



CITY OF LONG BEACH **R-21**

DEPARTMENT OF FINANCIAL MANAGEMENT

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

September 23, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Approve the Fiscal Year 2008 fourth quarter departmental and fund budget appropriation adjustments in accordance with existing City Council policy (Citywide)

DISCUSSION

On September 11, 2007, the City Council adopted the Appropriations Ordinance governing the City's Adopted Budget for Fiscal Year 2008 (FY 08). 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 quarterly to the City Council for consideration. Please see Attachment A for a Fund Balance Analysis of impacted City funds and Attachment B for a recap of FY 08 General Fund Budget Adjustments.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on September 4, 2008.

TIMING CONSIDERATIONS

The following requests for adjustments to FY 08 departmental and fund appropriations are necessary to reflect changes in operating conditions. City Council action is requested on September 23, 2008 to enable the timely processing of payments before the end of the fiscal year on September 30, 2008.

FISCAL IMPACT

City Manager

On December 18, 2007 the City Council approved the City's Human Dignity Program to apply for a three-year grant from the Governor's Office of Emergency Services to develop a citywide Violence Prevention Plan. A Violence Prevention Coordinator position would be funded by the grant to promote education, prevention and awareness by collaborating with the Police Department, Health and Human Services Department, academic institutions and community partners, with an emphasis on youth and gang violence. This approved funding by the Gang Reduction, Intervention and Prevention (GRIP) Program of \$400,000 is

unbudgeted so an appropriation increase of \$400,000 is requested to allow the grant funds to be expended over the life of the grant.

- Increase appropriations in the General Grants Fund (SR 120) in the City Manager's Department (CM) by \$400,000.

Community Development

The US Dept of Housing and Urban Development (HUD) announced the renewal funding allocation for the Housing Choice Vouchers (HCV) Program in a notice dated March 14, 2008. The notice confirmed an increase in funding eligibility for calendar year 2008. The requested increase in appropriation will be offset by the additional Housing Assistance Revenue Payments (HAP). There is no impact to the General Fund.

- Increase appropriations in the Housing Authority Fund (SR 151) in the Department of Community Development (CD) by \$5,136,737.

Effective January 2008, contract labor costs for Central Parking Systems increased as a result of a Consumer Price Index (CPI) increase included in the contract terms. Appropriation increases are needed for the following parking operations: CityPlace (\$184,260), Civic Center (\$14,181) and Aquarium (\$549,660) to cover this rate increase. These increases will be offset by daily and monthly parking revenues.

- Increase appropriations in the General Fund (GP) in the Department of Community Development (CD) by \$184,260.
- Increase appropriations in the Civic Center Fund (IS 380) in the Department of Community Development (CD) by \$14,181.
- Increase appropriations in the Rainbow Harbor Area Fund (TF 411) in the Department of Community Development (CD) by \$549,660.

On October 24, 2006, the City Council approved the lease of 3,179 sq ft. of office space at 540 Pine Avenue to house a veterans' organization for a term of five years. The cost of maintaining the facility includes the rent (with 4 percent annual rate increases), utilities, services, taxes, parking and other common area maintenance charges. Due to timing, the increase for FY 08 was not included in the annual budget process and must be appropriated now. There is no impact to the General Fund.

- Increase appropriations in the Civic Center Fund (IS 380) in the Department of Community Development (CD) by \$72,000.

On September 2, 2008, the City Council approved a Supplemental Agreement to Management Agreement No. 21667 with SMG for the completion of certain capital improvement projects at the Long Beach Convention & Entertainment Center. Appropriation in the amount of \$550,000 is needed for the portion of the work to be completed by September 30, 2008. Funding for the remainder of the project will be budgeted in the FY 09 budget.

- Increase appropriations in the Tidelands Fund (TF) in the Department of Community Development (CD) by \$550,000.

The City Attorney's Office has incurred expenses for outside legal counsel directly related to the Queen Mary bankruptcy proceedings. The Queen Mary Reserve Fund is to be used to help offset legal and other costs associated with the settlement agreement from the bankruptcy settlement. The Department of Community Development, which manages the Queen Mary lease, requires an increase of \$836,388 to accommodate the outside legal costs transferred from the Insurance Fund.

