



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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

May 10, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Refer the Fiscal Year 2005 Midyear Budget Performance Report to the Budget Oversight Committee (Citywide)

DISCUSSION

This report provides a summary update on the City's Fiscal Year 2005 (FY 05) budget performance through March 2005. The report covers a broad spectrum of financial information for all funds and departments with multi-year comparisons, charts and graphs to provide a clearer picture of the City's financial situation. While the focus of this report is on the General Fund, any significant issues in other funds are noted accordingly.

Summary

As of the Midyear, the Current Adjusted Budget for appropriations for all Departments and all funds is \$2.16 billion. The Current Adjusted Budget for revenues for all Departments and all funds is \$1.72 billion. For the General Fund, the Current Adjusted Budget appropriation for all Departments is \$377.6 million and the Current Adjusted Budget revenues for all Departments are \$363.8 million. The difference between budgeted revenue and expense reflects the use of fund balance, transfers and use of bond proceeds. With 50 percent of the year complete, aggregate revenues and expenditures appear to be trending according to budget.

FY 05 is the second year of the Three-Year Financial Strategic Plan (Plan). As such, over \$72 million in structural budget solutions have been included in the General Fund Budget and related funds over the past two 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 significant strain on the organization as it downsizes and becomes more efficient. While these solutions have been reflected in the budget, several key measures must be fully implemented to realize structural savings, including \$3 million in negotiated compensation solutions and \$5 million in anticipated salary savings. Furthermore, while resources required to provide public safety, maintenance, library, recreation and other general government services have been reduced significantly, 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.

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FY 05 General Fund Revenue

With six months, or 50 percent of this fiscal year complete, \$189.4 million (or 52.1 percent) in budgeted General Fund revenue has been received. In aggregate, General Fund revenue is tracking slightly above budget due to an increase in transfers to date and as a result of receiving the City's property tax revenue from the County. The decrease in Sales Tax and Vehicle License Fees are offset by the Property In-Lieu Taxes. The table below highlights year-to-date performance for selected General Fund revenues:

Revenue Source	FY 05 Adjusted Budget	FY 05 YTD Revenue	% of Adjusted Budget	FY 05 Estimates-to-close	Notes
Secured Property Tax	\$57,700,000	\$31,380,747	55.3	\$54,800,000	Payments are received in December and May. The December 2004 payment reflects 7.3 percent growth; this is less than the 8.0 percent growth assumed in the FY 05 budget. Secured Property Tax is expected to finish the year \$1.9 million under budget. While trending above budget, exemptions/delinquencies may be why performance is lower than expected.
Sales and Use Tax (net of sharing agreements and adjusted for the Triple Flip)	\$32,325,000	\$22,356,750	58.8	\$35,355,000	Collections are as expected, with most growth from Pike area and lumber/building materials sales. Amount includes \$4.9 million Property Tax In Lieu of Sales Tax from the State, net of \$384,000 in rebates.
Utility Users Tax	\$40,495,000	\$20,421,981	50.4	\$40,495,000	Collections are trending slightly above budgeted levels. The last 1 percent reduction, from 6 percent down to 5 percent, took effect October 1, 2004.
Business License Tax	\$9,350,000	\$5,097,443	54.5	\$9,550,000	Collections are above budget due to an increased number of licenses and enhanced collection procedures.
Transient Occupancy Tax	\$7,200,000	\$3,600,002	50.0	\$7,876,000	Occupancy rates were at 72 percent through February, which is up 5.4 percent from FY 04 during this time. Average room rates were \$113, up \$4 from FY 04. Revenue from estimated Transient Occupancy Tax is expected to come in approx. \$426,000 over budget in FY 05.
Motor Vehicle In-Lieu Tax (VLF), combined with Property Tax in Lieu of VLF	\$21,800,000	\$11,614,746	53.3	\$21,211,000	Payments for VLF are received monthly, while the Property Tax In-Lieu of VLF is received in January and May. Collections are trending slightly above budget.
Pipeline Franchise	\$7,325,000	\$4,819,847	65.8	\$7,923,000	Estimates to finish the year are \$598,000 above budget.
Transfers From Other Funds	\$38,869,491	\$16,601,285	42.7	\$39,973,491	These are expected to finish the year slightly above budget due to higher than budgeted oil transfers.

General Fund revenues for the current year are \$189.4 million, or \$10.3 million more than last year at this time. Overall, General Fund revenue estimates-to-close are at \$365.6 million, which is approximately 0.5 percent more than Current Adjusted Budget. This could equate to over \$1.8 million revenue available for next fiscal year.

Attachment A includes details on the Top 40 General Fund revenues, which combined represent about 91 percent of total revenue. **Attachment B** provides year-to-year analysis on the Top 15 revenue sources, which represents over 30 percent of General Fund revenue. Revenue within the Top 15 categories is on target at 52.5 percent of budget and slightly above FY 04 March YTD actuals.

General Fund Revenue By Department

At the Department level, **Attachment C** provides a summary of General Fund revenue performance. General Fund revenue by department is, among other reasons, impacted by the variances mentioned in the previous section. Many of the departmental variances are captured in the footnotes of this attachment to reflect the continuing impact of the variance. Revenue estimates-to-close for most departments are trending according to budget with several departments estimating revenues higher than the Adjusted Budget revenue.

