



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-22

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August 20, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Fiscal Year 2019 Second Budget Performance Report.
(Citywide)

DISCUSSION

This report includes information on the City's Fiscal Year 2019 (FY 19) budget performance through May 31, 2019, for all funds.

Summary

As of May 31, 2019, no significant concerns have been identified with the City's General Fund or other funds. Any funds that are showing year-end estimates that exceed budgeted appropriations will be resolved with budget adjustments that will be presented to the City Council later in FY 19.

This report summarizes the General Fund performance and provides additional details on the status of other funds. Please see Attachment A for a breakdown of citywide expenditures by fund.

General Fund and Uplands Oil Fund Overview

Based on current estimates as of May 31, 2019, it is anticipated that the General Fund will end the year in balance with an estimated \$249,256 in funds available and Uplands Oil Fund with an estimated \$53,318. The estimated FY 19 sources and uses are summarized in the table below and described in further detail in the subsequent sections.

Table 1: FY 19 Performance - General Fund and Uplands Oil Fund			
	(in \$ millions)		
	General Fund		Uplands Fund
Ending Funds Available (9/30)	\$	2.19	\$ 0.69
Sources			
Revenues		557.79	14.09
Other Sources: (Release for Funds)		25.98	-
Total Sources		583.77	14.09
Uses			
Expenditures		(565.65)	(13.73)
Other Uses: (e.g. encumbrances, reservations, etc.)		(15.45)	(1.00)
Other Uses: Measure A Reserve/ For Future Use		(4.61)	-
Total Uses		(585.72)	(14.73)
Ending Funds Available (9/30)	\$	0.25	\$ 0.05

General Fund - Sources of Funds

Revenues

As of May 31, 2019, the overall General Fund revenues are projected to be higher than the previous projections. Several key revenue sources are trending better than projected and are helping to mitigate some revenue streams that are underperforming and cover expenses. Positive revenue trends include the following:

- The price of oil is budgeted at \$55 per barrel and budgeted as a \$9.1 million revenue transfer to the General Fund. Based on both barrel price and production efforts, the transfer to the General Fund from current net oil revenues is anticipated to be \$10.4 million. This amount does not include \$650,000 in one-time funding for the Police and Health and Human Service Departments appropriated in FY 19 from FY 18 Uplands Oil Fund ending funds available. While average price per barrel has been close to budget, there have been lower oil-related expenditures. Both price and production costs impact the City's net oil revenues (gross revenues minus oil related expenditures), and can result in a greater transfer to the General Fund than anticipated. Staff will continue to closely monitor the market and operations.
- Sales Tax (non-Measure A) is also expected to end the year better than originally projected, although not as high as in FY 18. Actuals in FY 18 included one-time use tax revenue from construction projects and a one-time revenue derived from the State changing its remittance schedule resulting in an extra payment in FY 18 that is not projected to be repeated. Similarly, Measure A revenue is anticipated to exceed budgeted levels and follow the same trends as non-Measure A Sales and Use Tax. Additional information on Measure A revenues and expenditures is described later in this report.

HONORABLE MAYOR AND CITY COUNCIL

August 20, 2019

Page 3

- Property Tax revenues continue to show positive growth and revenues are anticipated to come in higher than budgeted. This includes revenues derived from Property Tax in Lieu of VLF, as well as property tax from former RDA project areas.
- Additionally, starting in FY 19, the City will start to receive new revenue from the Ground Emergency Medical Transport Quality Assurance Fee (QAF) program. Under the QAF program, the California Department of Health Care Services (DHCS) will impose a quality assurance fee on ambulance revenue received by each emergency medical transport provider. In return, DHCS will increase reimbursements for ambulance transports provided for Medi-Cal patients. For FY 20, \$1.5 million in QAF revenue is projected and included in the budget. This is a new revenue source and staff will closely monitor its performance throughout FY 19 and evaluate estimates as revenue is received.

Continued positive performance in these and other key revenue sources are anticipated to offset revenue sources trending lower than budgeted. Some of the key revenue sources projecting to be less than anticipated include Telephone Utility Users Tax due to decline in the number of land-lines and competitive prices. Additionally, although FY 19 actuals as of May 31, 2019 are already higher than prior FY 18 year-end actuals, cannabis-related revenues are still projected lower than budgeted due to slow start-up of cannabis businesses. The collection of short-term rental revenue is also slated to be less than budgeted due to timing of program start-up and implementation. General Fund FY 19 estimates currently include \$375,000 in short-term rental revenue, which is less than the \$700,000 currently budgeted. The collection of this revenue started in April 1, 2019, and as this is a new revenue source with only two months of experience available, more accurate estimates for FY 19 will be available over the next few months as the program continues.

Attachment B provides a breakdown of the top 40 General Fund revenue performance by source.

Other Sources

A key source of funds for the FY 19 Adopted Budget was revenue received in FY 18 and carried over to be "released" in FY 19. These sources were derived from various revenues above projected levels in FY 18, with a significant portion coming from an additional transfer from the Gas Fund. The FY 18 year-end surplus was reserved and programmed by the City Council as part of either the FY 19 Adopted Budget or the First Budget Adjustments on February 19, 2019. These set-aside funds are released, as needed, for City Council-approved purposes, which include \$9.8 million for one-times as set aside in the Adopted Budget, \$10.3 million of Measure A revenue per the out-years plan and to offset infrastructure costs increases, \$3.4 million to support Police Academy operations, \$1.86 million for one-time projects in FY 18 that had not yet been fully utilized, and \$600,000 for FY 18 encumbrances.

General Fund - Uses of Funds

Expenditures by Department

As of May 31, 2019, the General Fund expenditure estimates, collectively, are projecting to end the year slightly under the FY 19 Adjusted Budget. Currently, a few departments, City Clerk, Citywide Activities, Economic Development, Fire, and Library Services, are showing year-end estimates that could be over budget, as described below. Budget adjustments will be recommended for any overbudget and the projections include these adjustments. There are expected to be sufficient appropriation within the overall General Fund budget to makes these adjustments.

- The City Clerk Department is anticipating higher than budgeted election-related expenses in FY 19, due to the special election in the First Council District.
- Litigation related costs have resulted in higher than budgeted expenses in the Citywide Activities Department. These costs will generally be offset by reserves set aside for this purpose.
- Operating charges related to maintaining the Community Hospital site have resulted in significant costs to the Economic Development Department.
- The Fire Department is above budget due to expenses related to fighting the wildland fires, which will be reimbursed by the State. These expenses are offset by federal reimbursement revenue.
- The Library Department is projected to have a small overage but is working to resolve it by year-end.

The Police Department is estimating to end the year under budget by a planned \$5.3 million. Most of these savings were anticipated due to the timing of the consolidation of the Special Services Officers from the Airport Department. These funds will be reserved at the end of FY 19 to fund future police academies.

Both the revenues and costs will continue to be closely monitored for the remainder of the year. Attachment C provides a breakdown of General Fund expenditure performance by department, with notable variances identified in the footnotes.

Other Uses

The Other Uses category represents assignments of funds available for future specific purposes. In FY 19, the Other Uses include set aside funds for the Measure B reserve from Measure A tax and cannabis revenues, revenue above budget from Measure A, which will be reserved to fund the out-year Measure A plan and potentially for public safety restorations or other one-time Measure A items, savings in the Police Department that will be carried over to FY 20 to support a police academy, and funds from the higher than budgeted revenue that will be used to fund the City Manager's recommended strategic investments and other one-times as part of the FY 20 Proposed Budget.

Measure A Revenues and Expenditures

Pursuant to the June 7, 2016 Measure A ballot initiative, on January 1, 2017, businesses in the City began to collect an additional 1 percent in transaction and use tax (similar to a sales tax) on the sale, storage, use, or other consumption of all tangible personal property within the City for a ten-year period. In FY 19, the City Council appropriated \$56.3 million from Measure A to fund priority public safety maintenance and restorations, as well as capital improvement projects to help rebuild Long Beach's infrastructure projects, and the administration of the Measure A tax.

As reflected in Table 2, it is anticipated that revenues at year-end will be \$59.1 million, or \$4.6 million more than originally budgeted. This additional revenue has been incorporated into the Proposed FY 20 revised Measure A spending plan. The additional \$4.6 million will be reserved, per the revised Measure A out-year plan presented as part of the FY 20 Proposed Budget, to potentially fund City Council-requested public safety restorations.

Table 2. Summary of FY 19 Measure A Budget & Actuals and Year-End Projection

	FY 19 Adopted	FY 19 ETCs	Net Impact to Fund (Projected)
Total Measure A Revenue	\$ 54,520,897	\$ 59,115,422	\$ 4,594,525
Planned Release of FY 18 surplus ¹	2,359,752	2,379,552	19,800
Release of FY 18 surplus for FY 19 Infrastructure projects ²		7,944,740	7,944,740
Total Measure A Expenditures ²	(56,335,440)	\$ (64,280,179)	\$ (7,944,739)
Measure B Reservation ³	(545,209)	(591,154)	(45,945)
Reservations per Out-year Plan		(4,568,381)	(4,568,381)
FY 19 Year-End Surplus (Projected)	\$ -	\$ -	\$ -
¹ Actuals Allocated represent funding set aside for infrastructure projects even if projects are still in progress and not fully spent.			
² FY 19 Adjusted Budget reflects the City Council approved release of \$7.9 million in carryover revenue from FY 18 surplus. These funds were budgeted to ensure that key Measure A and other infrastructure projects are not deferred from the original schedules and to move key projects up earlier in the Measure A allocation schedule.			
³ Measure B is projected and reserved as a use of structural Measure A revenue allocations. It will show up as a reservation of funds, not as an expense.			

The projection of Measure A revenue is challenging due to both the fact that it is a new revenue with delayed (from the State) revenue receipts and because implementation issues related to the State's new tax collection system make it extremely difficult to identify the actual revenue collection pattern. Additionally, there can be unanticipated one-times that come in due to a transaction in one year that is not consistent year-over-year and can fluctuate greatly. It is possible that revenues may be higher or lower than the projections noted above due to these factors. Staff will continue to closely monitor actuals and update projections accordingly.

FY 19 Revenues – All Other Funds

Uplands Fund and Tidelands Operations Fund

The City's oil revenues continue to be impacted by oil price fluctuations. The FY 19 Adopted Budget of \$9.1 million was based on oil projections of \$55 per barrel. Based on both barrel price and production efforts, the transfer to the General Fund from current net oil revenues is anticipated to be \$10.4 million. This amount does not include \$650,000 in one-time funding for the Police and Health and Human Service Departments appropriated in FY 19 from FY 18 Uplands Oil Fund ending funds available. In the Tidelands Operations Fund, FY 19 oil revenue is projected to be an estimated \$1.8 million above the budgeted amount of \$11.4 million, and is included in that fund's projection. Overall, the Tidelands Operations Fund is projected to end FY 19 with a \$2.6 million surplus. A list of projects being proposed that utilize this surplus is included in the FY 20 Proposed Capital Improvement Program budget. Due to the volatility in various factors impacting oil prices, staff continues to closely monitor these funds and will update revenues at year-end.

There are no other revenue concerns related to all other funds to report at this time.

FY 19 Expenditures – All Other Funds

Refuse and Recycling

The Refuse and Recycling Fund receives the majority of its revenue from refuse and recycling charges with other revenue coming from State grants for outreach efforts, revenues from the sale of recyclables collected through the City's residential recycling program and fees paid by the City's licensed private refuse haulers for AB 939 compliance. Due to the rising costs and increased State mandates associated with refuse and recycling operations, the Refuse and Recycling Fund has experienced operating shortfalls over the last few years requiring reserves to be used to offset these shortfalls. To address the structural imbalance, a Solid Waste Cost of Service and Rate study was initiated and completed in FY 19. On February 5, 2019, the City Council approved a two-step rate adjustment as recommended by the study, effective March 1, 2019 and October 1, 2019. The rate adjustments will begin the process of eliminating the structural deficit, positioning the operation into a more secure financial outlook.

Gas Fund

The Gas Fund has seen increases in revenues from gas transmission charges to customers and a reduction of expenditures for meter reading after the Automated Metering Infrastructure project was completed in FY 18. Above average revenue performance occurred over the last few fiscal years and has continued in FY 19. This has resulted in a healthy Gas Fund funds available. Repair and replacement of aging natural gas infrastructure, pipeline integrity programs, and compliance with state and federal environmental programs continues to be a high priority.

The California Public Utilities Commission (CPUC) authorized increases to the gas transmission rates charged by Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDG&E) to ratepayers in 2019 with additional increases proposed for 2020 through 2022. There has been no increase to the City's transmission rates charged to customers since October 2016. As a result, staff will be evaluating rates during FY 20.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 12, 2018.

