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DEPARTMENT OF
FINANCE

ACCOUNTING DIVISION

CITY OF SACRAMENTO
CALIFORNIA

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MICHAEL H. STAMPER
ACCOUNTING OFFICER

February 18, 1988

Budget & Finance
Sacramento, California

Honorable Members in Session:

SUBJECT: COMPARISON OF FORECASTED VS. ACTUAL GENERAL FUND
AVAILABLE FUND BALANCE AT JUNE 30, 1987

SUMMARY

This report, submitted as a part of the annual Mid Year Review and for informational purposes only, compares the June 30, 1987 General Fund available fund balance, which was forecast at the Mid Year Review in February 1987, to the actual General Fund available fund balance at June 30, 1987.

As shown in the attached schedule the actual June 30, 1987 General Fund available fund balance was \$4.3 million higher than the amount projected at the Mid Year Review. This difference is attributable to three factors. First, there was a significant decrease in the reserve for encumbrances outstanding from June 30, 1986 to June 30, 1987. Secondly, interest income on amounts advanced by SHRA related to Light Rail Project debt financing was reclassified as unrestricted income. And thirdly, capital improvement and operating grant reimbursements from other funding sources to the General Fund were greater than expected.

RECOMMENDATION

No recommendation is offered. This report is for information only.

Respectfully submitted,



Michael H. Stamper
Accounting Manager

Recommendation Approved:



Jack R. Crist, Deputy City Manager

Attachment

March 1, 1988
All Districts

CITY OF SACRAMENTO
 GENERAL FUND AVAILABLE FUND BALANCE PROJECTED VS. ACTUAL
 @ JUNE 30, 1987

	<u>FEBRUARY 1987 PROJECTION</u>	<u>ACTUAL 6/30/87</u>	<u>DIFFERENCE</u>	<u>EXPLANATION</u>
AVAILABLE FUND BALANCE	\$4,323,000	\$8,700,000	\$4,377,000	
Reserves affecting available fund balance:				
Reserve for Encumbrances	5,606,000	1,786,000	+3,820,000	This reserve varies through- out the year; as a result, when projections are forecast it is assumed to remain constant. However, in FY 87 numerous purchase orders outstanding at 6/30/86 were liquidated when the new LGFS system came on line.
Reserve for Restricted Assets	4,303,000	3,889,000	+414,000	Interest earnings on amounts advanced from SHRA related to Light-Rail debt financing were reclassified as unrestricted income.
CIP & Operating Grant Reimbursements	2,722,000	2,865,000	+143,000	Reimbursements were higher than anticipated.
			<u>\$4,377,000</u>	