- Increase appropriations in the Tidelands Fund (TF) in the Department of Community Development (CD) by \$836,388.

Fire

In November 1999, the City of Long Beach entered into a Joint Powers Agreement with the City of Avalon and the City of Signal Hill, known as the Los Angeles County Disaster Management Area F (Area F), for the purpose of coordinating disaster management preparedness with the County of Los Angeles. In May 2008, the City received \$40,118 in Emergency Management Program Grant (EMPG) funds for grant year 2006 from the Los Angeles County Office of Emergency Management. These funds will be utilized for the purpose of disaster management efforts in Area F including planning, training and equipment as approved by the Area F Governing Board. As this grant amount of \$40,118 is unbudgeted, an appropriation increase is necessary. There is no impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Fire Department (FD) by \$40,118.

The Long Beach Fire Department provided staffing assistance for numerous California wildland fire events from April through July 2008 throughout the State of California. Additionally, the Department's Swift Water Rescue Team was deployed to Louisiana to provide aid to residents impacted by hurricanes that were anticipated to hit the Gulf Coast. As the overtime expense for backfilling the employees who left fire stations and marine safety positions to provide staffing for these events is unbudgeted, an appropriation increase is necessary. The appropriation increase will be offset by reimbursement revenue from the State Office of Emergency Services. There is no net impact to the General Fund.

- Increase appropriations in the General Fund (GP) in the Fire Department (FD) by \$2,095,648.

On May 6, 2008 the City Council adopted the Memorandum of Understanding (MOU) with the Long Beach Firefighters Association (FFA). An appropriation increase in the FY 08 Fire Department budget is necessary to support the compensation increases provided in the MOU. The FY 08 General Fund costs from the MOU are estimated to be \$2.7 million, while costs to the Tidelands Fund and Airport Fund are estimated to be \$70,488 and \$37,000,

respectively. As previously discussed, savings in other departments throughout the City will fully offset these costs as reflected below, for a neutral General Fund fiscal impact.

- Decrease appropriations for actual savings in the General Fund (GP) as follows:

| | |
|---|-------------|
| Community Development Department (CD) | \$400,000 |
| City Manager's Office (CM) | \$150,000 |
| Department of Financial Management (FM) | \$222,588 |
| Police Department (PD) | \$1,500,000 |
| Department of Public Works (PW) | \$450,000 |

- Increase appropriations in the General Fund (GP) in the Fire Department (FD) by \$2,722,588.
- Increase appropriations in the Tidelands Fund (TF) in the Fire Department (FD) by \$70,488.

Gas and Oil

On August 5, 2008 the City Council approved an increase to the Long Beach Gas and Oil Department appropriations for its oil operations based on an estimated annual average oil price of \$96.94 per barrel. However, June and July actual oil prices averaged nearly \$123 per barrel, increasing the annual average oil price for FY 08 to \$99.03 per barrel. Based on the increased price, an additional appropriation of \$1,997,665 is needed to support a higher transfer to the Tidelands Fund and \$12,064,202 in higher payments to the State.

| TORF | (in millions) |
|-------------------------------|----------------|
| Increase Payment to the State | \$12.06 |
| Increase Transfer to TOF | \$1.99 |
| Net Decrease in Unit Expense | (\$0.05) |
| Decrease in Personal Services | (\$0.27) |
| Total | \$13.73 |

- Increase appropriations in the Tidelands Oil Fund (NX 420) in the Department of Gas & Oil (OP) by \$13,738,256.

Legislative Department

To help ensure the FY 08 General Fund ends the year in balance, the Mayor's Office reduced its staffing by one Secretary position. A decrease in appropriation is requested to align the Mayor's personnel budget to actuals.

- Decrease appropriations in the General Fund (GP) in the Legislative Department (LD) by \$81,975.

