



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

~~R-38~~

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

September 19, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Refer the Fiscal Year 2006 Third Quarter Budget Performance Report to the Budget Oversight Committee. (Citywide)

DISCUSSION

This report provides an update on the City's Fiscal Year 2006 (FY 06) budget and operational performance through June 30, 2006. 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

FY 06 is the third year of the City's Financial Strategic Plan (Plan). As such, over \$92 million in structural budget solutions have been included in the General Fund and related funds budgets over the past three fiscal years. These solutions, which have included the reduction of programs, services and positions, as well as increased revenue and cost recovery, have placed a substantial strain on the organization as it downsizes and becomes more efficient. While resources required to provide public safety, infrastructure maintenance, library, recreation and other general government services have been reduced significantly, public demand for services continues to grow. As a result, departments' ability to remain within appropriation limits while providing high quality service will be a continued challenge as the City implements the Plan and restores equilibrium between the services it provides and the resources available to support them.

As of June 30, 2006, the total adjusted General Fund expenditure budget was \$368.0 million, with budgeted revenue of \$360.0 million. The difference between budgeted revenue and expense reflects the use of fund balance. After nine months of the fiscal year, overall revenue and expenditures are on target. With 75 percent of the fiscal year complete, approximately 80.5 percent of anticipated General Fund revenue has been collected. During the same period, approximately 74.0 percent of the adjusted General Fund budget has been expended. The total Adjusted City Budget for all funds as of June 30, 2006 was \$2.697 billion. With 75 percent of the year complete, expenditure performance in all funds is at approximately 54.6 percent year-to-date.

Estimates-to-close for both revenue and expense provide an important guidepost for future budget decisions both in the current year and as the City plans for next year's budget. According to department estimates, General Fund revenue is expected to come in at 103.3 percent of the adjusted budget, which is \$11.7 million more than originally projected. General Fund expenditures are expected to come in at 101 percent of the current adjusted budget. While performance to date and estimates-to-close are promising, it is critical to maintain the utmost fiscal restraint as several million dollars of expected, but still to be achieved optimization related cost savings, one-time revenue and unbudgeted expenses related to newly negotiated compensation increases put increased pressure on the budget.

Focus on Results (FOR) Long Beach is a commitment to performance management designed to help departments improve operational efficiency and effectiveness, and to provide an improved means by which the City can communicate public value created by its programs and services. By creating a direct link between program results and the budgets that support them, FOR Long Beach will give the City the tools to support decisions that allocate scarce resources to the highest priority issues. By renewing departments' focus on the results they produce for the community, it will be easier to articulate the value created to the City Council and community. As this is the first year of FOR Long Beach implementation, data collection systems and analysis are developing and will be implemented over time. Nonetheless, significant progress has been made toward the full integration of the principles and management tools of FOR Long Beach into the daily business of the City. This third quarter report, as with all quarterly budget and operational performance reports going forward, includes Highlights of Departmental performance.

FY 06 General Fund Revenue

Current and projected revenue performance is based upon a variety of sources, both structural and one-time. We must recognize the risks inherent in projecting revenue, many of which the City has limited, if any, authority to affect. We must also consider that the FY 06 budget was balanced using some one-time revenues, including the sale of several properties (i.e., City Hall East, State Building parking lot and the Video Choice property), with the sale of only one of the four properties now being slated to take place in FY 06. Therefore, the following update in revenue performance must be reviewed within this fluid context.

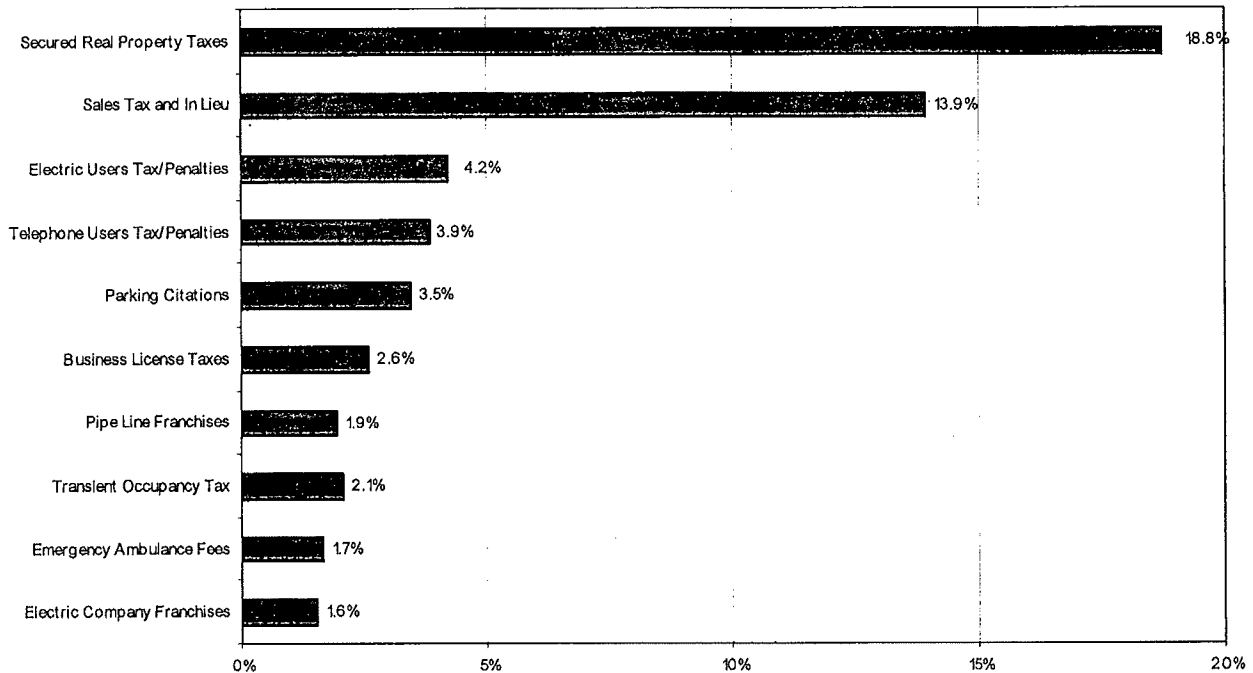
Overall, year-to-date General Fund revenue is \$289.7 million, or approximately 80.5 percent of total projected revenue, and is in line with the expected performance after three quarters of the year. Total General Fund revenue is estimated to finish the fiscal year at 103.3 percent, or \$11.8 million higher than originally budgeted. The table below highlights year-to-date performance for selected General Fund revenues:

Revenue Source	FY 06 YTD Revenue	YTD Rev as % of Adjusted Budget	FY 06 Estimates to Close	Notes
Secured Property Tax	\$54,340,027	93.7%	\$58,980,000	The fifth of seven secured property tax payments from the County has been received. Secured Property Tax is expected to finish the year slightly above budgeted levels of \$58,015,000.

Revenue Source	FY 06 YTD Revenue	YTD Rev as % of Adjusted Budget	FY 06 Estimates to Close	Notes
Sales and Use Tax (net of sharing agreements and adjusted for the Triple Flip)	\$40,395,921	84.6%	\$50,547,466	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. Sales tax performance is approximately 9 percent ahead of budget; this is due to healthy growth in the City's sales activity and the one-time receipt of an additional \$1,033,253 for an Office Depot sales tax settlement.
Motor Vehicle In-Lieu Tax (VLF), combined with Property Tax in Lieu of VLF	\$29,233,059	115.8%	\$29,977,000	Payments for VLF are received monthly, while the Property Tax In-Lieu of VLF is received in January and May. Collections are trending well above budget due to growth in the City's gross assessed property valuation that is used as the methodology to compute the Property Tax In-Lieu VLF. Motor Vehicle In Lieu Tax collections are also performing above budgeted levels.
Utility Users Tax	\$30,218,212	73.2%	\$41,354,000	Electric UUT collections are trending above budget due to first and second quarter rate increases. Natural gas UUT collections are higher than anticipated despite the warm winter due to higher gas prices. Telephone UUT collections are lower, likely due to increased price competition in the telephone industry. Water UUT collections are trending around budget.
Parking Citations	\$10,062,705	93.6%	\$12,628,640	Collections for Parking Citations are trending above budget due to fully staffing enforcement positions.
Business License Tax	\$7,587,686	76.4%	\$10,130,000	Collections are trending slightly above budget due to a continued increase in the number of licenses issued and annual CPI adjustments.
Emergency Ambulance Fees	\$4,886,165	59.3%	\$8,480,000	Compared to FY 05, Emergency Ambulance fees are higher due to the implementation of the Basic Life Support (BLS) Pilot Ambulance Program. Despite a slower YTD trend in collections, the Fire Department anticipates exceeding its revenue projections for this new program by year-end by \$240,000 or 2.9 percent.
Transient Occupancy Tax	\$5,983,133	73.4%	\$8,150,000	Transient Occupancy Tax receipts are trending at budgeted levels. Occupancy levels and room rates are demonstrating growth over those in FY 05.
Pipeline Franchises	\$5,643,212	69.4%	\$6,790,000	Southern California Gas Pipeline Franchise fee revenue is expected to end the year below budget by \$1,337,000 or 16.5 percent. Though natural gas prices are higher, the volume transferred to electric plants during the past two quarters was nearly half that of the same period in FY 05.

