

CITY OF LONG BEACH **R-13**

DEPARTMENT OF FINANCIAL MANAGEMENT

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

August 23, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Fiscal Year 2011 Third Quarter Budget Performance Report.
(Citywide)

DISCUSSION

This report reflects the City's Fiscal Year 2011 (FY 11) budget performance through June 30, 2011. The report includes financial information for all funds and departments.

Summary

Overall, the General Fund expense is coming in slightly under budget, with the exception of a couple departments, as reported in the second quarter performance report. This trend is expected to continue through the remaining part of the fiscal year, but we do not anticipate any issues to end the year within budgeted appropriation. The General Fund revenue is currently estimating to come in \$942,657 under budget. While this is of some concern, we anticipate that the revenue shortfall will close during the last quarter and, by year-end any shortfall will be nominal. At this time, we will not be highlighting any other funds. We will provide updated information regarding specific funds, such as Prop H Fund and Towing Fund, in the year-end report

As of June 30, 2011, the City's Adjusted Budget for all funds was \$3.5 billion. With 75 percent of the fiscal year complete, expenditure performance in all funds is at 50 percent of budget, or \$1.7 billion. Year-to-date revenues for all departments and all funds were at \$2 billion, or 76.9 percent of the \$2.6 billion in budgeted revenue.

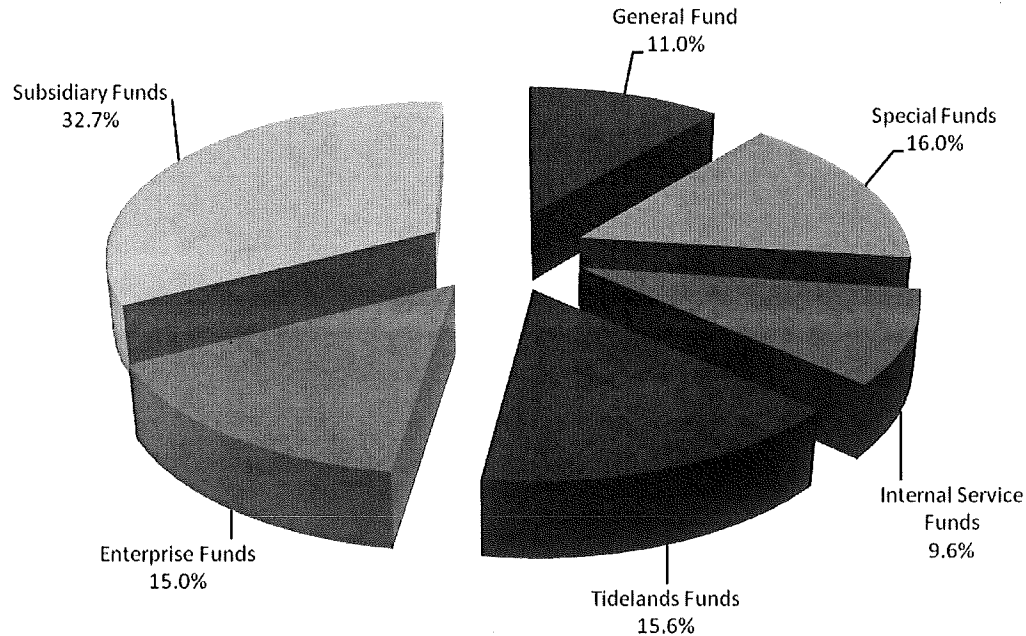
The total Adjusted General Fund Budget as of June 30, 2011 was \$389.1 million. With 75 percent of the fiscal year complete, expenditure performance in the General Fund spending reached 71.6 percent of budget, or \$278.6 million. Approximately \$314.1 million, or 81.3 percent, of anticipated General Fund revenue has been collected year-to-date.

FY 11 Expenditures – All Funds

The City's Adopted FY 11 Budget for all funds includes \$2.5 billion of annual funds, \$463.6 million of carryover (multi-year grants and capital project funds), prior year encumbrances

(goods and services ordered in FY 10 but received in FY 11) and City Council-approved budget amendments, which combined as of June 30, 2011, bring the total Adjusted City Budget to \$3.5 billion. Please see Attachment A for a breakdown of Citywide expenditures by fund.

Exhibit 1 – All City Funds by Fund Type



As illustrated in Exhibit 1 above, the City’s 37 funds are grouped into six fund types comprising the \$3.5 billion adjusted budget. The majority of these funds are restricted, such as the Harbor Fund, Gas Fund and Tideland 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 11 percent of the entire Adjusted City Budget.

FY 11 General Fund Revenue

Secured property tax is the single largest General Fund revenue for the City. Adjusting revenue to account for the State property tax take-away in 2010 results in a 3 percent increase in secured property tax revenue. This is the first quarter since the recession began that we have seen growth in secured property tax revenues. Declines in revenue from parking-related fees and citations demonstrate the changes over past years in consumer behavior to avoid parking fees and citations. Revenues related to parking-related fees have experienced year-over-year declines of approximately 10 percent.

While many revenues are stagnant or declining, a few, such as Transient Occupancy Tax and Sales and Use Tax, are experiencing growth. Transient Occupancy Tax revenue has come in higher at this point in the fiscal year than anticipated. During the first five months of the

HONORABLE MAYOR AND CITY COUNCIL

August 23, 2011

Page 3

calendar year, Long Beach average daily room and occupancy rates have increased by 5.6 and 8.4 percent, respectively, resulting in a 12 percent increase in the revenue per available room over the same time the previous year. Additionally, during the January-March 2011 quarter, statewide sales tax receipts experienced increases of 6.5 percent over the same quarter a year ago. During this period, City of Long Beach sales receipts increased by 12 percent due to increases in the building materials-retail (attributed to Edison Material & Supply, the City's largest sales tax generator), restaurant and service station categories.

The Department of Financial Management continues to monitor revenue performance on a weekly basis and modifies forecasts based on evolving economic performance data. Current and projected revenue performance is based upon a variety of factors, and includes both structural and one-time revenues. It is important to note the risks inherent in projecting revenue, as the City has limited, if any, authority to affect certain revenue streams. The table below highlights performance through June 30, 2011 for selected General Fund revenues.

| Revenue Source | FY 11 Adjusted Budget | FY 11 YTD Revenue | YTD Rev as % of Adjusted Budget | Notes |
|--|-----------------------|-------------------|---------------------------------|--|
| Secured Property Tax | \$67,612,269 | \$64,989,511 | 96.12% | Third quarter estimates based on year-to-date revenue project ending year over budget. The five of seven Secured Property Tax payments, comprising over 75 percent of the County's estimate of the City's revenue, was received in February. The payment is net of administrative costs charged by the County. |
| Sales and Use Tax, combined with In Lieu Sales Tax, (Triple Flip) | \$55,872,046 | \$44,839,860 | 80.25% | Third quarter estimates based on year-to-date revenue project ending the year over budget. Second quarter sales tax receipts, January-March 2011 sales activity, demonstrated a 12 percent increase over the same period in the previous year. In Lieu Sales Tax is the repayment of the ¼ cent of the previous year 1-cent sales tax collections. Payments are received biannually. |
| Motor Vehicle In-Lieu Tax (VLF), combined with Property Tax In Lieu of VLF | \$39,800,000 | \$38,976,062 | 97.93% | Third quarter estimates based on year-to-date revenue project ending the year at budget. Payments for VLF are received monthly, while the Property Tax In-Lieu of VLF is received in January and May. |
| Utility Users Tax (UUT) | \$39,300,000 | \$29,487,899 | 75.03% | Third quarter estimates based on year-to-date revenue project ending the year at budget. Electric UUT collections are trending over budget. Telephone UUT collections are expected to come in at, or slightly under budget. Natural gas UUT collections are trending over budget due to an increase in overall gas commodity prices. Water UUT collections are trending at budget. |
| Parking Citations | \$13,258,846 | \$9,320,119 | 70.29% | Third quarter estimates based on the number of citations issued and paid project ending the year under budget. Declines in revenue are attributed to residential parking improvement efforts and the public's unwillingness to incur citations in a down economy. |

HONORABLE MAYOR AND CITY COUNCIL

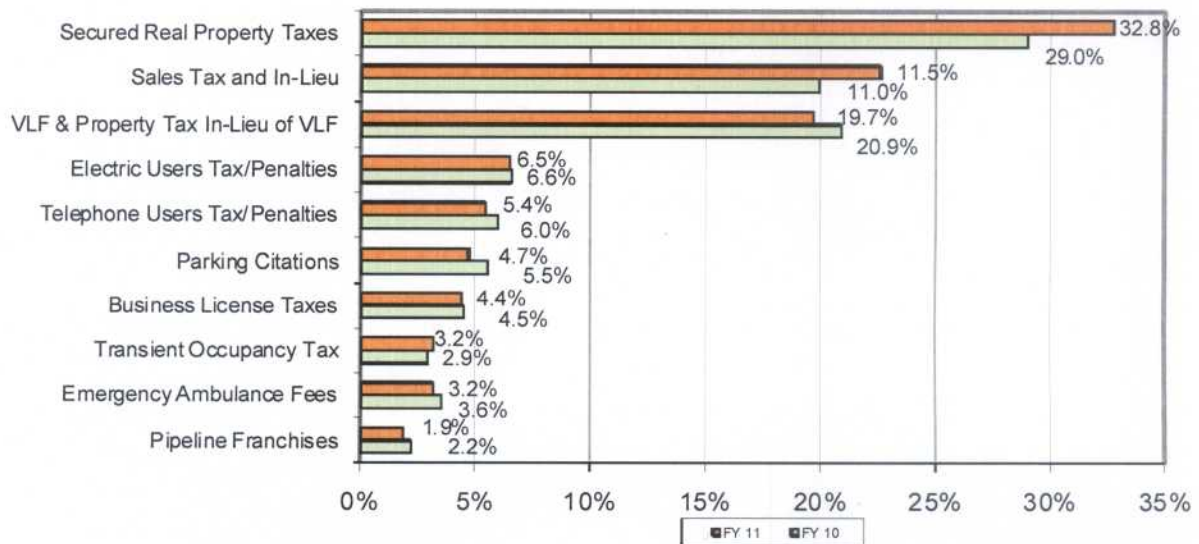
August 23, 2011

Page 4

| Revenue Source | FY 11 Adjusted Budget | FY 11 YTD Revenue | YTD Rev as % of Adjusted Budget | Notes |
|--------------------------|-----------------------|-------------------|---------------------------------|--|
| Uplands Oil Transfer | \$11,970,000 | \$8,977,500 | 75.00% | The current ongoing transfer amount is based upon \$55/bbl, increased from the Adopted budget of \$45/bbl. |
| Business License Tax | \$11,897,000 | \$8,680,044 | 72.96% | Third quarter estimates based on year-to-date revenue, business recovery efforts and the annual CPI adjustment project ending the year under budget. |
| Emergency Ambulance Fees | \$9,100,000 | \$6,260,441 | 68.80% | Third quarter estimates based on Emergency Ambulance Fee reimbursements project ending the year under budget. Revenue declines are attributed to factors such as reductions in Medicare/MediCal payments and the changing payee mix. |
| Transient Occupancy Tax | \$7,200,000 | \$6,253,254 | 86.85% | Third quarter estimates based on Transient Occupancy Tax receipts project ending the year above budget levels. There is a 12 percent increase in revenue over the same period in the previous year. |
| Pipeline Franchises | \$4,441,000 | \$3,673,462 | 82.72% | Third quarter estimates based on pipeline franchise payments project ending the year at budget. Current pipeline franchise revenue reflect a 13% decline over the previous year. This is attributed to both the cost of natural gas and the volume of gas transported. |

A summary of the top 40 General Fund revenues is included in Attachment B. Exhibit 2 below shows the City's top 10 General Fund revenue sources in FY 11 as a percentage of total year-to-date General Fund revenue.

Exhibit 2 – Top 10 FY 11 General Fund Revenue Sources as a Percentage of the \$314.1 million Total Year-to-Date



FY 11 General Fund Revenue by Department

As of June 30, 2011, General Fund departments had generated \$314.1 million, or 81.3 percent, of budgeted revenues. Attachment C provides a more detailed breakdown of General Fund revenue performance and variances by department. Many of the departmental variances are captured in the footnotes to this attachment.

General Fund revenue is currently projected to end the year at approximately \$942,657, or 0.24 percent, under budget. Declines in revenue such as those we are experiencing this year are driven by factors largely external to the City's control. At this time, five departments are estimating revenues to end the year between 2 and 8 percent under budgeted levels. Fire, Police and Public Works are projecting the largest revenue shortfalls. Part of the shortfall can be attributed to national economic factors within business and industry, such as the drastic declines in construction projects and the massive deficits affecting governmental entities with which the City has contracts for services. Additional underperforming revenues are within categories such as parking citations, meters and off-street parking, and recreation-related activities, declines in these revenues appear to be caused by changes in individual behaviors.

The Department of Financial Management will continue to monitor revenue performance on an on-going basis and work with departments to maximize revenue collection.

FY 11 General Fund Expenditures by Department

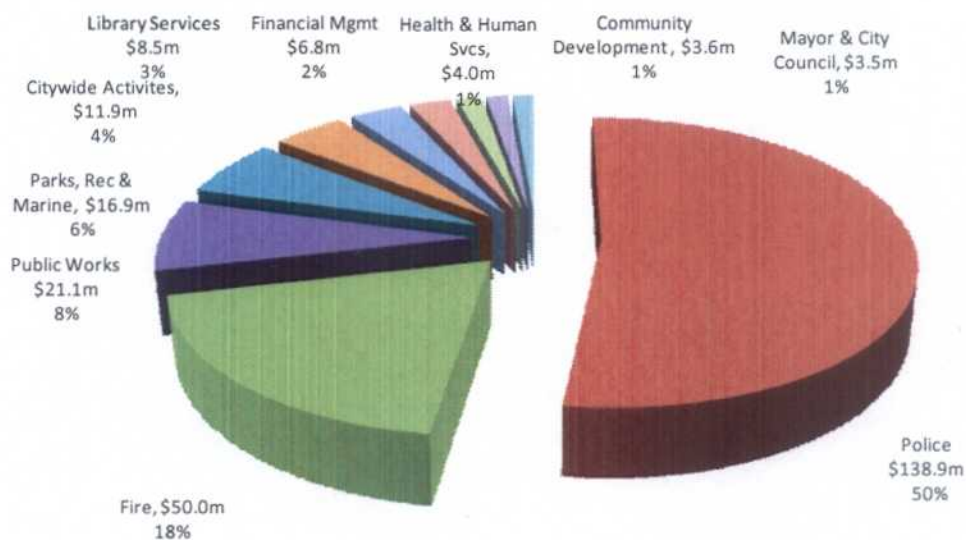
As of June 30 2011, General Fund departments are estimating to end the fiscal year at \$388.4 million, or 0.18 percent, under Adjusted Budget, showing an improvement from the previous report. The last performance report indicated that the City Manager had issued a directive to Departments to end the fiscal year at their mid-year estimates-to-close, and most Departments have held to this edict, demonstrating their ability to carefully manage their budgets. A couple notable performances in departments warrant a mention.

- While the Police Department is currently estimating to close the fiscal year slightly above its adjusted budget, the Department has submitted a plan describing reduction efforts underway in order to end the year within budget. For example, eligible gang and narcotics enforcement expense will be shifted to grant funding, non-career employee hours have been reduced, and general cutbacks have been implemented for materials and supplies. The Department has currently spent 76 percent, or \$6.4 million, of its overtime budget, and will closely monitor expenses for the rest of the fiscal year. However, significant unforeseen incidents such as SWAT callouts or officer involved shootings may consume additional overtime that cannot be mitigated before year-end.
- As part of Government Reform initiatives in the FY 11 Adopted budget, the management of Parking Operations was moved to the Department of Public Works and the move of the budget will be reflected in the fourth quarter budget adjustment report. This function has consistently been under budgeted for the past few years. At this time,

management believes that this budgetary issue for FY 11 will be resolved by the year-end.

Exhibit 3 shows the City's Top 10 General Fund year-to-date expenditures in FY 11 by department as a percentage of total General Fund expenditures. Together, Police and Fire account for 68 percent of General Fund expenditures. The Police, Fire, Public Works, Parks, Recreation and Marine, and Library Services departments account for 85 percent of General Fund expenditures.

Exhibit 3 – Ten Largest FY 11 General Fund Expenditures Year-to-Date by Department, as a Percentage of the \$278.6 million Total Expenditures.



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

Conclusion

The City has taken deliberate steps over the past three quarters to reign in expenditures as unanticipated events have led to potential overages. The Department of Financial Management will closely monitor the General Fund expense and major revenue streams for the remaining part of the year. The City is committed to being fiscally responsible and conservative as the State and federal actions can create unforeseen challenges in the current year.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

HONORABLE MAYOR AND CITY COUNCIL
August 23, 2011
Page 7

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,




JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:LP:rag,jjm
K:\Budget\FY 11\Quarterly Budget Reports\June 2011\FY 11 3rd Quarter Budget Performance Report.doc

ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

June 2011
Expenditure Analysis by Fund
Fiscal Year 2011
(75% of Year Completed)

Attachment A

| Fund | FY 11 New Allocation | Estimated All-Years Carryover ¹ | FY 11 Adopted Appropriation | Amendments ² | Adjusted Budget | Year-to-Date Actuals | Estimates-to-Close | Remaining | % Spent | |
|--|-------------------------|--|-----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------|-------------------------|--------------|
| Funds with All Years Carryover | | | | | | | | | | |
| Airport | \$37,242,806 | 48,477,073 | \$85,719,879 | \$59,315,518 | \$145,035,397 | \$55,867,044 | \$105,487,136 | 72.7% | \$89,168,353 | 38.5% |
| Business Assistance | 828,305 | 1,151,900 | 1,980,205 | - | 1,980,205 | 266,291 | 221,835 | 11.2% | \$1,713,915 | 13.4% |
| Capital Projects | 4,352,833 | 55,437,084 | 59,789,916 | 109,471,004 | 169,260,920 | 10,792,959 | 12,587,491 | 7.4% | \$158,467,961 | 6.4% |
| Civic Center | 2,534,293 | 709,395 | 3,243,688 | 855 | 3,244,543 | (18,565) | 1,906,275 | 58.8% | \$3,263,107 | -0.6% |
| Community Development Grants | 35,073,417 | 41,454,495 | 76,527,912 | 2,542,677 | 79,070,589 | 28,745,284 | 48,913,874 | 61.9% | \$50,325,305 | 36.4% |
| Fleet Services | 33,394,382 | (426,975) | 32,967,407 | 2,231,349 | 35,198,756 | 22,573,631 | 32,891,847 | 93.4% | \$12,625,126 | 64.1% |
| Gas | 138,311,078 | 15,789,965 | 154,101,043 | 25,033 | 154,126,076 | 97,845,778 | 129,609,320 | 84.1% | \$56,280,298 | 63.5% |
| Gasoline Tax Street Improvement | 10,110,732 | 28,805,895 | 38,916,627 | 2,274,864 | 41,191,491 | 11,546,408 | 19,312,268 | 46.9% | \$29,645,083 | 28.0% |
| General Grants | 6,095,256 | 16,671,034 | 22,766,290 | 5,174,398 | 27,940,688 | 13,589,062 | 16,712,218 | 59.8% | \$14,351,626 | 48.6% |
| General Services | 37,640,419 | 189,233 | 37,829,652 | 9,599 | 37,839,252 | 24,882,225 | 36,202,001 | 95.7% | \$12,957,026 | 65.8% |
| Harbor | 717,200,614 | - | 717,200,614 | - | 717,200,614 | 239,369,987 | 719,442,800 | 100.3% | \$477,830,626 | 33.4% |
| Health | 40,005,736 | 23,893,465 | 63,899,201 | 727,977 | 64,627,178 | 24,430,367 | 34,346,131 | 53.1% | \$40,196,812 | 37.8% |
| Housing Authority | 72,954,528 | 780,945 | 73,735,473 | - | 73,735,473 | 54,882,363 | 74,430,741 | 100.9% | \$18,853,110 | 74.4% |
| Housing Development | 27,126,131 | 63,685,857 | 90,811,988 | 7,824,536 | 98,636,524 | 17,250,172 | 43,005,876 | 43.6% | \$81,386,352 | 17.5% |
| Insurance | 40,173,816 | 295,482 | 40,469,298 | 17,325 | 40,486,623 | 25,079,040 | 35,257,648 | 87.1% | \$15,407,583 | 61.9% |
| Police & Fire Public Safety | 3,193,883 | - | 3,193,883 | - | 3,193,883 | 2,180,651 | 3,030,693 | 94.9% | \$1,013,232 | 68.3% |
| Oil Production Act | 196,494,636 | 111,551,321 | 308,045,958 | 50,953,635 | 358,999,593 | 172,727,501 | 127,748,400 | 35.6% | \$186,272,092 | 48.1% |
| Redevelopment | 42,710,263 | (177,852) | 42,532,411 | 276,807 | 42,809,219 | 28,124,967 | 41,772,972 | 97.6% | \$14,684,251 | 65.7% |
| Refuse/Recycling | 53,896,378 | - | 53,896,378 | - | 53,896,378 | 33,869,473 | 47,946,870 | 89.0% | \$20,026,905 | 62.8% |
| SERRF | 22,078,444 | - | 22,078,444 | - | 22,078,444 | 11,605,276 | 17,050,315 | 77.2% | \$10,473,168 | 52.6% |
| Sewer | 131,333,571 | 34,080,141 | 165,413,712 | 17,741,224 | 183,154,936 | 84,542,856 | 124,045,751 | 67.7% | \$98,612,079 | 46.2% |
| Tidelands | 13,684,500 | 21,265,568 | 34,950,068 | 11,973 | 34,962,041 | 9,970,975 | 15,629,736 | 44.7% | \$24,991,066 | 28.5% |
| Transportation | 91,239,788 | - | 91,239,788 | - | 91,239,788 | 56,817,296 | 82,165,418 | 90.1% | \$34,422,492 | 62.3% |
| SUBTOTAL | \$ 1,757,675,809 | \$ 463,634,026 | \$ 2,221,309,835 | \$258,598,774 | \$2,479,908,609 | \$ 1,026,941,043 | 1,769,717,614 | 71.4% | 1,452,967,566 | 41.4% |
| Funds Without All Years Carryover | | | | | | | | | | |
| General | \$ 380,406,912 | \$ - | \$ 380,406,912 | \$ 8,725,234 | \$ 389,132,145 | \$ 278,592,119 | 388,423,210 | 99.8% | \$ 110,540,026 | 71.6% |
| Belmont Shore Parking Meter | 668,275 | - | 668,275 | 19,100 | 687,375 | 188,641 | 687,375 | 100.0% | 498,734 | 27.4% |
| Certified Unified Program Agency (CUPA) | 1,246,629 | - | 1,246,629 | - | 1,246,629 | 774,979 | 1,205,247 | 96.7% | 471,650 | 62.2% |
| Employee Benefits | 220,938,024 | - | 220,938,024 | 158 | 220,938,182 | 147,404,819 | 200,063,514 | 90.6% | 73,533,363 | 66.7% |
| Development Services | 11,347,848 | - | 11,347,848 | 2,701 | 11,350,549 | 8,190,432 | 11,377,647 | 100.2% | 3,160,117 | 72.2% |
| Development Impact Fees | 308,968 | - | 308,968 | - | 308,968 | 697,080 | 3,093 | 1.0% | (388,113) | 225.6% |
| Parking & Business Area Improvement | 6,155,960 | - | 6,155,960 | - | 6,155,960 | 3,648,148 | 6,029,075 | 97.9% | 2,507,812 | 59.3% |
| SERRF JPA | 11,295,285 | - | 11,295,285 | - | 11,295,285 | 11,169,288 | 11,295,285 | 100.0% | 125,997 | 98.9% |
| Special Advertising & Promotion | 5,283,022 | - | 5,283,022 | - | 5,283,022 | 3,648,026 | 5,250,582 | 99.4% | 1,634,995 | 69.1% |
| Tideland Oil Revenue ³ | 70,337,716 | - | 70,337,716 | 297,891,549 | 368,229,265 | 250,492,653 | 369,170,273 | 100.3% | 117,736,612 | 68.0% |
| Towing | 8,874,169 | - | 8,874,169 | 192 | 8,874,361 | 5,673,803 | 8,098,773 | 91.3% | 3,200,558 | 63.9% |
| Upland Oil | 14,907,730 | - | 14,907,730 | 5,080,516 | 19,988,246 | 11,898,473 | 19,646,149 | 98.3% | 8,089,773 | 59.5% |
| SUBTOTAL | \$ 731,770,536 | \$ - | \$ 731,770,536 | \$ 311,719,450 | \$ 1,043,489,986 | \$ 722,378,461 | \$ 1,021,250,223 | 97.9% | \$ 321,111,525 | 69.2% |
| TOTAL - All Funds | \$ 2,489,446,345 | \$ 463,634,026 | \$ 2,953,080,371 | \$570,318,224 | \$3,523,398,595 | 1,749,319,504 | \$ 2,790,967,837 | 79.2% | \$ 1,774,079,091 | 49.6% |

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.
² Amendments reflect budget adjustments approved by the City Council during the fiscal year including All-Years Carryover Budget Adjustments.

June 2011
General Fund Revenue (Top 40)
Fiscal Year 2011
(75.0% of Year Completed)

Attachment B

| TOP 40 GENERAL FUND REVENUES | FY 10 Year End Actuals | FY 10 June YTD | FY 11 June YTD | FY 11 June YTD Over/(Under) FY 10 June YTD | % of FY 11 Adjusted Budget | FY 11 Adjusted Budget | FY 11 Estimate-to-Close |
|--|---------------------------|-------------------|-------------------|--|-------------------------------|--------------------------|----------------------------|
| SECURED REAL PROPERTY TAXES ¹ | \$ 58,688,898 | \$ 55,447,280 | \$ 64,989,511 | \$ 9,542,231 | 96.12% | \$ 67,612,269 | \$ 68,158,976 |
| CITY SALES AND USE TAX & IN-LIEU SALES AND USE TAX ² | 51,072,173 | 38,116,963 | 44,839,860 | 6,722,896 | 80.25% | 55,872,046 | 55,872,046 |
| VEHICLE LICENSE FEE & PROPERTY TAX IN-LIEU OF VLF ³ | 40,545,212 | 39,923,253 | 38,976,062 | (947,190) | 97.93% | 39,800,000 | 40,016,768 |
| ELECTRIC USERS TAX & PENALTIES | 16,917,453 | 12,552,627 | 12,883,271 | 330,644 | 75.78% | 17,000,000 | 17,304,364 |
| TELEPHONE USERS TAX & PENALTIES | 15,113,797 | 11,371,417 | 10,739,346 | (632,071) | 71.60% | 15,000,000 | 14,739,225 |
| WATER USERS TAX & PENALTIES | 3,709,178 | 2,655,054 | 2,644,918 | (10,136) | 71.48% | 3,700,000 | 3,700,000 |
| GAS USERS TAX & PENALTIES | 3,583,435 | 2,866,877 | 3,220,365 | 353,488 | 89.45% | 3,600,000 | 4,100,000 |
| PARKING CITATIONS | 13,326,150 | 10,563,545 | 9,320,119 | (1,243,426) | 70.29% | 13,258,846 | 12,437,831 |
| TRSFRR FR UPLAND OIL (SR134) | 13,593,144 | 10,077,425 | 8,977,500 | (1,099,925) | 75.00% | 11,970,000 | 11,970,000 |
| GAS-IN-LIEU | 11,923,176 | 8,737,030 | 8,942,381 | 205,351 | 75.00% | 11,923,175 | 11,923,175 |
| BUSINESS LICENSE TAXES | 11,230,819 | 8,548,887 | 8,680,044 | 131,157 | 72.96% | 11,897,000 | 11,556,366 |
| EMERGENCY AMBULANCE FEES | 8,928,002 | 6,786,466 | 6,260,441 | (526,025) | 68.80% | 9,100,000 | 8,920,000 |
| TRANSIENT OCCUPANCY TAX | 7,637,304 | 5,582,899 | 6,253,254 | 670,354 | 86.85% | 7,200,000 | 8,250,840 |
| ELECTRIC COMPANY FRANCHISES | 6,108,864 | 4,707,737 | 4,871,800 | 164,063 | 81.20% | 6,000,000 | 6,500,000 |
| PIPELINE FEE - WATER | 5,567,820 | 2,783,910 | 4,163,374 | 1,379,464 | 72.48% | 5,744,000 | 5,744,000 |
| CHARGES FOR SPECIAL SERVICES | 5,010,037 | 2,648,396 | 2,857,234 | 208,838 | 51.03% | 5,599,400 | 4,773,377 |
| OTHER DEPT SVCS TO PROPRIETARY FUNDS | 4,395,677 | 468,556 | 2,937,655 | 2,469,099 | 56.69% | 5,182,337 | 5,061,836 |
| AMERICAN GOLF LEASE | 4,549,502 | 2,886,290 | 2,761,754 | (124,536) | 60.87% | 4,537,240 | 4,486,240 |
| PIPE LINE FRANCHISES | 4,453,958 | 4,230,796 | 3,673,462 | (557,334) | 82.72% | 4,441,000 | 4,441,000 |
| PIPELINE FEE - SEWER | 4,293,250 | 2,146,625 | 3,207,102 | 1,060,477 | 72.51% | 4,423,000 | 4,423,000 |
| MISC REFUNDS & REIMB | 4,422,334 | 3,582,867 | 2,796,388 | (786,480) | 72.30% | 3,867,893 | 3,675,042 |
| LAND,BLDG,R/W,EASEMENT,APT RENTALS | 3,390,698 | 2,376,720 | 3,482,169 | 1,105,449 | 99.20% | 3,510,300 | 3,393,136 |
| PRIOR YEAR SECURED REAL PROPERTY TAXES | 3,371,144 | 3,043,036 | 2,986,098 | (56,938) | 88.58% | 3,371,144 | 3,200,000 |
| REDEV. REIMB.-NORTH LB | 2,580,584 | 1,746,062 | 2,496,062 | 750,000 | 75.00% | 3,328,082 | 2,520,010 |
| VEHICLE CODE FINES | 3,062,585 | 2,129,609 | 1,916,581 | (213,028) | 61.83% | 3,100,000 | 2,982,117 |
| PIPELINE SAFETY FEES | 2,419,880 | 2,459,373 | 2,355,579 | (103,794) | 90.49% | 2,603,000 | 2,355,600 |
| FIRE PLAN CHECK FEES | 2,296,435 | 1,753,143 | 1,349,960 | (403,183) | 56.58% | 2,386,000 | 1,819,000 |
| CITY/MISC/BOND REFI ADVANCES | 2,300,000 | 2,300,000 | 2,300,000 | - | 100.00% | 2,300,000 | 2,300,000 |
| CIP-ENGINEERING CHARGES | 3,462,706 | 1,327,062 | 1,397,476 | 70,414 | 73.55% | 1,900,000 | 2,189,976 |
| OIL PRODUCTION TAX | 1,964,770 | 1,463,510 | 1,417,467 | (46,043) | 76.83% | 1,844,920 | 1,895,202 |
| UNSECURED PERSONAL PROPERTY TAXES | 1,679,925 | 1,160,096 | 1,051,887 | (108,209) | 74.50% | 1,412,000 | 1,325,000 |
| POLICE CHARGES FOR SPECIAL EVENTS | 1,592,150 | 1,097,966 | 982,072 | (115,894) | 70.15% | 1,400,000 | 1,547,058 |
| FIRE INSPECTION FEES | 1,151,685 | 929,383 | 885,502 | (43,882) | 67.35% | 1,314,780 | 1,211,700 |
| HARBOR-POLICE | 581,242 | 351,895 | 943,003 | 591,107 | 72.65% | 1,297,931 | 1,530,919 |
| REFUSE HAULER FRANCHISE FEE | 1,195,973 | 608,816 | 977,556 | 368,740 | 80.13% | 1,220,000 | 1,427,000 |
| ASSET MANAGEMENT CHARGES | 1,269,324 | 944,166 | 976,103 | 31,937 | 81.47% | 1,198,075 | 1,199,075 |
| METERED/OTHER PARKING | 1,062,616 | 787,854 | 754,059 | (33,795) | 71.60% | 1,053,136 | 992,000 |
| OTHER DEPT CHGS TO GOVT'L FUNDS | 1,044,377 | 756,316 | 704,190 | (52,126) | 69.54% | 1,012,705 | 1,066,984 |
| DOG LICENSES & PENALTIES | 948,161 | 472,508 | 748,728 | 276,220 | 74.68% | 1,002,623 | 866,153 |
| TRANSFERS FROM OTHER FUNDS ¹¹ | 29,097,053 | 24,818,192 | 11,941,267 | (12,876,924) | 71.90% | 16,607,723 | 16,590,064 |
| | | | | | | | |
| SUBTOTAL TOP 40 GENERAL FUND REVENUES | 359,541,490 | 287,210,606 | 293,661,597 | 6,450,991 | 81.67% | 359,590,625 | 358,465,081 |
| | | | | | | | |
| SUBTOTAL ALL OTHER REVENUES | 29,489,487 | 18,845,059 | 20,400,084 | 1,555,025 | 76.56% | 26,646,419 | 26,829,306 |
| | | | | | | | |
| TOTAL | \$ 389,030,977 | \$ 306,055,665 | \$ 314,061,681 | \$ 8,006,016 | 81.31% | \$ 386,237,044 | \$ 385,294,387 |

June 2011
General Fund Revenue (Top 40)
Fiscal Year 2011
(75.0% of Year Completed)

Notes:

¹ The City received its fourth secured property tax distribution in May. Assessed valuations for the City of Long Beach has declined by 2.8 percent and delinquencies are at approximately 3 to 4 percent. The total year-to-date payment is net of administrative costs charged to the City.

² During the January-March 2011 quarter, sales tax receipts experienced increases of 6.5 percent statewide, over the same quarter a year ago. During this period City of Long Beach sales increased by 12 percent. These increases are largely attributed to the large volume of sales tax generated by Edison Materials and Supply, to whom a significant portion of the revenue will be rebated.

³ Monthly Vehicle License Fee payments are trending at budget, although auto sales have remained flat. Property Tax In-Lieu payments posted in January and May and will end the year slightly below budget.

⁴ Collections are anticipated to come in lower than budget due to the decline in household with land lines and to competition among cellular plans. Additionally, FY 10 included one-time payments resulting from the telephone tax audit.

⁵ Parking citation revenue is not expected to meet budgeted levels due to residential parking improvement efforts and the public's determination to avoid citations in a down economy.

⁶ The transfer from the Upland Oil Fund was increased during the second quarter to offset consistently underperforming revenue. The adjusted price per barrel is based on an estimate-to-close of \$55/bbl.

⁷ Emergency Ambulance Fees are trending well under budget. Factors such as reductions in Medicare/MediCal payments and the changing payor mix will negatively impact collections.

⁸ During the first five months of the calendar year, Long Beach average daily room and occupancy rates have increased by 5.6 and 8.4 percent, respectively, over the same time the previous year.

⁹ The third installment of quarterly Water and Sewer Pipeline Fee payments were posted in June, as opposed to July in FY 2010.

¹⁰ Reimbursement from for intra-agency agreements for services, including Airport and Civic Center Security, are being realized in a more timely fashion than in the prior fiscal year.

¹¹ Collections are anticipated to come in lower than budget due to decreases in both gas commodity prices and consumption.

¹² FY 11 revenues are lower than prior year-to-date actuals as a result of non-recurring revenues in FY 10 including a large payment from Boeing for citywide improvement and old reimbursements from spcaLA.

¹³ Ground lease revenue and percentage of sales at the Long Beach Towne Centre are trending above budget.

¹⁴ FY 11 budget includes a one-time \$1 million accelerated loan repayment from the RDA.

¹⁵ Current year-to-date performance is lower than in the previous year due to variations in the timing and size of development projects.

¹⁶ Reimbursement from the intra-agency agreement for services between the Police Department and the Port are being realized in a more timely fashion than in the prior fiscal year.

¹⁷ The operating transfer from the Towing Fund was reduced to assist the Towing Fund to build a fund balance that will support continued operations. Operating revenue transferred by SERRF to the General Fund is lower than in the prior year. Additionally, year-over-year revenues appear low as a result of \$10.8 million from the Subsidence Fund to back-fill the State take-away of property tax revenues in FY 2010.

June 2011
Revenue Analysis by Department
General Fund - Fiscal Year 2011
(75.0% of Year Completed)

Attachment C

| Department | FY 11 Adopted Budget | Amendments ¹ | Adjusted Budget | Year-to-Date Actuals | Remaining | Estimates-to-Close | |
|---|-----------------------|-------------------------|-----------------------|-----------------------|----------------------|-----------------------|--------------|
| Mayor and City Council | \$ - | \$ - | \$ - | \$ 35 | \$ (35) | \$ - | 0% |
| City Attorney | 250 | - | 250 | (3,060) | 3,310 | 500 | 200.0% |
| City Auditor | - | - | - | 771 | (771) | 771 | 0% |
| City Clerk | 146,816 | - | 146,816 | 128,671 | 18,145 | 208,918 | 142.3% |
| City Manager | - | - | - | 37 | (37) | 37 | 0% |
| City Prosecutor | - | - | - | 25,495 | (25,495) | 18,455 | 0% |
| Civil Service | - | - | - | 15 | (15) | 0 | 0% |
| Community Development ² | 5,099,009 | 6,213 | 5,105,222 | 4,869,798 | 235,424 | 4,995,919 | 97.9% |
| Citywide Activities | 284,459,606 | 7,700,414 | 292,160,020 | 248,078,666 | 44,081,354 | 293,981,447 | 100.6% |
| Development Services | 776,169 | (110,000) | 666,169 | 637,782 | 28,387 | 854,826 | 128.3% |
| Financial Management | 20,418,507 | (18,832) | 20,399,675 | 14,696,889 | 5,702,785 | 20,007,927 | 98.1% |
| Fire ³ | 14,356,150 | - | 14,356,150 | 9,360,431 | 4,995,719 | 13,143,366 | 91.6% |
| Health and Human Services | 2,279,841 | 50,000 | 2,329,841 | 1,325,582 | 1,004,259 | 2,325,811 | 99.8% |
| Library Services ⁴ | 548,741 | - | 548,741 | 470,223 | 78,518 | 569,216 | 103.7% |
| Parks, Recreation & Marine ⁵ | 9,573,267 | (562,760) | 9,010,507 | 5,783,664 | 3,226,843 | 8,802,591 | 97.7% |
| Police ⁶ | 19,074,410 | (412,221) | 18,662,189 | 11,718,185 | 6,944,003 | 18,131,952 | 97.2% |
| Public Works ⁷ | 23,828,927 | (977,462) | 22,851,465 | 16,968,530 | 5,882,934 | 22,252,651 | 97.4% |
| TOTAL | \$ 380,561,692 | \$ 5,675,352 | \$ 386,237,044 | \$ 314,061,716 | \$ 72,175,329 | \$ 385,294,387 | 99.8% |

Notes:

¹ Amendments reflect budget adjustments during the fiscal year.