TIMING CONSIDERATIONS

City Council action is requested on August 20, 2018.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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ATTACHMENTS: A – EXPENDITURES BY FUND
B – GENERAL FUND TOP 40 REVENUE
C – GENERAL FUND EXPENDITURES BY DEPARTMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER

CITY OF LONG BEACH EXPENDITURES BY FUND

THROUGH MAY 31, 2019

FUND	FY 19 New Allocation	Estimated All-Years Carryover ¹	FY 19 Adopted Budget	Amendments	FY 19 Adjusted Budget	FY 19 Year to Date Expenditures as of 5/31/19	Estimates-to-Close
Funds With All-Years Carryover							
AIRPORT	\$ 49,705,731	\$ 46,300,714	\$ 96,006,445	\$ 47,756,141	\$ 143,762,586	\$ 27,065,722	\$ 72,031,838
BUSINESS ASSISTANCE	711,115	1,684,657	2,395,772	1,869,257	4,265,030	167,908	711,115
² CAPITAL PROJECTS	77,988,918	156,938,476	234,927,394	190,133,558	425,060,952	41,284,528	77,214,277
CIVIC CENTER	10,519,023	10,860,606	A	29,570,033	#VALUE!	9,703,793	35,721,008
COMMUNITY DEVELOPMENT GRANTS	22,394,790	21,467,032	43,861,822	15,308,877	59,170,699	8,774,182	23,574,808
CUPA	2,097,203	-	2,097,203	(2,954)	2,094,249	1,202,245	2,076,714
DEVELOPMENT SERVICES	25,260,795	2,323,032	27,583,827	3,867,459	31,451,286	14,300,051	22,452,459
FLEET SERVICES	61,777,136	2,694,914	64,472,050	19,127,681	83,599,731	18,203,114	69,540,236
³ GAS	130,542,717	8,198,993	138,741,710	14,461,840	153,203,550	78,248,051	161,868,086
² GAS TAX STREET IMPROVEMENT	10,439,365	13,834,636	24,274,001	14,282,114	38,556,116	6,269,477	14,547,330
GENERAL GRANTS	7,726,730	15,865,021	23,591,751	23,206,249	46,798,000	9,048,668	11,555,007
GENERAL SERVICES	52,283,448	51,367,651	103,651,100	54,632,946	158,284,046	52,119,966	90,657,744
HEALTH	54,174,568	22,750,171	76,924,739	37,490,036	114,414,775	23,232,431	47,062,383
⁴ HOUSING AUTHORITY	76,708,119	(845,540)	75,862,579	(862,476)	75,000,102	43,325,870	85,169,235
HOUSING DEVELOPMENT	3,392,996	12,535,900	15,928,896	1,141,309	17,070,205	7,249,221	5,374,310
⁵ INSURANCE	42,861,518	1,445,419	44,306,937	1,463,183	45,770,121	32,930,602	46,658,761
REFUSE/RECYCLING	50,806,873	179,579	50,986,452	428,656	51,415,108	24,381,740	47,489,456
² SUCCESSOR AGENCY	45,221,592	5,514,780	50,736,373	5,539,513	56,275,886	578,228	14,521,992
² SUCCESSOR AGENCY - DEBT SERVICE	26,369,058	-	26,369,058	-	26,369,058	12,826,149	26,583,573
² TIDELANDS OPERATING	91,678,016	87,509,731	179,187,747	94,253,619	273,441,366	31,352,601	104,068,834
² TIDELANDS AREA	25,972,786	8,892,839	34,865,625	8,586,037	43,451,661	15,262,434	26,155,971
SUBTOTAL	\$ 868,632,499	\$ 469,518,611	\$ 1,316,771,481	\$ 562,253,079	\$ 1,879,024,560	\$ 457,526,981	\$ 985,035,139
Funds Without All-Years Carryover							
BELMONT SHORE PARKING METER	\$ 771,512		\$ 771,512	-	771,512	439,901	771,512
DEBT SERVICE FUND	11,228,072		11,228,072	-	11,228,072	3,384,525	11,228,072
EMPLOYEE BENEFITS	314,955,989		314,955,989	192,407	315,148,397	124,348,599	286,254,641
GENERAL	538,085,679		538,085,679	28,389,102	566,474,781	343,303,096	565,653,439
HARBOR	982,271,768		982,271,768	660,276,908	1,642,548,675	249,657,066	982,271,768
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT	3,316,412		3,316,412	-	3,316,412	26,405	3,316,412
SERRF	51,702,117		51,702,117	(884)	51,701,233	18,864,594	40,312,732
SERRF JPA	10,979,994		10,979,994	-	10,979,994	11,169,981	10,979,994
SEWER	27,118,408		27,118,408	1,591,738	28,710,146	10,323,544	24,095,815
SPECIAL ADVERTISING & PROMOTION	11,903,219		11,903,219	1,999,216	13,902,435	8,488,973	12,051,029
⁶ TIDELANDS OIL REVENUE	87,678,483		87,678,483	(6,375)	87,672,108	48,194,514	89,437,919
TOWING	6,163,648		6,163,648	(7,318)	6,156,330	2,800,137	5,838,941
⁷ UPLANDS OIL	11,543,099		11,543,099	684,542	12,227,641	1,705,950	13,730,532
⁸ WATER	121,166,936		121,166,936	7,421,395	128,588,331	55,364,203	136,171,059
SUBTOTAL	\$ 2,178,885,336	\$ -	\$ 2,178,885,336	\$ 700,540,731	\$ 2,879,426,067	\$ 878,071,488	\$ 2,182,113,865
TOTAL - ALL FUNDS	\$ 3,047,517,836	\$ 469,518,611	\$ 3,495,656,818	\$ 1,262,793,809	\$ 4,758,450,627	\$ 1,335,598,470	\$ 3,167,149,005

Notes

¹ Estimated All-Years Carryover is composed of multi-year grants and Capital Improvement Program (CIP) funds; unspent amounts are carried over to future years, resulting in a larger adjusted budget. These carryover estimates are based on the FY 19 Adopted Budget; Financial Management is currently conducting a review to update these figures

² Fund Groups were modified to match the new Budget Fund Groups to reflect the transition to the new Financial system, Munis. Adjusted Budget and Actuals were updated according to how they were booked in Munis. Adopted Budget, All Years Carryover and Estimates to Close reflect how they were booked in the old Financial system, FAMIS, with modifications between Fund Groups to accommodate the new Accounting structure.

³. Estimated expenses in the Gas Fund are anticipated to exceed budget due to increased purchase of natural gas, due to the cool winter weather that created a higher demand for natural gas. The Energy Resources Department will request an appropriation increase in the second budget adjustment to align budget to actuals, offset by increased gas revenue

⁴. Housing Authority Fund's estimates-to-close exceed their adjusted budget due to an increase in Housing Assistance Payments attributed to high rental market costs. On July 16, 2019, City Council approved an increase in appropriation of \$16.5 M for these anticipated costs, fully offset by HUD grant revenue. The budget increase is not yet reflected in the budget. Once the budget has been adjusted it is anticipated the fund will end the year under the revised appropriation level.

⁵. Insurance Fund expenses are anticipated to exceed current budget levels largely due to FY 19 settlements and judgments anticipated to be paid this fiscal year. The Insurance Fund will request an appropriation increase at year-end to align budget to actuals, offset by funds available collected for this purpose

⁶. Estimated expenses anticipated to exceed budget due to increased payment to the State and transfer to the General Fund, both of which are related to higher than anticipated oil revenues. The Energy Resources Department will request an appropriation increase in the second budget adjustment to align budget to actuals, offset by increased oil revenues

⁷. Estimated expenses reflect higher than originally budgeted transfer to the General Fund, offset by higher revenue. The Energy Resources Department will request an appropriation increase at year-end to align budget to actuals, offset by increased oil revenues.

⁸. The Long Beach Water Department (LBWD) estimates-to-close currently exceed budget due to the Advanced Metering Infrastructure capital project, which is reimbursed by project debt proceeds. LBWD will be requesting an appropriation increase, offset by the debt proceeds, to bring the Department's spending under budget.