The Sixth Councilmanic District has worked diligently throughout the year to achieve savings in its Legislative Department budget. With 11 months of the fiscal year complete, estimated savings are \$20,000 for Fiscal Year 2008. In an effort to create future ongoing

savings for City parades, a budget adjustment is being requested to reduce appropriations in the Sixth District's budget by \$20,000. The available General Fund money will be reserved and earmarked for the future purchase of a mobile stage for use at multiple City parades and events.

- Decrease appropriations in the General Fund (GP) in the Legislative Department (LD) by \$20,000.

Library Services

The Friends of the Long Beach Public Library, a nonprofit organization, has provided a donation to the Library Services Department totaling \$35,000 for the purchase of books and material resources. A budget adjustment is required to allow the Department to expend these funds. There will be no impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Department of Library Services (LS) by \$35,000.

Long Beach Development Services

As part of the Long Beach 2030 General Plan update, a Historic Preservation Element must be included. This Element is needed to ensure the City's historic assets are preserved using a holistic approach to integrate all facets of land use, transportation, economic development and environmental factors. In order to meet another goal of the General Plan, the Department would like to conduct a historic survey to document and photograph historic buildings, develop themes of local history and architecture and evaluate properties to determine their relative historic value. To cover reproduction, postage and office supply costs for both of these projects, the Department requests funding of \$16,000 utilizing Historic Preservation Endowment Funds. There is no net impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Development Services Department (PB) by \$16,000.

Parks, Recreation and Marine

The recently completed Grace Park was completed by Public Works for less than the amount budgeted, with the unspent balance comprising Prop 40 Per Capita State grant funding and Park Impact Fees. Park Impact Fees must be used for new park acquisition and development, including planning and development of community centers. It is requested that the Park Impact Fees remaining in the completed project be shifted from Public Works to the Department of Parks, Recreation and Marine for the design of a new community center in Scherer Park.

- Decrease appropriations in the Capital Projects Fund (CP) in the Department of Public Works by \$78,972.

- Increase appropriations in the Capital Projects Fund (CP) in the Department of Parks, Recreation and Marine (PR) by \$78,972.

On May 6, 2008, the City Council authorized the City Manager to execute a contract with Daktronics, Inc, for the purchase of a Prostar Video Display Unit and baseball scoreboard and related equipment in the total amount not to exceed \$447,765 plus a 10 percent contingency. An appropriation increase of \$350,000 was requested at that time, as \$100,000 was already appropriated. Of this amount, \$53,677 designated for park projects is currently appropriated in the Capital Projects Fund in the Department of Public Works, and is now requested to be shifted to the Department of Parks, Recreation and Marine.

- Decrease appropriation in the Capital Projects Fund (CP) in the Department of Public Works (PW) by \$53,677.
- Increase appropriation in the Capital Projects Fund (CP) in the Department of Parks, Recreation and Marine (PR) by \$53,677.

As in previous years, the Department of Parks, Recreation and Marine's Special Events and Filming Bureau has exceeded its initial appropriation due to the unpredictable number of filming and special events provided each year. The number of events directly influences the expenditures required, fully offset by additional revenue.

- Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the Department of Parks, Recreation and Marine (PR) by \$162,955.

The Department of Parks, Recreation and Marine has a Matching Funds program that allows community groups to raise funds for certain park improvements. The Livingston Tot Lot Committee has raised \$36,500 as a donation for a portion of the playground renovation at Livingston Park. The City of Long Beach is funding \$40,000 of the playground equipment installation. A budget adjustment is needed to allow the Department to expend this donation.

- Increase appropriations in the Capital Projects Fund (CP) in the Department of Parks, Recreation and Marine (PR) by \$36,500.

Now that the 1995 Marina Revenue Bond has been fully paid-off, interest earnings and unspent reserve funding from the 1995 Marina Revenue Bond are available and may be used for other eligible marina projects. A budget increase of \$1,364,222 is requested to appropriate this funding for eligible expenses for the Shoreline Downtown Marina Rehabilitation project.

- Increase appropriations in the Marina Fund (TF 403) in the Department of Parks, Recreation and Marine (PR) by \$1,364,222.