FY 05 General Fund Expenditure Performance

Attachment D illustrates current expenditure levels for all funds. Expenditures in all funds are at 38.3 percent of budget, due to All Years Funds Carry-over, Capital Improvement Funds and Interfund Transfers. Expenditures for funds without All Years Carry-over are at 50 percent. At midyear, General Fund expenditures are at \$182 million (or 48.2 percent of budget).

Given remaining deficit reduction targets in the Three-Year Financial Strategic Plan for FY 05 and FY 06, it is imperative that maximum savings are generated during the current fiscal year to address current year targets, and to generate resources to balance the FY 06 budget. Given the extent of reductions made to department budgets during FY 04 and FY 05, generating substantial savings has become extremely difficult, especially with the continued expectations for full service delivery to the community. In February, the City Manager reinstated a strict hiring freeze and purchasing curtailment policies with the intent to generate savings to help address the City's ongoing budget challenges. As a result, General Fund Personal Services expenditures are \$133.3 million (or 47.3 percent of the budget.) Based upon midyear estimates-to-close, it appears that General Fund expenditures will finish the year at 99.8% of adjusted budget, generating less than \$1 million in carry-over savings. It is important to note that this projection is based on initial estimates-to-close, which will be revised monthly to reflect urgent operational needs and savings efforts.

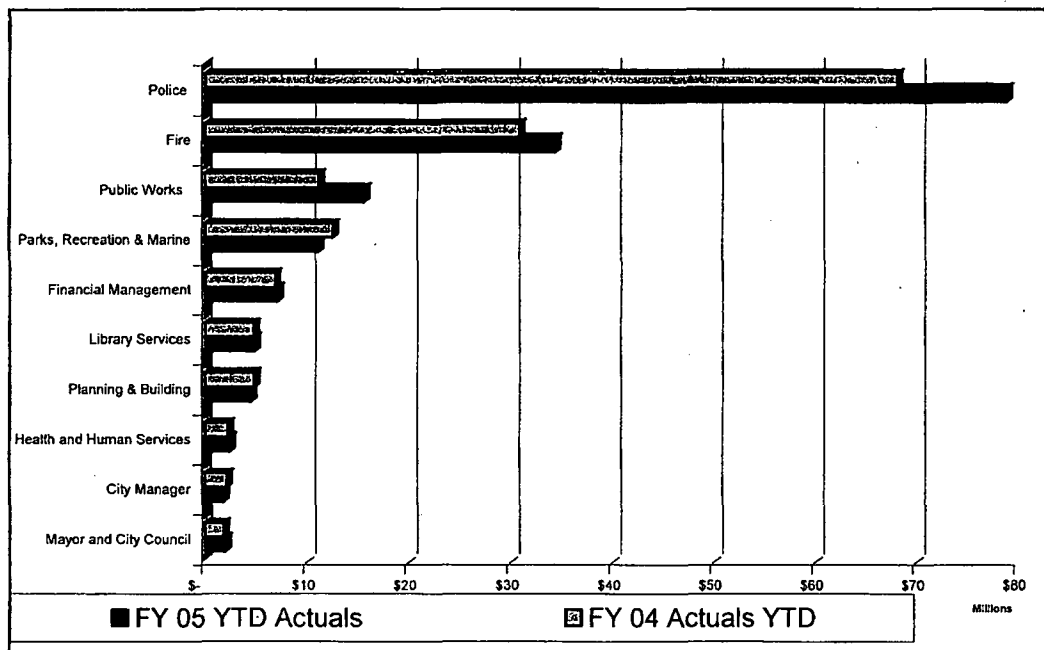
FY 05 General Fund Expenditures By Department

As noted above, total General Fund spending is on target at 48.2 percent, with most departments have spent between 35 to 50 percent of their budget. Please see **Attachment E** for a listing of all departments' expenditure performance through March 2005, with no significant exceptions to report.

General Fund spending at the department level is, as anticipated, up 1.6 percent compared to prior year's actual expenditures to date. **Attachment F** includes an FY 04 to FY 05 comparison of expenditure performance by department. On a comparative level, FY 05 expenditures have increased over FY 04 due to:

- Reinstated pension (PERS) contributions that range from 15 to 25 percent of personnel costs, plus increased health insurance costs.
- The Police Department overtime continues to run high in part due to spending on Task Forces to combat violent crime throughout the City and for more focused enforcement toward specific illegal activity at the neighborhood level. Most recently, increased patrols are in effect in and around Cabrillo High School following a shooting earlier this year. This will only exacerbate overtime numbers in future reporting periods.
- Due to the record-setting storm season California has experienced, there has been a significant increase in tree removals, traffic support, beach maintenance, street repairs and public safety services. As a result, an unanticipated increase in overtime and other expenses has occurred.

The following chart compares FY 05 to FY 04 YTD Actuals for the Largest 10 General Fund Departments.



