



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-7

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February 10, 2015

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Receive and file the Fiscal Year 2014 Year-End Budget Performance Report, and increase appropriations in several funds across several departments for various purposes to reflect final expenditures. (Citywide)

DISCUSSION

This report reflects the City's Fiscal Year 2014 (FY 14) budget performance. The information provided is subject to change, as the books for FY 14 are not fully closed. However, it is anticipated that these numbers are close to final. While the financial report primarily discusses the General Fund, significant information for other funds is highlighted where applicable.

YEAR-END BUDGET PERFORMANCE REPORT

Summary

The City's total FY 14 Adjusted Budget of \$3.3 billion supports 21 departments, including the separately managed Water and Harbor Departments. The City has seven fund types divided into 37 funds that comprise the \$3.3 billion FY 14 Adjusted Budget (Attachment A). Most of these funds are restricted funds, such as the Harbor Fund, Gas Fund and Tidelands Funds, that are designated for specific and limited activities. The majority of core community services provided in the City, such as police and fire services, libraries and parks, are largely supported by the General Fund, which comprises only 14 percent of the City's Adjusted Budget.

The City ended FY 14 generally consistent with program and budget expectations. Citywide, year-end spending came in under budgeted appropriation for the General Fund and for all other funds after factoring in technical adjustments for three funds, which are explained later. Please see Attachment A for a breakdown of citywide expenditures by fund. The balance of the report summarizes the General Fund and notable performance for selected other funds.

General Fund and Uplands Oil Fund Overview

The General Fund and Uplands Oil Fund ended the fiscal year with an ending funds available of approximately \$3.2 million and \$3.5 million, respectively. The FY 14 sources and uses of funds available are summarized in the table below:

Table 1: General and Uplands Oil Funds FY 14 Performance		
	(\$ in millions)	
	General	Uplands
Beginning Funds Available (10/1)	3.6	4.5
Sources		
Revenues	429.6	36.9
Other Sources (i.e. release of funds available and reserves)	41.4	13.0
Total Sources	471.0	49.9
Uses		
Expenditures	(447.6)	(38.9)
Other Uses (i.e. reserves for carry-over, encumbrances, CalPERS Stabilization and other liabilities)	(23.9)	(12.0)
Total Uses	(471.5)	(50.9)
Ending Funds Available (9/30)	\$ 3.2	\$ 3.5

FY 14 General Fund sources totaled \$471.0 million, comprised of \$429.6 million in revenue and \$41.4 million in "other sources" largely made up of the release to funds available of previously assigned reserves that were authorized (budgeted) for expenditure in FY 14. FY 14 uses totaled \$471.5 million, comprised of \$447.6 million in expenditures, which included the authorized spending of beginning funds available to draw down funds available to \$0.5 million. It also includes \$23.9 million in other uses. The "other uses" are assignments to reservations for future uses, including planned FY 15 budget spending ("carry-over"), the CalPERS Stabilization fund, and for other City liabilities. City Council budgeted or designated many of these funds in previous City Council actions.

In general, revenues for the year were better than budgeted and expenditures were lower than budgeted. For FY 15, variances from budgeted revenues and expenditures will be analyzed to determine the degree to which variances in FY 14 are one-time or on-going. On-going variances will be taken into account in the FY 16 proposed budget projections.

Additional information on the General Fund and Uplands Oil Fund sources and uses are described in the sections below.

Recommendations for the Use of Funds Available in the General and Uplands Oil Funds

The FY 14 ending funds available is projected to be \$3.2 million for the General Fund and \$3.5 million for the Uplands Oil Fund. These funds available are in addition to operating and emergency reserves in both funds. The proposed uses for the funds available are shown in the chart below. Similar to what was recommended as funds available in FY 14, it is recommended to leave a minimum funds available in the General Fund of \$0.5 million, and to use all funds available in the Uplands Oil Fund. A zero funds available in the Uplands Oil Fund is acceptable because an operating reserve exists and an increase in the oil fluctuation reserve is being recommended. An explanation for each of the proposed year-end uses follows the chart.

Table 2: Proposed Uses of the General and Uplands Oil Funds Available		
	(\$ in millions)	
	General Fund	Uplands
Ending Funds Available (9/30)	\$ 3.2	\$ 3.5
Recommendations for Uses of Funds Available		
Council Policy 5% to Unfunded Liability Reserve	\$ (0.159)	\$ (0.174)
City Clerk for Elections- District 4		\$ (0.200)
Council Districts Request for Office Budget Carry-over	\$ (0.196)	
Attorney Funds for Labor Negotiations		\$ (0.200)
CPCC Investigator Enhancement		\$ (0.125)
City Clerk for Election Systems License		\$ (0.100)
Innovation Team Grant Match		\$ (0.400)
Innovation & Efficiency Initiatives	\$ (2.000)	\$ -
Pavement Management Plan Implementation (street work)		\$ (1.000)
PD Overtime	\$ (0.275)	
PD Academy Recruitment Costs		\$ (0.083)
Homeless Services Augmentation		\$ (0.100)
Civil Service Staffing Needs		\$ (0.220)
Uplands Reserve for Oil fluctuation - to 2 months reserve (\$2.9M)		\$ (0.882)
Remaining Ending Funds Available (9/30)	\$ 0.5	\$ 0.0

The recommendations for uses of Funds Available include the following:

- Set aside 5 percent for unfunded liabilities to comply with City Council's adopted financial policy. This includes \$159,000 from the General Fund and \$174,000 from the Uplands Fund.
- Fund City Clerk expenses related to the special election in the Fourth District, which are estimated not to exceed \$200,000 from the Uplands Fund.
- Carry-over for the Legislative Department savings, which is for the annual process that uses Council District surpluses to provide one-time support for existing City programs in the next fiscal year (FY 15). There is approximately \$197,000 available in savings in the General Fund for this purpose.

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- Fund the City's outside attorney costs for support in this year's labor negotiations, which is estimated not to exceed \$200,000 from the Uplands Fund.
- Enhance the Citizen Police Complaint Commission (CPCC) with an Investigator position, which is estimated to cost approximately \$125,000 from the Uplands Fund. This will be included structurally in the FY 16 budget to fund this position.
- Address the unbudgeted election system license expense in the City Clerk Department at a cost of approximately \$100,000 from the Uplands Fund. This will be included structurally in the FY 16 budget to pay for these ongoing costs.
- Fund a portion of the grant match for the recently awarded Bloomberg Innovation Team grant in the amount of \$400,000 from the Uplands Fund.
- Set aside seed money from a portion of departmental savings to fund innovation and efficiency initiatives that will be used to invest in projects that will save ongoing operating costs or generate additional revenues as well as innovative approaches to improve service delivery and address problem areas. The Innovation and Efficiency Initiatives Revolving Fund will start out with \$2.0 million from the General Fund. If approved, the mechanics of the Fund will be brought back to the Budget Oversight Committee for review and recommendations.
- Commence implementation of the Pavement Management Plan for critical street work throughout all nine Council Districts, which will supplement the existing street improvement budget by \$1 million from the Uplands Fund. A study session on the Pavement Management Plan will be scheduled for City Council in the next few months.
- Carryover the Police Department's additional year-end savings to use for overtime in locations determined by the Police Chief in the amount of \$275,000 in the General Fund.
- Increase funding for the Police Department academy recruitment costs to facilitate a more robust and diverse process in the amount of \$83,000 from the Uplands Fund.
- Augment homeless services through the use of targeted overtime and other services in hotspots in the amount of \$100,000 from the Uplands Fund.
- Enhance Civil Service staffing in order to address the backlog of department requisitions, reduce hiring process cycle time, as well as to modernize testing materials and processes in the amount of \$220,000 in the Uplands Fund. The staffing will be included structurally in the FY 16 budget.
- Supplement the reserve for Uplands Oil fluctuation to help offset a drop in oil revenue, which may threaten the \$17.5 million structural transfer to the General Fund for operations. The additional \$0.9 million will bring the reserve to a two-month funding level in the Uplands Fund. The reserve is intended for emergency use if there is a revenue shortfall while a year is in progress.

The appropriations for these proposed uses of the surplus are included in the first FY 15 budget adjustment requests.

General Fund - Sources of Funds

Revenues

As of fiscal year-end, \$430.6 million of General Fund revenue was received, including \$23.0 million in one-time revenue, a portion of which was previously included in the FY 14 budget per City Council action. One-time revenues were comprised of \$3.8 million in post-RDA dissolution funds, \$13.0 million predominantly from FY 13 oil over \$70/bbl, \$2.8 million in SERRF net facility revenue, \$2.8 million in Ground Emergency Medical Transportation reimbursement, and \$0.73 million in Asset Seizure funds.

Aside from these one-time funds, the General Fund experienced growth in several other revenue sources, including property tax, transient occupancy tax, electric utility users tax and electric franchise revenue. Analysis of these revenue sources is underway to determine what, if any, portion should be considered structural for consideration in the FY 16 budget process.

Attachment B provides a breakdown of the top 40 General Fund revenue performance by source. Variances are identified in the footnotes to this attachment.

Other Sources

Other Sources of funds totaled \$41.4 million in FY 14. These other sources are comprised of the release of reservations established in prior fiscal years, the majority of which was comprised of the one-time post-RDA dissolution revenue received in FY 13 and adopted as part of the FY 14 budget. Additionally, during the course of FY 14, via City Council action, \$0.3 million was released for required repayment to the Successor Agency for debt service payments. In addition, there were approximately \$3.1 million of FY 13 one-times, which had been reserved at year-end in FY 13, for use in FY 14. These funds were designated for various purposes, including Council directed neighborhood services projects, library services and parking citations system technology, police vehicles and police academy.

General Fund - Uses of Funds

Expenditures by Department

Actual General Fund spending, which includes the City Council authorized spending of beginning funds available to \$0.5 million for FY 14, totaled \$447.6 million, or 98 percent of the adjusted budget. Factors contributing to the budget variance included the Police Department ending the year \$2.3 million under budget, of which \$2.1 million was planned for the FY 15 portion of the costs of the last PD academy. Other factors impacting the budget variance included declines in expenditures associated with the payment of sales tax rebates, and FY 14 budgeted one-times, which were unspent at year-end. City Council approved, but unspent FY 14 one-time funds have been

reserved in FY 14 and are included for re-appropriation in the first FY 15 budget adjustment requests. Additionally, savings were achieved throughout all other departments with exceptions noted below. A portion of these department savings in the amount of \$2.0 million is recommended to be used for the Innovation and Efficiency Initiatives Revolving Fund.

All departments ended the fiscal year within their General Fund adjusted budget limits with the exception of the Civil Service and Fire Departments. The Civil Service Department went over its General Fund budget due to unbudgeted recruitment and testing for the FY 14 Police and Fire academies. The Civil Service Department does not need an appropriation increase, as year-end actuals for All Funds in Civil Service are under appropriation. The Fire Department also came in over budget in the General Fund due to providing staff assistance to the California wild land fire events. An appropriation increase is being requested and is fully offset by reimbursement revenue from the State of California.

Attachment C provides a breakdown of General Fund expenditure performance by department and includes the adjustment which is being requested by the Fire Department. Notable departmental variances are identified in the footnotes to this attachment.

Other Uses

Other Uses of funds totaled \$23.9 million in FY 14, and are assignments to reservations for future uses, including planned FY 15 budget spending ("carry-over"), the CalPERS Stabilization fund, and for other City liabilities. City Council budgeted or designated many of these funds in previous City Council actions.

Other Funds

Gas Fund

The Gas Fund provides full natural gas utility services to residential and business customers in Long Beach and Signal Hill. The Gas Fund spent \$13.2 million on capital improvement to the City's gas pipeline infrastructure and made a \$10.2 million budgeted transfer to the General Fund. The net revenue transfer to the General Fund was \$1 million less than originally budgeted. This reduced transfer builds working capital in the Gas Fund to support operations and needed capital investment. The Budget Office will continue to monitor the health of the Gas Fund.

Police & Fire Public Safety Oil Production Act (Proposition H)

On May 1, 2007, the voters approved the Police and Fire Public Safety Oil Production Tax (Proposition H), a special tax of 25 cents, with an annual CPI increase on every barrel of oil produced, and restricted to fund police and fire services. The tax assessed in FY 14 was \$0.28/barrel of oil produced. Revenues were \$3.7 million and expenses were \$3.1 million for FY 14. This fund will be closely monitored in FY 15 since oil

production is impacted by the price of oil and will, therefore, impact Proposition H revenue.

Tidelands

The primary funding sources to support operations along the beaches and waterways are the annual transfer from the Harbor Revenue Fund and net revenue from oil operations in the Tidelands areas. In FY 14, the Harbor transfer increased by 3 percent to \$17.8 million. Oil revenue declined by \$1.4 million in FY 14, which reflects a 6 percent drop from FY 13, and illustrates the variable nature of this funding stream. Expenditures closed the fiscal year within budget limits. As detailed in separate memos, staff is closely monitoring FY 15 oil revenue in the Tidelands area and is in the process of reviewing the impact on both the capital and operating budgets.

General Services

The primary revenue source for the General Services Fund are internal charges to City Departments, which account for over 80 percent of total revenues. This cost recovery model is intended to allocate 100 percent of eligible costs to provide services to City departments. The fund is used to account for the operation, maintenance and replacement of the City's information and communications systems. This includes the cost for systems' hardware and software, as well as support services provided by the Technology and Innovation Department. The estimated funds available, which was previously considered higher than necessary, is declining due to expenses being higher than revenue. As a result, staff is closely monitoring the fund, reviewing the cost recovery model and identifying strategies to address the declining funds available.

Health Fund

The Health Fund accounts for revenues and expenditures associated with federal, State and local grants, health permits, and other fees. After experiencing cash flow issues with grant reimbursements in FY 09 and FY 10, the Fund is on a more secure fiscal footing. With a write-off of an uncollectable General Fund loan in FY 14, which dated back to the establishment of the Fund, the Fund should be in a better position to address capital repair and infrastructure needs, particularly at the main Health Department facility. Staff is closely monitoring the Fund, reviewing cash flow, and identifying strategies to meet ongoing needs.

Towing

The Towing Fund supports towing operations to clear vehicles involved in accidents, impound vehicles, operate a storage facility, operate a payment center, and facilitate the sale of unclaimed vehicles. In FY 14, revenues in the Towing Fund were \$5.6 million and expenditures were \$5.3 million, which included a \$1.3 million budgeted transfer to the General Fund. Revenues in the Towing Fund dropped by \$0.8 million in FY 14 compared to FY 13, primarily due to a 6.6 percent reduction in revenue generating tow volume. On January 1, 2012, California Vehicle Code 2814.2 was adopted. This code put restrictions on how unlicensed driver vehicles were to be impounded at DUI/License

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checkpoints. This change resulted in a decrease of towing service and lot storage fees collected, and the number of vehicles sold at lien sales. Excluding a one-time transfer of \$1 million made to the Capital Projects Fund in FY 13, Towing Fund expenditures decreased by \$0.5 million from \$5.8 million in FY 13 to \$5.3 million in FY 14. The primary factor in this decline was a reduction in the General Fund transfer, which was lowered to maintain an appropriate level of fund balance in the Towing Fund. The Budget Office will continue to monitor the health of the Towing Fund, and consider recommending a permanent reduction to the General Fund transfer beginning in FY 16.

Refuse

The primary source of revenue for the Refuse Fund is from refuse and recycling charges, which account for approximately 90 percent of total revenues. This fund is also supported by grant money from the State for various public outreach efforts (recycling, litter reduction, used motor oil collection, etc), revenues from the sale of recyclables collected through the City's residential recycling program, fees paid by the City's licensed private refuse haulers for AB 939 compliance, and interest income. The fund previously had a substantial funds available, which has been declining over the last few years due to annual operating shortfalls. The fund has relied on funds available to offset the operating shortfalls and has not increased fees to match increasing costs. Staff will be evaluating strategies to address the structural deficit in this fund as the funds available appears to be reaching undesirable levels.

Uplands Oil

The Uplands Oil Fund accounts for oil revenue outside the Tidelands area, and accounts for all costs and revenues for the City's proprietary oil interests. Oil production costs and transfers to the General Fund make up the majority of expenditures. The Uplands Oil Fund began FY 14 with funds available of \$4.5 million, which was spent down via Council action early in FY 14, and ended the year with funds available of \$3.5 million. The total transferred in FY 14 was \$34.6 million, and was comprised of \$13.0 million in one-time oil revenue from FY 13 revenue over \$70/bbl, \$17.4 million of "reliable" base oil revenue budgeted at \$70/bbl for ongoing operations, and \$4.3 million in funds available transferred to the Capital Projects Fund. As part of the FY 15 Adopted Budget, \$12.0 million in projected FY 14 ending funds available was budgeted for one-time expenditures. This \$12.0 million was reserved at the end of FY 14 for the purposes approved in the FY 15 Adopted Budget. As described in a separate memo, staff will update the revenue projection for the Uplands Fund in FY 15 to determine the impact of the recent drop in oil prices on the operating budget. The increase of reserves for oil fluctuation described above will help to address any potential revenue loss which occurs mid-year.

Water

The Long Beach Water Department (LBWD) had additional Seawater Barrier operations costs in FY 14. Those costs were 100 percent offset by revenue. Seawater Barrier Operations, operated by LA County Department of Public Works, involve injecting fresh water into the ground to provide a barrier between sea water and the aquifer using

water supplied by LBWD pipes. LBWD buys this water from MWD (Metropolitan Water District) and is reimbursed by WRD (Water Replenishment District). The volume used in FY 14 was larger than budgeted. LBWD is essentially a pass-through agency between MWD and WRD. The Water Department will be separately requesting an appropriation increase of \$1,500,000, bringing their FY 14 spending under budget. The adjustment that is being requested is included in the financial data provided in Attachment A.