² Ground lease revenue and percentage of sales at the Long Beach Towne Centre had been trended below budget. However, with the slight up tick in recent sales, performance, estimates-to-close will be increasing to reflect higher actuals.

³ Current year-to-date performance is lower than in the previous year due to variations in the timing and size of development projects, reimbursements from ambulance fees and budgeted revenue that will not materialize.

⁴ Miscellaneous charges for services and facility rental fees have come in slightly higher than budget.

⁵ American Golf revenue is lower than anticipated as a result of the unseasonably cold and wet weather this past winter and revenue are unlikely to materialize. Budgeted concession and permit revenue for Blair Field will not be realized.

⁶ Payments/reimbursements for MOU-related services are delayed or under-budget as a result of lower than anticipated service utilization.

⁷ Estimates-to-close reflect lower than budgeted parking citation, metered parking and pipeline safety revenue.

June 2011
Expenditure Analysis by Department
General Fund - Fiscal Year 2011
(75.0% of Year Completed)

Attachment D

| Department | FY 11 Adopted Budget | Amendments ¹ | Adjusted Budget | Year-to-Date Actuals | Remaining | % Spent | Estimates-to-Close | |
|-----------------------------------|-----------------------|-------------------------|-----------------------|----------------------|-----------------------|--------------|-----------------------|--------------|
| | | | | | | | | |
| Mayor and City Council | \$ 4,874,602 | \$ 19,256 | \$ 4,893,857 | \$ 3,496,683 | \$ 1,397,175 | 71.5% | \$ 4,893,857 | 100.0% |
| City Attorney ² | 1,264,451 | - | 1,264,451 | 1,196,685 | 67,766 | 94.6% | 1,425,587 | 112.7% |
| City Auditor | 2,200,432 | 21,910 | 2,222,342 | 1,511,962 | 710,381 | 68.0% | 2,158,844 | 97.1% |
| City Clerk | 3,269,240 | 81,838 | 3,351,078 | 2,348,084 | 1,002,994 | 70.1% | 3,231,871 | 96.4% |
| City Manager | 2,554,791 | 1,248 | 2,556,040 | 1,883,744 | 672,296 | 73.7% | 2,505,799 | 98.0% |
| City Prosecutor | 4,666,207 | - | 4,666,207 | 3,238,719 | 1,427,489 | 69.4% | 4,666,207 | 100.0% |
| Civil Service | 1,948,021 | 6,181 | 1,954,202 | 1,379,721 | 574,481 | 70.6% | 1,830,609 | 93.7% |
| Community Development | 4,897,129 | 22,467 | 4,919,597 | 3,565,339 | 1,354,258 | 72.5% | 4,434,286 | 90.1% |
| Citywide Activities ³ | 15,098,170 | 3,132,076 | 18,230,246 | 11,926,686 | 6,303,560 | 65.4% | 18,003,266 | 98.8% |
| Development Services ⁴ | 1,039,832 | 221 | 1,040,053 | 913,026 | 127,027 | 87.8% | 1,618,672 | 155.6% |
| Financial Management | 9,967,982 | 7,280 | 9,975,262 | 6,755,412 | 3,219,850 | 67.7% | 9,871,730 | 99.0% |
| Fire | 72,638,035 | 1,015,960 | 73,653,995 | 50,963,277 | 22,690,718 | 69.2% | 73,066,644 | 99.2% |
| Health & Human Services | 5,299,024 | 50,005 | 5,349,029 | 4,011,333 | 1,337,696 | 75.0% | 5,298,826 | 99.1% |
| Library Services | 12,259,268 | 3,015 | 12,262,283 | 8,530,774 | 3,731,508 | 69.6% | 12,262,170 | 100.0% |
| Parks, Recreation & Marine | 24,503,798 | 152,563 | 24,656,361 | 16,868,227 | 7,788,134 | 68.4% | 24,648,361 | 100.0% |
| Police ⁵ | 185,814,282 | 3,780,941 | 189,595,222 | 138,906,572 | 50,688,650 | 73.3% | 190,199,700 | 100.3% |
| Public Works | 28,111,647 | 430,273 | 28,541,921 | 21,095,876 | 7,446,044 | 73.9% | 28,306,780 | 99.2% |
| TOTAL | \$ 380,406,912 | \$ 8,725,234 | \$ 389,132,145 | 278,592,119 | \$ 110,540,026 | 71.6% | \$ 388,423,210 | 99.8% |

Notes:

¹ Amendments reflect budget adjustments approved by the City Council during the fiscal year, but are primarily due to prior-year encumbrances (purchase orders).

² The City Attorney will be ending the year within budget with expense transfers out.

³ Citywide Activities (XC) include debt service payments, as well as interdepartmental transfers, including transfers to the Capital Improvement Fund.

⁴ The Parking operations function will be transferred to Public Works before year end.

⁵ The overage in the Police Department is largely due to overstaffing during the first half of the fiscal year.