



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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

August 24, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Fiscal Year 2004 June Budget Performance Report (Citywide)

DISCUSSION

This report provides an update on the City's Fiscal Year 2004 (FY 04) budget performance through the third quarter of the fiscal year, and covers the monthly performance reporting periods of April, May and June 2004. The report covers a broad spectrum of financial information for all funds and departments with Year-to-Date performance analysis and multi-year comparisons. The focus of this report, however, is the General Fund. As prescribed by the City's Financial Policies, exceptional performance during the reporting period (both positive and negative) in other funds will be highlighted where appropriate.

While it is not expected that department or fund revenue and expense would be collected and spent in equal amounts throughout the fiscal year, monitoring the rate of revenue generation and expense allocation is a helpful indicator of resource management. This report will continue to provide a Year-to-Date perspective for both revenue and expenditures, by department and fund. In addition, to increase the level of financial analysis made available to the City Council and community, this report highlights Year-to-Year (FY 03 to FY 04) comparisons of both revenue and expenditure performance, by department, in the General Fund. Such a comparison provides information that factors in seasonal fluctuations in performance. Highlighting fluctuations, as recommended in the City's Financial Policies, on a Year-to-Year basis gives a good indication of budgetary health.

Summary

Current General Fund revenue and other resource estimates to close (ETCs) equal \$375 million, which is \$8.5 million (2.3 percent) higher than the adjusted budget. Current General Fund expenditure estimates to close equal \$369.6 million, which is \$8.4 million less than the adjusted budget as of May 2004.

The City Manager-imposed hiring freeze and purchasing curtailment continues to generate additional savings to assist with a multi-year approach to implementing the Plan. The same is true for the elected and appointed offices as well. These measures have helped the City realize savings in the General Fund and other funds throughout the eight months of the year and continue to produce needed carry-over savings. With the addition of one-time dividends from exceptional performance in the oil and waste-to-energy (SERRF) enterprise operations, it is estimated that a \$17.8 million carry-over savings target will be achieved by the end of the fiscal year.

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FY 04 REVENUE PERFORMANCE

General Fund Revenue

As reported earlier, these ETCs include several one-time revenues, including additional SERRF profit transfer and Uplands oil revenue. There will be shortfalls in some revenues, including an expected \$1.8 million loss of Sales Tax due to the implementation of the State's Proposition 57 "Triple Flip," and \$1.0 million less Electric UUT due to last winter's State Power Rebate. Without these exceptional uncontrollable revenue losses, recurring revenue performance reflects slight growth (0.8 percent) over budgeted projections. Please note, however, that current ETCs do not include the loss of Vehicle License Fee (VLF) revenue that was incorporated into the State's FY 05 Budget. The State will be swapping monthly VLF for bi-annual Property Tax in Lieu revenue and creates a permanent deferral of up to \$7.7 million in FY 04.

A summary of all revenues, including detail on the Top 40 General Fund revenues, is included in **Attachment A**.

General Fund Revenue By Department

With nine months (75 percent) of the fiscal year complete, approximately 77.5 percent of budgeted revenue has been realized. Again, while individual departments are not expected to generate revenue equally throughout the year, the citywide rate of revenue generation to date can be considered encouraging. Please see **Attachment B-1** for an overview of Year-to-Date General Fund revenue by department. While year-end projections indicate that most departments will be realizing their revenue budget or exceeding it, there are a few departments worth highlighting:

- The City Clerk will realize less Microfilm revenue since the Police and Planning and Building Departments are scanning permit records instead of using microfilm.
- Community Development will not realize its full revenue budget due to lower than expected revenues in the City's marketing program. The department budgeted \$1 million, but as of May 2004 expects to realize only \$100,000. Higher revenues in other areas, however, offset this loss, and the approach to implementing this program is being revisited.
- Technology Services will fall short of budgeted revenue projections due to CityPlace parking revenue remaining lower than anticipated. When full build-out occurs, revenue is expected to increase.

