




City of Miami Gardens

To: The Honorable Mayor and City Council

Via: Danny O. Crew, City Manager

Fr: William Alonso, Finance Director 

Date: July 23, 2008

Re: June 2008 Budget Status Report

The following report is the June 2008 monthly budget report for fiscal year 2007-08 and is also the ninth full month of the fiscal year. The purpose of this report is to apprise the City's policy makers of the current budgetary status for the nine month period ending June 2008. This report is organized as follows:

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On page 30 of this report, we have added a new page which shows the City's outstanding debt balances as well as maturity dates for each loan.

BUDGET AMENDMENTS

During June 2008, the General Fund was amended by \$491,106 to account for additional Children's Trust Grant funds awarded to the City.

FINANCIAL SUMMARY

We are currently projecting a fiscal year end unreserved general fund balance of approximately \$10.0-\$11.0 million. This represents an increase of approximately \$1.5-\$2.5 million to our general fund balance for the current fiscal year end.

This projection is based on current revenue and spending patterns, actual year-end results may differ due to changes in revenues, current spending rates, or budget amendments for supplemental appropriations(if any) approved by Council during the fiscal year.

The Development services fund continues to be an area of concern. If you would refer to page 24 you will notice that building permit revenues are reporting almost \$791,369 less than last year.

Referring to page 8, as of June 2008, the development service operation is reporting a deficit of almost \$1,412,947, which reduced their fund balance to a deficit of \$730,504. This deficit will need to be subsidized by the General Fund in the form of an operating transfer. Once we have an accurate estimate of the projected total deficit for the year, we will bring to Council a budget amendment in order to transfer the needed funds.

However, if the current trend continues, it is projected that a subsidy in the amount of \$1 to \$1.2 million may be required to cover this fund's operating deficit for FY2008.

A number of budgetary actions have been taken to hopefully reduce this projected loss, including not filling vacant positions, cuts to line items, and freezing of the working capital reserve. Please refer to pages 8 and 9 for more information on this fund.

I) GENERAL FUND REVENUES

Schedule of General Fund Budgeted and Actual Revenues
Fiscal Year Ending September 30, 2008
(75% OF YEAR COMPLETED)