General Fund revenue estimates-to-close are at \$371.7 million, which is 3.3 percent more than the Current Adjusted Budget. This equates to approximately \$11.8 million in additional revenue, much of which is one-time (e.g., Upland Oil transfer, Office Depot Settlement and prior-year secured real property tax payments.) A summary of the top 40 General Fund revenues with estimates-to-close is included in **Attachment A**, and a year-to-year (FY 05 to FY 06) comparison of the top 15 General Fund revenues is included in **Attachment B**. Exhibit 1 below shows the City's top 10 General Fund revenue sources in FY 06 as a percentage of total General Fund revenue.

Exhibit 1 – Top 10 FY 06 General Fund Revenue Sources as a Percentage of the \$289.7 million Total Year-to-Date



Please see **Attachment C** for a breakdown of General Fund revenue with estimates-to-close by department.

FY 06 General Fund Expenditures

The Adopted General Fund budget for FY 06 was \$362.1 million. As of June 30, 2006, the total adjusted General Fund budget was \$368.0 million, including the City Council approved budget adjustments totaling approximately \$5.9 million primarily due to added grant funded or revenue offset programs or projects. The overall year-to-date General Fund spending is 74 percent of budget. Department estimates-to-close are in line with the adjusted budget at 101 percent of the current adjusted budget. Necessary budget adjustments will be made during the fourth quarter of the fiscal year, including salary adjustments and summer programs. **Attachment D** provides a listing of all departments' year-to-date General Fund expenditure performance with estimates-to-close.

FY 06 General Fund Expenditures by Department

Though there were few expenditure performance exceptions at the department level, those worth noting include:

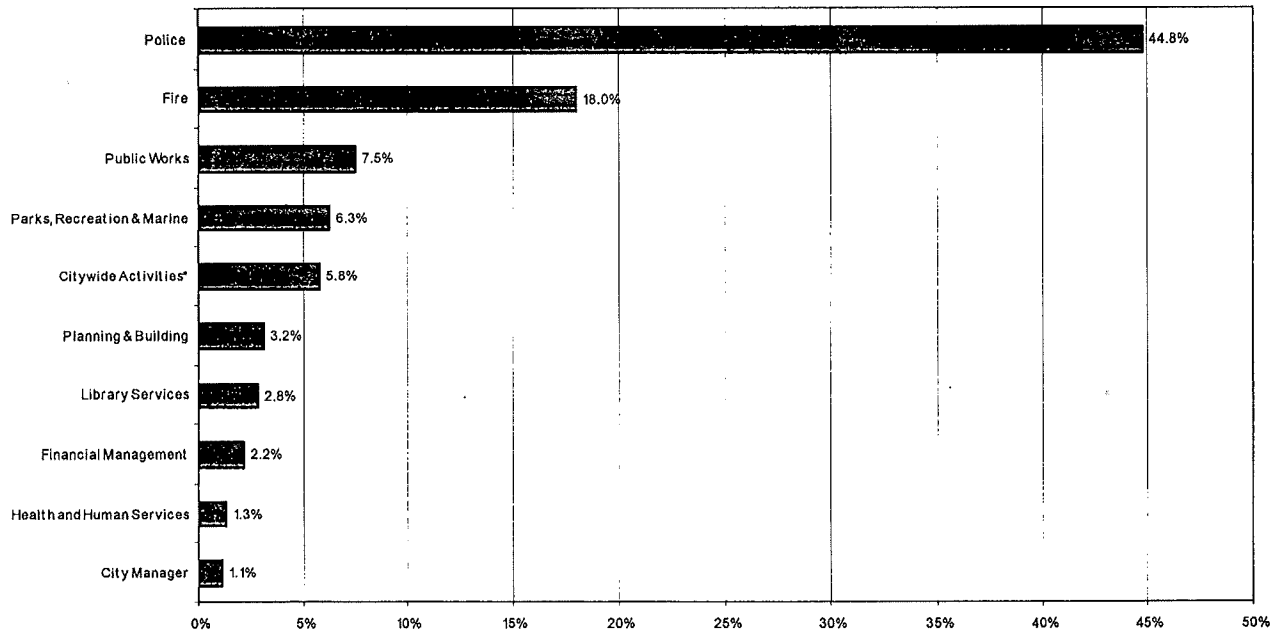
- Citywide Activities reflects spending at 148.1 percent of budget year-to-date, with an estimate-to-close of 176.1 percent. This is primarily due to the fact that the Adjusted Budget reflects anticipated savings from optimization studies. These structural

savings are still anticipated, but will likely be realized fully by next fiscal year. The Citywide Activities budget will be supported by using one-time revenues.

- The Department of Planning and Building incurred unanticipated increased construction costs related to the major overhaul of the Development Services Center. Due to these costs, the Department is estimating to end the year over appropriation by approximately \$365,000. The Department will submit a Fourth Quarter Budget Adjustment to City Council to increase their current allocation.

At mid-year, the majority of General Fund expenditures have come from departments providing public safety services. Of the \$272.3 million expended to date, the Police Department (44.8 percent) and Fire Department (18.0 percent) comprise 62.8 percent of the total General Fund year-to-date expenditures. Exhibit 2 below shows the largest departments as a percentage of General Fund year-to-date expenditures.

Exhibit 2 – Largest FY 06 General Fund Expenditures Year-to-Date by Department, as a Percentage of the \$272.3 million Total Expenditures.



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

Attachment E displays General Fund spending at the department level as compared to the departments' current adjusted budget, including an FY 06 to FY 05 comparison. FY 06 General Fund expenditures total 74.0 percent of the \$368.0 million budget compared to 74.3 percent of the \$377.9 million budget for the same time period in FY 05.

FY 06 Expenditure Performance – All Funds

The City's Adopted FY 06 Budget for all funds includes \$2.069 billion of annual funds, carryover (multi-year grants and capital projects funds) of \$245.4 million, prior year encumbrances (goods and services ordered in FY 05 but received in FY 06), and mid-year City Council approved budget amendments. Combined, the total Adjusted City Budget as of June 30, 2006 was \$2.697 billion. Please see **Attachment F** for a breakdown of Citywide expenditures by fund.

While it is not expected that department or fund expenditures would occur equally throughout the fiscal year or be fully expended in the current fiscal year due to the inclusion of multi-year projects, monitoring the rate of expenditure is a helpful indicator of resource management. With 75 percent of the year complete, expenditure performance in all funds is at approximately 54.6 percent year-to-date. Overall, there are no fund performance anomalies to note.

Other Significant Issues

Oil Revenue

Wilmington Crude prices have remained strong, with the price at \$61.85/bbl, as of June 27, 2006. This results in additional payments to the State, as well as increased revenue for the Tidelands Fund and General Fund. The Long Beach Gas and Oil Department estimates that the transfer to the Tidelands Fund will increase from \$11.2 million to \$15.6 million, while the transfer to the General Fund will increase from \$10.2 million to \$13.3 million.

Focus on Results – Operational Performance

Focus on Results (FOR) Long Beach is the City's comprehensive performance management program, which is in its first year of implementation. The goal of the program is to improve the efficiency and effectiveness of City operations by aligning City operations around the City Council's and community's priorities and increasing accountability at all levels of the organization. The program was developed to provide the community, elected officials, City management, and department staff with the tools to achieve key priorities through an integrated planning, budgeting, management, reporting, evaluation and decision making system. A central component of the program is performance measurement, and departments have been tracking performance information on key output measures since the beginning of FY 06. This will be expanded in the coming year with the implementation of a tracking system. This quarterly report includes Highlights of Departmental performance through June 2006 in **Attachment G**.

FY 07 General Fund Outlook

On August 14, the Mayor released the City Manager's FY 07 Proposed Budget to the City Council. The FY 07 Proposed Budget reflects the elimination of the structural deficit. As was anticipated two years ago by staff, the passage of State Proposition 1A has prevented the State from usurping local revenues and in turn has made prediction of City funding more certain. Staff is confident that the local economy will continue its solid growth, and that key City revenues will also remain strong. Future commitments made by the City relative to labor contracts, particularly for Police, could create a new structural deficit if current spending is not moderated and available resources saved for these future liabilities.

Conclusion

Despite the positive year-to-date performance and estimates-to-close, there is reason to maintain a firm position of fiscal restraint. We must be ever mindful of the tenuous nature of General Fund revenue sources, the current-year budgetary reliance upon one-time revenue from planned land sales and some of the current year planned savings from optimization studies will likely not be realized until next fiscal year. Also, the judicious use of additional one-time resources earned this fiscal year must be allocated toward the City's highest priority one-time uses (e.g. capital projects, pay-down existing debt or other non-recurring needs). Looking to the future, we must not lose sight of the fact that the new Police Officers Association labor agreement includes a wage adjustment to median of the ten comparable police agencies in September 2009; the actual amount of that wage increase will not be known until that time but is anticipated to be a substantial double-digit increase to General Fund costs that is anticipated to absorb most, if not all, of the projected net structural revenue growth.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

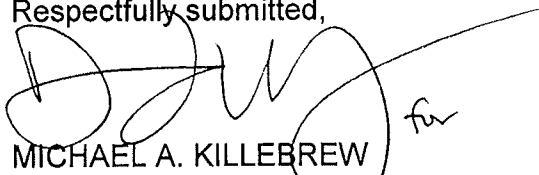
FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,


MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

MK:DW:SM
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ATTACHMENTS

APPROVED:


GERALD R. MILLER
CITY MANAGER

June 2006
General Fund Revenue (Top 40)
Fiscal Year 2006
(75% of Year Completed)

Attachment A

TOP 40 GENERAL FUND REVENUES	FY 05 Year End Actuals	FY 05 June YTD	FY 06 June YTD	FY 06 June YTD Over/(Under) FY 05 June YTD	% of FY 06 Adj Budget	FY 06 Adjusted Budget	FY 06 Estimates to Close
SECURED REAL PROPERTY TAXES ¹	\$ 54,396,274	\$ 52,640,661	\$ 54,340,027	\$ 1,699,366	93.7%	\$ 58,015,000	\$ 58,980,000
CITY SALES AND USE TAX & IN-LIEU SALES AND USE TAX	45,734,064	36,420,915	40,395,921	3,975,006	84.6%	47,738,000	50,547,466
VEHICLE LICENSE FEE & PROPERTY TAX IN-LIEU OF VLF ²	23,804,290	22,679,568	29,233,059	6,553,491	115.8%	25,250,000	29,977,000
ELECTRIC USERS TAX & PENALTIES	15,872,739	11,869,291	12,283,091	413,800	74.4%	16,500,150	17,400,000
TELEPHONE USERS TAX & PENALTIES	15,453,280	11,618,769	11,161,434	(457,335)	69.3%	16,100,000	15,100,000
PARKING CITATIONS ³	11,281,860	8,400,578	10,062,705	1,662,127	93.6%	10,750,758	12,628,640
BUSINESS LICENSE TAXES	9,640,923	7,273,331	7,587,686	314,355	76.4%	9,930,000	10,130,000
EMERGENCY AMBULANCE FEES ⁴	5,065,094	3,554,907	4,886,165	1,331,258	59.3%	8,240,000	8,480,000
TRANSIENT OCCUPANCY TAX	7,763,905	5,550,004	5,983,133	433,129	73.4%	8,150,000	8,150,000
PIPE LINE FRANCHISES	7,770,758	6,100,261	5,643,212	(457,049)	69.4%	8,127,000	6,790,000
PIPELINE FEES	5,402,713	4,566,340	5,456,548	890,208	82.1%	6,650,053	6,599,061
GAS USERS TAX & PENALTIES ⁵	5,117,902	4,034,559	4,706,354	671,794	82.6%	5,700,000	5,900,000
ELECTRIC COMPANY FRANCHISES	5,553,646	4,249,841	4,539,138	289,297	81.1%	5,600,000	6,350,000
AMERICAN GOLF LEASE	3,625,019	2,453,846	2,889,628	435,782	70.5%	4,100,000	4,000,000
AIRPORT-FIRE	3,609,142	2,406,095	2,980,905	574,810	75.0%	3,974,540	3,974,540
OTHER DEPT SVCS TO PROPRIETARY FUNDS	2,770,067	1,541,638	2,473,995	932,356	71.7%	3,452,639	3,274,153
VEHICLE CODE FINES ⁶	3,102,143	2,125,239	2,015,053	(110,186)	61.1%	3,300,000	2,890,000
INTEREST-POOLED CASH	3,386,755	2,442,375	2,703,944	261,569	83.2%	3,250,000	3,590,801
LAND,BLDG,RW,EASEMENT,APT RENTALS	3,086,021	2,178,695	2,571,470	392,775	80.1%	3,208,372	3,369,217
CIP-ENGINEERING CHARGES ⁷	2,504,081	1,616,300	873,977	(742,323)	27.7%	3,150,000	1,485,800
WATER USERS TAX & PENALTIES	2,851,867	2,027,966	2,067,333	39,368	68.9%	3,000,000	2,954,000
CHARGES FOR SPECIAL SERVICES ⁸	3,313,027	1,944,749	1,834,515	(110,233)	61.7%	2,974,840	3,293,149
PROCEEDS FR LONG TERM LEASES	-	-	2,066,129	2,066,129	71.2%	2,902,000	2,902,000
MISC REFUNDS & REIMB	2,940,407	1,713,883	2,018,738	304,855	80.6%	2,505,982	2,917,152
PRIOR YEAR SECURED REAL PROPERTY TAXES ⁹	3,611,267	3,175,195	4,469,004	1,293,809	178.8%	2,500,000	4,830,000
REAL PROPERTY TRANSFER TAX ¹⁰	2,898,321	1,802,821	1,558,319	(244,501)	67.8%	2,300,000	2,000,000
OIL PRODUCTION TAX	2,223,557	1,220,108	1,678,182	458,074	74.9%	2,240,000	2,300,000
UNSECURED PERSONAL PROPERTY TAXES ¹¹	1,686,687	1,209,613	1,115,712	(93,901)	55.8%	2,000,000	1,562,000
BUILDING PLAN CHECK FEES	2,226,176	1,515,557	1,656,449	140,892	82.8%	2,000,000	2,500,000
BUILDING PERMITS	1,502,913	1,067,046	1,223,447	156,401	72.1%	1,697,750	1,800,000
REDEV. REIMB.-NORTH LB	1,691,803	1,611,659	1,239,792	(371,867)	75.0%	1,653,055	1,835,009
ASSET MANAGEMENT CHARGES	1,497,614	1,124,984	1,124,280	(704)	74.9%	1,501,706	1,501,706
MISC REVENUE FROM OTHER AGENCIES ¹²	778,535	405,374	598,792	193,419	40.5%	1,480,155	795,773
OFF-STREET PARKING	1,312,970	919,467	1,008,966	89,499	74.2%	1,359,386	1,337,451
CITY/MISC/BOND REFI ADVANCES	-	-	1,146,292	1,146,292	88.2%	1,300,000	1,146,292
OTHER DEPT CHGS TO GOVTL FUNDS	2,250,648	1,381,960	926,852	(455,109)	74.1%	1,250,736	1,363,165
TRANSFERS FROM OTHER FUNDS	44,136,969	42,826,614	27,920,323	(14,906,291)	76.7%	36,386,336	43,377,546
SUBTOTAL TOP 40 GENERAL FUND REVENUES	309,863,435	257,670,209	266,440,571	8,770,362	83.2%	320,238,457	338,031,920
SUBTOTAL ALL OTHER REVENUES	63,253,562	47,433,549	23,279,501	(24,154,049)	58.6%	39,697,092	33,654,958
TOTAL	\$ 373,116,997	\$ 305,103,758	\$ 289,720,072	\$ (15,383,687)	80.5%	\$ 359,935,549	\$ 371,686,878

Notes:

¹ The County distributes property tax in multiple installments, five of these distributions occurred in December, January, February, April and May. ² The second half of the Property Tax In-Lieu payment posted in May, total receipts exceeding original budget projections. ³ Collections for Parking Citations are trending above budget due to fully staffed enforcement positions. ⁴ Low to date revenues are attributable to late billings. ⁵ Overall collections are higher due to natural gas price increase. ⁶ Vehicle Code Fine revenue is low primarily due to the timing of cash receipts, the year-to-date does not reflect up to two months of fines from the Los Angeles and Long Beach courts. ⁷ Low revenues to date are due to low year-to-date capital project billings. ⁸ These Special Services will be performed by Public Works at a later point in the fiscal year. ⁹ The County's delinquent property tax collections from prior years are well above projections. ¹⁰ Collections are trending below FY 05 during the same period due to the slowing of the real estate market. ¹¹ Collections are trending below budget due to lower equipment purchases and equipment depreciation. ¹² Although percent of budget is low, this revenue source is tracking higher than last year.

June 2006
General Fund Revenue (Top 15)
FY 06 Compared to FY 05
(75% of Year Completed)

Attachment B

Ranking	General Fund Revenue Source	FY 05 Adopted Budget	FY 05 June YTD	% Received FY 05	FY 06 Adopted Budget	FY 06 June YTD	% Received FY 06	\$ Variance FY 06 to FY 05	Percent Variance FY 06 to FY 05
1	Property Taxes	\$ 56,700,000	\$ 52,640,661	92.8%	\$ 58,015,000	\$ 54,340,027	93.7%	\$ 1,699,365	0.8%
2	Sales and Use Tax & In-Lieu Sales and Use Tax	40,389,680	36,420,915	90.2%	47,738,000	40,395,921	84.6%	3,975,006	-5.6%
3	Vehicle License Fees & Property Tax In-Lieu of VLF	21,800,000	22,679,568	104.0%	25,250,000	29,233,059	115.8%	6,553,491	11.7%
4	Electric Users Tax/Penalties	16,153,000	11,869,291	73.5%	16,500,150	12,283,091	74.4%	413,800	1.0%
5	Telephone Users Tax/Penalties	16,731,000	11,618,769	69.4%	16,100,000	11,161,434	69.3%	(457,335)	-0.1%
6	Parking Citations	9,885,790	8,400,578	85.0%	10,750,758	10,062,705	93.6%	1,662,127	8.6%
7	Business License Taxes	9,350,000	7,273,331	77.8%	9,930,000	7,587,686	76.4%	314,355	-1.4%
8	Emergency Ambulance Fees	5,546,000	3,554,907	64.1%	8,240,000	4,886,165	59.3%	1,331,258	-4.8%
9	Transient Occupancy Tax	7,200,000	5,550,004	77.1%	8,150,000	5,983,133	73.4%	433,129	-3.7%
10	Pipe Line Franchises	7,325,000	6,100,261	83.3%	8,127,000	5,643,212	69.4%	(457,049)	-13.8%
11	Gas Users Tax & Penalties	4,618,000	4,034,559	87.4%	5,700,000	4,706,354	82.6%	671,794	-4.8%
12	Electric Company Franchises	5,600,000	4,249,841	75.9%	5,600,000	4,539,138	81.1%	289,297	5.2%
13	Pipeline Fee - Water	3,345,494	2,509,121	75.0%	4,570,053	3,427,540	75.0%	918,419	0.0%
14	American Golf Lease ¹	4,344,465	2,453,846	56.5%	4,100,000	2,889,628	70.5%	435,782	14.0%
15	Airport - Fire	3,609,142	2,406,095	66.7%	3,974,540	2,980,905	75.0%	574,810	8.3%
	TOTAL	\$ 204,643,964	\$ 176,901,806	86.4%	\$ 224,670,961	\$ 194,249,465	86.5%	\$ 17,347,658	0.0%

Notes:
¹ Year-to-date collections are higher compared to last year given Skylinks closure for renovations early in FY 05 and lower golf course use during rainy winter months.

June 2006
Revenue Analysis by Department
General Fund - Fiscal Year 2006
(75% of Year Completed)

Attachment C

Department	FY 06 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Estimates-to-close		Remaining	% Received
Mayor and City Council	\$ 1,250	\$ -	\$ 1,250	\$ 538	\$ 1,250	100.0%	\$ 712	43.1%
City Attorney	5,000	-	5,000	4,161	6,222	124.4%	839	83.2%
City Auditor	-	-	-	10,564	-	100.0%	-	0.0%
City Clerk ²	136,214	-	136,214	155,436	516,093	378.9%	(19,222)	114.1%
City Manager	-	-	-	2,385	2,385	0.0%	(2,385)	0.0%
City Prosecutor	-	-	-	200	-	0.0%	-	0.0%
Community Development ³	8,030,366	-	8,030,366	4,648,466	7,037,678	87.6%	3,381,900	57.9%
Financial Management ⁴	16,879,837	-	16,879,837	16,169,523	16,797,623	99.5%	710,314	95.8%
Citywide Activities ⁵	266,181,434	1,300,000	267,481,434	220,193,985	275,340,571	102.9%	47,287,449	82.3%
Fire	14,355,977	-	14,355,977	9,748,324	15,018,663	104.6%	4,607,653	67.9%
Health and Human Services ⁶	1,477,306	-	1,477,306	663,153	1,396,959	94.6%	814,153	44.9%
Human Resources	-	-	-	68	18	0.0%	-	0.0%
Library Services ⁷	1,136,666	(316,000)	820,666	546,277	674,736	82.2%	274,389	66.6%
Parks, Recreation & Marine	8,546,398	(360,000)	8,186,398	5,972,522	8,181,064	99.9%	2,213,876	73.0%
Planning & Building ⁸	9,541,929	-	9,541,929	8,397,183	11,831,654	124.0%	1,144,746	88.0%
Police ⁹	16,957,356	1,072,744	18,030,100	13,460,051	19,610,048	108.8%	4,570,049	74.7%
Public Works	14,989,072	-	14,989,072	9,747,235	15,271,913	101.9%	5,241,837	65.0%
Technology Services	-	-	-	-	-	0.0%	-	0.0%
TOTAL	\$ 358,238,805	\$ 1,696,744	\$ 359,935,549	\$ 289,720,072	\$ 371,686,878	103.3%	\$ 70,215,478	80.5%

Notes:

¹ Amendments reflect budget adjustments approved by the City Council during the fiscal year.

² The City Clerk will receive a refund from Long Beach City College and the Long Beach Unified School District for expenses related to the June election.

³ The \$1 million in budgeted revenue for marketing and advertising will not be actualized in FY 06. The selected marketing firm was recently approved by the City Council. Expected revenues from parking, the County, and transfers will not be realized until the second half of the fiscal year.

⁴ Includes Parking Citation revenues that will be distributed to client departments as the year progresses.

⁵ Citywide Activities include tax revenues and pass through transactions.

⁶ Animal Control contracts with other jurisdictions are billed to close out the end of the year (e.g., Seal Beach, Los Alamitos and Cerritos).

⁷ Currently a program is funded with an expense and a matching revenue for \$160,000. This program has not been implemented yet, therefore the department is not recognizing the revenue or the matching expense.

⁸ Planning and Building revenue reflects continued strong demand for fee-based building, electrical, zoning, plumbing, and NPDES plan checks.

⁹ Police will see a significant increase in parking citation revenues this fiscal year.

June 2006
Expenditure Analysis by Department
General Fund - Fiscal Year 2006
(75% of Year Completed)

Attachment D

Department	FY 06 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Remaining	% Spent	Estimates-to-close	
Mayor and City Council	\$ 4,650,026	\$ 6,687	\$ 4,656,713	\$ 3,154,687	\$ 1,502,026	67.7%	\$ 4,656,713	100.0%
City Attorney	3,414,481	13,464	3,427,944	2,511,161	916,783	73.3%	3,121,487	91.1%
City Auditor	2,465,544	143,353	2,608,897	1,631,050	977,847	62.5%	2,237,291	85.8%
City Clerk ²	4,456,157	59,545	4,515,701	2,572,472	1,943,230	57.0%	4,904,374	108.6%
City Manager	3,613,173	41,578	3,654,751	2,982,413	672,338	81.6%	3,651,691	99.9%
City Prosecutor	4,200,865	14,500	4,215,365	3,011,348	1,204,017	71.4%	4,215,364	100.0%
Civil Service	2,576,513	269,897	2,846,410	1,945,836	900,575	68.4%	2,784,534	97.8%
Community Development ³	7,351,678	253,162	7,604,840	4,612,046	2,992,794	60.6%	6,469,223	85.1%
Financial Management	8,018,390	195,002	8,213,392	5,889,956	2,323,437	71.7%	8,109,933	98.7%
Citywide Activities ⁴	12,955,514	(2,382,192)	10,573,322	15,660,349	-5,087,027	148.1%	18,625,614	176.2%
Fire	66,614,993	2,085,379	68,700,372	49,024,349	19,676,024	71.4%	67,472,367	98.2%
Health and Human Services	4,862,337	(495,286)	4,367,052	3,558,924	808,127	81.5%	4,367,047	100.0%
Human Resources	331,475	1,235	332,710	217,937	114,773	65.5%	279,494	84.0%
Library Services	11,481,066	214,548	11,695,614	7,748,218	3,947,396	66.2%	10,921,030	93.4%
Parks, Recreation & Marine	25,219,238	2,774	25,222,012	17,117,665	8,104,347	67.9%	25,212,094	100.0%
Planning & Building ⁵	11,349,350	798,928	12,148,278	8,578,577	3,569,701	70.6%	12,513,579	103.0%
Police	160,529,113	2,974,219	163,503,332	121,885,767	41,617,566	74.5%	163,122,101	99.8%
Public Works	27,996,490	1,693,564	29,690,054	20,298,835	9,391,219	68.4%	28,557,773	96.2%
Technology Services	-	11	11	(150,000)	150,011	n/a	-	0.0%
TOTAL	\$ 362,086,405	\$ 5,890,367	\$ 367,976,772	\$ 272,251,588	\$ 95,725,183	74.0%	\$ 371,221,711	100.9%

Notes:

¹ Amendments reflect budget adjustments approved by the City Council during the fiscal year including prior-year encumbrances.

² Expenses related to compliance with the Voting Rights Act (Section 203 VRA), and Dept. of Justice Requirements for minority languages for 2006 Election. A budget adjustment may be needed and will be delivered after all elections costs are tallied and prior to fiscal year-end.

³ Several Community Development contracts will not commence until the second half of the fiscal year. Code Enforcement rent payments will begin in the third quarter.

⁴ Citywide Activities include debt service payments, as well as interdepartmental transfers made at the beginning of the fiscal year, including transfers to the Capital Improvement Fund for sidewalk repairs and Parks and Recreation capital projects. Adjusted Budget reflects anticipated savings from employee healthcare benefit optimization, additional contracting opportunities, and a reduction in management.

⁵ The Department of Planning and Building has experienced unanticipated costs related to a project approved by City Council in January of 2005. Due to these costs, the Department is currently estimating to end the year over appropriation by approximately \$365,000. The Department will submit a Fourth Quarter Budget Adjustment to City Council to increase their current allocation along with a matching revenue to cover the unexpected overages.

**Year to Date Expenditure Analysis by Department
General Fund - FY 06 Compared to FY 05
(75% of Year Completed)**

Department	FY 05 Adjusted Budget	FY 05 YTD Actuals	% Spent FY 05	FY 06 Adjusted Budget	FY 06 YTD Actuals	% Spent FY 06	\$ Variance FY 06 to FY 05	% Spent FY 06 vs FY 05
Mayor and City Council	\$ 4,357,548	\$ 3,110,267	71.4%	\$ 4,656,713	\$ 3,154,687	67.7%	\$ 44,420	-3.6%
City Attorney	3,358,002	2,494,552	74.3%	3,427,944	2,511,161	73.3%	16,608	-1.0%
City Auditor	2,378,994	1,383,779	58.2%	2,608,897	1,631,050	62.5%	247,271	4.4%
City Clerk	2,678,480	1,573,591	58.7%	4,515,701	2,572,472	57.0%	998,880	-1.8%
City Manager	3,865,886	3,313,261	85.7%	3,654,751	2,982,413	81.6%	(330,848)	-4.1%
City Prosecutor	4,093,645	2,872,852	70.2%	4,215,365	3,011,348	71.4%	138,496	1.3%
Civil Service	2,546,967	1,701,887	66.8%	2,846,410	1,945,836	68.4%	243,948	1.5%
Community Development ¹	5,909,887	3,057,296	51.7%	7,604,840	4,612,046	60.6%	1,554,751	8.9%
Financial Management ²	15,867,285	10,899,984	68.7%	8,213,392	5,889,956	71.7%	(5,010,028)	3.0%
Citywide Activities ³	8,591,840	15,352,386	178.7%	10,573,322	15,660,349	148.1%	307,963	-30.6%
Fire ⁴	71,972,230	53,587,277	74.5%	68,700,372	49,024,349	71.4%	(4,562,928)	-3.1%
Health and Human Services	4,762,725	3,905,028	82.0%	4,367,052	3,558,924	81.5%	(346,104)	-0.5%
Human Resources	315,936	185,568	58.7%	332,710	217,937	65.5%	32,368	6.8%
Library Services	12,283,752	7,809,337	63.6%	11,695,614	7,748,218	66.2%	(61,119)	2.7%
Parks, Recreation and Marine	25,806,034	17,236,953	66.8%	25,222,012	17,117,665	67.9%	(119,288)	1.1%
Planning & Building	10,385,055	7,028,515	67.7%	12,148,278	8,578,577	70.6%	1,550,062	2.9%
Police ⁵	163,381,989	121,059,550	74.1%	163,503,332	121,885,767	74.5%	826,217	0.5%
Public Works ⁶	34,481,931	23,558,447	68.3%	29,690,054	20,298,835	68.4%	(3,259,613)	0.0%
Technology Services	881,814	614,161	69.6%	11	(150,000)	n/a	(764,161)	n/a
TOTAL	\$ 377,919,998	\$ 280,744,692	74.3%	\$ 367,976,772	\$ 272,251,588	74.0%	\$ (8,493,104)	-0.3%

Notes:

¹ The increase in budget for this fiscal year is due to Community Development taking responsibility for the Parking Operations from Technology Services.

² The decrease in FY 06 reflects the transfer of the utility call center budget from the General Fund to the Gas Fund.

³ Citywide Activities include debt service payments, as well as interdepartmental transfers made at the beginning of the fiscal year, including transfers to the Capital Improvement Fund for sidewalk repairs and Parks and Recreation capital projects. Adjusted Budget reflects anticipated savings from employee healthcare benefit optimization, additional contracting opportunities, and a reduction in management.

⁴ The decrease in FY 06 reflects the transfer of Tidelands-related budgets, and their corresponding revenues, from the General Fund to the Tidelands Fund.

⁵ Higher expenditure transfers for Prop 172 related expenses from General Fund to General Grants Fund are anticipated for FY 06.

⁶ Reduction in FY 06 reflects removal of Gas Tax pass-through from General Fund.

June 2006
Expenditure Analysis by Fund
Fiscal Year 2006
(75% of Year Completed)

Attachment F

Fund	FY 06 New Allocation	Estimated All-Years Carryover ¹	FY 06 Adopted Appropriation	Amendments ²	Adjusted Budget	Year-to-Date Actuals	Estimates-to-close*	Remaining	% Spent	
Funds Without All Years Carryover										
General	\$ 362,086,405	-	\$ 362,086,405	\$ 5,890,367	\$ 367,976,772	\$ 272,251,588	\$ 371,221,711	100.9%	\$ 95,725,183	74.0%
Belmont Shore Parking Meter	594,072	-	594,072	-	594,072	319,560	594,072	100.0%	274,512	53.8%
Business Assistance ³	1,876,438	-	1,876,438	44,965	1,921,403	1,395,555	1,590,844	82.8%	525,848	72.6%
Certified Unified Program Agency (CUPA)	963,190	-	963,190	1,236	964,426	710,248	954,509	99.0%	254,178	73.6%
Employee Benefits	192,796,026	-	192,796,026	59,469	192,855,495	135,924,227	179,092,254	92.9%	56,931,268	70.5%
Park Development	1,052,180	-	1,052,180	3,686	1,055,866	1,048,416	1,004,243	95.1%	7,450	99.3%
Parking & Business Area Improvement	2,788,500	-	2,788,500	3,500,000	6,288,500	4,031,791	6,188,500	98.4%	2,256,709	64.1%
SERRF	48,217,813	-	48,217,813	14,117	48,231,930	29,733,628	45,188,786	93.7%	18,498,302	61.6%
SERRF JPA	12,130,340	-	12,130,340	-	12,130,340	10,055,259	12,130,340	100.0%	2,075,081	82.9%
Special Advertising & Promotion	5,477,286	-	5,477,286	266,184	5,743,470	5,092,788	5,669,046	98.7%	650,682	88.7%
Tideland Oil Revenue ⁴	113,063,021	-	113,063,021	160,505,103	273,568,124	196,004,702	273,568,125	100.0%	77,563,422	71.6%
Tidelands-Reserve for Subsidence ⁵	4,000,000	-	4,000,000	-	4,000,000	4,000,000	4,060,548	101.5%	-	100.0%
Towing	8,821,526	-	8,821,526	4,543	8,826,069	5,023,695	8,552,993	96.9%	3,802,374	56.9%
Upland Oil	15,975,016	-	15,975,016	6,152,792	22,127,808	15,009,299	22,127,809	100.0%	7,118,509	67.8%
SUBTOTAL	\$ 769,841,811	-	\$ 769,841,811	\$ 176,442,462	\$ 946,284,273	\$ 680,600,755	\$ 931,943,760	98.5%	\$ 265,683,519	71.9%
Funds with All Years Carryover										
Airport	\$ 24,076,324	\$ 14,536,652	\$ 38,612,976	\$ 24,359,967	\$ 62,972,943	\$ 22,282,136	\$ 34,503,437	54.8%	\$ 40,690,807	35.4%
Capital Projects ³	11,317,059	57,798,840	69,115,899	17,944,372	82,745,604	13,077,135	24,149,324	29.2%	69,668,469	15.8%
Civic Center ³	4,420,771	11,734,572	16,155,343	52,099	16,207,441	176,054	3,147,838	19.4%	16,031,387	1.1%
Community Development Grants ³	27,363,026	34,371,790	61,734,816	9,437,464	71,172,280	16,325,989	36,576,513	51.4%	54,846,291	22.9%
Fleet Services	29,737,511	1,609,460	31,346,971	7,268,534	38,615,505	18,792,976	31,886,848	82.6%	19,822,529	48.7%
Gas	136,918,857	1,566,418	138,485,275	13,749,791	152,235,066	94,587,869	124,968,754	82.1%	57,647,197	62.1%
Gasoline Tax Street Improvement ³	11,999,973	15,814,282	27,814,255	4,009,066	31,823,321	7,666,584	10,239,966	32.2%	24,156,737	24.1%
General Grants	8,457,352	13,777,275	22,234,627	12,134,041	34,368,668	11,656,683	31,133,548	90.6%	22,711,985	33.9%
General Services	33,393,360	371,655	33,765,015	131,004	33,896,018	22,317,159	31,845,755	94.0%	11,578,859	65.8%
Harbor	411,146,914	-	411,146,914	-	411,146,914	200,380,490	364,870,982	88.7%	210,766,424	48.7%
Health ³	37,883,558	27,011,419	64,894,977	10,188,384	75,083,361	27,794,753	38,182,182	50.9%	47,288,608	37.0%
Housing Authority	66,941,870	664,651	67,606,521	541,989	68,148,510	44,672,544	60,529,416	88.8%	23,475,966	65.6%
Housing Development	52,954,412	9,361,792	62,316,204	7,588,470	69,904,674	10,514,723	51,299,288	73.4%	59,389,950	15.0%
Insurance	36,327,122	-	36,327,122	743,186	37,070,308	24,146,149	34,466,035	93.0%	12,924,160	65.1%
Parking Authority	506,193	-	506,193	-	506,193	413,920	415,595	82.1%	92,273	81.8%
Redevelopment ⁶	165,370,449	12,750,757	178,121,206	93,504,837	271,626,043	97,936,042	298,247,617	109.8%	173,690,001	36.1%
Refuse/Recycling	36,710,029	(26,150)	36,683,879	53,437	36,737,316	21,259,729	34,357,906	93.5%	15,477,587	57.9%
Sewer	10,922,056	-	10,922,056	-	10,922,056	5,788,074	12,195,253	111.7%	5,133,982	53.0%
Tidelands Operating	100,348,886	23,362,331	123,711,217	10,809,593	134,520,810	83,924,882	122,635,443	91.2%	50,595,927	62.4%
Transportation	14,810,348	20,736,300	35,546,648	(1,822,399)	33,724,249	13,269,750	16,048,794	47.6%	20,454,500	39.3%
Water	77,662,476	-	77,662,476	-	77,662,476	53,889,193	74,495,091	95.9%	23,773,283	69.4%
SUBTOTAL	\$ 1,299,268,544	\$ 245,442,044	\$ 1,544,710,588	\$ 210,693,835	\$ 1,751,089,756	\$ 790,872,834	\$ 1,436,195,587	82.0%	\$ 960,216,922	45.2%
TOTAL - All Funds	\$ 2,069,110,356	\$ 245,442,044	\$ 2,314,552,400	\$ 387,136,297	\$ 2,697,374,030	\$ 1,471,473,589	\$ 2,368,139,367	87.8%	\$ 1,225,900,441	54.6%

Notes:

*Estimates to close are continuously being updated. Funds without all-years carryover currently reflecting estimates-to-close exceeding budget will either have a pending budget adjustment or spending will be curtailed to bring expenditures within budget by year-end.

¹ 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 approved in May 2006.

³ All years funds will not be expended this fiscal year.

⁴ Payment to the State estimated to total \$155.9 million as a result of high oil prices.

⁵ The 2nd of two annual loans of interest from the Subsidence Reserve Fund to the General Fund used to mitigate impact of the State's property tax shift was booked earlier this fiscal year. Adjusted Budget does not reflect 3rd Quarter Budget Adjustment for additional transfer to GP.

⁶ The Redevelopment Agency is currently estimated to end the year almost 10 percent over budget. The agency is incurring expense during the fiscal year that was originally appropriated in FY 05.



Focus On Results Quarterly Results Narrative

FOCUS ON RESULTS
LONG BEACH

Department:
Quarter:

Community Development
Third Quarter, FY 06
75% of FY 06 Complete

Attachment G

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of businesses receiving services	820	493	664	1,977	2,292	86%	2,628	75%	
Number of parcel acquisitions completed	22	23	10	55	68	81%	80	69%	
Number of adults receiving employment services	5,111	5,667	5,977	16,755	10,873	154%	15,500	108%	
Number of youth ages 14-24 receiving services	598	751	3,622	4,971	3,500	142%	5,300	94%	

Results Narrative

The first measure captures the total number of businesses using any of the services offered at the Business Development Center, including assistance with project development, marketing, technical assistance, access to capital, incentives and business improvement districts. Business services and assistance are critical to retaining businesses in the City. Financing, business workshop attendance, site assistance and incentives allow Long Beach businesses the opportunity to provide employment opportunities, products and services to a varied customer base. Winter months are usually slower in terms of demand for services, which speaks to the rise in service level between Quarters 2 and 3.

The second measure captures the number of parcels of land acquired by Community Development. These acquisitions support development and housing projects carried out by the Department Acquisition levels are based on development demands. April acquisitions were for Redevelopment Agency (RDA) projects (North Village, Atlantic Avenue III, Menorah) and open space for a neighborhood park. The May acquisition was for a RDA project (North Village). June acquisitions were for the North Village Project, Ortzaba Park Expansion and Cal Rec Center Expansion.

The adult employment services measure is based upon distinct monthly cases in which an individual may be receiving several instances of assistance. Targets are estimated based upon overall services levels during 2004. Fluctuations in service levels can be attributed to changes in unemployment rates, mass layoffs, and targeted recruitments. In addition, the Workforce Development Bureau's targeted industry initiatives (Construction Jobs Initiative, Health Care Collaborative, and Transportation/Logistics) have created additional demand. Extraordinarily high service levels in May can be attributed to seasonal employment trends and the number of working days.

The results of the youth measure represent a total count of each instance in which a youth accesses Community Development youth services. Reporting for this quarter includes youth visiting the Resource Center, enrolling in WIA Youth Development Program, participating in Work Readiness Workshops for the Summer Opportunities Fair, successfully completing the Spring Semester Inspired Internship program, participating in employment preparation or enrolling in the Summer Inspired Internship program. Fluctuations can be attributed to program service schedules, school schedules and seasonal changes.



Focus On Results Quarterly Results Highlights

Department:
Quarter:

Financial Management
Third Quarter, FY 06
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD	% of	FY 06	YTD %
	Target	Target	Target	Target	Target	Target	Target	Target	Target
Total number of utility customer inquiry responses completed	127,960	139,586	129,258	396,804	354,000	112%	479,000	83%	
Number of parking citations processed	100,183	99,381	103,235	302,799	272,000	111%	375,000	81%	
Number of new/renewed business licenses and entertainment/other permits	13,597	10,211	18,572	42,380	31,400	135%	48,000	88%	
Number of vendor payments made	23,506	25,102	26,135	74,743	73,800	101%	98,400	76%	

Results Narrative

Utility Customer Services serves the needs of 177,000 utility customers in the City of Long Beach with gas, water, sewer, and refuse billing, and gas appliance appointment-related services. The number of responses completed reflects the demand for these services and is impacted by a variety of circumstances. Customer services are provided through phone, in person in the Lobby of City Hall, and by phone and Internet customer self-service. The performance over target is the result of the delay in the implementation of the credit card convenience fee, which was anticipated to reduce use of the automated billing inquiry and payment systems temporarily. The credit card convenience fee was implemented in July 2006. In the first month, inquiries increased due to the shift of all credit card payments to customer self-service.

Parking citations for the entire City are centrally processed by the Business Services Division of the Commercial Services Bureau in the lobby of City Hall. Seven staff members process, bill, and collect payments for parking citations issued by organizations throughout the City. Parking citations are issued by the Police Department; Public Works—Street Sweeping and Airport, Parks, Recreation, and Marine; Community Development—Code Enforcement; Harbor Department; Fire Department; Long Beach City College; the California Highway Patrol and the Los Angeles County Sheriff. The table indicates the number of parking citations issued and processed each quarter. In general, more parking citations are issued during the summer months, as the number of visitors increases. For FY06 it is estimated that 375,000 parking citations will be issued, which is about the same as last year. For the first nine months of the year parking citation processing is slightly up from forecast. City parking citation revenue is estimated to be \$11 million for FY06.

The Business Services Division of the Commercial Services Bureau issues business licenses and business permits. The Business License Counter for in-person service is located on the 4th floor of City Hall. Five office staff and four field inspectors process new applications, renew annual licenses and permits, and enforce business license regulations throughout the City. One license inspector works weekends, emphasizing garage sale and itinerant vendor enforcement. Staff issues business licenses, business permits, alarm permits, garage sale permits, and booth permits for vendors at Special Events. The table indicates the number of licenses and permits initially issued or renewed each quarter. Spikes in the data result from most Commercial Property business licenses being due in October, all Vehicle for Hire business licenses due in January, all Apartment House business licenses due in July, and Garage Sale permits increasing in the warm months. For FY06, it is estimated that 48,000 licenses and permits will be issued, which is about the same as last year. Many apartment owners paid their July business license in June, accounting for being ahead of target. City business license and permit revenue is estimated to be \$10.5 million for FY06.

The accounts payable section provides payment processing for City departments to ensure timely and accurate vendor payments and to provide information to the vendors on the status of payments. The number of vendor payments reflects the volume of activity in the section.



**Focus On Results
Quarterly Results Highlights**

**FOCUS ON RESULTS
LONG BEACH**

Department: **Fire**
Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Percentage of structure fires confined to the room of origin	76%	75%	80%	77%	100%	77%	100%	77%	
Percentage of on scene arrival of first appropriate unit for all emergency calls within 6 minutes or less (from call initiation to arrival on scene)	72%	74%	75%	74%	90%	82%	90%	82%	
Percentage of on scene arrival of BLS ambulance within 10 minutes or less (from dispatch to arrival)	74%	75%	78%	76%	90%	84%	90%	84%	
Percentage of emergency calls processed by Communications (answered to dispatch) within 60 seconds	67%	69%	68%	68%	100%	68%	100%	68%	

Results Narrative

The measure of the percentage of structure fires confined to the room of origin indicates the effectiveness of the responders. The quicker the response to the fire scene, the quicker the containment of the fire will be and limits the damage. In addition, the more skillful the responders are in combating a fire will also contain the fire to the room of origin.

