



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6<sup>th</sup> Floor • Long Beach, CA 90802

June 22, 2010

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Receive and File the Fiscal Year 2010 Second Quarter Budget Performance Report.  
(Citywide)

## DISCUSSION

This report provides an update on the City's Fiscal Year 2010 (FY 10) budget and operational performance through March 31, 2010. The report covers a broad spectrum of financial information for all funds and departments with multi-year comparisons, charts and graphs to provide a clear picture of the City's financial situation. While the focus of the financial report is the General Fund, exceptional performance (both positive and negative) in other funds is highlighted where applicable.

### **Summary**

As of March 31, 2010, the City's adjusted expenditure budget for all funds was \$3.1 billion. Year-to-date revenue receipts for all funds were at \$1.2 billion, or 44.0 percent of the \$2.6 billion in projected revenue. While the fiscal year is only half way through its cycle, it is clear that revenue trends, especially in the General Fund, continue to lag significantly below the budgeted levels as well as previous fiscal years. It is also important to note that although the General Fund has collected \$191.1 million or 49.5 percent of its projected revenue, it faces a daunting task, as shrinking revenue streams and a fragile economic environment are expected to support the increased cost of providing services.

### **FY 10 General Fund Revenue**

Given the receipt of large upfront, one-time installment payments early in the fiscal year, year-to-date General Fund revenue is at \$191.1 million, or approximately 49.5 percent of total budget, with 50 percent of the fiscal year complete. However, as has been reported previously, it is estimated that Property Tax, Sales and Use Tax, Transient Occupancy Tax, Parking Citations, Interest-Pooled Cash and other economically sensitive revenues will come in below budget by approximately \$6 million due to the impact of the current recession. The increase to the Upland Oil transfer to reflect the year-to-date price of oil of

\$70/bbl versus the budgeted price of \$40/bbl will offset this decline. However, declines in the price of natural gas have created projected shortfalls in the City's Gas UUT and Gas Pipeline Franchise Fee, which, when combined with the expected shortfalls from oil production and vehicle code fines amongst others, the projected current year shortfall could increase by as much as an additional \$6.0 million. However, revenue opportunities in other areas will help bridge all but \$2.0 million of this shortfall. The remaining \$2.0 million will be addressed through increased expenditure control efforts.

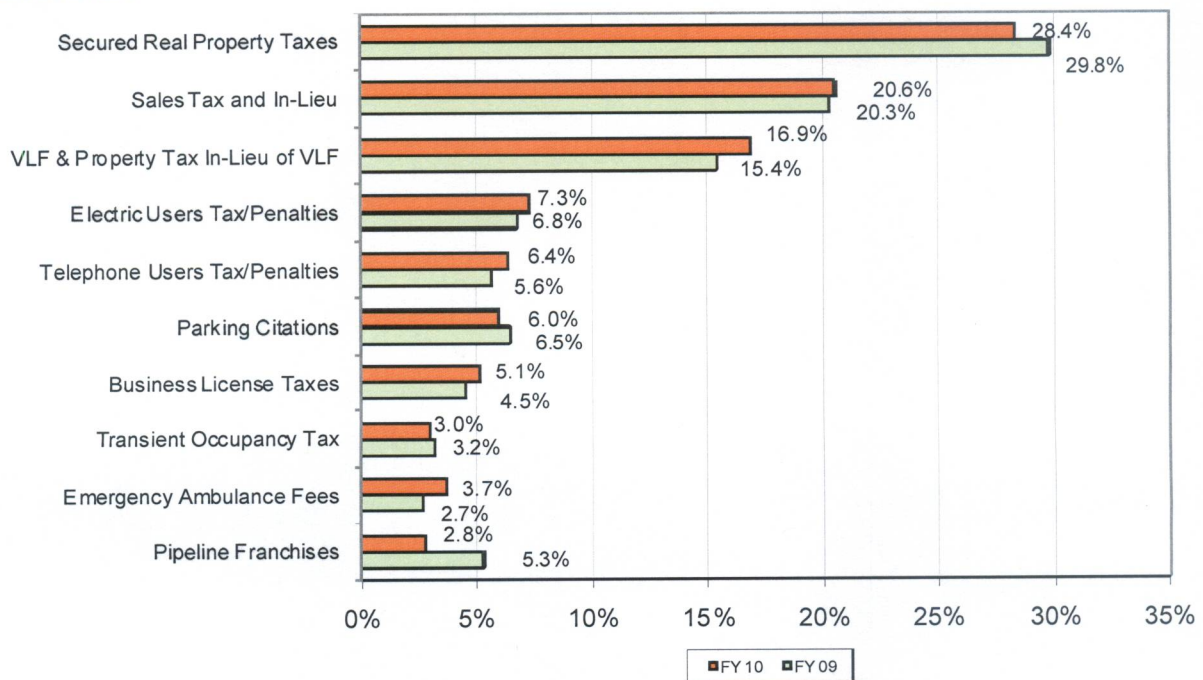
The Department of Financial Management is vigilantly monitoring revenue performance on a weekly basis and modifying forecasts based on evolving economic performance data. Current and projected revenue performance is based upon a variety of factors, and includes both structural and one-time revenues. 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 March 31, 2010 for selected General Fund revenues.