Police

On May 18, 2006, the Downtown Long Beach Associates (DLBA) notified the Police Department that DLBA would reimburse the unbudgeted staffing cost for monitoring the

Pine Avenue video cameras in a one-time amount up to \$75,000. In FY 07, the DLBA paid \$40,500 for Pine Avenue camera monitoring, with the remaining balance of \$34,500 paid in FY 08. Since the cost was not budgeted, an appropriation increase of \$34,500 to the General Fund is needed, which is fully offset by the DLBA payment.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$34,500.

On July 22, 2008, the City Council authorized the City Manager to execute all necessary documents to receive and expend grant funding from the California Office of Traffic Safety for the 2009 DUI Enforcement and Awareness (DUI 09) Program in the amount of \$235,295. The Police Department has since been notified of an increase of \$74,369 in funding, for a total grant award of \$309,664. An appropriation increase is necessary to utilize the additional funds. There is no impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Police Department (PD) by \$74,369.

The Chief of Police authorized the use of the State Asset Forfeiture Funds - Youth Intervention/Prevention to fund a Police Department Cadet Program and support for several local youth intervention programs. The Cadet Program was created to provide hands-on experience and training for up to eight college students to prepare them for a law enforcement career with the Police Department, with FY 08 costs of \$123,550. The local youth programs supported were Drags Against Drugs at \$1,500; Long Beach Branch NAACP at \$1,500; Long Beach Bar Foundation's Operation Short Stop at \$5,000; and Operation Jump Start at \$2,000 for a total of \$10,000. These General Fund costs will be offset by a drawdown of the State Asset Forfeiture Fund - Youth Intervention/Prevention.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$133,550.

The Chief of Police authorized the use of \$405,632 of Asset Forfeiture Funds for ammunition purchase, investigative telephone expenses, forensic video enhancements, relocation costs for the Patrol Field Support Division, an inventory system and undercover operations. These General Fund expenditures will be fully offset by a drawdown of the Asset Forfeiture Fund.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$405,632.

Public Works

An appropriation increase from Proposition A transportation funding is required to support the existing level of service in the Transit Mall operations and maintenance. The MTA authorization for this project function is \$875,000, however, only \$636,324 was budgeted for FY 08. This request increases the appropriation to the revenue received for this MTA funded project.

- Increase appropriations in Transportation Fund (SR 182) in the Department of Public Works (PW) by \$238,676.

An appropriation increase of \$2,200,000 is necessary to fund the Queen Mary Fire Systems Repairs project. The modernization of the fire alarm system aboard the Queen Mary is necessary for the ship to be in compliance with all fire codes. The Queen Mary Reserve Fund in the Department of Community Development will fully support the transfer of project funding to the Public Works Department where additional appropriation is requested to expend the transferred funds for project costs.

- Increase appropriations in Tidelands Fund (TF) in the Department of Public Works (PW) by \$2,200,000.
- Increase appropriations in Tidelands Fund (TF) in the Department of Community Development (CD) by \$2,200,000.

An appropriation increase is needed to recognize unbudgeted interest earnings of \$92,188 from State Proposition 42 funding received from Traffic Congestion Improvement Act funds (AB 2928). The additional interest earnings will offset approved expenditures for various residential street improvements.

- Increase appropriations in the Gas Tax Street Improvement Fund (SR 181) in the Department of Public Works (PW) by \$92,188.

On May 20, 2008, City Council approved the adoption of plans and specifications for R-6749 for the installation of approximately 45 Light Emitting Diode (LED) streetlight fixtures along California State University Long Beach's (CSULB) frontage on Bellflower Boulevard and Palo Verde Avenue. These fixtures will consume approximately one-tenth the energy of the standard high-pressure sodium streetlight fixture. The cost of this pilot project will be shared between the City, CSULB and Los Angeles County. An appropriation increase is needed to accept the contributions from CSULB and LA County.

- Increase appropriations in the Capital Projects Fund (CP) in the Department of Public Works (PW) by \$268,000.

