



LODI CITY COUNCIL
Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: April 15, 2008

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.

Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Presentation of Electric Utility Third Quarter (Fiscal Year 2007-08) Financial Reports (EUD)

B-2 Presentation of Water and Wastewater Utility Third Quarter (Fiscal Year 2007-08) Financial Reports (CM)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Electric Utility 3rd Quarter FY08 Financial Report (EUD)

MEETING DATE: April 15, 2008

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Receive a report prepared by the Electric Utility Department summarizing its financial performance for the 3rd quarter of FY08.

BACKGROUND INFORMATION: The Electric Utility Department (EUD) is responsible for reporting its quarterly financial results to the City Council.

A summary of the electric utility's financial performance for year-to-date FY08 is as follows:

- Power Costs are ~\$763K less than budget
- Non-power Costs decreased ~\$1.2M
- Revenues down ~\$148K
- NCPA "General Operating Reserve is up ~\$1.6M
- FY08 power costs are 96% hedged for the remainder of the fiscal year.
- Revenues include a one-time receipt of \$3.25M from Roseville CT1 Sale
- Overall increase in cash is about \$5.7M through 3rd Qtr (including Roseville revenue)
- Total Reserve Fund (cash) balance is \$10.9 million.

Attached is a spreadsheet comparing financial performance through the 3rd quarter with the FY08 budget.

FISCAL IMPACT: None at this time.

FUNDING: Not applicable.

George F. Morrow
Electric Utility Director

Attachment

APPROVED: _____
Blair King, City Manager



FY08 Budget vs. Q3 Actual

Cash Flow			
Revenue	Budget	Actuals	% of Budget
Sales Revenues	70,072,930	53,443,880	76.3%
Other Revenues	1,528,192	3,837,842	251.1%
Total Revenues	71,601,122	57,281,722	80.0%
Expenses			
Purchase Power	42,333,517	32,854,650	77.6%
Non Power	11,649,177	8,247,706	70.8%
Total Expenses	53,982,694	41,102,356	76.1%
Net Revenue for Debt Service	17,618,428	16,179,366	
Debt Service	8,971,488	6,875,091	76.6%
Net Revenue	8,646,940	9,304,275	
In-lieu Transfer to General Fund	6,873,228	5,154,921	75.0%
Net Increase (Decrease) in Working Capital	1,773,712	4,149,354	
Beginning Cash Balance	5,162,285	5,162,285	
Changes in GOR	-	1,642,927	
Ending Cash Balance	6,935,997	10,954,566	



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Presentation of Water and Wastewater Utility Third Quarter (Fiscal Year 2007-08) Financial Reports

MEETING DATE: April 15, 2008 (Shirtsleeve Session)

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Receive presentation of Water and Wastewater Utility Third Quarter (Fiscal Year 2007-08) Financial Reports.

BACKGROUND INFORMATION: The Public Works Department is responsible for reporting quarterly financial results to the City Council. The attached PowerPoint report summarizes such results for the Third Quarter of Fiscal Year 2007-08.

A summary of the Water and Wastewater financial performance for this reporting period is attached and summarized as follows:

WATER:

- Cash balance is \$2.65 million
- Operating revenues are on target at 74.4% of budget
- Fund operating expenses on target at 53.3% of budget

WASTEWATER:

- Cash balance is \$2.86 million
- Operating revenues are at 76.7% of budget
- Operating expenses on target at 72.2% of budget

FISCAL IMPACT: Not applicable.

FUNDING: Not applicable.

James R. Krueger, Deputy City Manager

JK
Attachments: PowerPoint Presentation

APPROVED: _____
Blair King, City Manager



Water and Wastewater
FY08 Quarterly Update
(Through March 31, 2008)

City Council Meeting
April 15, 2008



Summary

WASTEWATER:

- Cash balance is \$2.86 million
- Operating revenues at 76.7% of budget
- Operating expenses on target at 72.2% of budget

WATER:

- Cash balance is \$2.65 million
- Operating revenues are on target at 74.4 % of budget
- Fund Operating expenses on target at 53.3 % of budget



Wastewater Financials

Quarter Ending 3/31/08

Cash Flow	Ending March 31, 2008		
Revenue	FY Budget	Actuals	% of Budget
Sales Revenues	8,838,600	6,777,678	76.7%
Other Revenues	510,000	863,495	169.3%
Impact Mitigation Fees	2,002,770	546,233	27.3%
Total Revenues	\$11,351,370	\$8,187,406	72.1%
Expenses			
Operating	\$5,210,090	3,760,951	72.2%
Capital Outlay	43,465,333	13,826,468	31.8%
Total Expenses	\$48,675,423	\$17,587,419	36.1%
Net Revenue for Debt Service	(\$37,324,053)	(\$9,400,013)	25.2%
Debt Service	3,339,773	1,953,346	58.5%
Net Revenue	(\$40,663,826)	(\$11,353,359)	27.9%
Less Cost of Services Transfer to General Fund	1,404,661	1,053,496	75.0%
Net Increase (Decrease) in Cash	(\$42,068,487)	(\$12,406,855)	29.5%
Beginning Cash Balance	1,757,400	4,956,069	282.0%
Other Changes in Cash	42,710,180	10,308,302	
Ending Cash Balance	\$2,399,093	\$2,857,516	119.1%

Note: Other Changes comprise proceeds from sale of 2004 COPS and other working capital items³



Wastewater Operating Expenses by Series

	FY08 Budget	FY08 Q3	% of Budget
Personnel	\$2,991,129	\$2,198,573	73.5%
Supplies, Materials, Services	1,032,686	746,617	72.3%
Equipment, Land, Structures	182,940	44,830	24.5%
Other Payments	201,870	162,974	80.7%
Communication & Transportation	801,465	607,957	75.9%
Total Operating Expenses	\$ 5,210,090	\$ 3,760,951	72.2%



Water Financials

Quarter Ending 3/31/08

Cash Flow	Ending March 31, 2008		
Revenue	FY Budget	Actuals	% of Budget
Sales Revenues	11,386,000	8,471,560	74.4%
Other Revenues	641,640	414,048	64.5%
Impact Mitigation Fees	224,000	30,748	13.7%
Total Revenues	\$12,251,640	\$8,916,356	72.8%
Expenses			
Operating	\$4,378,128	2,332,760	53.3%
Capital Outlay	4,385,916	2,629,581	60.0%
Total Expenses	\$8,764,044	\$4,962,341	56.6%
Net Revenue for Debt Service	\$3,487,596	\$3,954,015	113.4%
Debt Service	228,025	47,766	20.9%
Net Revenue	\$3,259,571	\$3,906,249	119.8%
Less Cost of Services Transfer to General Fund	1,036,399	783,231	75.6%
Net Increase (Decrease) in Cash	\$2,223,172	\$3,123,018	140.5%
Beginning Cash Balance	534,780	(475,262)	-88.9%
Other Changes in Cash			
Ending Cash Balance	\$2,757,952	\$2,647,756	96.0%