The measure of the on-scene arrival of the first appropriate unit for all emergency calls within six minutes or less is a direct measure of the response capability of First Responders. A lower percentage for this measure may indicate that the responders are traveling farther distances or going through congested areas to arrive at the scene. The measure is also directly correlated with the number of available units; the more units that are available to respond, the higher the percentage of units arriving within 6 minutes or less. In addition, as the number of dispatched responders increases due to the increased number of emergencies occurring in the City, the lower the percentage of on-scene arrival. This results from circumstances where the closest responders are likely to already be on a scene so that a secondary unit from a farther station will have to be dispatched to the emergency. The on-scene arrival time of Basic Life Support (BLS) units can also be affected by an increased workload.

For many members of the community (residents, visitors and businesses) their first point of contact with the Fire Department is through making an emergency or 911 call requesting assistance. The City's performance target is to answer, triage, and dispatch support to the incident within 60 seconds. As the volume of emergency calls increases, this may negatively affect (lower) the percentage of calls processed within 60 seconds.

All of these measures demonstrate the ability of the department to respond to the community utilizing the current available resources. Population increases will result in a greater demand for services from the Fire Department as well as creating a more congested (traffic) environment in which responders need to travel. An increase in response times can affect the ability to contain fires to room of origin and providing other emergency assistance.



**Focus On Results
Quarterly Results Highlights**

**FOCUS ON RESULTS
LONG BEACH**

Department:
Quarter:

**Health & Human Services
Third Quarter, FY 06
75% of FY 06 Complete**

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of routine inspections of food establishments	605	762	780	2,147	2,547	84%	3,400	63%	
Number of animals impounded	2,450	2,144	3,847	8,441	9,369	90%	12,500	68%	
Number of homeless client encounters	7,466	8,440	6,777	22,683	18,747	121%	25,000	91%	
Number of immunizations given	5,957	2,531	2,877	11,365	11,997	95%	16,000	71%	

Results Narrative

The four measures above provide information on services that impact the public's health and safety, as well as human and social services that contribute to an improved quality of life in the City.

Public Health and Environmental Health Programs are vital to preventing the incidence and spread of communicable diseases. During this reporting period, the Department provided immunizations to children and international travelers. Additionally, the Food Inspection Program continued to protect the public against the transmission of food-borne diseases by insuring sanitary conditions and proper food-handling procedures through regular inspections of the City's restaurants.

The Department also protects the public's health and safety through regular patrol and enforcement of animal codes. Services include impounding stray animals that could pose a threat to the public. Historically, fewer animals are impounded during the winter months, when there are fewer daylight hours.

Human and Social Services include services to clients of the City's Multi-Service Center for the Homeless (MSC). During this reporting period, staff assisted homeless clients to obtain temporary shelter, rental assistance, and employment opportunities. Due to the nature of business operations of the Multi-Service Center, an access center for the homeless, monthly statistics will fluctuate slightly, with peak season being winter months, especially during the operation of the Winter Shelter Program, which runs from December 1 through March 15 annually, for which the MSC is a pick-up site for participants.



Focus On Results Quarterly Results Highlights

Department: **Human Resources**
 Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1			QTR 2			QTR 3			QTR 4			YTD		% of YTD		FY 06		YTD % of	
	Actual	Target	% of Target	Actual	Target	% of Target	Actual	Target	% of Target	Actual	Target	% of Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Number of employees trained in safety	2,563	2,088	2529	7,180	9,000	80%	12,000	60%												
Number of safety consultations conducted	326	423	290	1,039	900	115%	1,200	87%												
Number of personnel operations consultations provided	6,856	7,363	8,035	22,254	12,600	177%	16,800	132%												
Number of active employees and retirees served with benefits information	9,500	8,926	8,251	26,677	15,000	178%	20,000	133%												

Results Narrative

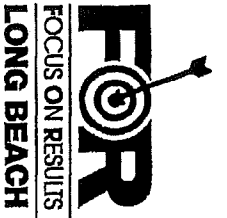
The Human Resources Department has selected four measures, which touch the various HR responsibilities of employee benefits, personnel, and risk management.

The measure "number of employees trained" refers to the number of employees that attend safety training classes. The target established for FY06 is based on last year's actual. This number is dependent on the type of training and frequency requirements for refresher training. Currently the YTD amount is slightly lower than the target because the total number of training and refresher training required to be taken were lower.

The measure "number of safety consultations conducted" refers to the number of times City Safety Office personnel provide a consultation to other departments. These consultations may include answering safety questions, conducting a safety inspection, or making safety-training arrangements. The target established for FY06 is based on last year's actual.

The measure "number of consultations provided" is the number of times the Personnel Bureau assists a department or employee with personnel related questions. Since this is a new measure, the target for FY06 was estimated.

The measure "number of active employees and retirees served with benefits information" refers to the number of times employee benefits personnel assist an employee with a benefit related question or send out benefits information. Since this is a new measure, the target for FY06 was estimated. Generally higher activity is seen in the 1st quarter during open enrollment.



Focus On Results Quarterly Results Highlights

Department: **Library Services**
 Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of library resources used	701,086	718,705	747,309		2,167,100	2,158,866	100%	2,878,488	75%
Number of library materials checked out/used on site	437,063	449,754	426,109		1,312,926	1,040,247	126%	1,386,996	95%
Number of youth served through literacy development programs	11,278	11,203	24,876		47,357	78,750	60%	105,000	45%
Number of students provided homework assistance through Family Learning Centers	7,037	7,547	4,856		19,440	21,744	89%	28,992	67%

Results Narrative

Library patrons have the opportunity to use various resources such as books, media, web hits, computer usage, etc. The number of library resources used through the second quarter of FY 06 is at 100% of target. Usage of library materials is on target although days and hours of operation at the various library locations were reduced in the current fiscal year. Due to budget reductions in FY 06, library hours of operation were reduced in October 2005 at the Main Library from 50 hours/6 days per week to 38 hours/5 days per week, and the North neighborhood library was reduced from 42 hours/6 days per week to 35 hours/5 days per week.

The number of materials checked out by patrons and used on site but not checked out is tracked. This includes books and media such as DVD's, CD's and books on tape. The number of library materials checked out/used on site is over target. Variance can partially be attributed to the fact that part of this measure is an extrapolated figure for on site material use since this figure is only collected once per quarter.

Various youth literacy programs are offered such as preschool reading programs, school class visits, summer reading club, after-school reading clubs, and teen programs. The number of youth served through literacy development programs is 60% of target. The increase in the third quarter is due to two seasonal activities including, Librarian visits to schools to promote the Summer Reading Program and registration for the Summer Reading Program. The total number is still below target because access to library services and programs has been further limited this year due to a reduction in operating hours as a result of budget reductions. This means that customers have less opportunity to visit the library and attend programs. In addition, vacancies in Librarian and Homework Helper positions have necessitated a reduction in service.

Students can receive homework assistance and one-on-one tutoring at the Family Learning Centers located at the Main Library and all neighborhood libraries. Each FLC has computers with internet access so students may work on class projects as well. The number of students receiving assistance is at 89% of target. Vacancies in Homework Helper positions have necessitated a reduction in service.



**FOCUS ON RESULTS
LONG BEACH**

**Focus On Results
Quarterly Results Highlights**

Department: Long Beach Gas and Oil
 Quarter: Third Quarter, FY 06
 75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Annual revenue from energy sales from SERRF	\$6,031,412	\$5,985,547	\$6,073,476		\$18,090,435	\$16,407,400	110%	\$24,190,000	75%
Average residential monthly gas bill	\$66.03	\$68.86	\$35.04		\$56.64	\$57.88	98%	N/A	N/A
Percentage of gas and water service call requests responded to within the next business day during peak periods	59%	55%	45%		51%	100%	51%	100%	51%
Number of barrels of oil produced from Wilmington Oil Field	3,664,628	3,683,210	3,566,674		10,914,512	10,202,915	107%	13,440,045	81%

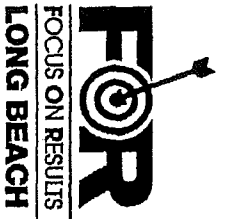
Results Narrative

SERRF is a mass-burn waste to energy facility that incinerates residential and commercial refuse. SERRF generates electricity through the incineration process. Approximately 15 percent of the electricity is used for internal use and the remainder is sold to Southern California Edison (SCE). The electricity is delivered to SCE continuously with payments from SCE monthly. The payments are based on the amount of electricity delivered from SERRF to SCE each month. SCE awards additional capacity payments when SERRF delivers certain pre-determined monthly production targets.