CITY OF LONG BEACH GENERAL FUND REVENUE SUMMARY

THROUGH MAY 31, 2019

Notes	Top 40	Revenues	FY 18 Adjusted Budget	FY 18 Actual Revenue as of 05/31/2018	FY 19 Adjusted Budget	FY 19 Actual Revenue as of 5/31/2019	Estimates-to-Close	Percentage of Adjusted received as of 5/31/19
1	1	REAL PROPERTY TAX	\$ 112,177,742	\$ 91,950,902	\$ 119,347,119	\$ 104,972,198	\$ 120,120,138	88%
2	2	CITY SALES AND USE TAX	\$ 61,217,300	\$ 45,153,617	\$ 62,586,028	\$ 43,172,331	\$ 63,646,853	69%
3	3	TRANSACTION AND USE SALES TAX-MEASURE A	\$ 47,698,200	\$ 39,070,573	\$ 54,500,897	\$ 34,672,447	\$ 59,115,422	64%
4	4	PROPERTY TAX IN-LIEU OF VLF	\$ 48,161,204	\$ 48,250,082	\$ 50,595,036	\$ 50,893,688	\$ 50,893,688	101%
5	5	TRANSFERS FROM OTHER FUNDS	\$ 30,948,067	\$ 29,949,589	\$ 34,020,068	\$ -	\$ 34,648,346	0%
	6	TRANSIENT OCCUPANCY TAX	\$ 20,197,273	\$ 12,143,325	\$ 21,629,212	\$ 10,503,671	\$ 21,825,817	49%
6	7	ELECTRIC USERS TAX & PENALTIES	\$ 20,996,894	\$ 12,971,936	\$ 19,656,932	\$ 12,606,493	\$ 20,313,035	64%
7	8	CHARGES FOR SPECIAL SERVICES	\$ 11,088,358	\$ 6,025,816	\$ 14,111,091	\$ 8,057,322	\$ 18,124,681	57%
	9	PARKING CITATIONS	\$ 13,953,200	\$ 9,020,912	\$ 17,744,301	\$ 10,383,903	\$ 17,250,315	59%
	10	EMERGENCY AMBULANCE FEES	\$ 12,022,590	\$ 6,701,788	\$ 13,802,013	\$ 9,403,266	\$ 13,942,013	68%
	11	BUSINESS LICENSE TAXES	\$ 12,457,000	\$ 8,431,842	\$ 12,457,000	\$ 8,895,434	\$ 12,457,000	71%
8	12	PIPELINE FEE-WATER	\$ 6,238,932	\$ 1,613,159	\$ 6,238,932	\$ 1,014,891	\$ 7,948,932	16%
	13	ELECTRIC COMPANY FRANCHISES	\$ 6,496,660	\$ 5,554,102	\$ 7,337,615	\$ 5,546,195	\$ 7,237,783	76%
9	14	TELEPHONE USERS TAX & PENALTIES	\$ 9,665,403	\$ 5,738,882	\$ 8,275,451	\$ 4,641,828	\$ 7,014,112	56%
	15	OTHER DEPT SVCS TO PROPRIETARY FUNDS	\$ 6,126,614	\$ 3,196,999	\$ 10,052,062	\$ 734,599	\$ 6,689,820	7%
10	16	PIPELINE FEE-SEWER	\$ 4,783,104	\$ 1,239,875	\$ 4,783,104	\$ 1,061,453	\$ 6,073,104	22%
	17	LAND,BLDG,R/W,EASEMENT,APT RENTALS	\$ 4,771,847	\$ 3,550,109	\$ 4,609,065	\$ 2,756,337	\$ 5,089,888	60%
11	18	LAND SALE PROCEEDS	\$ 165,667	\$ 171,770	\$ 1,791,540	\$ 4,624,437	\$ 4,759,000	258%
