\$ 140,339
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(45,864)</u>