Department	FISCAL YEAR 2007-2008					% OF ACTUAL VS. BUDGET	NOTES
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	As of Jun-08		
Ad Valorem Taxes - Current	\$ 11,635,651	\$ 19,180,662	\$23,683,854	\$23,683,854	\$ 20,034,510	84.6%	(1)
Franchise Fees-Electric	3,015,219	3,477,481	2,475,000	2,475,000	-	0.0%	(1)
Franchise Fees-Gas	297,989	234,788	290,000	290,000	100,484	34.6%	
Franchise Fees-SolidWaste	756,499	911,762	850,000	850,000	646,046	76.0%	
Utility Tax-Electric	2,562,561	4,735,403	3,850,000	3,850,000	2,829,310	73.5%	
Utility Tax-Water	559,457	796,199	775,000	775,000	482,787	62.3%	
Utility Fees-Gas	631,722	209,874	200,000	200,000	207,975	104.0%	(4)
Communications Tax	3,313,754	2,995,674	3,700,000	3,700,000	2,428,923	65.6%	
Occupational Licenses - City	701,176	744,314	1,214,965	1,214,965	1,035,171	85.2%	(2)
Occupational Licenses - County	111,814	165,170	210,000	210,000	81,426	38.8%	
Certificates of Use	132,272	270,732	220,000	220,000	266,010	120.9%	(2)
Landlord Permits	154,832	151,020	175,000	175,000	155,626	88.9%	(2)
Lien Search/Reduction	87,374	79,954	90,000	90,000	42,364	47.1%	
Recording fees	-	436	-	-	1,291	100.0%	(5)
Bid Spec Fees	245	8,136	2,000	2,000	5,100	255.0%	(3)
State Revenue Sharing	3,826,368	2,846,204	3,410,615	3,410,615	1,544,608	45.3%	
Alcoholic Beverage License	17,776	13,648	15,000	15,000	14,134	94.2%	(5)
1/2-cent Sales Tax	7,054,689	7,002,963	7,394,785	7,394,785	4,686,112	63.4%	
Parks Program fees	450,687	485,488	600,000	600,000	283,083	47.2%	
MLK Celebration	20,431	12,484	10,000	10,000	36,875	368.8%	(3)
Special Events	-	-	-	-	44,656	100.0%	(5)
Alarm permits	27,099	42,200	35,000	35,000	24,762	70.7%	
Local Code Violations	37,248	136,765	115,000	115,000	206,881	179.9%	(3)
False Alarm Fines	-	-	1,000	1,000	-	0.0%	
Police service fees	-	-	-	-	5,818	100.0%	(5)
Traffic fines	84,331	113,923	150,000	150,000	56,891	37.9%	
Parking fines	27,673	36,951	45,000	45,000	30,832	68.5%	
Towing fines	-	-	-	-	9,645	100.0%	(5)
Police Off Duty Charges	-	-	-	-	235,308	100.0%	(5)
School crossing guards 1	313,132	255,491	320,000	320,000	244,137	76.3%	
School crossing guards 2	5,688	4,970	15,000	15,000	2,574	17.2%	
Interest	733,714	1,011,767	900,000	900,000	381,216	42.4%	
Rent - Bus Benches	75,326	92,430	105,000	105,000	70,827	67.5%	
County Code Enforcement Grant	115,534	4,691	-	-	-	0.0%	
Byrne Grant	28,725	6,746	15,352	15,352	10,000	65.1%	
Childrens Trust Grant	-	116,363	91,109	582,215	351,430	60.4%	
Hurricane Relief	1,873,479	68,062	-	-	-	0.0%	
Transportation	-	965	-	-	-	0.0%	
Tennis in theParks Grant	-	-	-	-	600	100.0%	(5)
5TH Anniversary Banner Sales	-	-	-	-	12,157	100.0%	(5)
Other Miscellaneous	137,528	244,809	20,000	20,000	115,725	578.6%	(5)
Grants and Donations	551,305	9,600	261,000	11,000	2,000	18.2%	
Insurance Reimbursements	88,590	1,977	2,500	2,500	70,082	2803.3%	(4)
Lobbyist registration fees	5,807	5,250	5,000	5,000	5,250	105.0%	(5)
County Misc Fees	-	-	65,000	65,000	-	0.0%	
Transfer from Transportation QNIP	118,274	317,000	317,000	317,000	298,878	94.3%	(4)
Transfer from Impact Fee Fund	-	135,936	-	250,000	253,750	101.5%	(1)
Overhead Charge-Transportation	116,247	159,463	172,060	172,060	129,045	75.0%	(1)
Overhead Charge-Development	55,644	189,309	164,284	164,284	123,213	75.0%	(1)
Overhead Charge-Stormwater	-	190,120	196,254	196,254	147,191	75.0%	(1)
Overhead Charge-CDBG	-	-	19,971	19,971	-	0.0%	
Overhead Charge-GSF	50,300	313,070	435,126	435,126	326,345	75.0%	(1)
Overhead Charge-Capital Projects	-	194,550	374,637	374,637	280,978	75.0%	(1)
Debt Proceeds	-	1,725,000	2,653,371	2,854,370	2,854,370	100.0%	
Appropriated fund balance	10,181,219	11,692,700	3,357,735	11,244,771	11,244,771	100.0%	
SUB TOTAL GENERAL FUND	\$ 49,957,381	\$ 61,392,501	\$ 59,002,618	\$ 67,581,759	\$ 52,421,167	77.6%	
General Services Fund:							
Transfers in from other funds	880,536	1,062,465	8,679,932	8,679,933	5,706,928	65.7%	
Debt proceeds	-	5,675,000	1,845,010	1,845,630	1,845,630	100.0%	
Interest earnings	-	166,204	-	-	-	0.0%	
Misc Revenues	14,058	1,872	-	-	-	0.0%	
SUB TOTAL GENERAL SERVICES FUND	894,594	6,905,541	10,524,942	10,525,563	7,552,558	71.8%	
TOTAL GENERAL FUND	\$50,851,975	\$ 68,298,042	\$ 69,527,560	\$ 78,107,322	\$ 59,973,725	76.8%	(1)

NOTES TO THE BUDGET REPORT

General Fund

Since revenues are not received evenly during the year, only revenues which show an actual to budget percentage of 85% (10% higher than the 75% of the fiscal year completed) or higher will be explained herein.