	19	AMERICAN GOLF LEASE	\$ 4,726,926	\$ 2,979,270	\$ 4,770,119	\$ 2,970,248	\$ 4,687,909	62%
12	20	MARIJUANA COLLECTV APPLICATION FEE	\$ 5,214,000	\$ 649,168	\$ 5,021,007	\$ 2,942,344	\$ 4,214,228	59%
	21	WATER USERS TAX & PENALTIES	\$ 4,242,758	\$ 2,682,974	\$ 4,360,271	\$ 2,632,579	\$ 4,148,763	60%
	22	GAS USERS TAX & PENALTIES	\$ 4,015,560	\$ 2,855,639	\$ 4,076,804	\$ 3,944,051	\$ 3,874,011	97%
	23	INTEREST-POOLED CASH	\$ 2,510,300	\$ 1,769,664	\$ 2,444,950	\$ 3,328,288	\$ 3,728,760	136%
	24	HAULER FEES	\$ 2,100,000	\$ 1,693,386	\$ 2,555,000	\$ 1,448,092	\$ 3,000,000	57%
	25	MISC REFUNDS & REIMB	\$ 3,395,185	\$ 2,014,675	\$ 2,933,680	\$ 2,042,608	\$ 2,952,997	70%
	26	PIPELINE SAFETY FEES	\$ 2,676,000	\$ 2,892,759	\$ 2,920,000	\$ 9,020	\$ 2,924,500	0%
13	27	MISC REVENUE FROM OTHER AGENCIES	\$ 2,596,550	\$ 953,058	\$ 2,534,491	\$ 828,915	\$ 2,708,503	33%
	28	HARBOR-POLICE	\$ 2,544,783	\$ 1,060,326	\$ 2,544,783	\$ -	\$ 2,544,783	0%
	29	PIPELINE FRANCHISES	\$ 3,502,259	\$ 2,277,730	\$ 2,412,900	\$ 1,939,298	\$ 2,486,220	80%
	30	POLICE CHARGES FOR SPECIAL EVENTS	\$ 1,410,000	\$ 1,269,805	\$ 1,750,000	\$ 1,295,978	\$ 2,401,402	74%
	31	ASSET MANAGEMENT CHARGES	\$ 2,345,010	\$ 1,545,202	\$ 2,378,111	\$ 1,585,407	\$ 2,378,111	67%
	32	FIRST RESPONDER FEE	\$ 1,700,000	\$ 1,135,456	\$ 2,280,000	\$ 887,124	\$ 2,280,000	39%
	33	REAL PROPERTY TRANSFER TAX	\$ 2,074,120	\$ 1,541,737	\$ 2,211,665	\$ 1,287,705	\$ 2,211,665	58%
	34	OTHER DEPT CHGS TO GOV'T FUNDS	\$ 2,071,955	\$ 1,272,672	\$ 1,748,865	\$ 1,485,323	\$ 1,869,256	85%
14	35	MISC REV	\$ 145,154	\$ 11,049,157	\$ 202,782	\$ 2,253,638	\$ 1,749,883	1111%
	36	OIL PRODUCTION TAX	\$ 1,272,395	\$ 838,048	\$ 1,592,291	\$ 808,679	\$ 1,578,220	51%
	37	OTHER GOVT FUND-PUBLIC SERVICE	\$ 1,487,850	\$ 1,269,540	\$ 1,648,000	\$ 1,045,058	\$ 1,539,235	63%
	38	CIP-ENGINEERING CHARGES	\$ 1,257,945	\$ 291,557	\$ 1,457,945	\$ 816,723	\$ 1,457,945	56%
	39	PARKING REVENUES FROM OPERATIONS	\$ 1,067,000	\$ 930,045	\$ 1,127,000	\$ 828,201	\$ 1,365,597	73%
	40	METERED/OTHER PARKING	\$ 1,469,866	\$ 1,110,962	\$ 1,600,000	\$ 905,118	\$ 1,300,677	57%