TECHNICAL FY 14 YEAR-END APPROPRIATION ADJUSTMENTS

On September 3, 2013, the City Council adopted the Appropriations Ordinance governing the City's Adopted Budget for FY 14. Periodically, changes in revenue or operating conditions require appropriation adjustments. For example, in certain cases, these adjustments enable departments to expend recently awarded grant revenue for which there is no existing appropriation. In addition, changes for multi-year grants/projects are necessary to bring appropriations in line with final grant/project award amounts. In accordance with the City's practice, these adjustments are presented periodically to the City Council for consideration.

Support to Wild Land Fires

- Increase appropriations in the General Fund (GF) in the Fire Department (FD) by \$193,626 offset by reimbursement revenue for overtime expenses related to staffing assistance for California wild land fires.

The Fire Department provided staffing assistance for California wild land fire events during August and September 2014. As the overtime expense for backfilling the employees who left fire stations to provide staffing at the wild land fires is unbudgeted, an appropriation increase is necessary. The appropriation increase will be offset by reimbursement revenue from the State of California.

Business Improvement Districts (BIDS)

- Increase appropriations in the Parking and Business Area Improvement Fund (SR 132) in the Public Works Department (PW) by \$40,703 offset by assessment revenue for payments to the City's Business Improvement Districts (BIDS).

The Public Works Department is requesting an appropriation increase of \$40,703 for pass-through payments to the City's Business Improvement Districts (BIDs). The City collects assessment revenue on behalf of each BID. Due to higher than anticipated revenues, pass-through payments exceeded FY 14 appropriation. The increase will be fully offset by additional assessment revenues.

Debt Payment for Health SAVRS Loan

- Increase appropriations in the Debt Service Fund (DS) in the Citywide Activities Department (XC) by \$1,275,674 offset by revenue for a pass-through debt payment for the Health SAVRS loan.

In FY 14, the Health Department paid off the remaining principle balance on a 1993 SAVRS loan used to prepare and remodel their existing main facility on Grand Avenue. Accounting standards requires governmental fund debt to funnel through the Debt Service fund. This appropriation reflects a pass-through payment from the Health Fund (SR 130) in the Health Department (HE) to the Debt Service Fund.

This matter was reviewed by Deputy City Attorney Amy. R. Webber on January 27, 2015.

TIMING CONSIDERATIONS

City Council action on this matter is required prior to the closing of the City's books for FY 14.

FISCAL IMPACT

To accurately reflect FY 14 year-end transactions, the following actions are requested:

- Increase appropriations in the General Fund (GF) in the Fire Department (FD) by \$193,626 offset by reimbursement revenue for overtime expenses related to staffing assistance for California wild land fires.
- Increase appropriations in the Parking and Business Area Improvement Fund (SR 132) in the Public Works Department (PW) by \$40,703 offset by assessment revenue for payments to the City's Business Improvement Districts (BIDS).
- Increase appropriations in the Debt Service Fund (DS) in the Citywide Department (XC) by \$1,275,674 offset by revenue for a pass-through debt payment for the Health SAVRS loan.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER

CITY OF LONG BEACH BUDGET AND EXPENDITURES BY FUND

Year-End FY 2014

FUND	FY 14 New Appropriation	Estimated All- Years Carryover ¹	FY 14 Adopted Budget	Amendments	Year-End Adjustments	FY 14 Adjusted Budget	FY 14 Year to Date Expenditures as of 9/30/14
Funds With All Years Carryover							
AIRPORT	\$ 42,404,709	\$ 31,340,672	\$ 73,745,380	\$ 22,168,404		\$ 95,913,784	\$ 51,031,221
BUSINESS ASSISTANCE	652,287	1,272,028	1,924,315	-		1,924,315	304,421
CAPITAL PROJECTS	33,425,698	106,425,380	139,851,078	25,922,896		165,773,975	38,284,048
CIVIC CENTER	11,314,628	938,143	12,252,771	1,346,039		13,598,810	12,422,614
COMMUNITY DEVELOPMENT GRANTS	20,914,908	18,207,841	39,122,750	987,931		40,110,680	23,008,101
DEVELOPMENT SERVICES	15,682,866	447,638	16,130,504	697,074		16,827,578	15,508,946
FLEET SERVICES	30,232,766	1,489,072	31,721,857	1,185,469		32,907,326	22,510,547
GAS	144,990,428	6,353,022	151,343,451	22,319,179		173,662,629	118,313,662
GAS TAX STREET IMPROVEMENT	18,549,773	31,181,247	49,731,020	1,469,325		51,200,345	14,538,154
GENERAL GRANTS	6,741,136	20,047,376	26,788,513	9,340,426		36,128,939	23,239,796
GENERAL SERVICES	40,714,213	4,350,132	45,064,345	12,775,315		57,839,660	41,275,235
HARBOR	1,024,652,006	-	1,024,652,006	164,327		1,024,652,006	729,164,453
HEALTH	37,646,108	29,288,235	66,934,343	164,327		67,098,669	35,547,274
HOUSING AUTHORITY	81,853,207	(455,475)	81,397,732	24,020		81,421,752	73,332,517
HOUSING DEVELOPMENT	1,656,186	46,496,689	48,152,875	21,898		48,174,773	4,264,776
INSURANCE	40,705,842	139,683	40,845,524	3,265,980		44,111,505	41,302,422
REFUSE/RECYCLING	44,775,686	458,961	45,234,647	454,297		45,688,944	42,667,193
SUCCESSOR AGENCY	66,337,804	173,815,640	240,153,444	19,357		240,172,802	75,664,727
TIDELANDS	134,237,973	97,312,769	231,550,741	53,451,752		285,002,494	134,198,625
TRANSPORTATION	20,935,887	18,351,504	39,287,391	2,183,039		41,470,430	21,094,040
SUBTOTAL	\$ 1,818,424,130	\$ 587,460,556	\$ 2,405,884,686	\$ 157,796,728	\$ -	\$ 2,563,681,414	\$ 1,517,672,771
Funds Without All Years Carryover							
BELMONT SHORE PKG METER	\$ 456,145		456,145	200,000		656,145	\$ 499,276
CUPA	1,563,122		1,563,122	27,690		1,590,812	1,293,365
² DEBT SERVICE FUND	9,474,085		9,474,085	500,000		11,249,759	10,753,367
EMPLOYEE BENEFITS	223,456,494		223,456,494	(5,229)		223,451,265	199,680,504
³ GENERAL	441,534,914		441,534,914	13,081,537		454,616,451	447,617,573
⁴ PARKING AND BUSINESS AREA IMPROVEMENT	6,687,060		6,687,060	443,969		7,131,029	7,171,732
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT	3,194,892		3,194,892	-		3,194,892	3,064,586
SERFF	52,492,647		52,492,647	23,667		52,516,314	51,451,283
SERFF - JPA	11,225,140		11,225,140	-		11,225,140	11,028,252
SPECIAL ADVERTISING & PROMOTION	18,326,410	1,650,839	19,977,249	-		19,977,249	18,513,723
TIDELAND OIL REVENUE	5,660,712		5,660,712	94,281		5,754,993	5,522,167
TIDELAND OIL REVENUE	421,846,188		421,846,188	188,144		422,034,333	355,520,075
TOWING	6,870,623		6,870,623	7,961		6,878,584	5,260,129
UPLANDS OIL	37,100,863		37,100,863	4,260,000		41,360,863	38,918,978
⁵ WATER	101,919,906		101,919,906	-		101,919,906	102,688,774
SUBTOTAL	\$ 1,341,809,200	\$ 1,650,839	\$ 1,343,460,039	\$ 18,822,021	\$ -	\$ 3,010,003	\$ 1,262,983,784
TOTAL - ALL FUNDS	\$ 3,160,233,330	\$ 589,111,395	\$ 3,749,344,725	\$ 176,618,748	\$ -	\$ 3,925,963,414	\$ 2,780,656,554

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 14 Adopted Budget. Financial Management is currently conducting a review to update these figures.
2. Year-end adjustment for additional appropriation for Health SAVRS loan pass through payment.
3. Year-end adjustment for Fire Department assistance to California wild land fires offset by revenue.
4. Assessment revenue is collected by the City on behalf of the business improvement districts (BID). Overage due to pass through payments to BIDs and is fully offset by additional assessment revenue.
5. Year-end adjustment for additional expenses for Seawater Barrier operations that are 100 percent revenue offset.

CITY OF LONG BEACH GENERAL FUND REVENUE SUMMARY

FISCAL YEAR 2014 YEAR-END

Notes	Top 40	Revenues	FY 13 Year End Actuals	FY 14 Adjusted Budget	FY 14 ETC	FY 14 Year End Actuals	Percent FY 14 Actuals Over/(Under) ETC
	1	REAL PROPERTY TAXES	\$ 91,143,499	\$ 76,600,000	\$ 78,305,333	\$ 79,254,795	1%
	2	SALES AND USE TAX & IN-LIEU	61,473,818	58,798,805	56,728,378	55,429,165	-2%
	3	PROPERTY TAX IN-LIEU OF VLF	39,294,860	41,884,391	41,810,092	41,810,092	0%
	4	ELECTRIC USERS TAX & PENALTIES	18,134,068	18,060,000	17,988,802	19,444,144	8%
	5	TRSFRR FR UPLAND OIL (SR134)	17,371,294	17,350,182	17,350,182	17,350,182	0%
	6	TRANSIENT OCCUPANCY TAX	13,284,681	13,900,000	13,900,000	15,046,114	8%
	7	PARKING CITATIONS	13,770,829	13,076,669	13,781,058	13,973,308	1%
1	8	PROPERTY TAX RESIDUAL ABX1 26	30,950,628	10,662,000	12,140,901	14,349,997	18%
	9	TELEPHONE USERS TAX & PENALTIES	12,625,414	12,600,000	12,093,441	11,662,985	-4%
	10	BUSINESS LICENSE TAXES	11,709,602	11,561,000	11,572,000	11,625,525	0%
	11	EMERGENCY AMBULANCE FEES	9,793,680	11,045,000	10,239,321	10,411,404	2%
	12	ELECTRIC COMPANY FRANCHISES	6,392,300	6,226,000	6,655,139	7,202,115	8%
	13	PIPELINE FEE-WATER	5,566,593	5,693,779	5,693,779	5,693,779	0%
	14	OTHER DEPT SVCS TO PROPRIETARY FUNDS	5,537,099	5,567,548	5,561,120	5,745,499	3%
	15	CHARGES FOR SPECIAL SERVICES	5,290,883	5,331,056	5,350,213	5,241,626	-2%
	16	AMERICAN GOLF LEASE	4,529,485	4,537,240	4,537,240	4,949,811	9%
	17	PIPELINE FEE-SEWER	4,283,808	4,380,846	4,380,846	4,380,846	0%
	18	WATER USERS TAX & PENALTIES	3,804,516	3,870,000	3,875,778	4,051,401	5%
	19	PIPELINE FRANCHISES	4,931,796	3,800,000	4,385,260	4,365,342	0%
	20	GAS USERS TAX & PENALTIES	3,549,522	3,800,000	3,388,493	3,625,463	7%
	21	LAND,BLDG,R/W,EASEMENT,APT RENTALS	3,835,318	3,440,736	3,587,653	3,809,284	6%
2	22	PROPERTY TAX STATUTORY PASS THROUGH	4,942,058	3,087,000	2,132,636	2,508,126	18%
	23	MISC REFUNDS & REIMB	3,394,218	2,721,249	3,401,887	3,611,821	6%
	24	PIPELINE SAFETY FEES	2,458,211	2,450,000	2,538,125	2,548,965	0%
3	25	VEHICLE CODE FINES	2,174,699	2,200,000	2,078,574	1,818,852	-12%
4	26	HARBOR-POLICE	2,147,912	1,275,674	2,164,604	2,492,527	15%
5	27	PRIOR YEAR SECURED REAL PROPERTY TAXES	2,370,501	1,900,000	2,370,501	3,288,299	39%
	28	OIL PRODUCTION TAX	1,905,563	1,800,000	1,935,031	1,971,199	2%
6	29	HAULER FEES	1,610,514	1,700,000	1,700,000	1,983,767	17%
	30	ASSET MANAGEMENT CHARGES	1,357,380	1,423,105	1,531,685	1,540,622	1%
7	31	POLICE CHARGES FOR SPECIAL EVENTS	1,422,101	1,400,000	1,400,000	1,209,639	-14%
8	32	CIP-ENGINEERING CHARGES	1,295,275	1,300,000	1,300,000	956,089	-26%
	33	MEDI-CAL GEMT SUPPLEMENTAL REIMB PRGRM	-	1,250,000	4,067,135	4,032,815	-1%
	34	REAL PROPERTY TRANSFER TAX	1,737,331	1,250,000	1,476,137	1,447,384	-2%
	35	FIRE INSPECTION FEES	1,027,055	1,144,000	1,126,000	1,047,150	-7%
	36	SELF-SUSTAINING CLASSES-REC	1,075,185	1,063,520	1,088,212	1,128,593	4%
	37	OTHER DEPT CHGS TO GOVT'L FUNDS	1,175,227	1,050,582	1,031,969	1,072,352	4%
	38	DOG LICENSES & PENALTIES	981,861	1,200,000	1,009,222	999,148	-1%
	39	METERED/OTHER PARKING	1,025,626	1,000,000	1,000,000	1,034,146	3%
	40	TRNSFRS FRM OTHER FUNDS	36,868,750	32,676,892	32,645,213	33,004,231	1%
		SUBTOTAL TOP 40 REVENUES	\$ 436,243,160	\$ 394,077,273	\$ 399,321,962	\$ 407,118,600	2%
		ALL OTHER REVENUES	\$ 24,247,420	\$ 17,755,805	\$ 18,875,199	\$ 22,482,391	19%
as offset by revenue.		TOTAL GENERAL FUND REVENUES	\$ 460,490,580	\$ 411,833,079	\$ 418,197,161	\$ 429,600,991	3%

Notes:

- ¹ Post-RDA property tax revenue ended the year above budget. This increase is attributed to variance in the City's Enforceable Obligations, which were less than expected, and in the amount of property tax revenue deposited into the Redevelopment Property Tax Trust Fund, which was greater than previously estimated by the County due to supplemental property tax revenues.
- ² Revenue remitted to the City from property tax statutory pass-through has varied significantly between FY 13 and FY 14 because the school districts prevailed in their lawsuit to have ERAF considered an affected taxing entity within redevelopment project areas.
- ³ Staffing reductions due to natural attrition and the focus of the organization on gang and violent crime contributed to declining citations written.
- ⁴ Estimates did not reflect higher reimbursement amounts for services agreed to between the Police and Harbor Departments.
- ⁵ Delinquent property tax payments are collected and apportioned countywide. Growth in this revenue source is reflective of ongoing countywide repayment activity.
- ⁶ Hauler Fees revenue for FY 14 was higher than ETCs because of an increase in reported tonnage. Also included are funds from the audit of private hauler fees that were collected in FY 14 for prior years.
- ⁷ Fewer and smaller special events/filings were staffed in FY 14 as compared to prior year. Staffing costs similarly decreased.
- ⁸ CIP Engineering charges are designed to recapture funds from capital funding sources, on a per project basis, for General Fund administrative services provided to Citywide Capital Improvement Programs. In FY 14, the number of projects available to recapture General Fund costs declined due to factors such as project eligibility and CIP charge exemptions.

CITY OF LONG BEACH GENERAL FUND DEPARTMENT EXPENDITURES

YEAR-END FY 2014

Department	FY 14 Adopted Budget	Amendments	Year-End Adjustments	FY 14 Adjusted Budget	FY 14 Actual Expenditures, FY 14 Year-End	Percentage of Adjusted FY 14 Budget Expended
City Auditor	\$ 2,233,306	\$ 226,754		\$ 2,460,060	\$ 2,325,099	95%
¹ City Attorney	1,863,360	19,805		1,883,165	1,540,151	82%
City Clerk	4,747,598	88,388		4,835,986	4,594,190	95%
City Manager	2,552,069	150,891		2,702,960	2,653,060	98%
City Prosecutor	4,635,983	185,798		4,821,781	4,572,940	95%
Citywide Activities	63,346,863	4,134,938		67,481,802	65,241,373	97%
² Civil Service	1,935,085	137,832		2,072,917	2,090,329	101%
Development Services	4,765,715	498,320		5,264,035	4,853,796	92%
Disaster Prep & Emergency	1,019,688	19,490		1,039,178	1,028,246	99%
³ Fire Department	71,631,307	117,304	193,626	71,942,237	71,929,775	100%
Financial Management	12,475,333	145,210		12,620,543	12,393,824	98%
Health and Human Services	1,099,387	41,600		1,140,987	1,093,299	96%
Human Resources	496,250	9,019		505,269	505,269	100%
Legislative	4,629,090	69,117		4,698,206	4,502,601	96%
Library Services	14,160,045	93,873		14,253,917	14,164,680	99%
Police Department	190,481,977	5,882,564		196,364,540	194,013,728	99%
Parks, Recreation, and Marine	29,615,663	556,010		30,171,674	30,038,772	100%
Public Works	29,846,194	704,625		30,550,820	30,076,440	98%
TOTAL	\$ 441,534,914	\$ 13,081,537	\$ 193,626	\$ 454,810,077	\$ 447,617,573	98%

¹ The City Attorney Department came in under budget primarily due to vacancies in the Principal Deputy City Attorney and Paralegal positions.

² The Civil Service Department is projected to spend over appropriation due to unbudgeted recruitment and testing expenditures related to the FY 14 Police and Fire academies. Across all funds, the Department is coming in under budget and, therefore, will not require an appropriation increase.

³ Year-end budget adjustment for Fire Department staffing assistance to California wild land fire events will be fully offset by reimbursement revenue from the State of California.