On a Year-to-Year basis, revenue levels through June 2004 are down 2.1 percent. Lower revenue is attributable to reduced reliance on one-time transfers used to balance the General Fund. Other departments with significant Year-to-Year revenue fluctuations, either in the positive or negative direction, include:

- The City Attorney's Office has realized less revenue in FY 04 due to a one-time refund/reimbursement settlement received from oil operators in FY 03.

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- The Police Department has realized approximately \$4.6 million (or 26 percent) less in revenue as compared to FY 03 due to \$2.78 million in one-time helicopter lease financing proceeds received in FY 03, and federal grant receipts that, as of this fiscal year, are now accounted for in the General Grants Fund (SR 120).

Please see **Attachment B-2** for a complete overview of General Fund revenue by department on a Year-to-Year basis. With the exception of revenue shortfalls mentioned above, no other departmental revenue performance fluctuations in the General Fund are cause for concern. The Department of Financial Management will continue to work with departments to realize budgeted revenue targets.

FY 04 EXPENDITURE PERFORMANCE

The City's Adopted FY 04 Expenditure Budget for all funds was \$1.66 billion, plus the carry-over budgets for multi-year grants, encumbrances and capital project funds of \$396.2 million. With the addition of approved amendments, the total Adjusted City Budget as of June 30, 2004 was \$2.06 billion. The amendments are due mainly to the Tidelands Oil Revenue Fund, which was adjusted by \$52.8 million to appropriate increased payments to the State due to the inflated price of oil.

Also, similar to revenue performance, while it is not expected that department or fund expenditures would occur in equal allocations throughout the fiscal year, monitoring the rate of expenditure is a helpful indicator of resource management. With 75 percent of the year complete, 57.9 percent of the City's budget in all funds has been expended to date. Please see **Attachment C** for an overview of the FY 04 Budget with a breakdown of citywide Year-to-Date expenditures by fund.

General Fund Expenditures By Department

The Adopted General Fund budget for FY 04 was \$360.6 million. Budget appropriation adjustments totaling approximately \$17.5 million have been made primarily for the carry-over of FY 03 grant funding, including over \$3 million for Fire Department grants and \$12 million in Citywide activities. As of June 30, 2004, the total adjusted General Fund budget was \$378 million.

As requested in the City Council's Financial Policies, please see **Attachment D-1** for an overview of all departments' Year-to-Date General Fund expenditure performance and **Attachment D-2** for a Year-to-Year comparison of expenditure performance by department. The overall Year-to-Date General Fund spending is 71.2 percent of budget. On a Year-to-Year basis, General Fund spending is approximately \$7.9 million (2.8 percent) less than last year. Departments' spending reflects a reduction in resources available per the Three-Year Plan as well as a reduced number of employees due to the hiring freeze. There are no variances of significance that have not been previously reported.

As of June 2004, expenditure performance in the General Fund is in line with expectations. The Department of Financial Management will continue to work with departments to ensure that the City Manager's expenditure policies are implemented and a maximum amount of savings is generated to help the City achieve its Plan targets.

Other Related Issues

State Budget Impacts

When the Governor unveiled the May Revision of his Proposed FY 05 Budget, the strategy to address the State's structural budget deficit became clearer. As expected, there were no tax increases, and budget reductions to State programs were limited. Like his predecessors, the Governor proposed to once again balance the State budget by shifting money away from local governments. There are three primary mechanisms by which the State will tap local governments in their fiscal year which began July 1, 2004: Vehicle License Fee (VLF) In Lieu payment shift, the Sales Tax "Triple Flip" (Proposition 57), and the first of two years of local government contributions to the State's General Fund through a shift of Property Tax funds. In addition, as a part of the State's budget adoption action, and as a result of hard fought negotiations, the State Legislature placed a proposed Constitutional amendment on the November ballot (Proposition 1A), which would provide greater protection against future State raids.

State Take-aways

Now that the State has adopted its FY 05 budget, it is clearer what the impacts on the City's General Fund will be. While there will not be 100 percent clarity on the true impacts until the take-aways are transacted, the State's actions effecting local finances in the City's FY 04, FY 05 and FY 06 include: a VLF In Lieu payment shift, which exchanges a reduction in the VLF rate for an equal amount of property tax backfill revenue; a Proposition 57-mandated "Triple Flip", a sales tax for property tax exchange; and, an Education Revenue Augmentation Fund (ERAF) shift that provides one-time contributions to the State's General Fund in FY 05 and FY 06 only. The net impact to the general fund in FY 04 is estimated at \$7.7 million and \$6.3 million in FY 05. After FY 05, backfill payments for the "Triple Flip" and VLF will be routinely equalized, mitigating most ongoing losses. Finally, the loss in FY 06 will be \$5 million, from the second ERAF shift. In accordance with the proposed Constitutional amendment, any further take-aways, should they occur, will be in the form of loans with interest that must be repaid within three years.

Proposed Solutions

In response to these negative impacts of the State budget crisis, the City has identified three potential sources of revenue to cover the losses:

- Subsidence Fund: State legislation allows the City to utilize interest earned on the Subsidence Fund investments to support part of the ERAF losses. This would provide approximately \$4 million per year of relief, but will have to be repaid over 20 years, without interest, beginning in FY 07.
- Redevelopment Agency Funds: The City may also explore the use of Redevelopment Agency Funds to support part or all of the ERAF losses.

- Property Sales Proceeds: Sale of surplus City-owned property may provide a one-time solution for a portion of the lost revenue in FY 05.

State Budget – Proposed Constitutional Amendment

To restrict the State's ability to continually raid local government revenues, Mayor O'Neill, City Councilmembers and other local leaders throughout California negotiated a two-year budget compromise with Governor Schwarzenegger, where local governments would help the State one last time in exchange for a proposed Constitutional amendment on the November 2004 ballot. The amendment is designed to protect local governments from future tax revenue shifts. Some of the key measures of the Legislature's proposed Constitutional amendment include: guaranteed repayment of previous VLF losses in FY 03 and FY 04; guaranteed semi-annual payments of "Triple Flip" and VLF backfill; suspension of unfunded State mandates; and, a limit to twice per decade of future backfill suspensions. To ensure that the City's core revenues are protected, it is critical that we demonstrate our full support for this ballot initiative.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Refer this report to the Budget Oversight Committee.

Respectfully submitted,

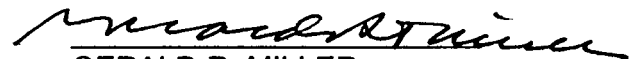


MICHAEL A. KILLEBREW
ACTING DIRECTOR OF FINANCIAL MANAGEMENT

MK:DW:AT:tl

Attachments

APPROVED:



GERALD R. MILLER
CITY MANAGER

**CITY OF LONG BEACH
GENERAL FUND REVENUES
(Based on June 2004 YTD)**

TOP 40 GENERAL FUND REVENUES	FY 02 ACTUALS	FY 03 ACTUALS	FY 04 ADJ BUD	FY 04 ETC
SECURED REAL PROPERTY TAXES	\$45,841,330	\$48,642,542	\$52,043,000	\$52,200,000
CITY SALES AND USE TAX	38,427,651	42,345,525	41,287,000	40,100,000
MOTOR VEHICLE IN LIEU TAX	27,434,551	22,487,884	28,249,000	26,700,000
TELEPHONE USERS TAX & PENALTIES	19,395,152	18,412,302	18,562,000	18,200,000
ELECTRIC USERS TAX & PENALTIES	27,424,247	23,426,752	18,272,000	18,200,000
PARKING CITATIONS	7,626,582	7,650,522	8,496,487	9,309,300
HARBOR-FIRE	5,958,072	6,906,130	7,483,792	7,483,792
IN-LIEU SALES AND USE TAX	-	-	-	-
BUSINESS LICENSE TAXES AND SURCHARGE	7,800,764	8,158,748	8,899,600	8,980,000
PIPE LINE FRANCHISES	3,586,877	7,091,421	5,500,000	6,100,000
TRANSIENT OCCUPANCY TAX	6,223,373	6,566,720	6,829,000	7,000,000
GAS TAX-MAINTENANCE CHARGES	6,885,310	6,308,973	6,308,973	6,308,973
ELECTRIC COMPANY FRANCHISES	6,389,618	6,271,788	5,997,000	5,500,000
EMERGENCY AMBULANCE FEES	4,287,706	4,027,071	4,350,000	5,200,000
GAS USERS TAX & PENALTIES	4,824,243	5,540,557	4,580,000	5,030,000
AMERICAN GOLF LEASE	3,637,159	3,683,520	3,094,465	3,294,465
PROP 172 FUNDS (SB509)	3,456,482	3,567,270	3,619,000	3,700,000
CIP-ENGINEERING CHARGES	3,627,776	3,689,635	3,047,416	3,075,173
AIRPORT-FIRE	3,333,922	2,640,783	3,331,826	3,331,826
GAS-BILLING & COLLECTION SERVICES	3,855,266	3,891,241	3,945,157	3,945,157
PIPELINE FEE - WATER	-	-	2,499,184	2,499,184
VEHICLE CODE FINES	3,453,978	3,010,748	3,500,000	3,650,000
LAND,BLDG,R/W,EASEMENT,APT RENTALS	4,124,532	3,761,019	3,148,097	3,310,288
INTEREST-POOLED CASH	6,100,662	4,552,127	3,759,316	3,475,874
WATER USERS TAX & PENALTIES	4,252,224	3,583,054	3,197,000	3,390,000
CHARGES FOR SPECIAL SERVICES	1,324,160	1,641,034	4,049,603	2,760,477
UNSECURED PERSONAL PROPERTY TAXES	2,234,790	2,540,349	2,809,000	2,700,000
OTHER DEPT SVCS TO PROPRIETARY FUNDS	2,176,815	2,482,701	2,655,893	2,093,081
OIL PRODUCTION TAX	2,253,947	2,243,394	2,077,000	2,367,000
WATER-BILLING & COLLECTION	2,209,669	2,389,795	2,423,128	2,423,128
OTHER DEPT CHGS TO GOVT'L FUNDS	2,322,250	2,339,459	2,202,737	1,953,830
REAL PROPERTY TRANSFER TAX	1,463,541	1,686,109	1,200,000	2,052,000
PIPELINE SAFETY FEES	1,624,451	1,883,572	1,703,000	1,961,994
LOAN REPAYMENT	1,605,343	50,000	-	1,000,000
MISC REFUNDS & REIMB	1,775,295	1,564,797	1,659,302	1,768,895
HARBOR-POLICE	411,779	1,284,914	1,447,264	1,557,000
REFUSE-BILLING & COLLECTION SERVICES	1,518,566	1,616,925	1,648,534	1,648,534
BUILDING PLAN CHECK FEES	1,892,863	1,818,191	1,600,000	1,950,000
OFF-STREET PARKING	133,755	566,077	1,000,000	1,128,307
MISC REVENUE FROM OTHER AGENCIES	697,782	2,154,456	2,444,422	1,375,311
TRANSFERS FROM OTHER FUNDS	23,202,789	44,653,291	39,069,031	47,184,238
SUBTOTAL TOP 40 GENERAL FUND REVENUES	\$294,795,274	\$317,131,392	\$317,988,227	\$325,907,827
SUBTOTAL ALL OTHER REVENUES	\$73,259,089	\$49,718,856	\$48,541,319	\$49,096,815
TOTAL	\$368,054,363	\$366,850,248	\$366,529,547	\$375,004,643

**June 2004 Revenue Analysis by Department
General Fund - Fiscal Year 2004
(75% of Year Completed)**

Department	FY 04 Adopted Budget	Amendments ¹	Adjusted Budget	Estimates-to-Close		Year-to-Date Actuals	% Received
Mayor and City Council	\$ -	\$ -	\$ -	\$ -		\$ 1,250	0.0%
City Attorney	5,000	-	5,000	5,000	100.0%	2,888	57.8%
City Auditor	-	-	-	250		250	0.0%
City Clerk	171,552	275,000	446,552	219,027	49.0%	50,066	11.2%
City Manager	-	-	-	5,865		5,493	0.0%
City Prosecutor	66,608	(43,557)	23,051	23,084	100.1%	15,111	65.6%
Civil Service	-	-	-	-		-	0.0%
Community Development	5,708,819	-	5,708,819	5,029,471	88.1%	3,762,078	65.9%
Financial Management	23,725,724	16,437	23,742,161	23,801,988	100.3%	19,257,087	81.1%
Citywide Activities ²	248,137,440	11,595,000	259,732,440	267,138,896	102.9%	203,198,937	78.2%
Fire	17,435,351	1,549,883	18,985,234	20,983,218	110.5%	15,776,488	83.1%
Harbor	-	-	-	-		-	0.0%
Health	1,880,623	-	1,880,623	2,120,162	112.7%	1,321,159	70.3%
Human Resources	-	-	-	750		714	0.0%
Library Services	1,113,822	27,396	1,141,218	1,044,816	91.6%	592,465	51.9%
Long Beach Energy	5,717,747	2,921,418	8,639,165	8,897,358	103.0%	6,936,765	80.3%
Oil Properties	-	-	-	-		-	0.0%
Parks, Recreation & Marine	8,463,956	(181,427)	8,282,529	8,145,337	98.3%	5,505,681	66.5%
Planning & Building	8,648,882	199,170	8,848,052	10,636,455	120.2%	8,442,324	95.4%
Police	21,670,352	(650,301)	21,020,051	19,221,887	91.4%	13,271,287	63.1%
Public Works	7,074,652	-	7,074,652	7,202,022	101.8%	5,468,586	77.3%
Technology Services	1,000,000	-	1,000,000	529,057	52.9%	350,165	35.0%
Water	-	-	-	-		-	0.0%
TOTAL	\$ 350,820,528	\$ 15,709,020	\$366,529,547	\$375,004,643	102.3%	\$283,958,794	77.5%

Notes:

¹Amendments reflect Council approved adjustments made during the fiscal year.

²Citywide Activities include tax revenues, pass through transactions, etc.

Highlighted cells indicate variances explained in text of report.

Year to Date Revenue Analysis by Department
General Fund -
FY 03 compared to FY 04
(As of June 30, 2004)

Attachment B-2

Department	FY 03 Adjusted Budget	FY 03 Actuals YTD	FY 04 Adjusted Budget	FY 04 YTD Actuals	Difference from 03 to 04	% Variance
Mayor and City Council	\$ -	(15)	\$ -	1,250	\$ 1,265	N/A
City Attorney	5,000	136,817	5,000	2,888	(133,929)	-97.9%
City Auditor	-	1,799	-	250	(1,549)	-86.1%
City Clerk	171,552	56,864	446,552	50,066	(6,798)	-12.0%
City Manager	-	3,000	-	5,493	2,493	83.1%
City Prosecutor	97,343	48,466	23,051	15,111	(33,355)	-68.8%
Civil Service	-	-	-	-	-	0.0%
Community Development	5,184,700	3,248,687	5,708,819	3,762,078	513,391	15.8%
Financial Management	21,403,609	17,372,417	23,742,161	19,257,087	1,884,670	10.8%
Citywide Activities ¹	261,956,185	212,940,334	259,732,440	203,198,937	(9,741,397)	-4.6%
Fire (A)	17,770,680	12,258,183	18,985,234	15,776,488	3,518,305	28.7%
Harbor	-	-	-	-	-	0.0%
Health	1,792,906	1,042,322	1,880,623	1,321,159	278,837	26.8%
Human Resources	-	1,664	-	714	(950)	-57.1%
Library Services	1,561,773	804,233	1,141,218	592,465	(211,768)	-26.3%
Long Beach Energy (B)	4,962,347	3,275,816	8,639,165	6,936,765	3,660,949	111.8%
Oil Properties	-	-	-	-	-	0.0%
Parks, Recreation & Marine	8,949,464	5,803,935	8,282,529	5,505,681	(298,254)	-5.1%
Planning & Building	8,373,077	8,441,875	8,848,052	8,442,324	449	0.0%
Police	26,393,723	17,940,956	21,020,051	13,271,287	(4,669,669)	-26.0%
Public Works	7,003,549	6,249,875	7,074,652	5,468,586	(781,289)	-12.5%
Technology Services	1,431,265	306,170	1,000,000	350,165	43,995	14.4%
Water	-	-	-	-	-	0.0%
TOTAL	\$367,057,173	\$ 289,933,398	\$366,529,547	\$ 283,958,794	(5,974,604)	-2.1%

Notes:

¹Citywide Activities include debt service payments, interfund transfers and overhead allocations.

(A) As reported in March, Fire experienced a \$3.5 million, increase above FY 03 revenue due to an increase in grant funding, a one-time loan repayment from the Long Beach Airport, and new proceeds from Long Term Capital Debt.

(B) As reported in March, Long Beach Energy is \$3.2 million above FY 03 levels due primarily to one-time lease proceeds used to purchase new Street Sweepers.

**June 2004 Expenditure Analysis by Fund
Fiscal Year 2004
(75% of Year Completed)**

Attachment C

Fund	FY 04 Adopted Budget	Amendments ¹	All-Years Carryover ²	Adjusted Budget	Year-to-Date Actuals	Remaining	% Spent
General	\$ 360,561,514	\$ 17,510,908	\$ -	\$ 378,072,422	\$ 269,259,846	\$ 108,812,577	71.2%
General Grants	\$ -	6,134,285	-	6,134,285	958,818	5,175,467	15.6%
Airport	36,938,880	10,033,226	16,989,494	63,961,600	25,279,258	38,682,342	39.5%
Belmont Shore Parking Meter	574,137	8	-	574,145	325,079	249,066	56.6%
Business Assistance	2,739,431	2,575	-	2,742,006	1,379,120	1,362,886	50.3%
Capital Projects	15,817,121	12,121,256	71,810,776	99,749,153	35,250,199	64,498,954	35.3%
Certified Unified Program Agency (CUPA)	864,756	-	-	864,756	557,904	306,852	64.5%
Civic Center	846,282	182,155	12,406,624	13,435,061	(1,200,696)	14,635,757	-8.9%
Community Development Grants	24,703,049	1,071,938	40,016,551	65,791,538	19,243,084	46,548,454	29.2%
Employee Benefits	133,698,147	127,143	-	133,825,290	86,994,961	46,830,329	65.0%
Fleet Services	24,377,379	6,430,444	161,445	30,969,268	16,582,465	14,386,803	53.5%
Gas	84,725,707	1,061,799	7,198,075	92,985,581	67,163,080	25,822,501	72.2%
Gasoline Tax Street Improvement	10,748,973	115,953	15,832,769	26,697,695	9,605,947	17,091,748	36.0%
General Services	36,513,893	137,867	-	36,651,760	19,393,901	17,257,859	52.9%
Harbor	402,488,513	-	-	402,488,513	222,411,127	180,077,386	55.3%
Health	37,561,016	2,045,588	22,057,832	61,664,436	26,715,433	34,949,003	43.3%
Housing Authority	49,599,237	-	1,066,046	50,665,283	48,698,205	1,967,078	96.1%
Housing Development	12,019,350	5,452,207	5,119,721	22,591,278	9,327,381	13,263,897	41.3%
Insurance	37,393,207	195,534	-	37,588,741	26,202,670	11,386,071	69.7%
Park Development	1,245,907	-	-	1,245,907	1,234,988	10,919	99.1%
Parking & Business Area Improvement	2,445,000	-	-	2,445,000	1,495,826	949,174	61.2%
Parking Authority	507,437	-	-	507,437	457,663	49,774	90.2%
Redevelopment	59,063,988	22,177	26,860,603	85,946,768	42,976,566	42,970,202	50.0%
Refuse/Recycling	30,792,557	25,962	-	30,818,519	18,824,560	11,993,959	61.1%
SERRF	46,348,060	350	-	46,348,410	32,912,887	13,435,523	71.0%
SERRF JPA	10,927,492	-	-	10,927,492	3,707,612	7,219,880	33.9%
Sewer	10,831,707	-	-	10,831,707	5,782,227	5,049,480	53.4%
Special Advertising & Promotion	5,056,349	21,745	-	5,078,094	3,682,271	1,395,823	72.5%
Tideland Oil Revenue	36,731,429	52,835,483	-	89,566,912	61,290,019	28,276,893	68.4%
Tidelands Operating	78,864,362	11,515,991	30,197,311	120,577,664	57,170,482	63,407,182	47.4%
Tidelands-Reserve for Subsidence	2,089,473	-	-	2,089,473	441,005	1,648,468	21.1%
Towing	5,970,173	8,742	-	5,978,915	3,573,339	2,405,576	59.8%
Transportation	15,485,060	600,000	16,027,372	32,112,432	10,662,137	21,450,295	33.2%
Upland Oil	8,681,527	2,808,529	-	11,490,056	8,653,439	2,836,617	75.3%
Water	73,608,520	-	-	73,608,520	53,126,581	20,481,939	72.2%
TOTAL	\$1,660,819,632	\$ 130,461,865	\$265,744,619	\$ 2,057,026,117	\$ 1,190,139,383	866,886,734	57.9%

Notes:

1 Amendments include prior year encumbrances and Council-approved adjustments made during the fiscal year.

2 Carryover of multi-year grants and CIP funds.

Highlighted cells indicate variances explained in text of report.

June 2004 Expenditure Analysis by Department
General Fund - Fiscal Year 2004
(75% of Year Completed)

Department	FY 04 Adopted Budget	Amendments ¹	Adjusted Budget	Estimates-to Close		Year-to-Date Actuals	% Spent
Mayor and City Council	\$ 4,045,433	\$ 7,933	\$ 4,053,366	\$ 4,053,365	100.0%	\$ 2,764,477	68.2%
City Attorney	2,943,657	947	2,944,604	2,202,624	74.8%	2,135,713	72.5%
City Auditor	2,066,908	69,615	2,136,523	2,116,453	99.1%	1,393,821	65.2%
City Clerk	3,092,043	275,000	3,367,043	2,887,673	85.8%	1,695,522	50.4%
City Manager	3,853,356	70,018	3,923,374	3,797,903	96.8%	2,885,969	73.6%
City Prosecutor	3,886,247	(29,038)	3,857,209	3,733,096	96.8%	2,609,269	67.6%
Civil Service	2,431,069	34,491	2,465,560	2,437,346	98.9%	1,705,578	69.2%
Community Development	3,081,234	7,945	3,089,179	2,468,009	79.9%	1,558,738	50.5%
Financial Management	15,327,145	168,312	15,495,457	15,520,027	100.2%	10,748,242	69.4%
Citywide Activities ²	16,587,242	12,098,132	28,685,374	32,226,310	112.3%	26,046,191	90.8%
Fire	63,930,087	1,582,447	65,512,534	64,767,523	98.9%	47,325,377	72.2%
Harbor	-	-	-	-	-	-	0.0%
Health	4,833,704	8,247	4,841,951	4,593,315	94.9%	3,427,559	70.8%
Human Resources	338,145	40,135	378,280	290,362	76.8%	219,539	58.0%
Library Services	11,262,950	213,988	11,476,938	11,181,171	97.4%	7,505,081	65.4%
Long Beach Energy	5,711,817	2,924,039	8,635,856	8,067,707	93.4%	6,429,866	74.5%
Oil Properties	-	-	-	-	-	-	0.0%
Parks, Recreation & Marine	28,792,037	(191,273)	28,600,764	28,557,836	99.8%	19,616,648	68.6%
Planning & Building	11,477,117	472,003	11,949,120	10,936,490	91.5%	7,617,867	63.8%
Police	147,350,467	(385,965)	146,964,502	145,264,800	98.8%	105,413,516	71.7%
Public Works	28,548,221	143,823	28,692,044	24,648,294	85.9%	17,598,048	61.3%
Technology Services	1,002,636	109	1,002,745	864,048	86.2%	562,825	56.1%
Water	-	-	-	-	-	-	0.0%
TOTAL	\$ 360,561,515	\$ 17,510,909	\$ 378,072,423	\$ 370,614,352	98.0%	\$ 269,259,846	71.2%

Notes:

¹Amendments reflect Council approved adjustments made during the fiscal year.

²Citywide Activities include debt service payments.

Highlighted cells indicate variances explained in text of report.

Attachment D-2

Year to Date Expenditure Analysis by Department
General Fund -
FY 03 compared to FY 04
(As of June 30, 2004)

Department	FY 03 Adjusted Budget	FY 03 Actuals YTD	FY 04 Adjusted Budget	FY 04 YTD Actuals	Difference from 03 to 04	% Variance
Mayor and City Council	\$ 4,241,026	2,822,832	\$ 4,053,366	\$ 2,764,477	\$ (58,355)	-2.1%
City Attorney	3,233,594	2,068,511	2,944,604	2,135,713	67,202	3.2%
City Auditor	2,227,114	1,434,562	2,136,523	1,393,821	(40,741)	-2.8%
City Clerk	2,950,266	1,600,512	3,367,043	1,695,522	95,010	5.9%
City Manager	4,444,026	3,480,037	3,923,374	2,885,969	(594,068)	-17.1%
City Prosecutor	4,084,691	2,920,662	3,857,209	2,609,269	(311,393)	-10.7%
Civil Service	2,335,175	1,568,202	2,465,560	1,705,578	137,376	8.8%
Community Development	3,409,019	1,740,328	3,089,179	1,558,738	(181,590)	-10.4%
Financial Management	15,467,754	10,914,498	15,495,457	10,748,242	(166,256)	-1.5%
Citywide Activities ¹	39,307,176	31,739,852	28,685,374	26,046,191	(5,693,661)	-17.9%
Fire	64,477,584	46,343,942	65,512,534	47,325,377	981,435	2.1%
Harbor	-	-	-	-	-	0.0%
Health	4,530,455	3,212,269	4,841,951	3,427,559	215,290	6.7%
Human Resources	404,405	230,974	378,280	219,539	(11,435)	-5.0%
Library Services	11,755,985	7,921,747	11,476,938	7,505,081	(416,666)	-5.3%
Long Beach Energy (A)	5,706,957	3,701,468	8,635,856	6,429,866	2,728,398	73.7%
Oil Properties	-	-	-	-	-	0.0%
Parks, Recreation & Marine	27,497,183	18,056,715	28,600,764	19,616,648	1,559,933	8.6%
Planning & Building	11,064,326	7,664,763	11,949,120	7,617,867	(46,896)	-0.6%
Police	149,315,695	109,198,712	146,964,502	105,413,516	(3,785,196)	-3.5%
Public Works	30,848,797	20,037,734	28,692,044	17,598,048	(2,439,686)	-12.2%
Technology Services (B)	1,165,428	469,476	1,002,745	562,825	93,349	19.9%
Water	-	-	-	-	-	0.0%
TOTAL	\$388,466,656	\$ 277,127,796	\$378,072,423	\$ 269,259,846	(7,867,950)	-2.8%

Notes:

¹Citywide Activities include debt service payments.

(A) As reported in March, Long Beach Energy's increased expenditures are due to a \$2.9 million budget outlay for the purchase of new street sweepers.

(B) As reported in March, Tech Services' expense for power was not charged by Public Works in FY 03. In FY 04, year-to-date expense for power is \$41,000.