Citywide

In 2003, the Long Beach Bond Finance Authority issued a bond to fund the rehabilitation of the Skylinks Golf course. The completed Skylinks project was paid for with funding from the Skylinks Project Capital Bond and General Capital Funds. As reimbursement for Skylinks expenses paid by General Capital Funds, remaining bond reserve accounts have been drawn down and deposited in the General Fund. An appropriation increase of \$537,084 is needed to transfer the reimbursement proceeds from the General Fund to the Capital Project Fund for current Parks, Recreation and Marine and future Public Works CIP projects.

- Increase appropriations in the General Fund (GP) in the Citywide Activities Department (XC) by \$537,084.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

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APPROVED:



PATRICK H. WEST
CITY MANAGER

Effect of 4th Quarter Budget Adjustments on Fund Balance

| | <u>Budgeted Expenditure</u> | <u>Budgeted Revenue</u> | <u>Budgeted Fund Balance</u> |
|---|---------------------------------|-----------------------------|----------------------------------|
| <u>General Fund (GP)</u> | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 220,060 |
| <i>Does not include the \$36.1 million Emergency Fund Balance Reserve</i> | | | |
| Unreserving/(Reserving) of Restricted Fund Balance | | | (1,941,830) |
| FY 08 Adopted Budget | 391,949,944 | 392,627,821 | 677,877 |
| City Council Approved Adjustments to Date | (3,032,228) | 5,156,378 | 8,188,607 |
| Proposed 4th Quarter Adjustments: | | | |
| CityPlace Parking Operations | 184,260 | 184,260 | - |
| Wildland Fires and Hurricane Support - OES reimbursement | 2,095,648 | 2,095,648 | - |
| Additional Labor Costs from FFA MOU | 2,722,588 | | (2,722,588) |
| Citywide Departmental Year-End Savings | (2,722,588) | | 2,722,588 |
| Decrease Secretary position in the Mayor's Office | (81,975) | | 81,975 |
| Sixth District Operating Savings | (20,000) | | 20,000 |
| DLBA funding for Police Pine Avenue Camera Monitoring | 34,500 | 34,500 | - |
| Asset Forfeiture Funds - Cadet and Youth Programs | 133,550 | 133,550 | - |
| Asset Forfeiture Funds - ammunition, forensic video services, telephone, relocation costs, taxes | 405,632 | 405,632 | - |
| Skylinks Golf Course Bond funds | 537,084 | | (537,084) |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 392,206,415 | \$ 400,637,789 | \$ 6,709,605 |
| <u>Capital Projects (CP)</u> | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 33,332,431 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | (768,755) |
| FY 08 Adopted Budget | 10,762,824 | 9,778,000 | (984,824) |
| Estimated All-years Carryover Budget | 43,454,091 | 24,741,622 | (18,712,469) |
| All-Years Carryover Budget Adjustments | 33,750,652 | 4,249,628 | (29,501,024) |
| City Council Approved Adjustments to Date | 3,917,895 | 3,917,895 | - |
| Proposed 4th Quarter Adjustments: | | | |
| Transfer remaining budget in Grace Park project to PRM | (78,972) | | 78,972 |
| Budget Park Impact Fees in PRM for Scherer Park project | 78,972 | | (78,972) |
| Transfer park funding from Public Works to PRM | (53,677) | | 53,677 |
| Daktronics Scoreboard in PRM | 53,677 | | (53,677) |
| Livingston Tot Lot playground renovation donation | 36,500 | 36,500 | - |
| Contribution from CSULB and LA County for Street Light Project | 268,000 | 268,000 | - |
| | | | (537,084) |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 91,885,462 | \$ 42,687,145 | \$ (16,634,641) |