Vacancy Analysis

As a result of the original hiring freeze and the reduced number of budgeted positions, staff throughout the organization has experienced increased workloads. In some cases, especially for employees providing customer support and public works functions, it had become necessary to fill certain budgeted positions to sustain reasonable work flows and response times for these services. As stated earlier, the City Manager reinstated a strict hiring freeze to ensure that critical salary savings would be carried over into FY 06. The hiring freeze does not apply to sworn or dispatch personnel, and critical service delivery and

revenue generating positions are also being filled. As of March 31, 2005, the following vacancies exist:

- For City Manager-directed departments, General Fund vacancies total 179, with another 20 vacancies in Non-City Manager departments.
- Of the 199 vacancies in the General Fund, there are 68 sworn and dispatcher vacancies (resulting from attrition), and 131 civilian vacancies.**
- General and Related Fund vacancies total 263 citywide, and vacancies in all funds total 476 citywide.

**Note that critical positions, such as sworn police and fire, and emergency dispatchers, among others, are exempt from the hiring freeze.

Other Funds and Performance Issues

Storm Damage Costs

Due to the record-setting storm season California has experienced, there has been a significant increase in tree removals, traffic support, beach maintenance, street repairs and public safety services. As a result, an unanticipated increase in overtime and other expenses has occurred. Since the Governor declared a State of Emergency due to storm damage, the City has submitted a request for reimbursement of these storm-related expenses totaling \$6.1 million from the state and federal governments. The Department of Financial Management will monitor this submittal and assess the extent of strain put on the General Fund should reimbursements not materialize.

Oil Revenues

As in FY 04, oil prices continue to rise at a record pace with Wilmington Crude averaging \$35.78/bbl for the fiscal year through February, resulting in additional revenue. Higher expenses associated with increased drilling activity are offsetting, to a large extent, the short-term profitability of the oil operation. Some relief is expected in the form of higher profit transfers to the Tidelands Operating Fund (TOF) and the General Fund. Oil Properties recently increased projections for transfers to TOF by \$1.9 million and to the General Fund by \$1.1 million, increasing the total expected transfers to \$7.9 million and \$7.6 million respectively.

Community Development Block Grant Funding

In preliminary budget sessions, the House of Representatives and the U.S. Senate passed their versions of the Federal Budgets defining targets for spending in broad categories. This included the CDBG program, which saw severe reductions in the House version and restoration in the Senate. The debate on CDBG's future will take place in conference, thereby alleviating the possibility of reductions in CDBG funding for FY 05.

The Midyear Budget Performance Report has identified key performance areas for your consideration. Despite some varied performance in both General Fund revenues and expense, they do not warrant concern or require significant operational changes. All General Fund departments have been instructed to maximize departmental savings and revenue generation to provide resources to achieve FY 05 and FY 06 savings targets. The hiring freeze and spending curtailment policies will continue to create savings opportunities. We

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will continue to provide regular updates to the City Council and community throughout the remainder of the fiscal year. Please let me know if you have any questions or require further information.

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,

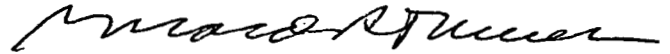


MICHAEL KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

MK:DW:lp

Attachments

APPROVED:



GERALD R. MILLER
CITY MANAGER

**March 2005
General Fund Revenue (Top 40)
Fiscal Year 2005
(50% of Year Completed)**

TOP 40 GENERAL FUND REVENUES	FY 04 Year-End Actuals	FY 04 March YTD	FY 05 March YTD	FY 05 Mar YTD Over/(Under) FY 04 Mar YTD	% of FY 05 Adj Budget	FY 05 Adjusted Budget	FY 05 Estimates To Close
SECURED REAL PROPERTY TAXES	\$ 52,254,309	\$ 29,283,970	\$ 31,380,747	\$ 2,096,777	55.3%	\$ 56,700,000	\$ 54,800,00
CITY SALES AND USE TAX ³	39,784,896	19,878,257	17,800,738	(2,077,519)	55.1%	32,325,000	35,355,00
PROPERTY TAX IN-LIEU OF VLF ^{1,2}	-	-	10,457,071	10,457,071	57.8%	18,100,000	18,747,00
TELEPHONE USERS TAX & PENALTIES	18,121,146	9,085,097	7,915,476	(1,169,622)	47.3%	16,731,000	16,731,00
ELECTRIC USERS TAX & PENALTIES	18,574,083	9,170,652	8,407,977	(762,675)	52.1%	16,153,000	16,153,00
PARKING CITATIONS	9,565,616	4,449,666	5,350,456	900,791	54.1%	9,885,790	10,800,00
BUSINESS LICENSE TAXES	9,028,473	4,754,750	5,097,443	342,693	54.5%	9,350,000	9,550,00
VLF GAP BACKFILL LOAN ⁵	-	-	8,158,433	8,158,433	100.0%	8,158,433	8,158,43
HARBOR-FIRE	7,483,792	3,118,249	4,108,872	990,623	50.0%	8,217,744	8,217,74
IN-LIEU OF SALES TAX ³	-	-	4,940,765	4,940,765	61.3%	8,064,680	8,982,00
PIPE LINE FRANCHISES	6,389,949	2,636,808	4,819,847	2,183,039	65.8%	7,325,000	7,923,00
TRANSIENT OCCUPANCY TAX	7,044,122	3,260,274	3,600,002	339,728	50.0%	7,200,000	7,876,00
GAS TAX-MAINTENANCE CHARGES ⁴	6,308,973	6,308,973	6,308,973	-	100.0%	6,308,973	6,308,97
ELECTRIC COMPANY FRANCHISES	5,569,740	2,968,814	2,912,630	(56,184)	52.0%	5,600,000	5,460,00
EMERGENCY AMBULANCE FEES ⁶	4,354,236	2,335,104	2,146,495	(188,609)	38.7%	5,546,000	5,060,00
GAS USERS TAX & PENALTIES	5,360,400	2,999,741	2,765,976	(233,765)	59.9%	4,618,000	4,618,00
AMERICAN GOLF LEASE ⁷	2,942,627	1,533,697	1,441,597	(92,100)	33.2%	4,344,465	3,228,50
PROP 172 FUNDS (SB509)	3,873,447	1,900,752	2,093,939	193,188	55.2%	3,793,000	4,176,00
MOTOR VEHICLE IN LIEU TAX ²	20,963,264	10,788,187	1,157,675	(9,630,512)	31.3%	3,700,000	2,464,00
CIP-ENGINEERING CHARGES	3,368,016	1,285,639	1,214,340	(71,299)	32.9%	3,689,371	3,689,37
AIRPORT-FIRE	3,331,826	1,665,914	1,804,571	138,657	50.0%	3,609,142	3,609,14
GAS-BILLING & COLLECTION SERVICES	3,945,157	1,972,578	1,801,587	(170,991)	50.0%	3,603,174	3,603,17
PIPELINE FEE - WATER	2,499,184	1,249,592	1,672,747	423,155	50.0%	3,345,494	3,345,49
VEHICLE CODE FINES	3,663,079	1,650,483	1,271,967	(378,516)	38.5%	3,300,000	2,503,33
LAND,BLDG,R/W,EASEMENT,APT RENTALS	3,527,760	1,693,188	1,430,806	(262,382)	44.5%	3,214,873	3,224,41
INTEREST-POOLED CASH	3,387,228	1,686,604	1,473,065	(213,538)	46.4%	3,175,220	3,175,22
LOAN REPAYMENT	1,000,000	499,998	916,446	416,448	29.3%	3,132,891	3,132,89
WATER USERS TAX & PENALTIES	3,358,451	1,561,555	1,332,553	(229,002)	44.5%	2,993,000	2,993,00
CHARGES FOR SPECIAL SERVICES	2,834,020	745,234	1,051,634	306,399	35.4%	2,974,840	1,509,01
UNSECURED PERSONAL PROPERTY TAXES	2,428,310	1,500,564	909,563	(591,001)	31.4%	2,900,000	2,450,00
OTHER DEPT SVCS TO PROPRIETARY FUNDS	2,271,391	1,023,528	522,366	(501,162)	21.0%	2,488,127	1,249,63
OIL PRODUCTION TAX	2,247,267	1,125,172	1,085,735	(39,437)	48.5%	2,240,000	2,319,00
WATER-BILLING & COLLECTION	2,423,128	1,211,564	1,107,805	(103,759)	50.0%	2,215,610	2,215,61
OTHER DEPT CHGS TO GOVTL FUNDS	2,136,529	851,929	864,801	12,871	40.5%	2,136,201	2,038,99
REAL PROPERTY TRANSFER TAX	2,288,974	1,046,211	1,097,078	50,867	54.9%	2,000,000	2,200,00
PIPELINE SAFETY FEES ⁴	1,961,994	1,961,994	2,015,197	53,203	107.2%	1,880,000	2,015,19
MISC REFUNDS & REIMB	1,953,254	788,249	1,322,181	533,931	72.6%	1,820,017	2,515,78
BUILDING PLAN CHECK FEES	2,089,003	918,997	1,051,865	132,868	59.6%	1,765,000	1,950,00
HARBOR-POLICE	1,393,522	374,802	420,225	45,423	24.3%	1,729,256	1,729,25
TRANSFERS FROM OTHER FUNDS ⁵	41,017,599	18,441,774	16,601,285	(1,840,489)	42.7%	38,869,491	39,973,49
SUBTOTAL TO 40 GENERAL FUND REVENUES	\$ 310,744,764	\$ 157,728,561	\$ 171,832,929	\$ 14,104,368	52.8%	\$ 325,202,792	\$ 326,050,671
SUBTOTAL ALL OTHER REVENUES	\$ 56,235,939	\$ 21,369,939	\$ 17,596,296	\$ (3,773,643)	45.6%	\$ 38,613,600	\$ 39,539,20
TOTAL	\$ 366,980,703	\$ 179,098,500	\$ 189,429,225	\$ 10,330,725	52.1%	\$ 363,816,393	\$ 365,589,88

¹ 1st quarter in-lieu property tax payment is net of half of the City's scheduled \$5 million contribution to the State's General Fund for the Governor's support of Prop 1A.
² Combined Motor Vehicle In Lieu Tax and Property Tax In Lieu of VLF FY 05 March YTD is \$11,614,746.
³ Combined Sales Tax and Property Tax in Lieu of Sales Tax FY 05 March YTD is \$22,741,503.
⁴ Revenue from this fee is generated once a year. Excluding minor adjustments, YTD revenue reflects total revenue in FY 05.
⁵ This is the gross amount of the VLF gap revenue. The City received \$7,538,489 in a gap loan refinancing program, with the difference of \$619,944 recorded as a financing expense.
⁶ Receipts from delayed first quarter ambulance transport billings will be reflected in April revenues.
⁷ Revenue projections are low due to the delayed opening of Skylinks golf course and the extended inclement weather.
⁸ \$1,000,000 over budget due to increased transfer from Upland Oil.

March 2005
General Fund Revenue (Top 15)
FY 05 Compared to FY 04
(50% of Year Completed)

Attachment B

Ranking	General Fund Revenue Source	FY 04 Adopted Budget	FY 04 March YTD	% Received FY 04	FY 05 Adopted Budget	FY 05 March YTD	% Received FY 05	\$ Variance FY 04 to FY 05	% Received FY 04 vs FY 05
1	Property Taxes	\$ 52,043,000	\$ 29,283,970	56.3%	\$ 56,700,000	\$ 31,380,747	55.3%	\$ 2,096,777	-0.9%
2	Sales Tax	41,287,000	19,878,257	48.1%	32,325,000	17,800,738	55.1%	(2,077,519)	6.9%
3	Property Tax in Lieu of Vehicle License Fees ¹	-	-	0.0%	18,100,000	10,457,071	57.8%	10,457,071	100.0%
4	Telephone Users Tax/Penalties	18,562,000	9,085,097	48.9%	16,731,000	7,915,476	47.3%	(1,169,622)	-1.6%
5	Electric Users Tax/Penalties	18,272,000	9,170,652	50.2%	16,153,000	8,407,977	52.1%	(762,675)	1.9%
6	Parking Citations	8,480,050	4,449,666	52.5%	9,885,790	5,350,456	54.1%	900,791	1.7%
7	Business License Taxes	8,899,600	4,754,750	53.4%	9,350,000	5,097,443	54.5%	342,693	1.1%
8	VLF Gap Backfill Loan	-	-	0.0%	8,155,998	8,158,433	100.0%	8,158,433	100.0%
9	Harbor-Fire Intrafund Transfer	7,483,792	3,118,249	41.7%	8,217,744	4,108,872	50.0%	990,623	8.3%
10	In-Lieu Sales and Use Tax	-	-	0.0%	8,064,680	4,940,765	61.3%	4,940,765	100.0%
11	Pipe Line Franchises	5,500,000	2,636,808	47.9%	7,325,000	4,819,847	65.8%	2,183,039	17.9%
12	Transient Occupancy Tax	6,829,000	3,260,274	47.7%	7,200,000	3,600,002	50.0%	339,728	2.3%
13	Gas Tax - Maintenance Charges	6,308,973	6,308,973	100.0%	6,308,973	6,308,973	100.0%	-	0.0%
14	Electric Company Franchises	5,997,000	2,968,814	49.5%	5,600,000	2,912,630	52.0%	(56,184)	2.5%
15	Emergency Ambulance Fees ²	4,350,000	2,335,104	53.7%	5,546,000	2,146,495	38.7%	(188,609)	-15.0%
TOTAL		\$184,012,415	\$ 97,250,615	52.9%	\$ 215,663,185	\$123,405,926	57.2%	\$ 26,155,311	4.4%
TOTAL (With YTD Receipts)		\$125,660,442	\$ 61,657,672	49.1%	\$ 118,333,534	\$ 62,159,937	52.5%	\$ (2,615,214)	3.5%

¹ 1st quarter in-lieu property tax payment is net of half the City's scheduled \$5 million contribution to the State's General Fund for the Governor's support of Prop 1A.

² Receipts from delayed first quarter ambulance transport billings will be reflected in April revenues.

March 2005
Revenue Analysis by Department
General Fund - Fiscal Year 2005
(50% of Year Completed)

Attachment C

Department	FY 05 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Estimates-to-close		Remaining	% Received
Mayor and City Council	\$ 1,250	\$ -	\$ 1,250	\$ -	\$ 1,250	100.0%	\$ 1,250	0.0%
City Attorney	5,000	-	5,000	114	5,000	100.0%	4,886	2.3%
City Clerk	126,425	-	126,425	24,325	126,216	99.8%	102,100	19.2%
Community Development ²	6,212,682	998,457	7,211,139	2,323,496	5,250,936	72.8%	4,887,643	32.2%
Financial Management	24,182,531	-	24,182,531	13,957,498	24,923,968	103.1%	10,225,033	57.7%
Citywide Activities ³	255,289,103	54,419	255,343,522	138,172,362	259,756,814	101.7%	117,171,160	54.1%
Fire ⁴	21,375,332	-	21,375,332	9,959,678	22,182,521	103.8%	11,415,654	46.6%
Health and Human Services ⁵	1,955,528	182,000	2,137,528	887,438	2,096,542	98.1%	1,250,090	41.5%
Human Resources	-	-	-	417	940	0.0%	(417)	0.0%
Library Services	1,194,659	-	1,194,659	583,707	1,078,600	90.3%	610,952	48.9%
Parks, Recreation & Marine ⁶	8,273,829	-	8,273,829	3,061,227	7,310,098	88.4%	5,212,602	37.0%
Planning & Building	9,807,304	(893,957)	8,913,347	4,946,097	9,500,882	106.6%	3,967,250	55.5%
Police ⁷	19,104,156	220	19,104,376	7,555,599	15,977,257	83.6%	11,548,777	39.5%
Public Works	14,947,454	-	14,947,454	7,575,321	15,052,957	100.7%	7,372,133	50.7%
Technology Services	1,000,000	-	1,000,000	381,933	800,000	80.0%	618,067	38.2%
Water	-	-	-	-	-	-	-	0.0%
TOTAL	\$ 363,475,254	\$ 341,139.00	\$ 363,816,393	\$ 189,429,215	\$ 364,063,981	100.1%	\$ 174,387,178	52.1%

Notes:

¹ Amendments reflect budget adjustments approved by the City Council during the fiscal year including All-Years Carryover Budget Adjustments.

² Anticipated revenue from the Signs of Support and Affinity Card programs in Community Development have not materialized.

³ Citywide Activities include tax revenues, pass through transactions, 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.

⁴ Receipts from delayed first quarter ambulance transport billings will be reflected in April revenues. Estimates to close include \$1.4 million in anticipated lease proceeds for fire apparatus purchases.

⁵ Revenue in the Health and Human Services Department are consistent with historical trends and are anticipated to meet budget.

⁶ Revenue in Parks, Recreation and Marine are anticipated to increase during the summer months. The delayed opening of the Skylinks Golf Course and a heavy rain season are the main contributing factors to the revenues being lower than anticipated.

⁷ Revenues received from services for the LBCC and airport contracts are not fully captured due to the timing of this report. Revenue from parking citations are recorded on a quarterly basis.

March 2005
Expenditure Analysis by Fund
Fiscal Year 2005
(50% of Year Completed)

Attachment D

Fund	FY 05 New Allocation	Estimated All-Years Carryover ¹	FY 05 Adopted Appropriation	Amendments ²	Adjusted Budget	Year-to-Date Actuals	Estimates-to-close	Remaining	% Spent	
Funds with All Years Carryover										
Airport ⁴	\$ 28,091,581	\$ 24,248,800	\$ 52,340,381	\$ 548,304	\$ 52,888,685	\$ 24,243,856	\$ 20,573,756	38.9%	\$ 28,644,829	45.8%
Capital Projects ⁴	13,935,125	74,418,907	88,354,032	8,893,943	97,247,974	14,909,698	411,844	0.4%	82,338,276	15.3%
Civic Center ⁴	1,373,158	13,633,828	15,006,986	126,121	15,133,107	1,919,058	498,733	3.3%	13,214,049	12.7%
Community Development Grants	26,238,190	31,289,995	57,528,185	-	57,528,185	9,693,173	25,730,727	44.7%	47,835,012	16.8%
Fleet Services	25,228,211	1,695,460	26,923,671	6,439,384	33,363,056	12,698,216	31,985,598	95.9%	20,664,840	38.1%
Gas	94,471,671	3,837,097	98,308,768	462,001	98,770,769	50,237,176	97,832,694	99.1%	48,533,594	50.9%
Gasoline Tax Street Improvement ⁴	10,849,973	13,929,578	24,779,551	1,103,000	25,882,551	6,517,052	6,308,973	24.4%	19,365,499	25.2%
General Grants	3,951,985	5,809,427	9,761,412	14,646,276	24,407,688	2,399,013	14,157,520	58.0%	22,008,675	9.8%
Harbor	450,784,616	-	450,784,616	-	450,784,616	115,692,750	400,080,900	88.8%	335,091,867	25.7%
Health	37,105,595	22,674,475	59,780,070	4,969,384	64,749,454	16,329,750	33,068,192	51.1%	48,419,704	25.2%
Housing Authority	62,396,214	887,746	63,283,960	-	63,283,960	31,920,733	62,326,696	98.5%	31,363,227	50.4%
Housing Development	15,173,715	10,939,532	26,113,247	238	26,113,485	5,363,148	24,664,203	94.5%	20,750,336	20.5%
Insurance	36,191,300	-	36,191,300	999,677	37,190,977	14,975,440	36,154,576	97.2%	22,215,537	40.3%
Parking Authority	505,368	-	505,368	-	505,368	125,324	505,368	100.0%	380,044	24.8%
Redevelopment	60,513,004	8,380,393	68,893,397	4,495,244	73,388,641	32,604,580	144,679,084	197.1%	40,784,061	44.4%
Sewer	10,630,995	-	10,630,995	-	10,630,995	3,313,134	10,400,187	97.8%	7,317,861	31.2%
Tidelands Operating	82,032,794	36,962,828	118,995,622	1,461,220	120,456,842	43,785,886	86,480,642	71.8%	76,670,957	36.3%
Transportation	13,261,366	17,692,479	30,953,845	587,174	31,541,019	5,047,243	6,905,685	21.9%	26,493,776	16.0%
Water	75,437,962	-	75,437,962	-	75,437,962	34,457,286	72,542,744	96.2%	40,980,676	45.7%
SUBTOTAL	\$1,048,172,824	\$ 266,400,547	\$ 1,314,573,371	\$ 44,731,965	\$1,359,305,334	\$ 426,232,516	\$ 1,075,308,120	79.1%	\$ 933,072,818	31.4%
Funds Without All Years Carryover										
General	\$ 375,009,055	-	\$ 375,009,055	\$ 2,630,739	\$ 377,639,794	\$ 182,168,827	\$ 376,830,656	99.8%	\$ 195,470,967	48.2%
Belmont Shore Parking Meter	576,662	-	576,662	2,664	579,326	119,650	579,326	100.0%	459,676	20.7%
Business Assistance	3,645,966	-	3,645,966	(1,500,000)	2,145,967	724,190	1,919,410	89.4%	1,421,776	33.7%
Certified Unified Program Agency (CUPA)	875,433	-	875,433	2,500	877,933	349,250	721,281	82.2%	528,683	39.8%
Employee Benefits	179,025,326	-	179,025,326	14,369	179,039,695	76,192,796	168,574,771	94.2%	102,846,898	42.6%
General Services	36,197,718	-	36,197,718	881,609	37,079,326	12,418,429	36,025,976	97.2%	24,660,898	33.5%
Park Development	1,748,600	-	1,748,600	-	1,748,600	1,704,307	1,748,581	100.0%	44,293	97.5%
Parking & Business Area Improvement	2,480,000	-	2,480,000	-	2,480,000	904,368	2,480,000	100.0%	1,575,632	36.5%
Refuse/Recycling	30,767,841	-	30,767,841	705	30,768,546	11,308,720	29,547,940	96.0%	19,459,826	36.8%
SERRF ³	47,299,140	-	47,299,140	-	47,299,140	23,849,972	45,975,478	97.2%	23,449,168	50.4%
SERRF JPA	14,433,982	-	14,433,982	-	14,433,982	7,213,649	14,433,982	100.0%	7,220,333	50.0%
Special Advertising & Promotion	5,066,720	-	5,066,720	13,556	5,080,276	2,638,218	5,181,958	102.0%	2,442,058	51.9%
Tideland Oil Revenue	83,108,551	-	83,108,551	-	83,108,551	69,013,936	115,649,379	139.2%	14,094,615	83.0%
Tidelands-Reserve for Subsidence	4,000,000	-	4,000,000	-	4,000,000	4,000,000	4,000,000	100.0%	-	100.0%
Towing ⁵	6,381,892	-	6,381,892	5,545	6,387,436	3,542,320	6,815,331	106.7%	2,845,116	55.5%
Upland Oil	11,001,246	-	11,001,246	-	11,001,246	5,963,761	14,078,197	128.0%	5,037,485	54.2%
SUBTOTAL	\$ 801,618,132	-	\$ 801,618,132	\$ 2,051,687	\$ 803,669,819	\$ 402,112,393	\$ 824,562,267	102.6%	\$ 401,557,426	50.0%
TOTAL - All Funds	\$1,849,790,957	\$ 266,400,547	\$ 2,116,191,504	\$ 46,783,652	\$2,162,975,153	\$ 828,344,909	\$ 1,899,870,388	87.8%	\$1,334,630,244	38.3%

