

# CITY OF LONG BEACH **R-20**

DEPARTMENT OF FINANCIAL MANAGEMENT

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

September 11, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Approve the Fiscal Year 2007 fourth quarter departmental and fund budget appropriation adjustments in accordance with existing City Council policy. (Citywide)

## DISCUSSION

On September 19, 2006, the City Council adopted the Appropriations Ordinance governing City expenditures for Fiscal Year 2007 (FY 07). From time to time, changes in revenue or operating conditions call for appropriation adjustments. For example, in some cases these adjustments enable departments to expend newly received grant revenue for which there is no existing appropriation. In addition, changes for multi-year grants/projects are necessary to bring appropriations in line with final grant/project award amounts. In accordance with the City's practice, these adjustments are presented quarterly to the City Council for consideration. Please see **Attachment A** for a Fund Balance Analysis of impacted City funds and **Attachment B** for a recap of FY 07 General Fund Budget Adjustments.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on September 4, 2007.

## TIMING CONSIDERATIONS

The following requests for adjustments to FY 07 departmental and fund appropriations are necessary to reflect changes in operating conditions. City Council action is requested on September 11, 2007 to authorize the timely processing of payments.

## FISCAL IMPACT

### **Community Development**

The Long Beach Housing Development Company's (LBHDC) Board of Directors (Board) approved the funding of, and participation in, two residential rental projects with units affordable to low-income households. On May 16th, 2007, the Board approved a \$10 million loan to Orange Housing and C&C Development for the acquisition and rehabilitation of two apartment buildings totaling 125 rental units located at 6889 and 6975 Long Beach Boulevard. On June 20th, 2007, the Board approved \$5.6 million for the LBHDC's purchase of 55-year low-income affordability covenants on 26 units in the Lyon West Gateway 291

residential unit mixed-use project located at Third and Chestnut. As these projects are currently unbudgeted, an appropriations increase is necessary.

- Increase appropriations in the Housing Development Fund (SR 135) in the Department of Community Development (CD) by \$15,600,000.

The City of Long Beach was awarded CalHFA HELP loans totaling \$3.7 million in FY 00 and FY 03 for the Grisham Community Housing and Northpointe (Parwood) Apartments affordable housing projects, to be repaid within 10 years at 3 percent simple interest. The City loans were intended to be paid from the projects' future revenues. However, the projects have realized minimal residual revenue, if any, since project completion.

To repay the HELP loans within the required 10-year period, the Housing Fund will advance funds to the City in each fiscal year where there are insufficient project residual receipts to cover the loan payment. The Housing Fund advances will be repaid from the projects' future revenues. An appropriations increase is necessary to transfer the FY 07 HELP loan advance to the City.

- Increase appropriations in the Housing Development Fund (SR 135) in the Department of Community Development (CD) by \$620,049.

During FY 06, a decision was made to account for the Economic Development Agency (EDA) business loans separately from other activities. Consequently, a new subfund in the Community Development Business Assistance Fund was created to track EDA business loan transactions. However, \$553,092 in the Community Development Grants Fund appropriated for EDA loans was not shifted to the new subfund. This budget adjustment in FY 07 is to correct this oversight.

- Increase appropriations in the Business Assistance Fund (SR 149) in the Department of Community Development (CD) by \$553,092.
- Decrease appropriations in the Community Development Grants Fund (SR 150) in the Department of Community Development (CD) by \$553,092.

As of August 2007, the restricted revenue generated from the Community Development business loans being administered by the Economic Development Bureau has exceeded the original estimate of \$1,000,000. As these additional revenues are currently unbudgeted, an appropriations increase is being requested.

- Increase appropriations in the Business Assistance Fund (SR 149) in the Department of Community Development (CD) by \$777,460.

### **Financial Management**

On January 16, 2007, the City Council adopted a resolution approving a deposit/reimbursement agreement with McDonnell Douglas Corporation, a subsidiary of the Boeing Corporation (Boeing), relating to the formation of a Community Facilities District (District) for the Douglas Park Project. Boeing deposited \$150,000 with the City for

professional expenses incurred in advance of the actual formation of the District. As these costs are currently unbudgeted, an appropriation increase is requested to expend deposited monies.

- Increase appropriations in the General Fund (GP) in the Department of Financial Management (FM) by \$150,000.

#### **Fire**

Since August 2003, the City Council authorized receipt of Urban Area Security Initiative (UASI) Grants, totaling \$25,826,340 from the Department of Homeland Security (DHS) to augment the City and surrounding jurisdictions' Homeland Security response capabilities. Due to changes in the type and quantity of equipment to be procured and excess funds remaining from administration and equipment categories, the current allocations in the various departments are not reflective of revised spending plans that will maximize use of the grant funds. The State Office of Homeland Security has approved the revised spending plans. Reallocating the funds between departments will enable additional training courses for Fire Department personnel in technical search and rescue and weapons of mass destruction. The Fire Department requests to reappropriate the current appropriations to the departments/funds as listed below. All expenditures will be offset by like changes in grant revenue. There is no net impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Fire Department (FD) by \$19,423.
- Decrease appropriations in the General Grants Fund (SR 120) in the Police Department by \$2,302.
- Decrease appropriations in the General Grants Fund (SR 120) in the Department of Public Works by \$17,121.

On February 19, 2007, the City of Long Beach received \$95,000 from the City of Los Angeles. These funds were from that city's State Homeland Security Program as they were not able to fully expend their grant award. These funds enabled Fire Department training in response to Weapons of Mass Destruction incidents. The Fire Department requests to appropriate these funds as they are currently unbudgeted. All expenditures will be offset by grant revenue. There is no net impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Fire Department (FD) by \$95,000.

The move to the new Fire Department Headquarters location from the Port to 3205 Lakewood Boulevard, will result in one-time costs for movers, technological changes and equipment in the current fiscal year. While an anticipated expenditure, the funds are unbudgeted, and an appropriation increase is requested. Fund balance in the Tideland Fund will support this appropriation increase, which is supported by the annual transfer from the Harbor Fund.

- Increase appropriations in the Tidelands Fund (TF) in the Fire Department (FD) by \$450,000.

On November 14, 2006, the City Council approved a "Cardiac Care Program Equipment Agreement" with the County of Los Angeles. The agreement enabled the City to purchase fourteen and upgrade six 12-lead EKG units. The cost of the units was fully reimbursed by the County. The County has indicated that additional funding is available for the purchase of four more units if purchased by September 30, 2007. The County will reimburse up to \$17,000 per unit, for a total of \$68,000. As this equipment cost is not budgeted, an appropriation increase of \$68,000 is being requested, which will be offset by the reimbursement revenue from Los Angeles County. There is no net impact to the General Fund.

- Increase appropriations in the General Fund (GP) in the Fire Department (FD) by \$68,000.

### **Gas and Oil**

Due to the continued high oil prices, actual oil prices garnered for City oil has averaged \$54.59 per barrel for the fiscal year as of August 20, 2007. Oil Operations' FY 07 approved budget forecasted its appropriations based on \$50/bbl.

Using \$60/bbl for the remainder of the fiscal year generates an annual average oil price of \$55.07 per barrel, total expenditures and transfers are forecasted to increase by \$17.8 million in the Tideland Oil Revenue Fund (TORF) and \$2.8 million in the Upland Fund. Although increased oil prices generated higher oil revenues, oil field unit expenses also increased, resulting in lower Tidelands-area net oil profits that are allocated between the State, Oxy and the City. This lower net oil profit resulted in a decrease in Transfer to the Tidelands Operating Fund. The final transfer to the Tidelands Operating Fund is expected to be \$11.1 million, or \$1.2 million less than currently budgeted. The final transfer to the General Fund could be as high as \$16.0, but is expected to be closer to \$14.3 million, or \$1.9 million more than currently budgeted. Both transfers were already included in the estimates to close for the fiscal year.

(in millions)	TORF	Upland Oil Fund
Increase Payment to the State	\$18.8	\$ -
Decrease Transfer to TOF	(1.2)	-
Increase Transfer to General Fund	-	3.6
Increase in Unit Expenses	-	0.6
Increase in Misc Expenses	0.2	0.3
<b>Totals</b>	<b>\$17.8</b>	<b>\$4.5</b>

The Department is requesting additional appropriations in the amount of \$17,829,027 in the Tideland Oil Revenue Fund (TORF) and \$4,466,224 in the Upland Oil Fund. These are offset by increases in oil revenues in TORF and the Upland Oil Fund.

- Increase appropriations in the Tideland Oil Revenue Fund (NX 420) in the Department of Gas & Oil (OP) by \$17,829,027.

- Increase appropriations in the Upland Oil Fund (SR 134) in the Department of Gas & Oil (OP) by \$4,466,224.

### **Health**

Due to unexpected mold remediation and significant repair costs associated with a shower repair project at the Multi-Service Center for the Homeless (MSC), the Department of Health and Human Services is expected to exceed its budgeted amount in the Insurance Fund. The project includes temporary showers, security expenses and remaining construction costs in a total estimated amount of \$140,000. As these costs are currently unbudgeted, an appropriations increase is being requested.

- Increase appropriations in the Insurance Fund (IS 390) in the Department of Health and Human Services (HE) by \$140,000.

### **Human Resources**

Due to an increase in participation in the City's In-Hospital Indemnity Program, the Department is expected to exceed its budgeted amount for this program by approximately \$75,000. As these additional expenses are unbudgeted, an appropriations increase is being requested.

- Increase appropriations in the Employee Benefits Fund (IS 391) in the Department of Human Resources (HR) by \$75,000.

### **Library**

The Long Beach Public Library Foundation and the Friends of the Long Beach Public Library, which are both nonprofit organizations, have provided donations to the Library Services Department totaling \$143,750 for the purchase of books and material resources. The Long Beach Public Library Foundation was created in response to the cuts made to the Long Beach Public Library in the 1990's. They have been successful in providing support for the purchase of books and materials. The Friends of the Long Beach Public Library has been in existence since the 1960's. They began donating funds to support the purchase of books and materials in 1990 when the Friends bookstore opened. To allow the Department to expend these funds, a budget adjustment is required.

- Increase appropriations in the General Grants Fund (SR 120) in the Department of Library Services (LS) by \$143,750.

### **Parks, Recreation & Marine**

Additional one-time promotional and community activities have been requested, such as City-sponsored parades, American flags, traffic management support, directional signage for filming and an Armada sponsorship. The additional appropriations to support these activities are requested, which will be offset by increased revenues that are currently projected to exceed the additional cost.

- Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the Department of Parks, Recreation and Marine (PR) by \$150,000.

- Increase appropriation in Tidelands Fund (TF) in the Department of Parks, Recreation and Marine (PR) by \$30,000.

In September 2006, high levels of bacteria were found in Alamitos Bay from an unknown source. In May 2007, Heal the Bay issued its 2006/2007 Summer Report Card, and Long Beach beaches were found to have some of the worst water quality in the State. As a result, a Water Quality Task Force was convened to study the issues and recommend solutions.

Moffatt and Nichol Engineers completed an Alamitos Bay Circulation Study (Study). The Study findings showed the effects of the different power plant intake rates on the water quality of the area. When the pumps were off, or operating at low velocity, the water quality was poor, due in part to the low circulation in the area. The Task Force has recommended that the pumps operate during the summer on a trial basis to verify the findings of the Study. The City will be charged between \$198 and \$277 per hour to operate the pumps outside of the power plant's operational needs, for a total of \$99,000.

- Increase appropriations in the Tidelands Operating Fund (TF) in the Department of Parks, Recreation and Marine (PR) by \$99,000.

On July 19, 2005, the City Council approved the acceptance of a grant from the Rivers and Mountains Conservancy for the San Gabriel River Walk Project. As this grant was not appropriated at the time of the grant award, an appropriations increase is requested.

- Increase appropriations in the Capital Projects Fund (CP) in the Department of Parks, Recreation and Marine (PR) by \$622,600.

The increase in special events and filming business activity during FY 07 has resulted both in increased revenues and related expenses. Therefore, an appropriation increase is necessary to accommodate the related and incurred expenses from this improved business environment. These activities include electric cart rental for citywide special events, temporary employment services, film fire safety training, Olympic bid banners, overtime costs and website design and maintenance.

- Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the Department of Parks, Recreation and Marine (PR) by \$238,580.

#### **Planning and Building**

On September 19, 2006, the City Council approved the acquisition of property for relocation of the Historical Society of Long Beach as part of the mitigation agreement with Camden Realty. The Redevelopment Agency purchased the property in anticipation of the relocation. The City received \$1.5 million from Camden for the purchase of the property, which is deposited in the General Grants Fund. An increase in appropriations is requested to reimburse the Redevelopment Agency for the purchase of the property.

- Increase appropriations in the General Grants Fund (SR 120) in the Planning and Building Department (PB) by \$1,500,000.

**Police**

On May 18, 2006, the Downtown Long Beach Associates (DLBA) notified the Police Department that the DLBA would reimburse personnel costs for monitoring the Pine Avenue video cameras in an amount up to \$75,000. The estimated FY 07 cost for monitoring the cameras is \$40,500. An appropriations increase is requested for these costs, which will be offset by DLBA revenue. There is no net impact to the General Fund, although this will help ease the Department's current overages.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$40,500.

The Chief of Police authorized the use of \$328,000 in Asset Forfeiture Funds to fund Patrol Bureau Task Forces in each of the four Patrol Divisions to address the expected rise in criminal activity that occurs during the months of August and September. These General Fund costs will be offset by a drawdown of the Asset Forfeiture Fund. There is no net impact to the General Fund, although this will help ease the Department's current overages.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$328,000.

The Chief of Police authorized the use of the State Asset Forfeiture Fund - Youth Intervention/Prevention to fund a Police Department Cadet Program. By law, these funds can only be used for youth programs and not for funding police overtime or equipment purchases. This program was created to provide hands-on experience and training for up to eight college students to prepare them for a law enforcement career with the Police Department. The estimated FY 07 cost is \$107,800, which includes Cadet salaries and Police Officer overtime for supervising the program. These General Fund costs will be offset by a drawdown of the State Asset Forfeiture Fund - Youth Intervention/Prevention. There is no net impact to the General Fund, although this will help ease the Department's current overages.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$107,800.

The Chief of Police authorized the use of Asset Forfeiture Funds for the Police Department to partner with California State University, Fullerton to conduct a scientific telephone survey of the citizens of Long Beach, in the amount of \$34,420. The purpose of the survey was to gauge how well the Police Department is serving the citizens' needs and was a follow-up survey to the community survey conducted in 2004. These General Fund costs will be offset by a drawdown of the Asset Forfeiture Fund. There is no net impact to the General Fund, although this will help ease the Department's current overages.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$34,420.

On July 11, 2006, the City Council authorized the City Manager to execute the 17th amendment to the contract with Compudyne – Public Safety & Justice, Inc. for the

installation of a digital map display enhancement software to the Computer Aided Dispatch (CAD) system in the Police Communications Center in the amount of \$236,246. These General Fund costs will be reimbursed by the State 911 fund. There is no net impact to the General Fund, although this will help ease the Department's current overages.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$236,246.

The Police Department executed a purchase order with OfficeMax for the purchase of 28 chairs for the Police Communications Center dispatch personnel, in the amount of \$32,419. These General Fund costs will be reimbursed by the State 911 fund. There is no net impact to the General Fund, although this will help ease the Department's current overages.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$32,419.

### **Public Works**

During FY 07, the Office of Councilmember Gary DeLong has agreed to provide \$15,000 in funding from his Council Office Budget for saw-cutting repairs at 600 sidewalks. A budget adjustment is necessary to transfer the funds to the Capital Improvement Project.

- Decrease appropriations in the General Fund (GP) in the Legislative Department (LD) by \$15,000.
- Increase appropriations in the General Fund (GP) in the Citywide Activities Department (XC) by \$15,000.
- Increase appropriations in the Capital Projects Fund (CP) in the Department of Public Works (PW) by \$15,000.

On May 22, 2007, the City Council authorized the City Manager to execute, accept, and amend a grant from the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) for entitlement and discretionary funds for two projects at the Long Beach Airport: Rehabilitation of Taxiway K, Phase 2, and Improvements to the Runway Safety Area (RSA) at the west end of the Runway 7L-25R. On August 2, 2007, the FAA increased the amount of the grant award by \$56,194 and the Airport's matching fund obligation by \$2,958. An appropriation increase is necessary to recognize these unbudgeted grant and matching funds.

- Increase appropriations in the Airport Fund (EF 320) in the Department of Public Works (PW) by \$59,152.

On April 24, 2007, the City Council authorized the City Manager to proceed with the preparation of final plans, specifications and cost estimates for the construction of an Airport Terminal Improvement Project consistent with the projects identified as part of the Airport EIR certification. The Parking Structure #2 is included in the certification. An increase in appropriation is necessary to cover a portion of the design cost of the Parking Structure #2.



- Increase appropriations in the Airport Fund (EF 320) in the Department of Public Works (PW) by \$1,000,000.

The Towing Fund has accrued a fund balance over the past several months due to expenditure savings realized by the Department of Public Works. Appropriation to transfer this balance is being requested.

- Increase appropriations in the Towing Fund (EF 340) in the Department of Public Works (PW) by \$1,000,000.

### **Technology Services**

At the end of FY 06, the Technology Services Department (TSD) received requests from the City Auditor's Office and from the Fire Department for various technology projects totaling \$228,500. Since the requested work could not be completed in FY 06, TSD charged the departments for estimated project costs and placed the revenue into reserved fund balance. During FY 07, \$163,500 of the requested projects were completed. Since project costs were not budgeted in FY 07, an appropriation increase is necessary.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$163,500.

The Harbor Department recently negotiated for services from TSD's Video Communications Division to videotape weekly Harbor Commission meetings for broadcast on the City's cable channel, LBTv Channel 8 and "live" on the internet. In FY 07, a total of nine meetings will be taped for nine weeks, beginning at the July 30 Harbor Commission meeting. Since production costs are currently unbudgeted, an appropriation increase is requested, offset by payments from the Harbor Department.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$12,150.

On February 13, 2007 the City Council authorized the City Manager to execute a lease-purchase agreement to finance \$4.4 million of the cost to replace the code enforcement, permitting and licensing systems. In order to expend the proceeds from the lease financing, an appropriation increase is necessary. Appropriation is offset by lease proceeds held in escrow with the fiscal agent. There is no impact on the General Fund.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$4,400,000.

### **Citywide**

On September 19, 2006 City Council approved the issuance of Lease Revenue Bonds, 2006 Series B Parks/Open Space Financing Project (Open Space Bonds) in a total amount of \$24,320,000, which included \$23,660,077 for land acquisition and \$659,923 for the cost of bond issuance. The Open Space Bonds were issued in October 2006 to fund the expansion

of park space in the central, north and west neighborhood areas. The budget proceeds for land acquisition will be loaned to, and expended by, the Redevelopment Agency.

As the sites exist within Community Development Block Grant (CDBG) and Redevelopment areas, the Community Development Advisory Commission (CDAC) agreed to allocate up to \$600,000 annually of CDBG funding toward the Open Space Bond payments to fund the annual debt service with the balance funded by Park Impact Fees. The estimated debt service for FY 07 is \$525,000, which has been transferred to the General Fund from the Community Development Grants Fund.

A budget adjustment is necessary to appropriate the bond proceeds plus interest earnings in the amount of \$24,570,000 for project costs, \$659,923 for costs of issuance and \$525,000 for FY 07 debt service costs. In addition, a portion of the bond proceeds were approved by City Council on April 24, 2007 for the purchase of land for Craftsman Park in the Department of Parks, Recreation and Marine. As the park will now be purchased by the Redevelopment Agency using the Open Space Bond Proceeds, the appropriations in the Parks, Recreation and Marine Department are no longer needed, and will be reduced.

- Increase appropriations in the Capital Projects Fund (CP) in the Citywide Activities (XC) by \$24,570,000.
- Increase appropriations in the General Fund (GP) in the Citywide Activities (XC) by \$1,184,923.
- Decrease appropriations in the Capital Projects Fund (CP) in the Department of Parks, Recreation and Marine (PR) by \$692,000.

On January 31, 2007, a power outage at City Hall forced the evacuation of the building for safety reasons which resulted in loss of productivity in City Hall employees, diversion of police and security to the building and repairs to the electrical conduits and infrastructure. These costs will be charged to the City's Disaster subfund, pending a reimbursement being pursued through a claim submitted by the City Attorney's Office. As the costs in the Financial Management – Citywide (XD) are currently unbudgeted, an appropriations increase is being requested.

- Increase appropriations in the Insurance Fund (IS 390) in the Financial Management – Citywide (XD) by \$274,197.

The Civic Center Fund has accrued a fund balance in its Parking Subfund over the past several years due to expenditure savings realized by the Community Development Department. Appropriation for a refund from the Civic Center parking subfund is being requested.

- Increase appropriations in the Civic Center Fund (IS 380) in the Citywide Activities (XC) by \$800,000.

**Capital Grant Appropriation Adjustments**

Appropriation increases and decreases are necessary to make corrections in grant funds related to capital projects. For example, corrections are necessary when a project is complete and the remaining grant appropriation must be reduced. Corrections are also necessary when the grant has earned interest, but requires additional appropriation in order to expend the additional revenue. **Attachment C** lists the corrections that require City Council approval by fund and by department for appropriation in FY 07. The net adjustment for the affected funds and departments is an appropriation increase of \$14,529. All of the funds are restricted to their related projects.

**SUGGESTED ACTION:**

Approve recommendation.



Respectfully submitted,

  
MICHAEL A. KILLEBREW  
DIRECTOR OF FINANCIAL MANAGEMENT

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ATTACHMENTS

APPROVED:

  
 ANTHONY W. BATTS  
CITY MANAGER

## Effects of 4th Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>General Fund (GP)</u></b>			
Beginning Fund Balance*			\$ 5,224,409
* Does not include the \$36.1 million Emergency Fund Balance Reserve			
Unreserving/(Reserving) of Restricted Fund Balance			933,933
FY 07 Adopted Budget	377,404,000	377,406,152	2,152
Prior Year Adjustment to Actuals			46,734
City Council Approved Adjustments to Date (521/522 and 511)	8,458,696	4,276,034	(4,182,662)
Proposed 4th Quarter Adjustments:			
Pine Avenue Camera Monitoring Overtime	40,500	40,500	-
Summer Patrol Bureau Task Forces	328,000	-	(328,000)
Police Cadet Program	107,800	-	(107,800)
Police Community Voices Opinion Survey	34,420	-	(34,420)
Police Communications Center Mapping Software	236,246	236,246	-
Police Communications Center Furniture	32,419	32,419	-
Douglas Park	150,000	150,000	-
Open Space Bonds	1,184,923	1,184,923	-
12-Lead EKG Reimbursement	68,000	68,000	-
Civic Center Refund	-	800,000	800,000
Adjusted Budget Including 4th Quarter Adjustments	\$ 388,045,004	\$ 384,194,274	\$ 2,354,346
<b><u>Airport Fund (EF 320)</u></b>			
Beginning Fund Balance			\$ 14,174,119
Unreserving/(Reserving) of Restricted Fund Balance			7,382,049
FY 07 Adopted Budget	31,859,545	25,317,952	(6,541,593)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	31,733,983	25,946,220	(5,787,763)
City Council Approved Adjustments to Date (521/522 and 511)	9,242,502	7,355,375	(1,887,127)
Proposed 4th Quarter Adjustments:			
FAA Grant Increase	59,152	56,194	(2,958)
Airport Parking Structure	1,000,000	-	(1,000,000)
Adjusted Budget Including 4th Quarter Adjustments	\$ 73,895,182	\$ 58,675,741	\$ 6,336,727
<b><u>Business Assistance Fund (SR 149)</u></b>			
Beginning Fund Balance			\$ 429,297
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	1,922,158	1,881,900	(40,258)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	4,769	-	(4,769)
Proposed 4th Quarter Adjustments:			
EDA Business Loans Transfer	553,092	553,092	-
Additional Business Assistance Fund Revenue	777,460	777,460	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 3,257,479	\$ 3,212,452	\$ 384,270

## Effects of 4th Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Towing Fund (EF 340)</u></b>			
Beginning Fund Balance			\$ 1,731,048
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	9,238,168	9,288,433	50,265
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	2,937	-	(2,937)
Proposed 4th Quarter Adjustments:			
Excess fund balance	1,000,000	-	(1,000,000)
Adjusted Budget Including 4th Quarter Adjustments	\$ 10,241,105	\$ 9,288,433	\$ 778,376
<b><u>Capital Projects (CP)</u></b>			
Beginning Fund Balance			14,192,558
Unreserving/(Reserving) of Restricted Fund Balance			12,643,654
FY 07 Adopted Budget	15,053,445	14,522,930	(530,515)
Prior Year Adjustment to Actuals			18,352
All-years Carryover Budget	61,711,427	37,401,235	(24,310,192)
City Council Approved Adjustments to Date (521/522 and 511)	10,236,363	8,222,505	(2,013,858)
Proposed 4th Quarter Adjustments:			
Saw Cutting Sidewalk Repairs/New Curb	15,000	15,000	-
Open Space Bonds	23,878,000	23,878,000	-
Rivers and Mountains Conservancy Grant	622,600	622,600	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 111,516,834	\$ 84,662,270	\$ -
<b><u>Civic Center Fund (IS 380)</u></b>			
Beginning Fund Balance			\$ 2,501,141
Unreserving/(Reserving) of Restricted Fund Balance			15,977,320
FY 07 Adopted Budget	1,412,576	1,232,394	(180,182)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	13,066,492	301,244	(12,765,248)
City Council Approved Adjustments to Date (521/522 and 511)	441,424	16,721	(424,703)
Proposed 4th Quarter Adjustments:			
Civic Center Refund	800,000	-	(800,000)
Adjusted Budget Including 4th Quarter Adjustments	\$ 15,720,492	\$ 1,550,359	\$ 4,308,328

## Effects of 4th Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Community Development Grants (SR 150)</u></b>			
Beginning Fund Balance			\$ 3,287,879
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	24,972,319	23,858,301	(1,114,018)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	37,001,409	37,050,401	48,992
City Council Approved Adjustments to Date (521/522 and 511)	1,525,531	1,757,060	231,529
Proposed 4th Quarter Adjustments:			
EDA Business Loans Transfer	(553,092)	-	553,092
Adjusted Budget Including 4th Quarter Adjustments	\$ 62,946,167	\$ 62,665,762	\$ 3,007,474
<b><u>General Grants (SR 120)</u></b>			
Beginning Fund Balance			\$ 61,912
Unreserving/(Reserving) of Restricted Fund Balance			(72,051)
FY 07 Adopted Budget	8,594,063	8,594,063	-
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	5,032,586	5,044,547	11,961
City Council Approved Adjustments to Date (521/522 and 511)	5,809,977	5,808,155	(1,822)
Proposed 4th Quarter Adjustments:			
Weapons of Mass Destruction Training	95,000	95,000	-
LB Public Library Foundation/Friends of the LB Public Library	143,750	143,750	-
Camden Payment for Property Purchase	1,500,000	1,500,000	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 21,175,376	\$ 21,185,515	\$ -
<b><u>General Services (IS 385)</u></b>			
Beginning Fund Balance			\$ 2,721,169
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	34,499,612	32,706,890	(1,792,722)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	35,523	35,523	-
City Council Approved Adjustments to Date (521/522 and 511)	741,140	540,980	(200,159)
Proposed 4th Quarter Adjustments:			
Various Technology Projects	163,500	-	(163,500)
Harbor MOU	12,150	12,150	-
Code Enforcement & Permitting Software (Lease)	4,400,000	4,400,000	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 39,851,925	\$ 37,695,543	\$ 564,788

## Effects of 4th Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Housing Development Fund (SR 135)</u></b>			
Beginning Fund Balance			\$ 27,336,029
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	39,282,888	38,747,978	(534,910)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	34,211,813	23,721,022	(10,490,791)
City Council Approved Adjustments to Date (521/522 and 511)	16	7,028,251	7,028,235
Proposed 4th Quarter Adjustments:			
Residential Rental Projects	15,600,000	15,600,000	-
FY 07 HELP Loan Repayments	620,049	-	(620,049)
Adjusted Budget Including 4th Quarter Adjustments	\$ 89,714,766	\$ 85,097,251	\$ 22,718,514
<b><u>Insurance Fund (IS 390)</u></b>			
Beginning Fund Balance - Adjusted			\$ 5,005,315
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	36,685,600	37,352,301	666,701
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	106,693	-	(106,693)
Proposed 4th Quarter Adjustments:			
City Hall Evacuation	274,197	-	(274,197)
Shower Repair at the MSC	140,000	-	(140,000)
Adjusted Budget Including 4th Quarter Adjustments	\$ 37,206,490	\$ 37,352,301	\$ 5,151,126
<b><u>Employee Benefits Fund (IS 391)</u></b>			
Beginning Fund Balance			\$ 1,216,674
Unreserving/(Reserving) of Restricted Fund Balance			(503,000)
FY 07 Adopted Budget	208,931,346	209,434,835	503,489
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	23,686	-	(23,686)
Proposed 4th Quarter Adjustments:			
In-Hospital Indemnity Program	75,000	-	(75,000)
Adjusted Budget Including 4th Quarter Adjustments	\$ 209,030,032	\$ 209,434,835	\$ 1,118,477

## Effects of 4th Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Special Advertising and Promotion (SR 133)</u></b>			
Beginning Fund Balance			\$ 2,235,346
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	5,849,888	5,741,000	(108,888)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
All-Years Carryover Budget Adjustments	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	54,179	-	(54,179)
Proposed 4th Quarter Adjustments:			
Special Events and Filming	388,580	388,580	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 6,292,647	\$ 6,129,580	\$ 2,072,279
<b><u>Tideland Oil Revenue (NX 420)</u></b>			
Beginning Fund Balance			\$ 42,151,693
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	200,297,964	200,284,151	(13,813)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	-	-	-
Proposed 4th Quarter Adjustments:			
Oil Price per bbl Adjustments	17,829,027	17,829,027	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 218,126,991	\$ 218,113,178	\$ 42,137,880
<b><u>Upland Oil Fund Summary (SR 134)</u></b>			
Beginning Fund Balance			\$ 2,382,599
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	20,718,698	20,898,488	179,790
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	-	-	-
City Council Approved Adjustments to Date (521/522 and 511)	-	-	-
Proposed 4th Quarter Adjustments:			
Oil Price per bbl Adjustments	4,466,224	4,466,224	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 25,184,922	\$ 25,364,712	\$ 2,562,389



## Effects of 4th Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Tidelands Fund (TF)</u></b>			
Beginning Fund Balance - Adjusted			\$ 9,697,553
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	113,191,473	113,033,981	(157,492)
Prior Year Adjustment to Actuals			1,137,577
All-Years Carryover Budget	17,829,523	18,007,075	177,552
City Council Approved Adjustments to Date (521/522 and 511)	5,416,046	48,397	(5,367,649)
Proposed 4th Quarter Adjustments:			
Fire Headquarters Relocation	450,000	-	(450,000)
Circulating Water to Clean Bay	99,000	-	(99,000)
Special Events and Filming	30,000	30,000	-
Adjusted Budget Including 4th Quarter Adjustments	\$ 137,016,042	\$ 131,119,453	\$ 4,938,541

**General Fund  
FY 07 Budget Adjustment Recap**

	<b>Budgeted Expenditure</b>	<b>Budgeted Revenue</b>	<b>Net Impact</b>
<b><u>Previous City Council Actions</u></b>			
Carryover of Prior Year Encumbrances (Beginning Fund Balance is Net of this Amount)	1,274,209	-	(1,274,209)
Federal Legislative Representation Services	135,000	-	(135,000)
Special Municipal Election Costs	1,097,600	-	(1,097,600)
Revenue Adjustments	-	3,887,930	3,887,930
<b>Subtotal - Ad Hoc Council Action</b>	<b>2,506,809</b>	<b>3,887,930</b>	<b>1,381,121</b>
<b><u>1st Quarter Approved Budget Adjustments</u></b>			
Fire Station #1	155,000	-	(155,000)
City Prosecutor's Office Staff Pay Adjustment	329,258	-	(329,258)
Reclaimed Water Usage	600,000	-	(600,000)
Park Ranger Station	80,488	-	(80,488)
Police Longevity Pay	2,350,000	-	(2,350,000)
Allied Engineering Settlement	743,115	-	(743,115)
Transfer to Development Services Fund	600,000	-	(600,000)
<b>Subtotal - 1st Quarter</b>	<b>4,857,861</b>	<b>-</b>	<b>(4,857,861)</b>
<b><u>2nd Quarter Approved Budget Adjustments</u></b>			
Illegal Tree Removal	36,916	-	(36,916)
<b>Subtotal - 2nd Quarter</b>	<b>36,916</b>	<b>-</b>	<b>(36,916)</b>
<b><u>3rd Quarter Approved Budget Adjustments</u></b>			
12-Lead EKG Reimbursement	339,363	339,363	-
Helen Fuller Cultural Carrousel	17,534	17,534	-
Unused Toughbooks Financing	31,207	31,207	-
Edison Material Supply Rebate	669,085	-	(669,085)
<b>Subtotal - 3rd Quarter</b>	<b>1,057,189</b>	<b>388,104</b>	<b>(669,085)</b>
<b><u>4th Quarter Approved Budget Adjustments (Pending)</u></b>			
Pine Avenue Camera Monitoring Overtime	40,500	40,500	-
Summer Patrol Bureau Task Forces	328,000	-	(328,000)
Police Cadet Program	107,800	-	(107,800)
Police Community Voices Opinion Survey	34,420	-	(34,420)
Police Communications Center Mapping Software	236,246	236,246	-
Police Communications Center Furniture	32,419	32,419	-
Douglas Park	150,000	150,000	-
Open Space Bonds	1,184,923	1,184,923	-
12-Lead EKG Reimbursement	68,000	68,000	-
Civic Center Refund	-	800,000	800,000
<b>Subtotal - 4th Quarter</b>	<b>2,182,308</b>	<b>2,512,088</b>	<b>329,780</b>
<b>Total FY 07 Budget Adjustments to Date</b>	<b>10,641,083</b>	<b>6,788,122</b>	<b>(3,852,961)</b>

**City of Long Beach  
FY 07  
Capital Grant Budget Adjustments**

**BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>DEPARTMENT CODE</u>	<u>APPROPRIATION INCREASE/(DECREASE)</u>
Parks, Recreation & Marine	PR	14,708
Public Works	PW	(179)
TOTAL		<u>14,529</u>

**BY FUND**

<u>FUND</u>	<u>FUND No.</u>	<u>APPROPRIATION INCREASE/(DECREASE)</u>
Capital Projects	CP	14,529
TOTAL		<u>14,529</u>