Effect of 4th Quarter Budget Adjustments on Fund Balance

| | <u>Budgeted Expenditure</u> | <u>Budgeted Revenue</u> | <u>Budgeted Fund Balance</u> |
|--|---------------------------------|-----------------------------|----------------------------------|
| Civic Center Fund (IS 380) | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 27,241,135 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | 6,936,567 |
| FY 08 Adopted Budget | 481,550 | 1,230,321 | 748,771 |
| Estimated All-years Carryover Budget | 12,908,624 | (12,163) | (12,920,787) |
| All-Years Carryover Budget Adjustments | (2,393,952) | (231,197) | 2,162,755 |
| City Council Approved Adjustments to Date | (41,058) | 563,297 | 604,355 |
| Proposed 4th Quarter Adjustments: | | | |
| Civic Center Parking Operations | 14,181 | 14,181 | - |
| 540 Pine Avenue lease | 72,000 | - | (72,000) |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 10,969,345 | \$ 1,564,439 | \$ 24,772,796 |
| Gasoline Tax Street Improvement (SR 181) | | | |
| Beginning Fund Balance | | | \$ 7,688,518 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | 132,449 |
| FY 08 Adopted Budget | 4,001,115 | 10,703,870 | 6,702,755 |
| Prior Year Adjustment to Actuals | | | - |
| Estimated All-years Carryover Budget | 24,015,103 | 24,015,103 | - |
| All-Years Carryover Budget Adjustments | (4,851,848) | (12,219,111) | (7,367,263) |
| City Council Approved Adjustments to Date (521/522 and 511) | 6,455,604 | 146,596 | (6,309,008) |
| Proposed 4th Quarter Adjustments: | | | |
| Interest earnings for AB 2928 funds | 92,188 | 92,188 | - |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 29,712,162 | \$ 22,738,646 | \$ 847,451 |
| General Grants (SR 120) | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ - |
| Unreserving/(Reserving) of Restricted Fund Balance | | | (94,506) |
| FY 08 Adopted Budget | 7,608,589 | 7,614,381 | 5,792 |
| Estimated All-years Carryover Budget | 14,813,996 | 14,813,996 | - |
| All-Years Carryover Budget Adjustments | (7,131,131) | 8,035,908 | 15,167,039 |
| City Council Approved Adjustments to Date | 16,595,855 | 16,595,598 | (257) |
| Proposed 4th Quarter Adjustments: | | | |
| Gang Reduction, Intervention and Prevention Program Grant | 400,000 | 400,000 | - |
| Area F - Emergency Management Program Grant funding | 40,118 | 40,118 | - |
| Library Donations | 35,000 | 35,000 | - |
| Historic Preservation Survey and General Plan Element | 16,000 | 16,000 | - |
| Additional Funding for DUI Enforcement and Awareness Program | 74,369 | 74,369 | - |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 32,452,795 | \$ 47,625,369 | \$ 15,172,574 |

Effect of 4th Quarter Budget Adjustments on Fund Balance

| | <u>Budgeted Expenditure</u> | <u>Budgeted Revenue</u> | <u>Budgeted Fund Balance</u> |
|---|---------------------------------|-----------------------------|----------------------------------|
| <u>Housing Authority Fund (SR 151)</u> | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 2,304,127 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | - |
| FY 08 Adopted Budget | 62,072,219 | 60,910,758 | (1,161,461) |
| Estimated All-years Carryover Budget | 887,843 | 1,055,119 | 167,276 |
| All-Years Carryover Budget Adjustments | 15,459 | 1,060,564 | 1,045,105 |
| City Council Approved Adjustments to Date | - | - | - |
| Proposed 4th Quarter Adjustments: | | | |
| HousingChoice Vouchers Program Funding | 5,136,737 | 5,136,737 | - |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 68,112,258 | \$ 68,163,178 | \$ 2,355,047 |
| <u>Special Advertising and Promotion (SR 133)</u> | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 2,526,934 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | - |
| FY 08 Adopted Budget | 6,325,452 | 6,361,650 | 36,198 |
| Estimated All-years Carryover Budget | - | - | - |
| City Council Approved Adjustments to Date (521/522 and 511) | 54,566 | - | (54,566) |
| Proposed 4th Quarter Adjustments: | | | |
| Special Events and Filming Operations | 162,955 | 162,955 | - |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 6,542,973 | \$ 6,524,605 | \$ 2,508,566 |
| <u>Tideland Oil Revenue (NX 420)</u> | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 46,491,812 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | - |
| FY 08 Adopted Budget | 127,242,413 | 127,331,785 | 89,372 |
| City Council Approved Adjustments to Date | 286,454,093 | 286,470,987 | 16,894 |
| Proposed 4th Quarter Adjustments: | | | |
| Increased Payment to the State | 13,738,256 | 13,738,256 | - |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 427,434,763 | \$ 427,541,028 | \$ 46,598,077 |
| <u>Transportation Fund (SR 182)</u> | | | |
| Beginning Fund Balance (Per Adopted Budget) | | | \$ 25,534,483 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | 80,000 |
| FY 08 Adopted Budget | 15,051,874 | 14,522,930 | (528,944) |
| Estimated All-years Carryover Budget | 19,688,601 | (2,409,771) | (22,098,372) |
| All-Years Carryover Budget Adjustments | (1,135,393) | (4,025,355) | (2,889,962) |
| City Council Approved Adjustments to Date | 7,980,253 | 7,947,949 | (32,304) |
| Proposed 4th Quarter Adjustments: | | | |
| Mall Operations budget - Prop A expenses | 238,676 | - | (238,676) |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 41,824,011 | \$ 16,035,753 | \$ (173,775) |

Effect of 4th Quarter Budget Adjustments on Fund Balance

| | <u>Budgeted Expenditure</u> | <u>Budgeted Revenue</u> | <u>Budgeted Fund Balance</u> |
|--|---------------------------------|-----------------------------|----------------------------------|
| <u>Tidelands Fund (TF)</u> | | | |
| Beginning Fund Balance | | | \$ 2,434,618 |
| Unreserving/(Reserving) of Restricted Fund Balance | | | 13,693,219 |
| FY 08 Adopted Budget | 116,646,939 | 115,240,228 | (1,406,710) |
| Prior Year Adjustment to Actuals | - | - | - |
| Estimated All-Years Carryover Budget | 15,448,595 | 11,954,563 | (3,494,032) |
| All-Years Carryover Budget Adjustments | 6,442,008 | 10,108,064 | 3,666,056 |
| City Council Approved Adjustments to Date | 3,147,795 | - | (3,147,795) |
| Proposed 4th Quarter Adjustments: | | | |
| Aquarium Parking Structure Operations | 549,660 | 549,660 | - |
| SMG Agreement for CIPs at the Convention Center | 550,000 | - | (550,000) |
| Queen Mary Bankruptcy cost transfer | 836,388 | - | (836,388) |
| Additional Labor Costs from FFA MOU | 70,488 | - | (70,488) |
| 1995 Marina Bond Reserve and Interest earnings | 1,364,222 | - | (1,364,222) |
| Community Development transfer Queen Mary reserve funds to CIP | 2,200,000 | - | (2,200,000) |
| Public Works CIP funding for Queen Mary Fire System Repair | 2,200,000 | 2,200,000 | - |
| Adjusted Budget Including 4th Quarter Adjustments | \$ 149,456,094 | \$ 137,302,855 | \$ 11,745,356 |

**General Fund
FY 08 Budget Adjustment Recap**

| | Budgeted Expenditure | Budgeted Revenue * | Net Impact |
|---|---------------------------------|-------------------------------|-----------------------|
| FY 2008 Adopted Budget | \$ 391,949,944 | \$ 392,627,821 | \$ 677,877 |
| <u>Previous City Council Actions</u> | | | |
| Carryover of Prior Year Encumbrances (Beginning Fund Balance is Net of this Amount) | 1,247,646 | - | (1,247,646) |
| Revenue Adjustments | - | - | - |
| Subtotal - Ad Hoc Council Action | 1,247,646 | - | (1,247,646) |
| <u>1st Quarter Approved Budget Adjustments</u> | | | |
| Subtotal - 1st Quarter | - | - | - |
| <u>2nd Quarter Approved Budget Adjustments</u> | | | |
| