



CITY OF LONG BEACH **R-17**

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802

March 1, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Fiscal Year 2011 First Quarter Budget Performance Report.
(Citywide)

DISCUSSION

This report reflects the City's Fiscal Year 2011 (FY 11) budget performance through December 31, 2010. The report includes financial information for all funds and departments. While the financial report primarily discusses the General Fund, exceptional performance (both positive and negative) in other funds is highlighted where applicable.

Summary

As of December 30, 2010, the City's Adjusted expenditure Budget for all funds was \$2.9 billion. With 25 percent of the year complete, year-to-date expenditures in all funds is at 14.5 percent of budget, or \$427.9 million. Year-to-date revenues for all departments and all funds were at \$525.7 million, or 25.0 percent of the \$2.1 billion in projected revenue.

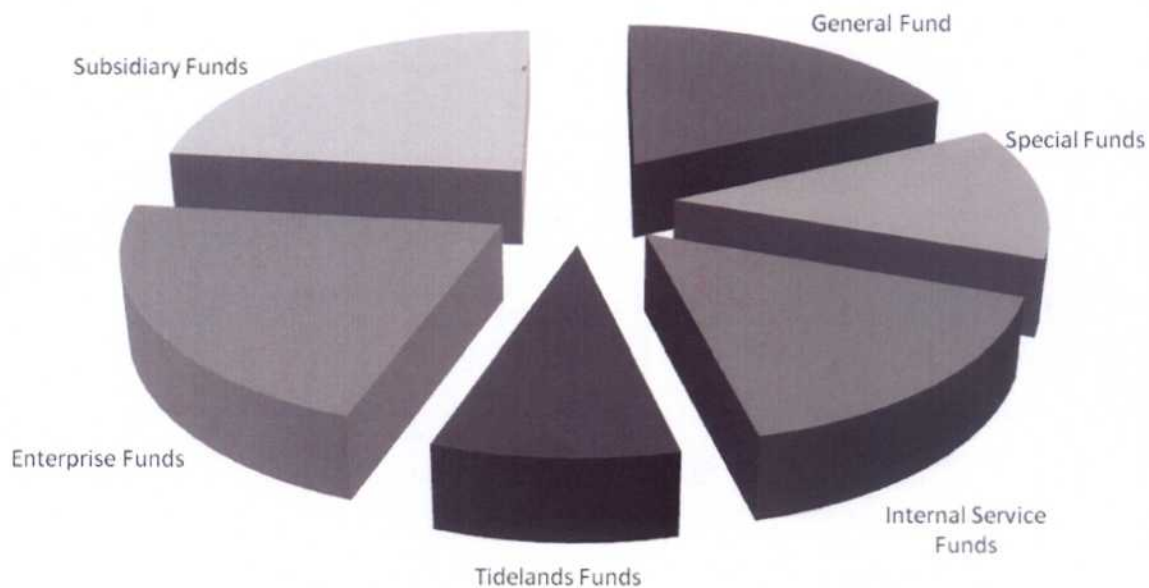
The Adopted General Fund budget for FY 11 is \$380.4 million and the Adjusted General Fund Budget as of December 31, 2010 is \$380.7 million. With 25 percent of the fiscal year completed, the year-to-date General Fund spending reached \$87.2 million, or 22.9 percent of the budget. After the first round of estimates-to-close, the General Fund departments are projecting to end the fiscal year at \$381.0 million, or \$284,936 over the Adjusted Budget. Approximately 22.2 percent of anticipated General Fund revenue has been collected year-to-date. General Fund revenue is currently projected to end the year at approximately \$7 million or 1.8 percent under budget. It is too early to determine if revenues will remain weak through the end of the Fiscal Year. At mid year, staff will present to Council options in the event revenues are below projections.

FY 11 Expenditures – All Funds

While it is not expected that department or fund expenditures will occur equally throughout the fiscal year, measuring fund performance in quarterly intervals allows for review of the revenue and expenditure trends thus giving policymakers and administrators the ability to make the necessary changes to ensure a balanced budget.

The City's Adopted FY 11 Budget for all funds includes \$2.5 billion of annual funds, \$397.9 million of carryover (multi-year grants and capital project funds), prior year encumbrances (goods and services ordered in FY 10 but received in FY 11) and City Council-approved budget amendments, which combined as of December 30, 2010, bring the total Adjusted City Budget to \$2.9 billion. With 25 percent of the year complete, year-to-date expenditures in all funds is at 14.5 percent. A second quarter budget adjustment will be requested to accommodate higher pass-through expenditures to the State due to higher oil prices in Tidelands Oil Revenue Fund. Please see Attachment A for a breakdown of Citywide expenditures by fund.

Exhibit 1 – All City Funds by Fund Type



As illustrated in Exhibit 1 above, the City's 35 funds are grouped into six fund types comprising of the \$2.9 billion adjusted budget. Most of these funds are restricted, such as the Harbor Fund, Gas Fund and Tidelands Funds that are designated for specific and limited activities. The majority of core community services provided in the City, such as police and fire services, libraries and parks, are largely supported by the General Fund, which comprises only 12.9 percent of the entire Adjusted City Budget. For a discussion of notable fiscal performance in non-General Fund areas, please see the Other Funds section of this report.

FY 11 General Fund Revenue

While there is a tenuous economic recovery in the private sector, budgetary strains in the public sector are increasing as a result of lagging economic impacts. This can be attributed to the lag time of tax revenue impacted by the economic downturn and the escalating costs of employee compensation and pensions.

