



FY2008 Mid-year Status Report

May 15, 2008

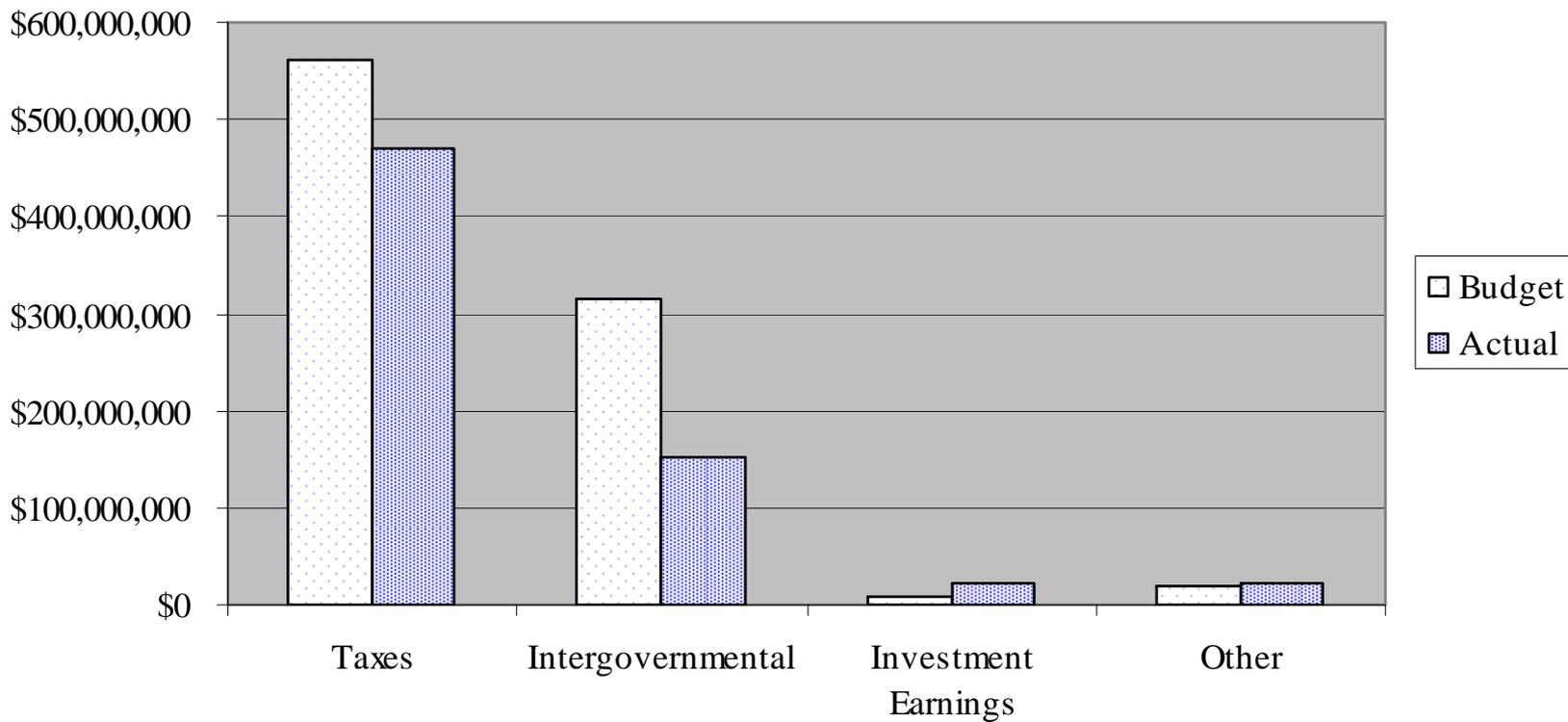


FY2008 Mid-Year Status Report

- **Status of Revenue Collections**
- **Status of Expenditures**
- **Annual Work Plan Status**
- **Annual Work Plan Change Control**

Revenue Collections at Mid-Year

FY2008 District Revenue Summary - 2nd Quarter (50%)