Revenue Source	FY 10 YTD Revenue	YTD Rev as % of Adjusted Budget	Estimates-to-Close	Notes
Secured Property Tax	\$33,324,512	50.4%	\$57,432,258	The third of seven secured property tax distributions from the County was received in March. The total year-to-date payments are net of administrative costs charged to the City, which are being disputed. Estimates-to-close reflect the 3 percent decline in the City's assessed valuation.
Sales and Use Tax, (includes the Triple Flip)	\$24,142,803	47.1%	\$49,285,804	The Sales and Use Tax payments were reduced by 25 percent for the State Triple Flip and are offset by the bi-annual Property Tax In-Lieu of Sales Tax payment from the State. It is estimated that year-end receipts will be 4 percent below budget due to high unemployment and low consumer spending. The second half of the budgeted \$11 million triple flip backfill payment is expected in May.
Utility Users Tax	\$19,977,771	48.8%	\$39,711,163	Electric UUT collections are trending below budget. Natural gas UUT collections are less than anticipated due to lower consumption and gas prices than in the prior year. Telephone UUT collections are expected to come in at budget. Water UUT collections are trending below budget due to the success of water conservation efforts.
Motor Vehicle In-Lieu Tax (VLF), combined with Property Tax in Lieu of VLF	\$19,821,192	49.2%	\$40,585,173	Payments for VLF are received monthly, while the Property Tax In-Lieu of VLF is received in January and May. Monthly VLF payments are trending lower than budget due to a decline in auto sales. In-Lieu VLF payments reached budgeted expectations.
Parking Citations	\$7,028,217	45.1%	\$13,457,372	Parking citation activity is currently trending below budget due to the increase number of rain events as well as the timing of Holidays and their impact on street sweeping activities. It is also possible that the economy is impacting parking behavior, as residents try to avoid unnecessary fines and costs.

Revenue Source	FY 10 YTD Revenue	YTD Rev as % of Adjusted Budget	Estimates-to-Close	Notes
Uplands Oil Transfer	\$3,275,425	50.0%	\$13,437,022	Budgeted FY 10 revenue is based on an oil price of \$40/bbl. The price of Wilmington Crude oil averaged \$70/barrel as of March. The ETC reflects this increase in oil price to help the General Fund end the year in balance.
Business License Tax	\$5,982,869	51.8%	\$11,550,000	Business recovery efforts and the annual CPI adjustment should lead to year-end collections at budget.
Emergency Ambulance Fees	\$4,295,744	47.1%	\$9,591,490	It is anticipated that factors such as reductions in Medicare/MediCal payments and the changing payor mix may negatively impact collections. As such, this revenue stream will be closely monitored, but may trend stronger in the second half of the fiscal year.
Pipeline Franchises	\$3,234,210	39.1%	\$5,200,000	Southern California Gas Pipeline Franchise fee revenue is trending below budget. The most recent quarterly payments demonstrated decreases in the volume and cost of gas over the same period last year.
Transient Occupancy Tax	\$3,532,963	44.1%	\$7,200,000	Transient Occupancy Tax receipts are expected to come in below budget. The slow economy has had a negative impact on occupancy rates in Long Beach hotels.

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

*Exhibit 1 shows the City's top 10 General Fund revenue sources in FY 10 as a percentage of total year-to-date General Fund revenue.*



### **FY 10 Revenue by Department**

As of March 31, 2010 General Fund departments generated \$191.1 million or 49.5 percent of budgeted revenues. Among the top revenue producers were the Financial Management Department with \$11.6 million, Public Works with \$10 million, Fire Department with \$6.7 million, Police Department with \$4.9 million and Parks, Recreation & Marine with \$4 million.

It is important to note that revenue trends and receipts to date are trailing well below their budgeted amounts. The Department of Financial Management is working closely with General Fund departments to try to maximize revenue as much as possible. Attachment B provides a more detailed breakdown of the General Fund revenue performance and variances by department.

### **FY 10 General Fund Expenditures**

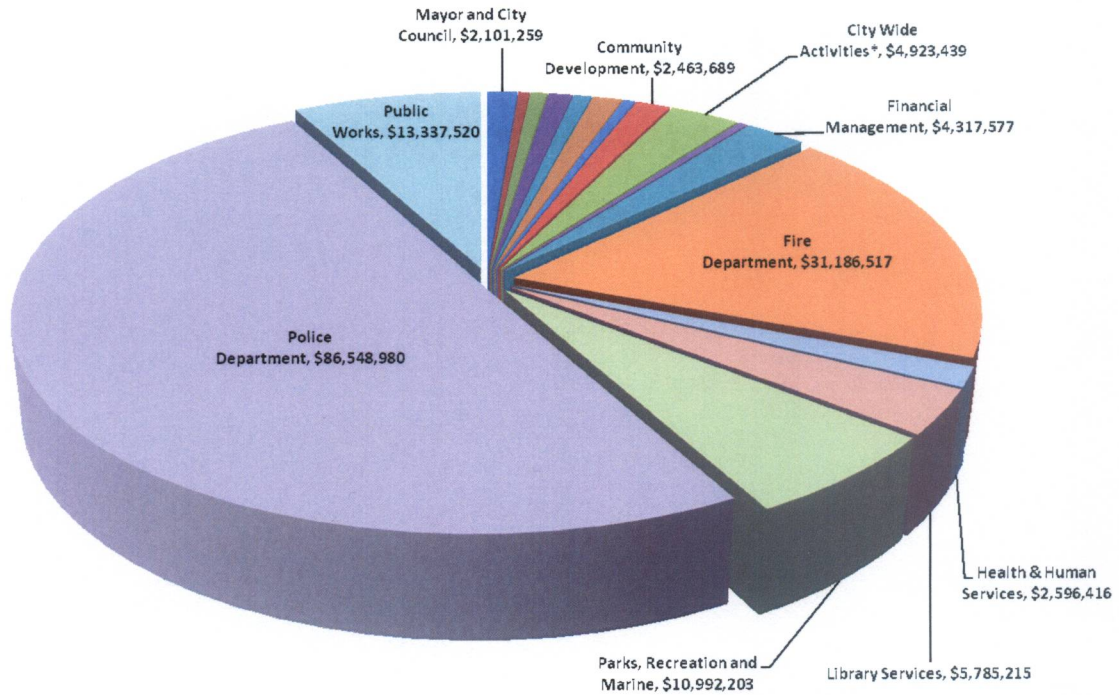
The Adopted General Fund budget for FY 10 was \$384.3 million; however, due to the carry-over of prior year encumbrances, the adjusted General Fund budget as of March 31, 2010 became \$387.0 million. The year-to-date General Fund spending reached \$172.8 million or 44.6 percent of the budget with 50 percent of the year completed. As revenue performance continues to lag behind projected levels, it is imperative that Departments attempt to reduce costs as much as possible. As such, City Manager departments have been asked to manage within 99.0 to 99.5 percent of their budgets.

### **FY 10 General Fund Expenditures by Department**

Although General Fund expenditures are generally on target, the following departments are worth noting:

- The Development Services Department is estimating to close \$667,783 over their General Fund adjusted budget allocation. This is largely due to delays with its parking automation program. The program is expected to be fully implemented by the end of the fiscal year. Please note that parking fees were recently increased and should serve to offset the increase in costs for a net neutral effect in the General Fund.
- The Health and Human Services Department is estimating to close at 106.1 percent of their General Fund adjusted budget. This is due to the one-time expense incurred for the purchase of a new pet licensing, dispatching and kennel management program for Animal Services. The increased expenditure is expected to be offset by donated grants and increased revenue from the proactive dog licensing canvassing program.
- The Police Department is at 46 percent of budget. The Department has made a concerted effort to limit overtime expenses and has currently spent 50 percent or \$4.2 million of its overtime budget. The Department is currently estimating to end the year with \$8.3 million in actual overtime spending, which reflects a 1 percent savings from their budgeted amount.

**Exhibit 2 – Largest FY 10 General Fund Expenditures Year-to-Date by Department as a Percentage of the \$172.8 million total expenditures to date.**



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

Exhibit 2 above shows the City's top 10 General Fund year-to-date expenditures by department. When combined, the Top 10 represent \$164.3 million or 95 percent of the General Fund year-to-date expenditures. Both the Police and Fire Departments comprise 49 and 19 percent of the budget respectively, (68 percent combined). Attachment C provides a listing of all departments' year-to-date General Fund expenditure performance.

**FY 10 Expenditure Performance – 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 \$2.96 billion all funds adopted budget for FY 10 included \$414.4 million in carryover (multi-year grants and capital projects funds) and prior year encumbrances (goods and services ordered in FY 09 but received in FY 10). Throughout FY 10, the City Council has also approved budget amendments, which combined as of March 31, 2010, bring the Adjusted Budget to \$3.1 billion. Please see Attachment D for a breakdown of Citywide expenditures by fund.

With 50 percent of the year complete, expenditure performance in all funds is at approximately 35.5 percent year-to-date. This includes the General Fund performing at 44.6

percent, Development Services Fund at 42.4 percent and the Special Advertising & Promotion Fund at 47.5 percent. It is important to note that although the Tidelands Oil Revenue Fund is performing at 151.6 percent, a second quarter budget adjustment has been processed to reflect actual fund expenditures.

### **Other Fund Highlights**

#### Development Services Fund

The Development Services Fund continues to face challenges in generating sufficient revenue to match expenditures. However, due to midyear budget reductions, the Fund is now projected to conclude FY 10 within balance.

The Development Services Department plans to take a series of structural changes that will allow the Fund to eliminate the estimated \$2 million structural deficit that has challenged the Fund for the last couple of years due to the real estate development crisis.

#### Proposition H

Proposition H funding is currently yielding about 27 cents per barrel of oil produced. Although the tax per barrel has slightly increased since the approval of Proposition H in 2007 due to an annual CPI adjustment, actual oil production has declined. During the first quarter of FY 10 alone, oil production dropped to 3,258,260 barrels, the lowest in the last five years. In the second quarter of FY 10, oil production was at 3,215,619 barrels, a 1.48 percent decline from the previous quarter.

The City Manager and the Financial Management Department are currently working with both the Police and Fire Departments to address the projected revenue shortfall to end the current fiscal year with a balanced fund.

### **Conclusion**

Federal, State and local governments are still suffering from the lasting impacts of the recession. As the current fiscal year progresses, we must not lose sight of the fact that this is a fragile and long economic recovery. The uncertainty and volatility of the national and international markets, coupled with continuing declines in the City's economically sensitive revenue streams, can easily undermine the City's balanced budget.

As the year progresses and we enter FY 11, it is important to note that current and future financial resources are limited. As such, we must continue to exercise considerable fiscal restraint. To assist in these efforts, and to help ensure a balanced budget in the current fiscal year, the City Manager and Department of Financial Management will be working closely with departments to try to reduce spending whenever possible.

#### TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

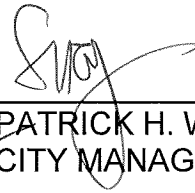


LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

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ATTACHMENTS

APPROVED:



PATRICK H. WEST  
CITY MANAGER

**March 2010**  
**General Fund Revenue (Top 40)**  
**Fiscal Year 2010**  
**(50.0% of Year Completed)**

Attachment A

TOP 40 GENERAL FUND REVENUES	FY 09 Year End Actuals	FY 09 March YTD	FY 10 March YTD	FY 10 March YTD Over/(Under) FY 09 March YTD	% of FY 10 Adjusted Budget	FY 10 Adjusted Budget	FY 10 Estimate-to-Close
SECURED REAL PROPERTY TAXES <sup>1</sup>	\$ 69,988,469	\$ 39,671,533	\$ 33,324,512	\$ (6,347,021)	50.4%	\$ 66,100,000	\$ 57,432,258
CITY SALES AND USE TAX & IN-LIEU SALES AND USE TAX	30,542,526	26,954,763	24,142,803	(2,811,961)	47.1%	51,260,000	49,285,804
VEHICLE LICENSE FEE & PROPERTY TAX IN-LIEU OF VLF	41,672,148	20,477,190	19,821,192	(655,998)	49.2%	40,300,000	40,585,173
ELECTRIC USERS TAX & PENALTIES	17,149,861	9,000,250	8,607,283	(392,968)	48.8%	17,630,000	17,150,000
TELEPHONE USERS TAX & PENALTIES	15,145,983	7,453,108	7,490,837	37,729	49.3%	15,200,000	15,400,000
WATER USERS TAX & PENALTIES	3,373,689	1,589,016	1,746,225	157,209	45.6%	3,830,000	3,600,000
GAS USERS TAX & PENALTIES <sup>2</sup>	4,321,945	2,846,823	2,133,426	(713,397)	41.0%	5,200,000	3,561,163
PARKING CITATIONS <sup>3</sup>	15,419,075	8,597,833	7,028,217	(1,569,616)	45.1%	15,588,828	13,457,372
GAS-IN-LIEU	11,101,767	2,980,794	5,550,884	2,570,090	46.6%	11,923,175	11,923,175
BUSINESS LICENSE TAXES	11,260,222	5,985,590	5,982,869	(2,721)	51.8%	11,550,000	11,550,000
EMERGENCY AMBULANCE FEES	7,492,844	3,559,894	4,295,744	735,850	47.1%	9,114,000	9,591,490
PIPE LINE FRANCHISES	5,612,635	7,011,661	3,234,210	(3,777,451)	39.1%	8,270,955	5,200,000
TRANSIENT OCCUPANCY TAX <sup>4</sup>	7,368,691	4,256,567	3,532,963	(723,604)	44.1%	8,020,000	7,200,000
TRANSFER FR UPLAND OIL (SR134) <sup>5</sup>	12,571,195	4,459,276	3,275,425	(1,183,851)	50.0%	6,547,022	13,437,022
ELECTRIC COMPANY FRANCHISES	6,115,507	3,451,004	3,349,018	(101,986)	53.2%	6,300,000	6,300,000
CHARGES FOR SPECIAL SERVICES	5,103,659	212,007	972,901	760,894	17.1%	5,697,427	4,663,981
PIPELINE FEE - WATER	5,393,083	2,696,542	2,783,910	87,369	49.6%	5,609,000	5,609,000
PRIOR YEAR SECURED REAL PROPERTY TAXES	4,892,810	3,241,174	2,617,290	(623,884)	52.3%	5,000,000	3,435,707
AMERICAN GOLF LEASE	4,806,942	1,755,697	2,260,046	504,349	47.1%	4,800,000	5,100,000
OTHER DEPT SVCS TO PROPRIETARY FUNDS	4,477,883	1,967,488	322,226	(1,645,262)	8.8%	4,743,975	4,170,367
PIPELINE FEE - SEWER	4,152,481	2,076,240	2,146,625	70,385	49.7%	4,319,000	4,319,000
MISC REFUNDS & REIMB	3,948,888	1,834,366	2,124,819	290,453	51.4%	4,136,337	4,735,415
VEHICLE CODE FINES	3,402,440	1,438,847	1,256,110	(182,738)	33.6%	3,740,000	3,067,996
LAND,BLDG,R/W,EASEMENT,APT RENTALS	3,379,372	1,702,613	1,485,506	(217,106)	42.3%	3,510,300	3,538,000
OIL PRODUCTION TAX <sup>6</sup>	2,012,246	1,021,810	962,171	(59,639)	31.1%	3,090,000	1,600,000
CIP-ENGINEERING CHARGES	4,094,416	959,925	436,657	(523,267)	16.2%	2,689,976	2,129,976
PIPELINE SAFETY FEES	1,875,729	2,425,404	2,459,231	33,827	96.7%	2,542,040	2,460,000
INTEREST-POOLED CASH <sup>7</sup>	2,008,712	1,372,963	359,621	(1,013,342)	14.3%	2,506,950	639,774
REDEV. REIMB.-NORTH LB	2,874,814	1,266,935	1,164,041	(102,894)	50.0%	2,328,082	2,328,082
CITY/MISC/BOND REFI ADVANCES	2,300,000	2,300,000	2,224,738	(75,262)	96.7%	2,300,000	2,300,000
UNSECURED PERSONAL PROPERTY TAXES	1,662,800	846,451	836,726	(9,725)	56.9%	1,470,000	1,470,000
FIRE PLAN CHECK FEES	1,374,260	758,160	1,292,896	534,736	99.2%	1,302,950	2,339,161
MISC REV <sup>8</sup>	261,871	99,396	70,947	(28,448)	5.5%	1,295,207	604,763
ASSET MANAGEMENT CHARGES	1,311,972	655,986	619,008	(36,978)	48.8%	1,269,321	1,269,321
METERED/OTHER PARKING	1,086,939	554,966	516,568	(38,397)	42.6%	1,214,000	1,100,000
FIRE INSPECTION FEES	1,186,124	646,166	636,836	(9,331)	52.6%	1,210,000	1,269,500
REFUSE HAULER FRANCHISE FEE	-	-	559,598	559,598	47.0%	1,191,667	891,667
OFF-STREET PARKING	742,728	298,088	204,488	(93,600)	17.9%	1,143,585	617,276
POLICE CHARGES FOR SPECIAL EVENTS	1,314,246	868,627	826,407	(42,220)	75.1%	1,100,000	1,700,000
TRANSFERS FROM OTHER FUNDS <sup>9</sup>	16,710,731	11,348,511	17,106,832	5,758,322	117.5%	14,554,597	25,996,624
					-		
SUBTOTAL TOP 40 GENERAL FUND REVENUES	339,511,704	190,643,663	179,761,805	(10,881,858)	50.0%	359,598,394	353,029,067
					-		
SUBTOTAL ALL OTHER REVENUES	48,610,241	11,471,751	11,312,500	(159,251)	43.0%	26,314,601	30,876,369
					-		
TOTAL	\$ 388,121,945	\$ 202,115,414	\$ 191,074,305	\$ (11,041,109)	49.5%	\$ 385,912,995	\$ 383,905,436

Notes:  
See next page



**March 2010  
General Fund Revenue (Top 40)  
Fiscal Year 2010  
(50.0% of Year Completed)**

Attachment A

<b>Notes:</b>
<sup>1</sup> The third of seven secured property tax distributions from the County was received in March. The total year-to-date payments are net of administrative costs charged to the City, which are being disputed. Estimates-to-close reflect the 3 percent decline in the City's assessed valuation.
<sup>2</sup> Gas Users Tax & Penalties revenue is significantly lower than anticipated. The decline in revenue is attributed to a decrease in gas commodity prices and low consumption.
<sup>3</sup> As a result of street flooding caused by rains, and timing of holidays, parking citation revenue will not meet budgeted expectations.
<sup>4</sup> The recession has led to a decline in room prices and occupancy rates at Long Beach hotels.
<sup>5</sup> Estimate-to-close include an additional \$6 million transfer. Available revenue is a result of an average price of oil at \$70/bbl.
<sup>6</sup> Estimates-to-close reflect a technical budget adjustment of \$990,000 to the Upland Oil Transfer and decreased production.
<sup>7</sup> Interest earnings from pooled cash will come in below budget due to interest rate declines in the financial markets.
<sup>8</sup> The estimate-to-close reflects a reduction of \$500,000 in budgeted revenue from Blair Field which will not be realized in FY 10.
<sup>9</sup> Transfers from Other Funds includes \$10.8 million borrowed from the Subsidence Fund to fill the revenue shortfall created by the State take-away of secured property tax revenue and a \$3.7 million transfer from Downtown Transient Occupancy Tax.

March 2010  
 Revenue Analysis by Department  
 General Fund - Fiscal Year 2010  
 (50.0 % of Year Completed)

Attachment B

Department	FY 10 Adopted Budget	Amendments <sup>1</sup>	Adjusted Budget	Year-to-Date Actuals	Remaining	Estimates-to-Close	
Mayor and City Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
City Attorney	250	-	250	2,925	(2,675)	250	100%
City Auditor	-	-	-	(289)	289	-	-
City Clerk <sup>2</sup>	893,521	-	893,521	64,538	828,983	898,619	100.6%
City Manager	-	-	-	920	(920)	920	-
City Prosecutor	-	24,792	24,792	7,140	17,652	7,860	31.7%
Civil Service	-	-	-	101	(101)	-	-
Community Development <sup>3</sup>	5,091,808	-	5,091,808	2,150,368	2,941,440	4,895,607	96.1%
Citywide Activities	288,524,968	-	288,524,968	150,237,140	138,287,828	291,490,111	101.0%
Development Services <sup>4</sup>	1,249,049	-	1,249,049	341,307	907,742	781,071	62.5%
Financial Management <sup>5</sup>	19,597,456	-	19,597,456	11,593,126	8,004,330	19,728,979	100.7%
Fire	13,039,950	-	13,039,950	6,721,708	6,318,242	14,394,233	110.4%
Health and Human Services <sup>6</sup>	1,824,412	-	1,824,412	678,455	1,145,957	1,813,556	99.4%
Library Services	551,741	-	551,741	366,621	185,120	582,146	105.5%
Parks, Recreation & Marine <sup>7</sup>	9,776,820	-	9,776,820	4,003,447	5,773,373	9,476,421	96.9%
Police	18,220,299	553,290	18,773,589	4,872,999	13,900,590	17,081,836	91.0%
Public Works <sup>8</sup>	26,564,640	-	26,564,640	10,033,800	16,530,840	22,753,827	85.7%
<b>TOTAL</b>	<b>\$ 385,334,914</b>	<b>\$ 578,082</b>	<b>\$ 385,912,995</b>	<b>\$ 191,074,305</b>	<b>\$ 194,838,690</b>	<b>\$ 383,905,436</b>	<b>99.5%</b>

- Notes:**
- <sup>1</sup> Amendments reflect budget adjustments during the fiscal year.
  - <sup>2</sup> The City Clerk's Office will be reimbursed for elections conducted for LBUSD and LBCC.
  - <sup>3</sup> A lower number of people are paying citations related to Code Enforcement in Community Development.
  - <sup>4</sup> Parking revenue is slightly down due to delays in the automation program. However, revenue is expected to come in at budgeted amounts due to recent rate increases.
  - <sup>5</sup> Revenue projections based on the receipt of grant funds and projected increase in licensing revenue.
  - <sup>6</sup> The majority of this decreased revenue is attributable to a loss of expected Blair Field concession and permit fees.
  - <sup>7</sup> Parking citation and the Refuse Hauler Franchise Fee revenue is expected to be less than budgeted this fiscal year.

March 2010  
Expenditure Analysis by Department  
General Fund - Fiscal Year 2010  
(50.0% of Year Completed)