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General Fund revenues are heavily dependent upon those parts of the economy hardest hit by the recession – the real estate market and consumer spending. These effects are most apparent in property tax revenue and natural gas utilization. Secured property tax is the single largest General Fund revenue. Although it appears that secured property tax revenue is higher than in FY 10, it must be noted that in 2010, Prop 1A allowed the State to “borrow” \$5.4 million in the first quarter of the fiscal year. Adjusting revenue to account for the State take-away reveals a 3 percent decline in secured property tax revenue. This reduction can be attributed to such factors as declines in assessed valuations and delinquencies. Recent data issued by the Los Angeles County Assessor’s Office indicates that the assessed valuations for the City of Long Beach have declined by 2.2 percent and delinquencies are at approximately 3 percent. Additionally, within the two years, revenue from the Utility Users Tax on natural gas use and the pipeline franchise fee for natural gas has experienced declines of 29 and 25 percent, respectively. These declines can be attributed to declines in the cost of natural gas, and the volume of gas transported. On a positive note, the average price per barrel of oil during the first quarter was \$80/bbl, compared with the budgeted price of \$45/bbl.

The Department of Financial Management continues to monitor revenue performance on a weekly basis and modifies forecasts based on evolving economic performance data. Current and projected revenue performance is based upon a variety of factors, and includes both structural and one-time revenues. It is important to note the risks inherent in projecting revenue, as the City has limited, if any, authority to affect certain revenue streams. The table below highlights performance through December 31, 2010 for selected General Fund revenues.

Revenue Source	FY 11 Adopted Budget	FY 11 YTD Revenue	YTD Rev as % of Adopted Budget	Notes
Secured Property Tax	\$67,612,269	\$26,974,318	39.9 %	The first of seven Secured Property Tax payments, comprising 40 percent of the County's estimate of the City's revenue, was received in December 2010. The payment is net of the \$2,050,505 administrative costs charged to the City.
Sales and Use Tax	\$38,416,162	\$11,244,939	29.3%	First quarter sales tax receipts, representing summer sales activity, demonstrated a 7.7 percent increase over the previous year due to increases in the construction, service stations and transportation categories.
In Lieu Sales Tax, (Triple Flip)	\$13,796,470	-	-	In Lieu Sales Tax (Triple Flip) is the repayment of the ¼ cent of the previous year 1-cent sales tax collections. Payments are received in January and May.

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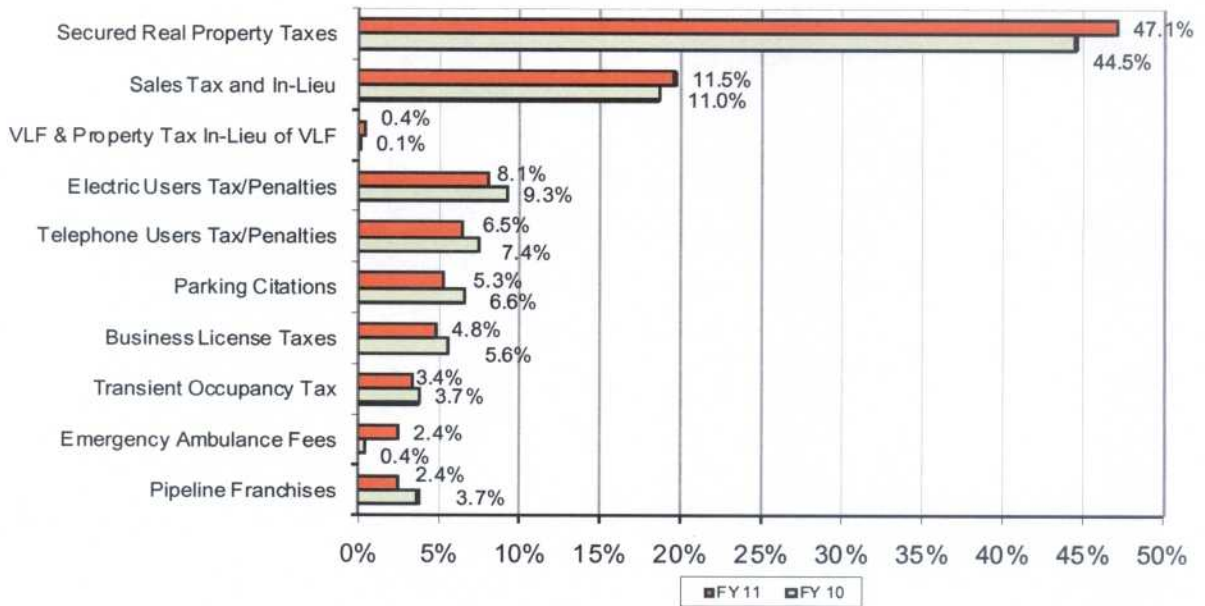
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Revenue Source	FY 11 Adopted Budget	FY 11 YTD Revenue	YTD Rev as % of Adopted Budget	Notes
Motor Vehicle In-Lieu Tax (VLF), combined with Property Tax In Lieu of VLF	\$39,800,000	\$208,688	0.5%	Payments for VLF are received monthly, while the Property Tax In-Lieu of VLF is received in January and May. Monthly VLF payments and In-Lieu VLF payments are expected to come in at budget.
Uplands Oil Transfer	\$6,870,000	\$1,717,500	25.0%	FY 11 revenue is budgeted based on an oil price of \$45.00/bbl. During the first quarter revenue ,for Wilmington Crude averaged \$80/barrel. The first quarter transfer was made based on budget. Transfers to the General Fund will take place on a quarterly basis, and will reflect higher than budgeted performance, to offset the negative impact of reductions in other General Fund revenue sources.
Utility Users Tax (UUT)	\$39,300,000	\$10,143,922	25.8%	Electric UUT collections are trending at budget. Telephone UUT collections are expected to come in at, or slightly above, budget. Natural gas UUT collections are anticipated to come in less than budget due to a decrease in overall consumption and gas commodity prices. Water UUT collections are trending at budget.
Parking Citations	\$14,100,000	\$3,029,744	21.5%	Parking citation revenue is not expected to meet budgeted levels due to residential parking improvement efforts, reduced street sweeping during the recent storms and the public's unwillingness to incur citations in a down economy.
Business License Tax	\$11,897,000	\$2,740,442	23.0%	Business recovery efforts and the annual CPI adjustment should lead to year-end collections approaching budget.
Emergency Ambulance Fees	\$9,100,000	\$1,394,702	15.3%	Prior year-end receivables were reversed at the beginning of the fiscal year. It is anticipated that factors such as reductions in Medicare/MediCal payments and the changing payee mix will negatively impact collections beyond initial budgeted expectations.
Transient Occupancy Tax	\$7,200,000	\$1,943,145	26.9%	Transient Occupancy Tax receipts are expected to perform above budgeted levels. Room rates are demonstrating growth over the same period in the previous year.
Pipeline Franchises	\$5,200,000	\$1,402,665	26.9%	The first quarter pipeline franchise payment reflected a 25% decrease in revenue over the previous year. This is attributed to both the cost of natural gas, and the volume of gas transported. Pipeline Franchises are expected to perform at, or slightly below, budget depending on fluctuations in gas costs and the volume of the demand from Long Beach electric generation plants.