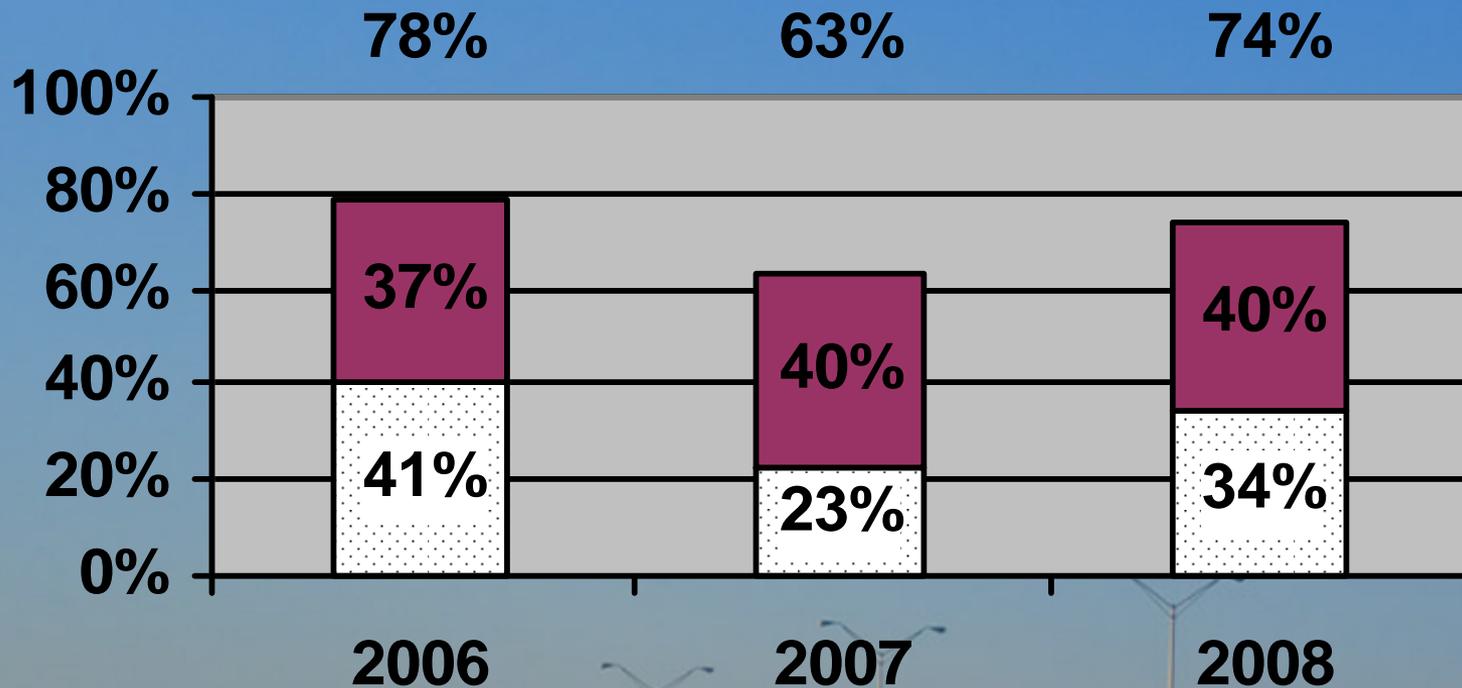
Revenue Collections at Mid-Year

- Ad valorem tax collections 83.6% collected
 - % collected 1.7% less than mid-year FY2007
 - Potential shortfall in collections
 - June 1 tax certificate sale
- Shortfall may be offset by investment income
 - Earnings have exceeded budget for ad valorem tax funds
 - Additional earnings will mitigate at least some of potential shortfall



Expenditures at Mid-Year

Total Budget v. Actual Trend

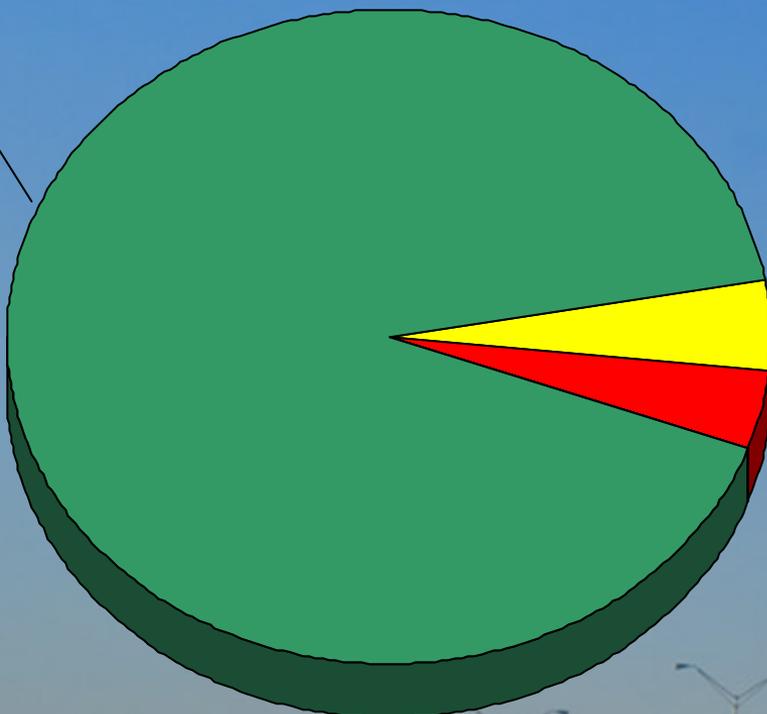


Work Plan Status at Mid-Year

Green Status
333 or 92%

Yellow Status
16 or 4%

Red Status
14 or 4%





Mid-Year Work Plan Change Control

- Goal of process is be “lighter on our feet” in making changes during the year as needs occur
- Changes reviewed by internal cross-functional committee
- Standard criteria used to evaluate changes
 - Significant new initiative
 - Project deferred by a partner or third party
 - Weather
 - Resources redirected to a higher purpose
 - Governing Board Direction
 - In the best interest of the District

Mid-Year Work Plan Change Control

- 32 project work plan changes included in the report fall into 3 categories:
 - 7 with only deliverable timing changes
 - 13 with deliverable changes and funding returned to reserves (\$24M)
 - 12 NEW project deliverables that require Governing Board budget transfer approval (today's consent agenda item)
- Program managers' contact information has been included in the report to field specific program or project financial or work plan status questions

Efficiency Improvements – FY08 Budget

- Reduced training budget by over \$1.0M (-46%)
- Reduced conferences by \$239K (-40%)
- Reduced travel by \$259K (-21%)
- Reduced fleet budget by \$657K (-24%)
- Energy efficiency savings of \$110K (-3%)
- Recaptured \$2.2M in contract dollars by replacing contractors with FTEs
- Internalizing CERP outreach and streamlining workforce development will provide annual savings of \$1.2M

Annualized Savings up to \$5.6M



Efficiency Improvements – FY09

As part of drafting the FY09 budget staff is implementing additional operating reductions:

- Reduce training by 30%
- Reduce conferences by 33%
- Reduce travel by 30%
- Reduce memberships by 28%
- Reduce equipment lease/rental by 38%
- Reduce books & subscriptions by 20%
- Looking at cost-benefit of shifting more contracted work to FTEs

Additional savings of at least \$2.1M