Attachment C

Department	FY 10 Adopted Budget	Amendments <sup>1</sup>	Adjusted Budget	Year-to-Date Actuals <sup>2</sup>	Remaining	% Spent	Estimates-to-Close	
Mayor and City Council	\$ 4,857,270	\$ 6,752	\$ 4,864,022	\$ 2,101,259	\$ 2,762,763	43.2%	\$ 4,862,901	100.0%
City Attorney	1,225,945	148,820	1,374,765	784,775	589,990	57.1%	1,374,270	100.0%
City Auditor	2,152,102	109,400	2,261,502	1,177,439	1,084,063	52.1%	2,233,773	98.8%
City Clerk	5,784,826	83,410	5,868,236	1,726,342	4,141,894	29.4%	5,801,490	98.9%
City Manager	2,539,561	72,979	2,612,540	1,262,105	1,350,436	48.3%	2,344,949	89.8%
City Prosecutor	4,660,730	177,857	4,838,587	2,087,230	2,751,357	43.1%	4,813,795	99.5%
Civil Service	1,911,452	66,102	1,977,554	842,209	1,135,346	42.6%	1,977,529	100.0%
Community Development	4,601,846	166,983	4,768,828	2,463,689	2,305,139	51.7%	4,540,242	95.2%
Citywide Activities <sup>3</sup>	14,343,497	(745,090)	13,598,407	4,923,439	8,674,968	36.2%	12,396,714	91.2%
Development Services <sup>4</sup>	1,058,245	9,542	1,067,787	647,422	420,365	60.6%	1,735,570	162.5%
Financial Management	9,982,400	272,451	10,254,851	4,317,577	5,937,274	42.1%	10,037,164	97.9%
Fire	72,173,522	105,258	72,278,780	31,186,517	41,092,263	43.1%	71,887,217	99.5%
Health and Human Services <sup>5</sup>	4,764,418	49,307	4,813,725	2,596,416	2,217,309	53.9%	5,108,398	106.1%
Library Services	12,673,618	180,133	12,853,751	5,785,215	7,068,536	45.0%	12,853,100	100.0%
Parks, Recreation & Marine	25,170,607	264,530	25,435,137	10,992,203	14,442,933	43.2%	25,435,137	100.0%
Police	187,207,293	1,288,757	188,496,050	86,548,980	101,947,070	45.9%	188,523,690	100.0%
Public Works	29,226,178	454,960	29,681,138	13,337,520	16,343,618	44.9%	29,718,154	100.1%
<b>TOTAL</b>	<b>\$ 384,333,509</b>	<b>\$ 2,712,151</b>	<b>\$ 387,045,660</b>	<b>\$ 172,780,337</b>	<b>\$ 214,265,322</b>	<b>44.6%</b>	<b>\$ 385,644,095</b>	<b>99.6%</b>

**Notes:**

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

<sup>2</sup> As of March 31, 2010, 44.83 percent of payrolls are posted with 50 percent of the year complete.

<sup>3</sup> Citywide Activities include debt service payments, as well as interdepartmental transfers, including transfers to the Capital Improvement Fund.

<sup>4</sup> Parking Services within Development Services encountered some delays with its automatization program earlier in the current fiscal year. Full automatization is expected by the end of the fiscal year.

<sup>5</sup> Expenditure increase is due to one-time cost for purchase and implementation of the new licensing, dispatch and kennel management system and for shelter improvements, which will be offset with donated grant funds.

March 2010  
Expenditure Analysis by Fund  
Fiscal Year 2010  
(50.0% of Year Completed)