A summary of the top 40 General Fund revenues is included in Attachment B. Exhibit 1 below shows the City's top 10 General Fund revenue sources in FY 11 as a percentage of total year-to-date General Fund revenue.

Exhibit 1 – Top 10 FY 11 General Fund Revenue Sources as a Percentage of the \$84.5 million Total Year-to-Date



FY 11 General Fund Revenue by Department

As of December 31, 2010, General Fund departments generated \$84.5 million or 22.2 percent of budgeted revenues. Among the top revenue producers were the Financial Management Department with \$5.5 million, the Public Works Department with \$2.9 million, the Fire Department with \$2.5 million, the Parks, Recreation & Marine Department with \$2.0 million, and the Police Department with \$1.8 million.

As noted earlier, with 25 percent of the year complete and 22.2 percent of revenue collected, actual revenues are trailing below budget. The Department of Financial Management is working closely with General Fund departments to maximize revenue as much as possible. Attachment C provides a more detailed breakdown of General Fund revenue performance and variances by department. Many of the departmental variances are captured in the footnotes to this attachment.

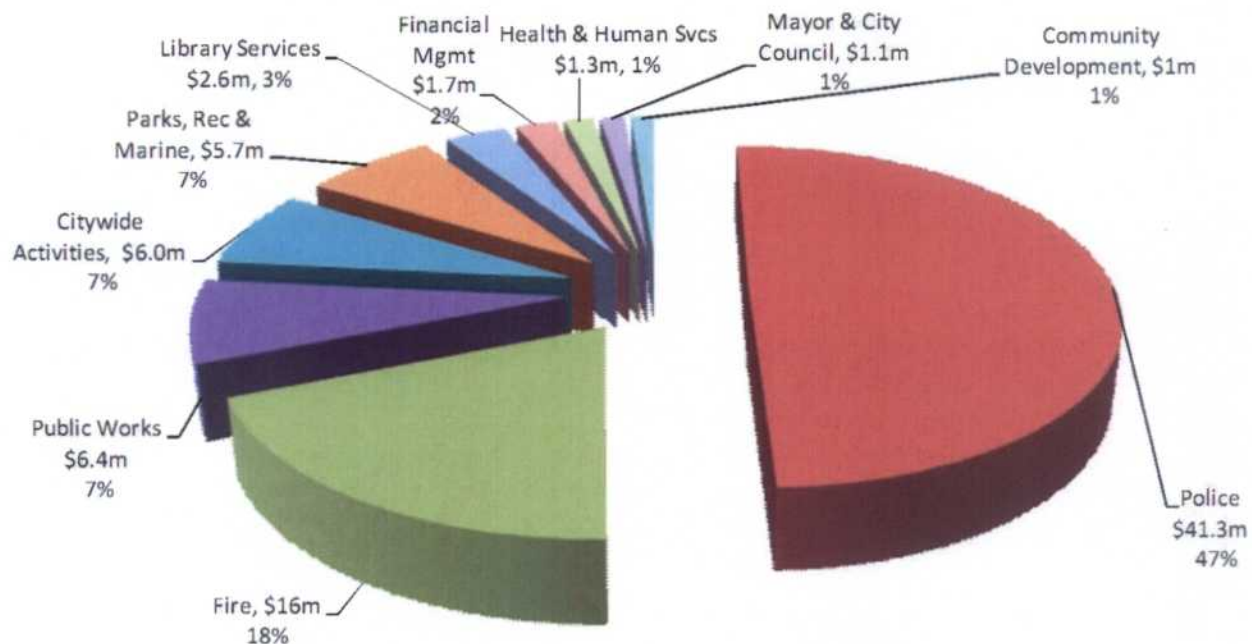
FY 11 General Fund Expenditures by Department

Although General Fund expenditures are estimating to come in slightly over budget, steps will be taken to address the issue.

Exhibit 3 below shows the City's Top 10 General Fund year-to-date expenditures in FY 11 by department as a percentage of total General Fund expenditures. In aggregate, the Top 10

represents \$82.3 million, or 95.5 percent, of year-to-date General Fund expenditures. Together, Police and Fire account for 66 percent of General Fund expenditures. The Police, Fire, Public Works, Parks, Recreation and Marine, and Library Services departments account for 83 percent of General Fund expenditures.

Exhibit 3 – Largest FY 11 General Fund Expenditures Year-to-Date by Department, as a Percentage of the \$87.2 million Total Expenditures.



**Citywide Activities include debt payments, pass through transactions, old Police and Fire pension plan, General Fund CIP funding, etc.*

Other Fund Highlights

The following section provides a discussion of notable FY 11 fiscal performance in funds other than the General Fund.

Civic Center Fund (Restricted)

The Civic Center Fund is used to maintain City Hall, the Main Library, Police headquarters and related parking operations. While the Civic Center Fund is solvent in FY 11, it faces the increasing maintenance burden of deteriorating facilities with no additional funding. Additionally, the cost of South Coast Air Quality Management District (SCAQMD) requirements to reduce emissions produced by boiler equipment, estimated at \$1.2 million, will strain the Civic Center Fund in FY 12 and FY 13. The Civic Center Fund is supported primarily by

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charges to the General Fund. Other funding options, or Civic Center cost reductions, must be explored as part of the ongoing effort to address the General Fund deficit in FY 12 and beyond.

Health Fund (Restricted)

The Health Fund supports vital disease prevention, prenatal care, healthcare services to the City's residents, and bio-terrorism prevention that would otherwise be provided by the County at a decreased service level. Since the Health Fund relies primarily on revenues from State sources, the Fund has experienced significant revenue declines in recent years. The Health Department has been making numerous cost-saving reductions to offset these revenue declines. Since FY 09, the Health Department has made over \$5 million in expenditure reductions and reduced 79 positions in programs and staffing.

After three years of significant restructuring, the Health Fund continues to improve and adjust to the economic conditions affecting its operations. The Health Department has been able to repay a portion of the \$3 million General Fund loan with a \$250,000 payment in FY 10 and is on schedule to make quarterly FY 11 payments of \$75,000 to further pay down the loan. The Department expects to continue repaying the General Fund loan and end the year with a positive fund balance.

Towing Fund (Restricted)

The Towing Fund supports towing responses to clear vehicle accidents, impound vehicles and the sale of unclaimed vehicles. The Towing Fund began FY 11 with a balance of \$612,471, which is a decline from the FY 10 beginning fund balance of \$1 million. In an effort to prevent the fund balance from declining further, the FY 11 transfer to the General Fund has been reduced to \$3 million from the FY 10 budgeted transfer of \$3.4 million.

The Towing Operations Division will continue to use staff work schedules effectively in order to reduce the use of contract tows. Additionally, the Bidder Card fee, which was increased from \$5 to \$20, is expected to generate greater revenue in lien sales. However, the Towing Fund revenue is trending lower than this same time last year. The Department of Financial Management will continue to work closely with the Towing Operations Division to ensure the Towing Fund's ability to meet its budgeted transfer in FY 11.

Proposition H: Police and Fire Public Safety Oil Production Act Fund (Restricted)

On May 1, 2007, the voters approved the Police and Fire Public Safety Oil Production Tax (Prop H), a special tax of 25 cents (with an annual CPI, currently yielding 27 cents per barrel) on every barrel of oil produced, to be used specifically for police officers, firefighters and related costs including, but not limited to, equipment, facilities and training. In FY 11, Prop H started the fiscal year with a fund balance of \$195,704. This fund supports the cost of nine Firefighters, ten Motor Officers, and associated vehicles. In the first quarter of FY 11, Prop H revenue exceeded expenditures and is projected to have a positive and slightly higher fund

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balance at the end of the current fiscal year, which would enable a reimbursement to the General Fund for the amount carried over from FY 10.

Since 2007, oil production has dropped an average of 4 percent annually. The downward trend of oil production will necessitate the Police and Fire Departments monitor their budget to ensure that their expense is in line with revenue.

Conclusion

The first quarter of FY 11 demonstrates the difficulty the City faces in maintaining a balanced budget and weathering the changes of the economy. Declining departmental revenues and the City's major revenue streams will be monitored closely throughout the fiscal year. To ensure the FY 11 budget ends the year in balance, we must maintain a firm position of fiscal restraint in all actions taken. The Department of Financial Management will continue working closely with departments to implement viable solutions to address anticipated revenue shortfalls and expenditure increases.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



WILLIAM YEOMANS
INTERIM DIRECTOR OF FINANCIAL MANAGEMENT

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ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

December 2010
Expenditure Analysis by Fund
Fiscal Year 2011
(25% of Year Completed)