CITY OF LONG BEACH GENERAL FUND REVENUE SUMMARY								
THROUGH MAY 31, 2019								
Notes Top 40		Revenues	FY 18 Adjusted Budget	FY 18 Actual Revenue as of 05/31/2018	FY 19 Adjusted Budget	FY 19 Actual Revenue as of 5/31/2019	Estimates-to- Close	Percentage of Adjusted received as of 5/31/19
		SUBTOTAL TOP 40 REVENUES	\$ 482,991,670	\$ 374,818,107	\$ 518,108,130	\$ 349,224,888	\$ 534,552,613	67%
		ALL OTHER REVENUES	\$ 19,439,216	\$ 14,842,691	\$ 20,865,094	\$ 17,632,967	\$ 23,239,333	85%
TOTAL GENERAL FUND REVENUES			\$ 502,430,886	\$ 389,660,798	\$ 538,973,224	\$ 366,857,855	\$ 557,791,946	68%

Notes:

- ¹ Property Tax revenue projections are based on the assessed valuation provided by the County of Los Angeles in fall 2018. This report consolidates all property tax, including post-RDA dissolution property taxes and former tax increment pass-through revenues into one citywide property tax category.
- ² Sales and Use Tax and In-Lieu Sales Tax, non-Measure A, experiencing higher than anticipated actuals due one-time construction, as well as better than expected performance across various categories. Staff is continuing to evaluate actuals to verify the accuracy of payments to the City due to a change in the State's sales tax system.
- ³ Measure A is anticipated to come in higher than budget based on performance indicated through actual receipts, including one-time activity. Staff is continuing to evaluate actuals to verify the accuracy of payments to the City due to a change in the State's sales tax system.
- ⁴ Property Tax In-Lieu of VLF are calculated based on the change in cities assessed valuation. FY 19 actuals and estimates-to-close reflect increases in assessed valuation. Final payments received as of May actuals.
- ⁵ Transfers from other funds include transfer from Uplands Oil anticipated higher than budget. FY 19 Adopted Budget assumed \$55 per barrel, revised estimates are at \$55 per barrel. However, actual transfer from net oil revenues is anticipated higher than budget due to lower oil-related expenditures.
- ⁶ Electric Utility Users Tax estimated higher than budget aligned to actual performance in the prior fiscal year. However, continued issuance of California Climate Credit program with commercial credits issued may continue to impact this revenue source.
- ⁷ Charges for Services is estimated higher than budgeted revenue reflects actual reimbursement for direct and indirect costs for the Police Department from external contracts, specifically Metro Security, LBCC and LB Transit.
- ⁸ Water Pipeline estimated revenue assumes estimated revenue as approved by Measure M.
- ⁹ Telephone Utility Users Tax estimated below budget due to limited numbers of new subscribers and a highly competitive price environment.
- ¹⁰ Sewer Pipeline estimated revenue assumes estimated revenue as approved by Measure M.
- ¹¹ Land sale proceeds includes one-time revenues from property sales within former RDA project areas.
- ¹² Cannabis-related revenues anticipated to come in much lower, however better than prior year, than budget due to licensed businesses taking longer to start operations than originally planned.
- ¹³ Misc. Revenue from Other Agencies includes revenue from various revenue sources, in various departments, including sales tax revenue from Signal Hill. For FY 19, this revenue is projected slightly higher than budget. However, with FY 18 revenue less than projected related to timing of the state allocation, staff will be monitoring this revenue in FY 19 to ascertain any one-time issues.
- ¹⁴ FY 19 estimate for Misc Revenue includes one-time revenue recognized following the City's recent escheat process.

CITY OF LONG BEACH

GENERAL FUND EXPENDITURES SUMMARY

THROUGH MAY 31, 2019

Department	FY 19 Adopted Budget	FY 19 Adjusted Budget	FY 19 Actual Expenditures, as of 5/31/19	Estimates-to-Close
City Auditor	\$ 2,540,930	\$ 2,847,493	\$ 1,725,771	\$ 2,788,065
City Attorney	3,272,408	3,266,280	2,461,117	2,750,203
¹ City Clerk	3,483,375	3,479,335	1,598,872	3,764,607
City Manager	5,082,789	5,374,866	3,412,370	5,101,572
City Prosecutor	6,159,022	6,280,343	3,596,140	6,159,022
² Citywide Activities	44,449,887	52,853,339	11,432,735	56,936,688
Civil Service	2,788,625	2,784,374	1,771,657	2,784,327
Development Services	5,163,093	5,205,588	3,572,551	5,196,039
Disaster Prep & Emerg Comm	12,732,532	12,737,284	8,087,745	12,217,306
³ Economic Development	1,949,889	14,768,304	5,980,955	15,997,054
⁴ Fire	96,366,724	96,247,376	78,241,487	96,828,022
Financial Management	15,790,103	16,501,744	9,949,407	16,501,744
Health and Human Services	2,839,365	3,561,062	1,481,232	3,560,964
Legislative	6,063,730	6,064,970	3,415,628	6,064,970
⁵ Library Services	13,926,318	14,454,197	9,607,434	14,475,088
⁶ Police	239,162,834	242,787,362	152,598,499	237,400,149
Parks, Recreation, and Marine	37,715,902	36,952,632	19,789,619	36,910,188
Public Works	38,598,154	40,217,432	24,557,466	40,217,432
TOTAL	\$ 538,085,679	\$ 566,383,981	\$ 343,280,685	\$ 565,653,439

¹ The City Clerk Department is estimating to end the year above budget as a result of additional election costs related to the Special Election for Council District 1. Citywide there is sufficient savings to offset these additional expenses.

² The Citywide Department is currently estimating unbudgeted expenses related to litigation expenses. Year-end appropriation increases will be requested to budget any overages, offset by revenues and release of reserves set aside for this purpose.

³ The Economic Development Department is responsible for the costs associated for the day-to-day maintenance, security, and operations of the Community Hospital buildings. These costs are partially supported by one-time funding, but the department is anticipating overages in the amount of \$1,074,750 in FY19. There is expected to be sufficient revenue and/ departmental savings in the General Fund overall to absorb these costs.

⁴ The Fire Department is currently estimating unbudgeted expenses. Year-end appropriation increases will be requested to offset current overages, these are typically for mutual aid/wildland fire reimbursements.

⁵ the Library Department is projected a small budget overage in the Main Library, which the department is are working to resolve by year end.

⁶ Police Department is currently estimating year-end savings due to Airport SSO consolidation and attrition savings. These funds have been reserved to offset costs of future police academies.