Notes:

- ¹All-Years Carryover is composed of multi-year grants and Capital Improvement Program (CIP) funds; unspent amounts are carried over to future years.
- ²Amendments reflect budget adjustments approved by the City Council during the fiscal year including All-Years Carryover Budget Adjustments.
- ³Increased expenditures in the SERRF fund reflect both the transfer to the General Fund and higher operational expenses related to the burning of wet trash.
- ⁴ETCs for CIP Projects in these funds were not completed by the date of publication.
- ⁵ETCs for the Towing Fund were not completed by the date of publication.

March 2005
Expenditure Analysis by Department
General Fund - Fiscal Year 2005
(50% of Year Completed)

Attachment E

Department	FY 05 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Estimates-to-close		Remaining	% Spe
Mayor and City Council	\$ 4,312,710	\$ 44,838	\$ 4,357,548	\$ 1,952,409	\$ 4,321,830	99.2%	\$ 2,405,138	44.8%
City Attorney ⁴	3,266,774	91,228	3,358,002	1,464,346	3,358,002	100.0%	1,893,656	43.6%
City Auditor	2,328,700	50,294	2,378,994	1,099,469	2,318,754	97.5%	1,279,524	46.2%
City Clerk	2,677,630	850	2,678,480	1,007,122	2,661,038	99.3%	1,671,358	37.6%
City Manager	3,800,950	88,347	3,889,298	1,828,824	3,729,948	95.9%	2,060,474	47.0%
City Prosecutor ⁵	4,067,586	26,059	4,093,645	1,817,562	4,093,644	100.0%	2,276,083	44.4%
Civil Service	2,481,445	65,522	2,546,967	1,098,202	2,228,127	87.5%	1,448,765	43.1%
Community Development	3,353,600	2,582,248	5,935,849	1,826,843	4,932,906	83.1%	4,109,005	30.8%
Financial Management	15,815,008	152,325	15,967,332	7,108,588	14,966,161	93.7%	8,858,744	44.5%
Citywide Activities ^{2,3}	8,387,590	204,250	8,591,840	10,574,008	14,421,538	167.9%	(1,982,168)	123.1%
Fire ⁶	71,188,849	417,208	71,606,056	34,405,601	71,606,056	100.0%	37,200,455	48.0%
Health and Human Services	4,599,774	194,344	4,794,118	2,415,769	4,736,776	98.8%	2,378,350	50.4%
Human Resources	319,482	388	319,870	116,761	251,138	78.5%	203,109	36.5%
Library Services	12,662,984	(311,331)	12,351,654	4,849,545	12,000,040	97.2%	7,502,109	39.3%
Parks, Recreation & Marine	25,502,274	407,521	25,909,795	11,177,078	25,777,242	99.5%	14,732,716	43.1%
Planning & Building	12,590,717	(2,108,494)	10,482,222	4,536,111	9,666,218	92.2%	5,946,112	43.3%
Police	162,265,854	573,597	162,839,452	78,886,401	162,839,452	100.0%	83,953,050	48.4%
Public Works	34,505,412	151,449	34,656,861	15,650,967	32,040,366	92.5%	19,005,894	45.2%
Technology Services	881,719	95	881,814	353,222	881,421	100.0%	528,592	40.1%
TOTAL	\$ 375,009,055	\$ 2,630,739	\$ 377,639,794	\$ 182,168,827	\$376,830,656	99.8%	\$ 195,470,967	48.2%