Attachment A

Fund	FY 11 New Allocation	Estimated All-Years Carryover ¹	FY 11 Adopted Appropriation	Amendments ²	Adjusted Budget	Year-to-Date Actuals	Estimates-to-Close	Remaining	% Spent	
Funds with All Years Carryover										
Airport	\$37,242,806	\$68,583,244	\$105,826,050	\$58,674,489	\$164,500,539	\$9,351,105	\$91,656,131	55.7%	\$155,149,434	5.7%
Business Assistance	828,305	477,863	1,306,168	-	1,306,168	122,937	404,840	31.0%	\$1,183,231	9.4%
Capital Projects	4,352,833	45,088,339	49,441,171	1,486,160	50,927,331	1,394,214	5,965,226	11.7%	\$49,533,117	2.7%
Civic Center ³	2,534,293	942,762	3,477,055	855	3,477,910	(757,706)	2,692,315	77.4%	\$4,235,616	-21.8%
Community Development Grants	35,073,417	44,613,046	79,686,463	-	79,686,463	7,778,044	46,473,985	58.3%	\$71,908,419	9.8%
Fleet Services	33,394,382	696,825	34,091,207	2,171,349	36,262,556	7,014,199	30,895,011	85.2%	\$29,248,357	19.3%
Gas	138,311,078	14,704,408	153,015,486	25,033	153,040,519	42,962,156	138,336,111	90.4%	\$110,078,363	28.1%
Gasoline Tax Street Improvement	10,110,732	19,419,291	29,530,023	-	29,530,023	2,371,058	11,135,858	37.7%	\$27,158,965	8.0%
General Grants	6,095,256	11,740,589	17,835,845	2,613,316	20,449,161	2,412,114	14,301,447	69.9%	\$18,037,047	11.8%
General Services	37,640,419	189,233	37,829,652	9,599	37,839,252	7,398,475	36,123,709	95.5%	\$30,440,777	19.6%
Harbor	717,200,614	-	717,200,614	-	717,200,614	53,935,462	717,200,614	100.0%	\$663,265,151	7.5%
Health	40,005,736	25,699,608	65,705,344	361,659	66,067,003	6,565,329	35,278,565	53.4%	\$59,501,674	9.9%
Housing Authority	72,954,528	796,504	73,751,032	-	73,751,032	17,911,856	72,663,205	98.5%	\$55,839,176	24.3%
Housing Development	27,126,131	64,077,094	91,203,225	16,536	91,219,761	2,994,704	51,388,091	56.3%	\$88,225,056	3.3%
Insurance	40,173,816	254,985	40,428,801	17,325	40,446,126	9,684,421	38,236,669	94.5%	\$30,761,705	23.9%
Police & Fire Public Safety Oil Production Act	3,193,883	-	3,193,883	-	3,193,883	681,428	3,169,566	99.2%	\$2,512,456	21.3%
Redevelopment	196,494,636	44,809,982	241,304,619	53,635	241,358,254	22,970,508	152,122,110	63.0%	\$218,387,746	9.5%
Refuse/Recycling	42,710,263	(217,205)	42,493,058	276,807	42,769,866	8,242,900	42,209,569	98.7%	\$34,526,966	19.3%
SERRF	53,896,378	-	53,896,378	-	53,896,378	15,271,859	53,896,378	100.0%	\$38,624,519	28.3%
Sewer	22,078,444	-	22,078,444	-	22,078,444	2,571,723	22,078,444	100.0%	\$19,506,721	11.6%
Tidelands	131,333,571	33,022,442	164,356,013	209,342	164,565,355	22,397,447	129,844,989	78.9%	\$142,167,908	13.6%
Transportation	13,684,500	22,849,890	36,534,390	11,973	36,546,363	2,329,158	13,911,198	38.1%	\$34,217,205	6.4%
Water	91,239,788	-	91,239,788	-	91,239,788	15,875,202	91,239,788	100.0%	\$75,364,586	17.4%
SUBTOTAL	\$ 1,757,675,809	\$ 397,748,900	\$ 2,155,424,709	\$65,928,078	\$2,221,352,787	\$ 261,478,593	1,801,223,819	81.1%	1,959,874,194	11.8%
Funds Without All Years Carryover										
General	\$ 380,406,912	\$ -	\$ 380,406,912	\$ 329,102	\$ 380,736,014	\$ 87,167,064	381,020,950	100.1%	\$ 293,568,950	22.9%
Belmont Shore Parking	668,275	-	668,275	19,100	687,375	12,118	686,372	99.9%	675,257	1.8%
Certified Unified Program Agency (CUPA)	1,246,629	-	1,246,629	-	1,246,629	223,078	1,239,260	99.4%	1,023,551	17.9%
Employee Benefits	220,938,024	-	220,938,024	158	220,938,182	46,049,130	220,825,128	99.9%	174,889,052	20.8%
Development Services	11,347,848	106,379	11,454,227	2,701	11,456,928	2,410,080	11,363,524	99.2%	9,046,848	21.0%
Development Impact Fees	308,968	-	308,968	-	308,968	742	259,182	83.9%	308,226	0.2%
Parking & Business Area Improvement	6,155,960	-	6,155,960	-	6,155,960	234,209	6,034,329	98.0%	5,921,751	3.8%
SERRF JPA	11,295,285	-	11,295,285	-	11,295,285	-	11,295,285	100.0%	11,295,285	0.0%
Special Advertising & Promotion	5,283,022	-	5,283,022	-	5,283,022	1,134,390	5,216,411	98.7%	4,148,631	21.5%
Tideland Oil Revenue ⁴	70,337,716	-	70,337,716	17,000	70,354,716	24,895,253	308,262,233	438.2%	45,459,463	35.4%
Towing	8,874,169	-	8,874,169	192	8,874,361	1,943,927	8,345,470	94.0%	6,930,434	21.9%
Upland Oil	14,907,730	-	14,907,730	-	14,907,730	2,415,367	13,908,132	93.3%	12,492,363	16.2%
SUBTOTAL	\$ 731,770,536	\$ 106,379	\$ 731,876,915	\$ 368,253	\$ 732,245,168	\$ 166,485,360	\$ 968,456,275	132.3%	\$ 565,759,808	22.7%
TOTAL - All Funds	\$ 2,489,446,345	\$ 397,855,279	\$ 2,887,301,624	\$66,296,332	\$ 2,953,597,955	\$ 427,963,953	\$ 2,769,680,094	93.8%	\$ 2,525,634,003	14.5%

Notes:

¹ Estimated All-Years Carryover is composed of multi-year grants and Capital Improvement Program (CIP) funds; unspent amounts are carried over to future years.

² Amendments reflect budget adjustments approved by the City Council during the fiscal year including All-Years Carryover Budget Adjustments.

⁴ Actual Oil revenue for the first quarter of the year has averaged \$81/barrel which has generated more revenue and expense than initially budgeted at \$45/barrel. An appropriation adjustment will be requested in the 2nd Qtr Budget Adjustment report.

December 2010
General Fund Revenue (Top 40)
Fiscal Year 2011
(25% of Year Completed)

Attachment B

TOP 40 GENERAL FUND REVENUES	FY 10 Year End Actuals	FY 10 December YTD	FY 11 December YTD	FY 11 December YTD Over/(Under) FY 10 December YTD	% of FY 11 Adjusted Budget	FY 11 Adjusted Budget	FY 11 Estimate-to-Close
SECURED REAL PROPERTY TAXES ¹	\$ 58,688,898	\$ 22,406,212	\$ 26,974,318	\$ 4,568,106	39.90%	\$ 67,612,269	\$ 67,612,269
CITY SALES AND USE TAX & IN-LIEU SALES AND USE TAX ²	49,789,773	9,373,703	11,244,939	1,871,236	21.54%	52,212,632	52,212,632
VEHICLE LICENSE FEE & PROPERTY TAX IN-LIEU OF VLF	40,545,212	50,380	208,688	158,308	0.52%	39,800,000	39,800,000
ELECTRIC USERS TAX & PENALTIES	16,808,068	4,662,474	4,641,838	(20,636)	27.30%	17,000,000	17,000,000
TELEPHONE USERS TAX & PENALTIES	15,131,737	3,732,608	3,714,331	(18,277)	24.76%	15,000,000	15,000,000
WATER USERS TAX & PENALTIES	3,709,178	919,249	901,327	(17,922)	24.36%	3,700,000	3,700,000
GAS USERS TAX & PENALTIES	3,583,435	890,995	886,426	(4,569)	24.62%	3,600,000	3,600,000
PARKING CITATIONS ³	13,326,150	3,312,560	3,029,744	(282,816)	21.49%	14,100,000	13,727,206
GAS-IN-LIEU	11,923,176	2,775,442	2,980,794	205,352	25.00%	11,923,175	11,923,175
BUSINESS LICENSE TAXES	11,230,819	2,817,417	2,740,442	(76,975)	23.03%	11,897,000	11,877,000
EMERGENCY AMBULANCE FEES ⁴	8,928,002	204,103	1,394,702	1,190,599	15.33%	9,100,000	8,640,000
PIPE LINE FRANCHISES ⁵	5,531,293	1,870,975	1,402,665	(468,310)	26.97%	5,200,000	5,200,000
TRANSIENT OCCUPANCY TAX	7,637,304	1,878,836	1,943,145	64,309	26.99%	7,200,000	7,200,000
TRSFRR FR UPLAND OIL (SR134)	13,593,144	1,636,756	1,717,500	80,744	25.00%	6,870,000	6,870,000
ELECTRIC COMPANY FRANCHISES	6,095,525	1,868,680	1,849,339	(19,341)	30.82%	6,000,000	6,000,000
CHARGES FOR SPECIAL SERVICES ⁶	5,010,037	137,827	237,219	99,392	4.24%	5,599,400	4,694,540
PIPELINE FEE - WATER ⁷	5,567,820	1,391,955	-	(1,391,955)	0.00%	5,744,000	5,744,000
PRIOR YEAR SECURED REAL PROPERTY TAXES ⁸	3,371,144	1,656,519	1,492,468	(164,051)	44.27%	3,371,144	3,371,144
AMERICAN GOLF LEASE ⁹	4,549,502	1,246,271	1,064,414	(181,857)	20.87%	5,100,000	4,537,240
OTHER DEPT SVCS TO PROPRIETARY FUNDS	4,395,677	107,409	135,379	27,969	2.61%	5,182,337	3,980,907
PIPELINE FEE - SEWER ¹⁰	4,293,250	1,073,313	-	(1,073,313)	0.00%	4,423,000	4,423,000
MISC REFUNDS & REIMB	4,422,334	966,205	914,261	(51,944)	23.93%	3,819,938	3,535,141
VEHICLE CODE FINES	3,062,585	536,946	521,984	(14,962)	16.84%	3,100,000	3,030,974
LAND,BLDG,R/W,EASEMENT,APT RENTALS	3,390,698	363,900	562,604	198,704	16.03%	3,510,300	3,367,636
OIL PRODUCTION TAX	1,964,770	482,791	472,124	(10,667)	25.59%	1,844,920	1,844,920
CIP-ENGINEERING CHARGES	3,462,706	(108,217)	(90,376)	17,841	-4.76%	1,900,000	1,900,000
PIPELINE SAFETY FEES ¹¹	2,419,880	91,230	(264,886)	(356,116)	-10.18%	2,603,000	2,355,000
INTEREST-POOLED CASH	862,976	154,230	171,051	16,822	20.36%	840,000	846,402
REDEV. REIMB.-NORTH LB ¹²	2,328,082	582,021	832,021	250,000	25.00%	3,328,082	2,520,010
CITY/MISC/BOND REFI ADVANCES	2,300,000	-	1,558,647	1,558,647	67.77%	2,300,000	2,300,000
UNSECURED PERSONAL PROPERTY TAXES	1,679,925	397,852	377,721	(20,131)	26.75%	1,412,000	1,412,000
FIRE PLAN CHECK FEES ¹³	2,296,435	963,204	527,376	(435,828)	22.10%	2,386,000	1,800,000
MISC REV	451,314	4,491	52,523	48,031	6.86%	766,020	753,808
ASSET MANAGEMENT CHARGES	1,269,324	293,850	325,158	31,308	27.14%	1,198,075	1,198,075
METERED/OTHER PARKING	1,062,616	278,733	245,920	(32,813)	19.78%	1,243,136	1,100,000
FIRE INSPECTION FEES	1,151,685	336,824	318,013	(18,811)	24.19%	1,314,780	1,266,000
REFUSE HAULER FRANCHISE FEE ¹⁴	1,195,973	-	378,059	378,059	30.99%	1,220,000	1,220,000
OFF-STREET PARKING	601,092	73,683	49,386	(24,297)	7.60%	650,000	484,541
POLICE CHARGES FOR SPECIAL EVENTS	1,592,150	398,264	474,014	75,750	33.86%	1,400,000	1,590,000
TRANSFERS FROM OTHER FUNDS ¹⁵	13,775,260	10,474,602	2,264,406	(8,210,196)	13.63%	16,609,896	16,709,896
SUBTOTAL TOP 40 GENERAL FUND REVENUES	342,998,948	80,304,294	78,249,683	(2,054,611)	22.22%	352,081,105	346,349,517
SUBTOTAL ALL OTHER REVENUES	45,240,022	5,701,909	6,299,629	597,720	22.12%	28,480,588	27,189,072
TOTAL	\$ 388,238,971	\$ 86,006,203	\$ 84,549,313	\$ (1,456,890)	22.22%	\$ 380,561,692	\$ 373,538,589

**December 2010
General Fund Revenue (Top 40)
Fiscal Year 2011
(25.0% of Year Completed)**

Notes:
¹ The City received its first secured property tax distribution in December. The total year-to-date payment is net of administrative costs charged to the City.
² During the first quarter of the State fiscal year, sales tax receipts experienced increases of 3.7 percent statewide, over the same quarter a year ago. During the first quarter of FY 10, City of Long Beach sales increased by 17.9 percent. These increases are largely attributed to the large volume of sales tax generated by Edison Materials and Supply.
³ Parking citation revenue is not expected to meet budgeted levels due to residential parking improvement efforts, reduced street sweeping during the recent storms and the public's determination to avoid citations in a down economy.
⁴ Emergency Ambulance Fees are trending well under budget. Factors such as reductions in Medicare/MediCal payments and the changing payor mix will negatively impact collections beyond initial budgeted expectations
⁵ Collections are anticipated to come in lower than budget due to decreases in both gas commodity prices and consumption.
⁶ Collections came in lower than budget due to decreases in gas commodity prices and consumption.
⁷ The first installment of quarterly Water Pipeline Fee payments is expected to post in January .
⁸ Although delinquent property tax payments will increase, supplemental property tax payments related to transfers of ownership and new construction will decline substantially leading to below budget performance.
⁹ American Golf receipts are coming in lower than expected at this time of the year due to rainy weather and overall reduced play.
¹⁰ The first installment of quarterly Sewer Pipeline Fee payments is expected to post in January .
¹¹ Pipeline Safety Fees are trending under budget.
¹² An accelerated payment of \$1 million by the Redevelopment Agency to the General Fund is budgeted in the North Long Beach project area.
¹³ Current year-to-date performance is lower than in the previous year due to variations in the timing and size of development projects.
¹⁴ Receipt of revenues for this new program commenced in the second quarter of FY 10.
¹⁵ Year over year revenues appear low as a result of \$10.8 million from the Subsidence Fund to back-fill the State take-away of property tax revenues in FY 2010

December 2010
 Revenue Analysis by Department
 General Fund - Fiscal Year 2011
 (25% of Year Completed)

Attachment C

Department	FY 11 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Remaining	Estimates-to-Close	
Mayor and City Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
City Attorney	250	-	250	39	211	250	100%
City Auditor	-	-	-	771	(771)	0	0%
City Clerk	146,816	-	146,816	78,922	67,894	146,816	100%
City Manager	-	-	-	-	-	0	0%
City Prosecutor	-	-	-	10,320	(10,320)	0	0%
Civil Service	-	-	-	-	-	0	0%
Community Development ²	5,099,009	-	5,099,009	813,600	4,285,409	4,650,116	91%
Citywide Activities	284,459,606	-	284,459,606	68,043,627	216,415,979	283,630,991	100%
Development Services	776,169	-	776,169	235,192	540,977	823,394	106%
Financial Management	20,418,507	-	20,418,507	5,516,104	14,902,402	19,932,748	98%
Fire ³	14,356,150	-	14,356,150	2,536,365	11,819,785	12,948,836	90%
Health and Human Services	2,279,841	-	2,279,841	425,798	1,854,043	2,278,137	100%
Library Services ⁴	548,741	-	548,741	101,423	447,318	668,661	122%
Parks, Recreation & Marine ⁵	9,573,267	-	9,573,267	2,010,653	7,562,614	8,879,137	93%
Police ⁶	19,074,410	-	19,074,410	1,830,748	17,243,662	16,635,355	87%
Public Works ⁷	23,828,927	-	23,828,927	2,945,750	20,883,177	22,944,148	96%
TOTAL	\$ 380,561,692	\$ -	\$ 380,561,692	\$ 84,549,313	\$ 296,012,380	\$ 373,538,589	98%

Notes:

¹ Amendments reflect budget adjustments during the fiscal year.

² Includes revenues that will be moved to the City Manager and Public Works departments as part of the reorganization of the Community Development department.

³ Current year-to-date performance is lower than in the previous year due to variations in the timing and size of development projects and reimbursements from ambulance fees.

⁴ Reflects a revenue transfer from Workforce Development to support the Family Learning Centers.

⁵ American Golf revenue is lower than anticipated as a result of the unseasonably cold, wet weather. Budgeted concession and permit revenue for Blair Field will not be realized.

⁶ Payments/reimbursements for MOU-related services are delayed.

⁷ Estimates-to-close reflect lower than budgeted parking citation, metered parking and pipeline safety revenue.

December 2010
Expenditure Analysis by Department
General Fund - Fiscal Year 2011
(25% of Year Completed)

Attachment D

Department	FY 11 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Remaining	% Spent	Estimates-to-Close	
Mayor and City Council	\$ 4,874,602	\$ 19,256	\$ 4,893,857	\$ 1,093,680	\$ 3,800,178	22.3%	\$ 4,893,857	100.0%
City Attorney	1,264,451	-	1,264,451	778,950	485,501	61.6%	1,264,156	100.0%
City Auditor	2,200,432	21,910	2,222,342	421,597	1,800,745	19.0%	2,153,204	96.9%
City Clerk	3,269,240	81,838	3,351,078	611,289	2,739,789	18.2%	3,347,883	99.9%
City Manager	2,554,791	1,248	2,556,040	554,182	2,001,858	21.7%	2,505,543	98.0%
City Prosecutor	4,666,207	-	4,666,207	987,886	3,678,322	21.2%	4,666,207	100.0%
Civil Service	1,948,021	6,181	1,954,202	410,851	1,543,351	21.0%	1,948,213	99.7%
Community Development	4,897,129	10,467	4,907,597	993,477	3,914,120	20.2%	4,372,427	89.1%
Citywide Activities ²	15,098,170	1,436	15,099,606	6,012,242	9,087,364	39.8%	15,012,514	99.4%
Development Services ³	1,039,832	221	1,040,053	116,951	923,102	11.2%	1,586,141	152.5%
Financial Management	9,967,982	7,280	9,975,262	1,745,777	8,229,485	17.5%	9,964,285	99.9%
Fire	72,638,035	28,755	72,666,790	16,063,465	56,603,325	22.1%	72,384,809	99.6%
Health & Human Services	5,299,024	5	5,299,029	1,254,633	4,044,396	23.7%	5,289,924	99.8%
Library Services	12,259,268	3,015	12,262,283	2,634,973	9,627,310	21.5%	12,262,267	100.0%
Parks, Recreation & Marine ⁴	24,503,798	75,292	24,579,090	5,744,108	18,834,983	23.4%	24,636,441	100.2%
Police ⁵	185,814,282	16,925	185,831,207	41,298,015	144,533,192	22.2%	185,982,334	100.1%
Public Works ⁶	28,111,647	55,273	28,166,921	6,444,989	21,721,931	22.9%	28,750,743	102.1%
TOTAL	\$ 380,406,912	\$ 329,102	\$ 380,736,014	\$ 87,167,064	\$ 293,568,950	22.9%	\$ 381,020,950	100.1%

Notes:

¹ Amendments reflect budget adjustments approved by the City Council during the fiscal year, but are primarily due to prior-year encumbrances (purchase orders).

² Citywide Activities (XC) include debt service payments, as well as interdepartmental transfers, including transfers to the Capital Improvement Fund. XC exceeded budget due to higher than anticipated rebate to Edison Material Supply (EMS) and PERS prepay.

³ Parking within Development Services encountered some delays with its automatization program earlier in the fiscal year. Full automatization is expected by the end of the fiscal year.

⁴ A first quarter budget adjustment will appropriate an additional \$61,000 for general increases to non-career classifications that were left out in the FY 11 budget.

⁵ The overage in the Police Department is largely due to overstaffing during the first quarter of the fiscal year.

⁶ Twelve trade positions were cut during the FY 11 budget. A Prop L study was conducted and will be going out to rebid but the positions are still incurring unbudgeted expenses.