Revenues

Page 2 is a detailed listing of all general fund revenues. It shows actual revenues received for FY2005-06 and FY2006-07, original and amended budgeted revenues for FY2007-08 and actual revenues received for the month of June 2008. The last column shows the percentage of revenues received in June compared to the annual budget.

Note #1

It is important to note that as of June 2008 the city had received 76.8% of the total annual budgeted revenues, June 2008 means that 75% of the year has been completed. It would be simple if revenues were received evenly during the year, however that is never the case since ad valorem revenues are usually received between December and April of the fiscal year, and other revenue sources are usually paid in arrears.

For example, all of the State revenue sharing and other taxes are paid one to two months in arrears. Certain transfers from other funds were recorded in October since those are due at the beginning of the fiscal year. The \$2,475,000 budgeted for Electric franchise Fees is paid by the County later in the year in one lump sum payment.

Note #2

Business tax revenue is generally mostly received in October & November since that is the normal renewal date for most occupational licenses. Certificates of use and Landlord permits are also billed out in batches and as such the revenues fluctuate from month to month.

Note #3

Bid spec fees, and local code violations are not within our control since these are based on user activity and may fluctuate from month to month. All of the MLK celebration revenues are received during December and April each year.

Note #4

Gas utility taxes and insurance reimbursements are revenue sources out of our control which fluctuate from month to month.

The QNIP debt payment is paid during December and not evenly throughout the year.

Note # 5

Other revenue items which are showing increases greater than 85% are not within our control and are unexpected revenue sources that were not originally budgeted or may have been under-budgeted based on prior history.

II) EXPENDITURES

Schedule of General Fund Budgeted and Actual Expenditures
Fiscal Year Ending September 30, 2008
(75% OF YEAR COMPLETED)

Department	FISCAL YEAR 2007-2008					% OF ACTUAL VS. BUDGET	Notes
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	AS OF Jun-08		
General Government:							
Mayor & City Council	653,538	717,666	997,976	991,576	702,591	70.9%	
Office of the City Manager	1,480,054	940,272	1,140,815	1,144,315	902,254	78.8%	
Office of the City Manager-Outreach	-	1,316,670	1,770,095	2,022,395	1,767,578	87.4%	(2)
Office of the City Clerk	222,805	265,495	404,324	396,357	285,463	72.0%	
Office of the City Attorney	174,404	293,644	201,000	201,000	169,591	84.4%	
Human Resource Department	317,038	659,373	852,765	840,765	631,813	75.1%	
Finance /Budget	305,110	429,093	777,878	722,590	545,672	75.5%	
Public Works	110,756	-	-	-	-	0.0%	
Non-Departmental	898,984	9,056,988	8,199,724	9,631,062	2,102,649	21.8%	
Total General Government	4,162,690	13,679,201	14,344,577	15,950,060	7,107,611	44.6%	
Public Safety:							
Police Department	26,762,728	30,511,775	33,457,413	34,971,525	28,142,606	80.5%	
School Crossing Guards	618,089	716,591	1,235,840	1,125,340	682,532	60.7%	
Code Enforcement	937,796	1,322,495	1,967,397	1,941,397	1,411,662	72.7%	
Total Public Safety	28,318,613	32,550,861	36,660,650	38,038,262	30,236,800	79.5%	
Parks and Recreation:							
Administration	3,024,930	4,277,984	5,348,797	6,319,059	3,550,842	56.2%	
Park Maintenance	1,097,433	1,910,896	2,648,593	2,573,180	1,595,603	62.0%	
Total Parks and Recreation	4,122,363	6,188,880	7,997,390	8,892,239	5,146,445	57.9%	
SUB TOTAL GENERAL FUND	36,603,666	52,418,942	59,002,617	62,880,561	42,490,856	67.6%	
General Services Fund:							
Purchasing	221,035	179,082	435,462	330,462	192,103	58.1%	
City Hall	952,118	1,158,196	3,576,607	2,527,256	1,801,840	71.3%	
IT	527,170	620,147	1,497,102	2,349,972	1,828,556	77.8%	
Fleet	855,287	4,514,466	4,636,499	5,317,873	3,362,264	63.2%	
SUB TOTAL GENERAL SERVICES	2,555,610	6,471,891	10,145,670	10,525,563	7,184,763	68.3%	
Ending fund balance	11,692,700	11,244,771	1,380,582	4,701,198	-	0.0%	
TOTAL GENERAL FUND USES	50,851,976	70,135,604	70,528,869	78,107,322	49,675,619	63.6%	(1)