Attachment D

Fund	FY 10 New Allocation	Estimated All-Years Carryover <sup>1</sup>	FY 10 Adopted Appropriation	Amendments <sup>2</sup>	Adjusted Budget	Year-to-date Actuals	Estimates-to-close	Remaining	% Spent	
<b>Funds with All Years Carryover</b>										
Airport	\$37,204,261	\$44,326,143	\$81,530,404	\$39,049,638	\$120,580,042	\$26,128,026	78,824,091	65.4%	\$94,452,017	21.7%
Business Assistance	675,996	593,664	1,269,660	-	1,269,660	257,188	599,665	47.2%	1,012,472	20.3%
Capital Projects	5,019,201	68,591,028	73,610,229	5,713,209	79,323,438	8,062,288	19,638,533	24.8%	71,261,150	10.2%
Civic Center	2,401,467	2,652,459	5,053,926	5,060	5,058,986	103,851	2,099,196	41.5%	4,955,135	2.1%
Community Development Grants	31,506,742	30,552,047	62,058,789	22,249,980	84,308,769	13,943,983	61,096,116	72.5%	70,364,786	16.5%
Fleet Services	33,951,850	975,404	34,927,254	6,562,384	41,489,638	13,366,912	32,816,270	79.1%	28,122,726	32.2%
Gas	96,757,969	1,543,802	98,301,771	18,544,980	116,846,751	86,513,701	99,590,276	85.2%	30,333,050	74.0%
Gasoline Tax Street Improvement	7,808,973	22,695,432	30,504,405	13,262,142	43,766,547	5,080,993	13,019,977	29.7%	38,685,554	11.6%
General Grants	6,293,947	14,403,221	20,697,168	4,500,272	25,197,440	5,013,609	13,428,410	53.3%	20,183,831	19.9%
General Services	38,166,555	189,233	38,355,788	305,340	38,661,128	16,904,573	37,530,657	97.1%	21,756,555	43.7%
Harbor	879,222,103	-	879,222,103	-	879,222,103	225,811,737	6,947,578	0.8%	653,410,367	25.7%
Health	41,727,578	34,271,852	75,999,430	1,917,501	77,916,932	14,983,695	31,312,827	40.2%	62,933,237	19.2%
Housing Authority	69,413,372	736,296	70,149,668	0	70,149,669	35,411,362	72,574,200	103.5%	34,738,307	50.5%
Housing Development	21,386,907	67,767,124	89,154,031	102	89,154,134	21,586,328	41,014,934	46.0%	67,567,806	24.2%
Insurance	39,627,348	254,985	39,882,333	172,303	40,054,636	17,260,473	37,883,610	94.6%	22,794,163	43.1%
Police & Fire Public Safety Oil Production Act	3,886,970	-	3,886,970	0	3,886,970	1,899,374	4,162,079	107.1%	1,987,596	48.9%
Redevelopment	153,775,370	73,629,756	227,405,126	48,162	227,453,288	52,906,604	182,229,527	80.1%	174,546,684	23.3%
Refuse/Recycling <sup>3</sup>	45,628,503	(645,970)	44,982,533	32,133	45,014,666	16,495,027	41,924,434	93.1%	28,519,639	36.6%
SERRF	51,570,779	-	51,570,779	(0)	51,570,779	26,066,312	50,805,213	98.5%	25,504,468	50.5%
Sewer	21,597,406	-	21,597,406	-	21,597,406	6,134,428	21,554,667	99.8%	15,462,978	28.4%
Tidelands Operating	112,431,361	24,745,363	137,176,724	15,379,387	152,556,110	50,304,255	115,523,056	75.7%	102,251,855	33.0%
Transportation	15,463,493	27,143,762	42,607,255	17,475	42,624,730	6,247,577	17,239,610	40.4%	36,377,154	14.7%
Water	92,494,894	-	92,494,894	-	92,494,894	37,812,443	91,550,965	99.0%	54,682,451	40.9%
<b>SUBTOTAL</b>	<b>\$ 1,808,013,047</b>	<b>\$ 414,425,601</b>	<b>\$ 2,222,438,648</b>	<b>\$ 127,760,068</b>	<b>\$ 2,350,198,716</b>	<b>\$ 688,294,736</b>	<b>1,073,365,890</b>	<b>45.7%</b>	<b>\$ 1,661,903,980</b>	<b>29.3%</b>
<b>Funds Without All Years Carryover</b>										
General	\$ 384,333,509	\$ -	\$ 384,333,509	\$ 2,712,151	\$ 387,045,660	\$ 172,780,337	385,644,095	99.6%	\$ 214,265,322	44.6%
Belmont Shore Parking Meter	668,275	-	668,275	19,088	687,363	456,727	1,053,275	153.2%	230,636	66.4%
Certified Unified Program Agency (CUPA)	1,236,316	-	1,236,316	0	1,236,316	533,216	1,153,707	93.3%	703,100	43.1%
Employee Benefits	220,797,435	-	220,797,435	(157,779)	220,639,656	98,505,959	209,220,310	94.8%	122,133,697	44.6%
Development Services	13,057,431	-	13,057,431	6,055	13,063,486	5,544,233	11,716,493	89.7%	7,519,253	42.4%
Park Development	307,093	-	307,093	-	307,093	(222,073)	308,996	100.6%	529,166	-72.3%
Parking & Business Area Improvement	7,319,800	-	7,319,800	1,433,178	8,752,978	3,314,101	6,946,800	79.4%	5,438,877	37.9%
SERRF JPA	11,295,285	-	11,295,285	-	11,295,285	9,167,101	11,295,285	100.0%	2,128,184	-
Special Advertising & Promotion	6,086,957	-	6,086,957	105,875	6,192,831	2,943,146	6,122,546	98.9%	3,249,685	47.5%
Tideland Oil Revenue <sup>4</sup>	70,735,534	-	70,735,534	29,709	70,765,243	107,263,623	70,590,814	99.8%	(36,498,381)	151.6%
Towing	9,465,723	-	9,465,723	2,009	9,467,732	4,630,460	9,043,411	95.5%	4,837,272	48.9%
Upland Oil	14,907,730	-	14,907,730	-	14,907,730	5,887,195	14,907,730	100.0%	9,020,535	39.5%
<b>SUBTOTAL</b>	<b>\$ 740,211,087</b>	<b>\$ -</b>	<b>\$ 740,211,087</b>	<b>\$ 4,150,285</b>	<b>\$ 744,361,372</b>	<b>\$ 410,804,025</b>	<b>728,003,461</b>	<b>97.8%</b>	<b>\$ 333,557,347</b>	<b>55.2%</b>
<b>TOTAL - All Funds</b>	<b>\$ 2,548,224,134</b>	<b>\$ 414,425,601</b>	<b>\$ 2,962,649,735</b>	<b>\$ 131,910,353</b>	<b>\$ 3,094,560,088</b>	<b>\$ 1,099,098,761</b>	<b>1,801,369,352</b>	<b>58.2%</b>	<b>\$ 1,995,461,327</b>	<b>35.5%</b>

**Notes:**

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

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

<sup>3</sup> The Department of Financial Management is working with Public Works to clear up the negative All-Years Carryover amount.

<sup>4</sup> The recent 2nd Quarter Budget Amendment approved by Council on May 4, 2010 will increase appropriations in the Tidelands Oil Revenue Fund by \$180,134,719 thus eliminating the over expenditure.