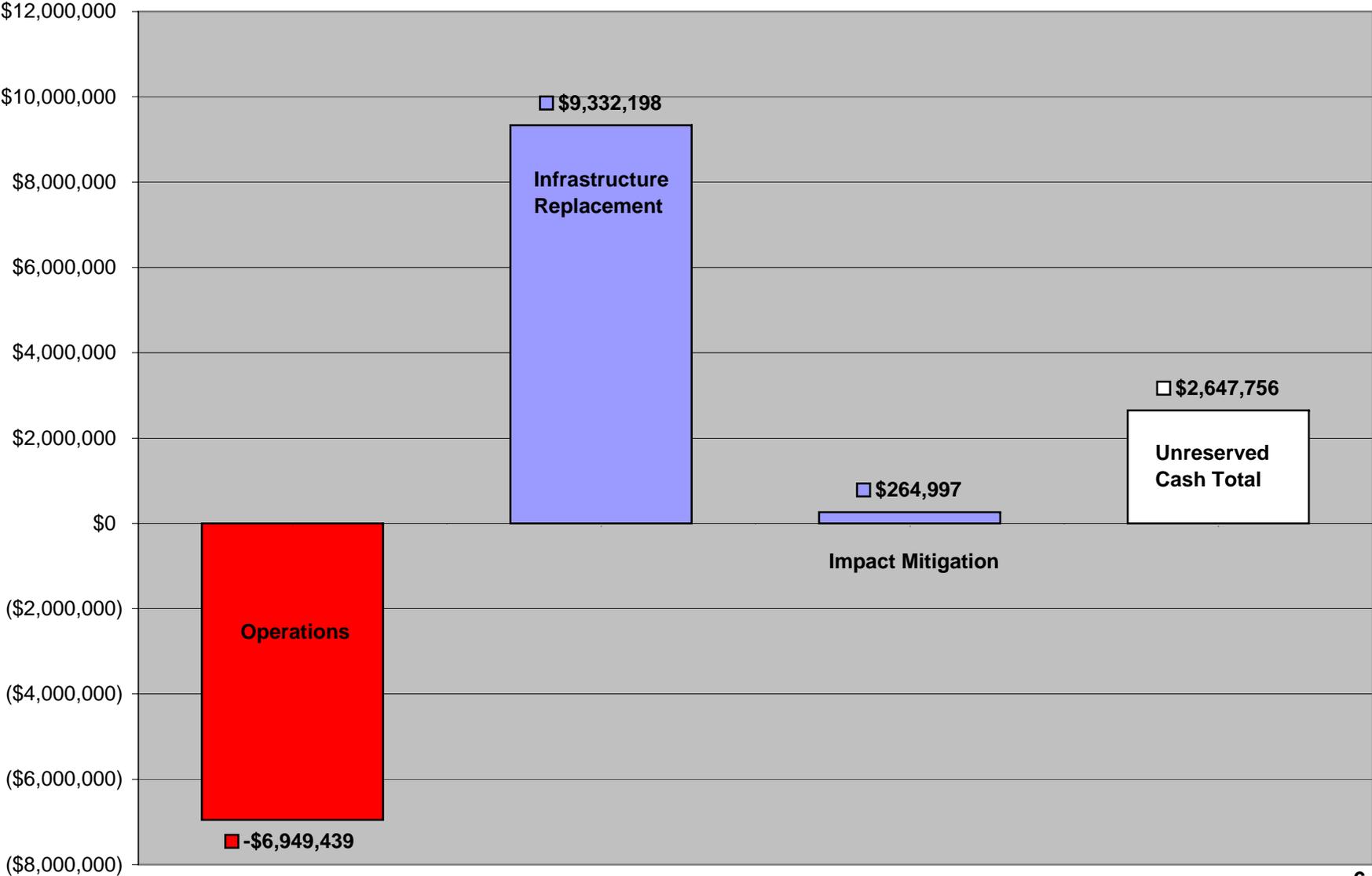
Note: PCE/TCE settlements in 07/08 (\$8 million) for mitigation efforts are not included in analysis 5



Water Operating Expenses by Series

	FY08 Budget	FY08 Q3	% of Budget
Personnel	\$1,180,300	\$534,842	45.3%
Supplies, Materials, Services	694,411	248,030	35.7%
Equipment, Land, Structures	3,500	1,068	30.5%
Other Payments	1,620,980	988,216	61.0%
Communication & Transportation	878,540	560,604	63.8%
Total Operating Expenses	\$ 4,377,731	\$ 2,332,760	53.3%

Water Cash Balances - as of March 31, 2008



Wastewater Cash Balances - as of March 31, 2008