Notes:

¹ Amendments reflect budget adjustments approved by the City Council during the fiscal year including All-Years Carryover Budget Adjustments.

² FY 05 Adjusted Budget for Citywide Activities reflects anticipated salary and negotiated savings, which have the effect of deflating the Adjusted Budget for Citywide Activities. Once these savings are achieved, the expenditures in Citywide activities will be in line with the Adjusted Budget.

³ FY 05 2nd Quarter Budget Adjustment will increase the adjusted budget.

⁴ While ETCs for City Attorney are at 100 percent at this time, last year FY 04 Year End Actuals for City Attorney were 95.2 percent of Adjusted Budget.

⁵ While ETCs for City Prosecutor are at 100 percent at this time, last year FY 04 Year End Actuals for City Prosecutor were 95.6 percent of Adjusted Budget.

⁶ Estimates to close include \$1.4 million in anticipated lease financing payment for fire apparatus purchases. A budget adjustment for the payment will be submitted at the time the lease financing approval is requested in the fourth quarter.

March 2005

Attachment F

**Year to Date Expenditure Analysis by Department
General Fund - FY 05 compared to FY 04
(50% of Year Completed)**

Department	FY 04 Adjusted Budget	FY 04 YTD Actuals YTD	% Spent FY 04	FY 05 Adjusted Budget	FY 05 YTD Actuals	% Spent FY 05	\$ Variance FY 04 to FY 05	% Spent FY 04 vs FY 05
Mayor and City Council	\$ 4,053,366	\$ 1,783,447	44.0%	\$ 4,357,548	\$ 1,952,409	44.8%	\$ 168,962	0.8%
City Attorney	2,944,604	1,353,174	46.0%	3,358,002	1,464,346	43.6%	111,171	-2.3%
City Auditor	2,136,523	1,263,158	59.1%	2,378,994	1,099,469	46.2%	(163,689)	-12.9%
City Clerk	3,367,043	990,944	29.4%	2,678,480	1,007,122	37.6%	16,178	8.2%
City Manager	3,923,374	2,112,292	53.8%	3,889,298	1,828,824	47.0%	(283,469)	-6.8%
City Prosecutor	3,857,209	1,641,353	42.6%	4,093,645	1,817,562	44.4%	176,209	1.8%
Civil Service	2,465,560	1,050,757	42.6%	2,546,967	1,098,202	43.1%	47,445	0.5%
Community Development ³	3,089,179	1,009,617	32.7%	5,935,849	1,826,843	30.8%	817,226	-1.9%
Financial Management	15,495,457	6,845,605	44.2%	15,967,332	7,108,588	44.5%	262,983	0.3%
Citywide Activities ¹	17,060,374	10,820,187	63.4%	8,591,840	10,574,008	123.1%	(246,179)	59.6%
Fire	64,519,361	30,814,556	47.8%	71,606,056	34,405,601	48.0%	3,591,045	0.3%
Health and Human Services	4,841,951	2,226,379	46.0%	4,794,118	2,415,769	50.4%	189,389	4.4%
Human Resources	378,280	113,333	30.0%	319,870	116,761	36.5%	3,427	6.5%
Library Services	11,476,938	4,742,973	41.3%	12,351,654	4,849,545	39.3%	106,571	-2.1%
Long Beach Energy ²	5,714,438	5,233,466	91.6%	-	-	0.0%	(5,233,466)	100.0%
Parks, Recreation & Marine	28,580,382	12,579,143	44.0%	25,909,795	11,177,078	43.1%	(1,402,065)	-0.9%
Planning & Building ³	11,949,120	4,795,128	40.1%	10,482,222	4,536,111	43.3%	(259,018)	3.1%
Police	146,661,835	68,110,779	46.4%	162,839,452	78,886,401	48.4%	10,775,622	2.0%
Public Works ²	28,692,044	11,189,128	39.0%	34,656,861	15,650,967	45.2%	4,461,839	6.2%
Technology Services	1,002,745	299,826	29.9%	881,814	353,222	40.1%	53,396	10.2%
TOTAL	\$362,209,783	\$168,975,248	46.7%	\$ 377,639,794	\$182,168,827	48.2%	\$ 13,193,579	1.6%

Notes:

¹ FY 05 Adjusted Budget for Citywide Activities reflects anticipated salary and negotiated savings.

² Environmental Services/Street Sweeping functions were transferred to Public Works from Long Beach Energy in FY 05.

³ Expenditures associated with Code Enforcement functions were transferred from Planning and Building to Community Development.