The average residential monthly gas bill is calculated to ensure that Long Beach customers' bills are comparable to or lower than surrounding gas utilities. The bill is estimated by using the average number of residential therms used for each month, and calculating the total monthly service charge, transmission charges, and commodity cost. Consistent with the charter, the average residential monthly gas bill was below Southern California Gas' rate for the third quarter. An annual target has not been established because Southern California Gas' pricing information is only published monthly for comparison.

The percentage of gas and water service call requests responded to within the next business day during peak periods is a correlation between the ratio of gas orders and Gas Field Representatives to work the orders. The variables are the amount of calls and the number of Gas Field Representatives available to perform the work. During the cold season orders will triple. During this time personnel are moved from work that is not customer driven to where the increased workload is. Customer demand and staffing shortages all contribute to a failure to meet next day service goal. Overtime has been limited to those service calls extending out to a three-day and beyond wait for service.

Oil produced from the areas of the Wilmington Oil Field that are operated by the City of Long Beach.



Focus On Results Quarterly Results Highlights

Department: **Parks, Recreation, and Marine**
 Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of class enrollments provided	6,858	7,058	8,999		22,915	25,045	92%	32,500	71%
Number of department-provided sports participants	36,183	51,347	62,920		150,450	129,490	116%	170,756	88%
Number of Nature Center visits provided	30,524	30,185	40,448		101,157	87,000	116%	125,000	81%
Number of golf rounds completed	104,184	104,530	127,543		336,257	313,944	107%	446,932	75%

Results Narrative

Over 2,000 fee-based recreational and enrichment classes are offered annually. Class enrollments for the third quarter of FY 06 missed the quarterly target by 5 percent, and the YTD total missed the target by 8 percent. It is anticipated that class enrollments in the fourth quarter will make up some of the shortfall. Quarterly targets are based on actuals from the prior year.

Recreational team sports opportunities for youth and adults are available across the City. Monthly and quarterly totals reflect the number of days individuals participate in sports programs (i.e., "participant days"). Third quarter totals for FY 06 exceeded the quarterly target by 25 percent, and the YTD total exceeded the target by 16 percent. The increase is attributed to high levels of program popularity and improved record keeping. Targets are based on actuals from the prior year.

The Nature Center offers a variety of organized and self-directed leisure opportunities. Nature Center visits for the third quarter of FY 06 exceeded the quarterly target by 9 percent, and the YTD total exceeded the target by 16 percent. The increase is attributed to increased participation in special events, good weather, and improved record keeping. Targets are based on actuals from the prior year.

The number of golf rounds played on the City's five courses in third quarter of FY 06 fell short of the quarterly target by 2 percent. However, the YTD total exceeded the target by 7 percent. The increase is attributed to increased play on Skylinks Golf Course and good weather. Targets are based on actuals from the prior year.



Focus On Results Quarterly Results Highlights

Department: **Planning and Building**
 Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of customers served at the Development Services Center	18,965	21,202	20,575		60,742	70,800	86%	100,000	61%
Number of construction inspections completed	22,055	23,288	19,947		65,290	60,321	108%	85,200	77%
Number of major public hearing land use requests reviewed (Planning Commission hearing cases)	44	41	35		120	111	108%	150	80%
Number of Certificate of Appropriateness applications reviewed	93	129	151		373	270	138%	360	104%

Results Narrative

The number of customers served at the Development Services Center, the number of construction inspections and the number of major public hearing land use requests has not kept pace with the large surge that has occurred in previous years during the third quarter. In March, the Department saw a slowing of projects, land use requests and customers coming to the Development Services Center, most notably because of a large increase in construction costs in March and the ongoing increase of the cost of fuel. However, the Department still anticipates an increase in projects, land use requests and customers at the Development Services Center in the fourth quarter of FY 06.

The number of Certificates of Appropriateness (COA) are above quarterly projections for the third quarter in a row for FY 06. This is a result from recent process improvements in the Historic Preservation Program. COA applications are now reviewed administratively and historic staff members have been trained and have higher levels of professional qualifications to effectively conduct the administrative review. These two improvements result in a more timely review of the COA applications. The historic staff members have also implemented a database for all COA applications, which results in a better tracking system for these applications. It is expected that because of this COA database, the quarterly targets for FY07 will more accurately reflect the actual workload of COA applications.



Focus On Results Quarterly Results Highlights

Department: **Police**
 Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY06 Target	YTD % of Target
	Number of prisoners booked in City jail	4,788	4,260	4,742		13,790	13,875	99%	18,500
Priority 1 response time (average time in minutes for arrival at scene)	4.6	4.5	4.4		4.5	5.0	90%	5.0	90%
Number of violent crimes*	819	786	568		2,173	2,563	85%	3,845	57%
Number of Neighborhood Watch organizations supported	262	264	268		265	242	109%	242	109%

*Note: Violent Crime Data is only available for April and May; June data is not yet available due to conversion to the Tiburon 7.5 Report Management System.

Results Narrative

The number of prisoners booked refers to the number of arrestees that were held in the Long Beach City jail, compared to arrestees that are booked then released, i.e. arrestee posts bail.

Priority One response time is the average amount of time from when a Police black & white patrol vehicle is dispatched to when it arrives for a call for police service where there is an immediate threat to life and property, i.e. an armed suspect is at the reporting address. Response time is below target for the quarter, indicating that patrol vehicles are arriving at the scene quickly.

Number of violent crimes are the monthly total of murders, rapes, aggravated assaults, and robberies that were committed. The number is below target for the third quarter, which reflects a decrease in violent crimes from the previous year.

The number of Neighborhood Watch organizations supported is the current number of Neighborhood Watch groups that have been organized through the Police Community Relations Division and are active. The Year To Date and target numbers are quarterly averages based on prior years.



FOCUS ON RESULTS
LONG BEACH

Focus On Results
Quarterly Results Highlights

Department: **Public Works**
 Quarter: **Third Quarter, FY 06**
75% of FY 06 Complete

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of scheduled preventive maintenance services completed	1,114	1,482	1,575		4,171	3,332	125%	4,450	94%
Number of illegal dumping responses completed	718	617	697		2,032	1,953	104%	2,600	78%
Number of incident responses	141	86	316		543	114	476%	150	362%
Number of graffiti sites remediated by the City	10,252	11,314	11,012		32,578	29,997	109%	40,000	81%

Results Narrative

The Department of Public Works has been responsive to requests for service to the extent that the necessary resources are available.

The method for capturing number of preventive maintenance services completed was adjusted in January 2006 to more accurately reflect the work being done at the mobile mechanic sites. This report has been adjusted to reflect the January change. Fleet Services has aggressively focused resources on preventive maintenance services throughout the spring and summer months to prevent otherwise avoidable equipment failures.

Pick-up of illegally dumped items reported to and collected by Public Works, with an average of 225 completed responses per month, is on pace to meet the annual target. With continued implementation, through FY 2006, of the Clean Long Beach Program, the Environmental Services Bureau will incorporate the tools needed to proactively address more of these dumping issues.

Emergency Response Crews are dispatched upon request from Police or Fire to deliver and maintain traffic and crowd control devices, portable lighting and other public safety field support. The number of incident responses is based on public safety demand and severe weather conditions, which cannot be predicted or controlled. The dramatic increase reflected in the third quarter can be attributed to both a heightened awareness of incident responses and the increase in community festivals requiring traffic control.

Reported graffiti sites have experienced steep increases as weather conditions improved and the school summer vacation period began. Graffiti work crews continue to outpace their targeted work performance, however, the leveling of sites remediated in the face of increased demand is reflective of the exhaustion of current resource levels.



**Focus On Results
Quarterly Results Highlights**

Department:
Quarter:

**Technology Services
Third Quarter, FY 06
75% of FY 06 Complete**

Key Budget Measures

Description	QTR 1	QTR 2	QTR 3	QTR 4	YTD	YTD Target	% of YTD Target	FY 06 Target	YTD % of Target
Number of reprographic orders completed	761	658	787		2,206	2,025	109%	2,700	82%
Number of on-site desktop repairs completed	730	801	745		2,276	1,800	126%	2,400	95%
Number of general business application trouble tickets resolved	322	294	244		860	900	96%	1,200	72%
Number of voice & data network installations completed	517	198	219		934	1,647	57%	2,200	42%

Results Narrative

The number of reprographic orders completed reflects the number of print and copy jobs that are done by staff as well as those that go to an outside vendor. The measure indicates workload and is slightly above both targets.

The number of onsite desktop repairs is an indication of the level of technical failures and technician workload. The measure exceeds the target, which is based on last year's actual performance, and indicates a higher level of aging equipment.

The number of general business application trouble tickets is a measure of the number of problems related to existing system functionality that are resolved. This measure indicates workload for programming staff and may be above the target due to an increased level of business requirement changes.

The number of voice and data network installations completed reflects the number of new or replaced telephone or network devices and equipment installed. The target is based on FY 05 actual performance and the FY 06 target is higher than it should be. First quarter results include a major facility move and do not reflect ongoing productivity. The target will be re-evaluated and adjusted for FY 07.