NOTES TO THE BUDGET REPORT

General Fund

Since expenditures do not occur evenly during the year, only expenditures which show an actual to budget percentage of 85% (10% higher than the 75% of the fiscal year completed) or higher will be explained herein.

Expenditures

Page 4 is a detailed listing of all general fund departments. It shows actual expenditures for FY2005-06 and FY2006-07, the amended budgeted expenditures for FY2007-08 and actual expenditures incurred for the month of June 2008. The last column shows the percentage of expenditures incurred as of June 2008 compared to the annual budget.

Note #1

As of June 2008 the city had incurred 63.6% of the total annual budgeted expenditures with 75% of the fiscal year completed. This shows that our current spending pattern is in line with budget through the first nine months of the fiscal year.

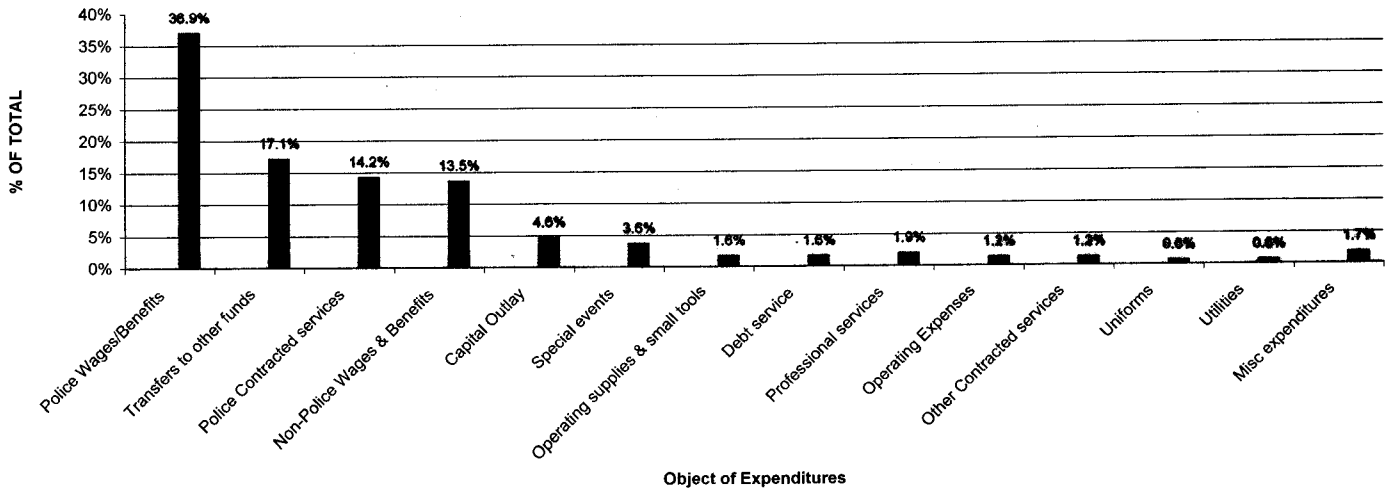
Note #2

Community Outreach is showing 87.4% actual vs. budget since the major part of their budget is used during the January to April period for the Jazz in the garden and MLK events.

**CITY OF MIAMI GARDENS
EXPENDITURES BY OBJECT-GENERAL FUND
FOR THE NINE MONTHS ENDED JUNE 30, 2008**

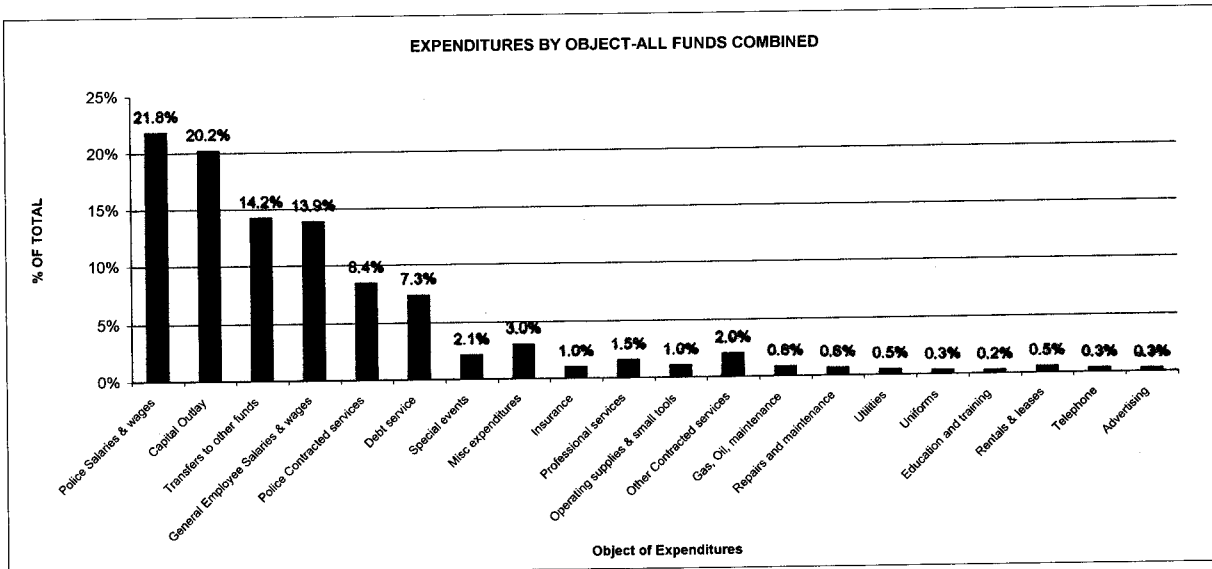
<u>Police:</u>	<u>Actual Expenditures as of 6/30/08</u>	<u>% of Total</u>	
Police Salaries & wages	9,541,501	22.5%	
Overtime	544,794	1.3%	
Special pay	872,220	2.1%	
Off Duty Services	244,672	0.6%	4,471,054
Payroll taxes	837,660	2.0%	11,203,187
Retirement	2,045,721	4.8%	39.91%
Life & health Insurance	683,788	1.6%	
ICMA Deferred benefits	231,411	0.5%	
Workers' compensation	672,474	1.6%	
Subtotal police wages and benefits	15,674,241	36.9%	
<u>Non-Police:</u>			
General Employee Salaries & wages	4,209,273	9.9%	
Council salaries	51,462	0.1%	
Special pay	36,482	0.1%	
Overtime	47,607	0.1%	4,344,824
Payroll taxes	328,428	0.8%	1,390,758
Retirement	432,651	1.0%	32.01%
Life & health Insurance	427,546	1.0%	
ICMA Deferred benefits	49,680	0.1%	
Unemployment compensation	23,249	0.1%	
Workers' compensation	129,204	0.3%	49.6%
Subtotal non-police wages and benefit	5,735,582	13.5%	100.0%
Police Contracted services	6,022,087	14.2%	
Transfers to other funds	7,249,159	17.1%	
Capital Outlay	1,933,719	4.6%	
Special events	1,518,458	3.6%	
Operating supplies & small tools	684,536	1.6%	
Debt service	671,360	1.6%	
Professional services	804,427	1.9%	
Operating Expenses	527,355	1.2%	
Other Contracted services	497,060	1.2%	
Uniforms	219,370	0.5%	
Utilities	233,962	0.6%	
Misc expenditures	719,540	1.7%	
Total Expenditures	42,490,856	100.0%	

GENERAL FUND EXPENDITURES BY OBJECT



**CITY OF MIAMI GARDENS
EXPENDITURES BY OBJECT-ALL FUNDS COMBINED
FOR THE NINE MONTHS ENDED JUNE 30, 2008**

	<u>Actual Expenditures</u>	
<u>Police:</u>	<u>as of 6/30/08</u>	<u>% of Total</u>
Police Salaries & wages	9,541,501	13.3%
Overtime	544,794	0.8%
Special pay	872,220	1.2%
Off Duty Services	244,672	0.3%
Payroll taxes	837,660	1.2%
Retirement	2,045,721	2.8%
Life & health Insurance	683,788	1.0%
ICMA Deferred benefits	231,411	0.3%
Workers' compensation	672,474	0.9%
Subtotal police wages and benefits	15,674,241	21.8%
<u>Non-Police:</u>		
General Employee Salaries & wages	7,334,222	10.2%
Council salaries	51,462	0.1%
Special pay	53,154	0.1%
Overtime	91,839	0.1%
Payroll taxes	571,452	0.8%
Retirement	754,165	1.0%
Life & health Insurance	734,218	1.0%
ICMA Deferred benefits	96,923	0.1%
Unemployment compensation	27,034	0.0%
Workers' compensation	251,757	0.4%
Subtotal non-police wages and benefits	9,966,226	13.9%
Police Contracted services	6,022,087	8.4%
Transfers to other funds	10,227,974	14.2%
Capital Outlay	14,498,288	20.2%
Insurance	691,960	1.0%
Special events	1,518,458	2.1%
Gas, Oil, maintenance	573,005	0.8%
Advertising	184,541	0.3%
Education and training	174,684	0.2%
Repairs and maintenance	465,189	0.6%
Rentals & leases	383,059	0.5%
Telephone	243,882	0.3%
Operating supplies & small tools	751,369	1.0%
Debt service	5,244,077	7.3%
Professional services	1,101,027	1.5%
Other Contracted services	1,454,233	2.0%
Uniforms	222,954	0.3%
Utilities	326,644	0.5%
Misc expenditures	2,169,786	3.0%
Total Expenditures	71,893,684	100.0%



III) TRANSPORTATION FUND

CITY OF MIAMI GARDENS
 ACTUAL VS BUDGET REPORT-TRANSPORTATION
 (75% OF YEAR COMPLETED)

	FISCAL YEAR 2007-2008					% OF ACTUAL VS. BUDGET	Notes
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	AS OF Jun-08		
Appropriated Fund Balance	\$ 2,365,320	\$ 995,259	\$ 632,935	\$ 500,211	\$ 500,211		
Revenues:							
Local Option Gas Tax	\$ 2,154,245	\$ 2,297,107	\$ 2,385,024	\$ 2,385,033	\$ 1,529,749	64.1%	
State Revenue Sharing	1,478,690	1,063,708	1,450,000	1,450,000	587,114	40.5%	
Charges for services	6,923	80,066	100,000	100,000	55,600	55.6%	
Grant revenue	4,065,829	1,042,641	73,257	767,522	656,292	85.5%	
Interest earnings	2,237	5,453	-	-	11,724	100.0%	
Misc revenues	59,185	78,150	2,009	2,000	15,811	790.6%	
Transfers in	185,505	-	99,609	252,184	227,282	90.1%	
Total revenues & appropriated fund balance	<u>10,317,933</u>	<u>5,562,384</u>	<u>4,742,834</u>	<u>5,456,950</u>	<u>3,583,783</u>	65.7%	(1)
Expenditures:							
Administrative	947,391	1,063,560	1,542,512	2,385,291	907,402	38.0%	
KMGB	382,204	443,676	512,914	527,673	372,857	70.7%	
Streets	7,993,080	3,554,937	2,687,408	2,348,245	1,655,868	70.5%	
Total expenditures	<u>9,322,675</u>	<u>5,062,173</u>	<u>4,742,834</u>	<u>5,261,209</u>	<u>2,936,127</u>	55.8%	(1)
Ending fund balance	<u>995,258</u>	<u>500,211</u>	<u>-</u>	<u>195,741</u>	<u>647,656</u>		

NOTES TO THE BUDGET REPORT

Transportation Fund

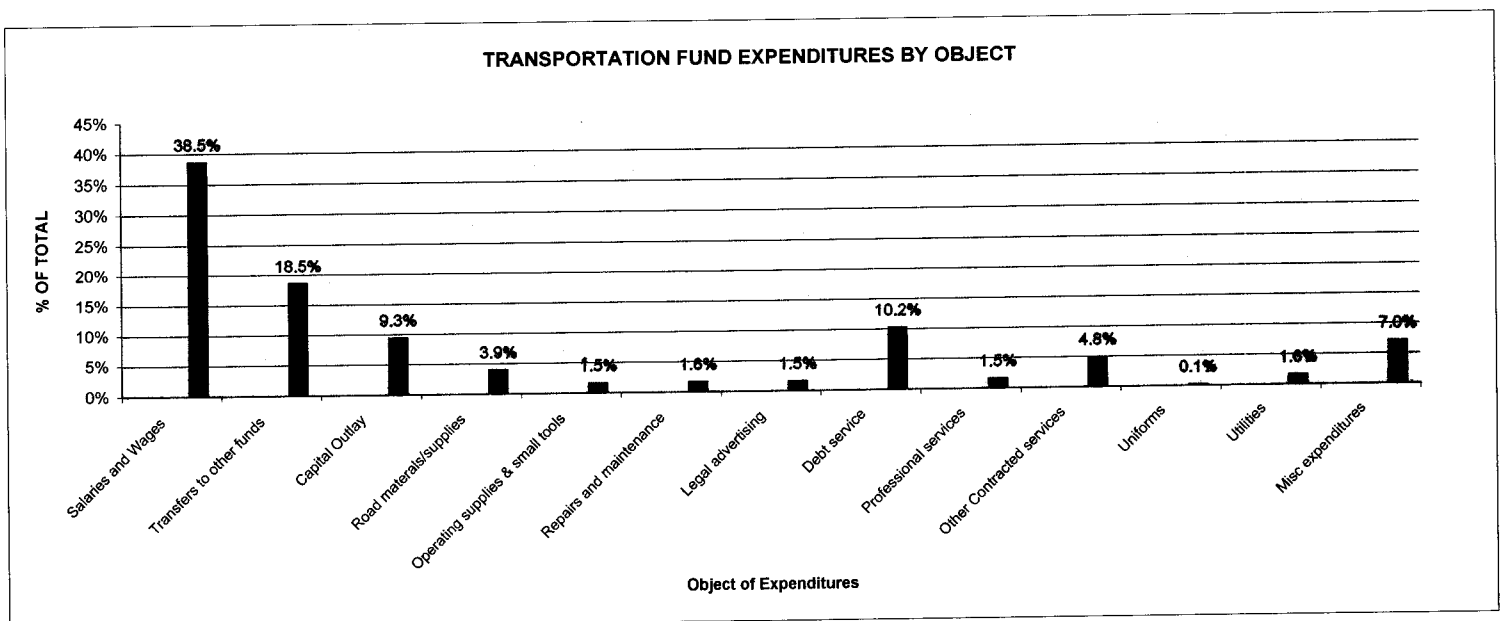
Page 6 is a detailed budget report for the Transportation Fund. This fund is used to account for all revenues and expenditures related to streets and road maintenance, Keep Miami gardens Beautiful, and other public works activities.

Note#1

Revenues as of June 2008 were 65.7% of budget and expenditures were at 55.8% of budget. This fund receives the bulk of its revenues from the local option gas tax and State revenue sharing, these State funds are received one month in arrears so we will not see the June revenues until at least July of 2008 and so on.

**CITY OF MIAMI GARDENS
TRANSPORTATION FUND EXPENDITURES BY OBJECT
FOR THE NINE MONTHS ENDED JUNE 30, 2008**

	<u>Actual Expenditures</u> <u>as of 6/30/08</u>	<u>% of Total</u>	
Salaries and Wages	806,422	27.5%	
Overtime	8,859	0.3%	
Payroll taxes	62,635	2.1%	
Retirement	82,547	2.8%	815,281
Life & health Insurance	113,868	3.9%	314,143
ICMA Deferred benefits	11,172	0.4%	38.53%
Unemployment compensation	-	0.0%	
Workers' compensation	<u>43,921</u>	1.5%	
Subtotal wages and benefits	1,129,424	38.5%	
Transfers to other funds	542,857	18.5%	
Capital Outlay	273,922	9.3%	
Road materials/supplies	113,408	3.9%	
Operating supplies & small tools	44,224	1.5%	
Repairs and maintenance	46,141	1.6%	
Legal advertising	44,905	1.5%	
Debt service	298,878	10.2%	
Professional services	44,980	1.5%	
Other Contracted services	141,513	4.8%	
Uniforms	3,545	0.1%	
Utilities	45,588	1.6%	
Misc expenditures	<u>206,741</u>	7.0%	
Total Expenditures	<u>2,936,126</u>	100.0%	



IV) DEVELOPMENTAL SERVICES FUND

CITY OF MIAMI GARDENS
 ACTUAL VS BUDGET REPORT-DEVELOPMENT SERVICES FUND
 (75% OF YEAR COMPLETED)

	FISCAL YEAR 2007-2008					% OF ACTUAL VS. BUDGET	Notes
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	AS OF Jun-08		
Appropriated Fund Balance	\$ 952,040	\$ 2,095,620	\$ 1,180,828	\$ 682,443	\$ 682,443		
Revenues:							
Planning and Zoning Fees	476,443	272,901	300,000	300,000	208,768	70%	
Building permits	3,112,352	2,100,939	2,700,000	2,700,000	1,075,406	40%	
Surcharge	338,495	148,696	150,000	150,000	135,677	90%	
BCCO	73,709	37,184	50,000	50,000	29,025	58%	
Grants	69,000	94,965	-	-	25,000	0%	
Interest earnings	-	21,128	-	-	7,262	100%	
Misc Revenues	-	12,410	2,000	2,000	1,633	82%	
Total revenues & appropriated fund balance	<u>5,022,040</u>	<u>4,783,843</u>	<u>4,382,828</u>	<u>3,884,443</u>	<u>2,165,214</u>	56%	
Expenditures:							
Administrative	1,211,110	1,857,360	2,810,365	2,209,317	1,885,114	85%	
Operating expenses	1,599,164	1,959,742	1,567,463	1,751,234	1,003,442	57%	
Capital Outlay	116,145	284,298	5,000	34,938	7,162	20%	
Total expenditures	<u>2,926,420</u>	<u>4,101,400</u>	<u>4,382,828</u>	<u>3,995,489</u>	<u>2,895,718</u>	72%	
Ending fund balance	\$ 2,095,620	\$ 682,443	\$ -	\$ (111,046)	\$ (730,504)		

NOTES TO THE BUDGET REPORT

Development Services Fund

Page 8 is the detailed budget report for the Developmental Services Fund. This fund is used to account for all revenues and expenditures related to building and planning services for our city. This function **should** be self sufficient, meaning that the fees charged should cover the operating costs of the department.

Revenues as of June 2008 were 56% of budget while expenditures were at 72% of the annual budget. This fund receives most of its funding from user fees on permits and planning and zoning fees, so actual revenue receipts during the year depend on user activity.

The Development services fund continues to be an area of concern. If you would refer to page 24 you will notice that building permit revenues are reporting almost \$791,369 less than last year.

Referring to page 8, as of June 2008, the development service operation is reporting a deficit of almost \$1,412,947, which reduced their fund balance to a deficit of \$730,504. This deficit will need to be subsidized by the General Fund in the form of an operating transfer. Once we have an accurate estimate of the projected total deficit for the year, we will bring to Council a budget amendment in order to transfer the needed funds. However, if the current trend continues, it is projected that a subsidy in the amount of \$1 to \$1.2 million may be required to cover this fund's operating deficit for FY2008.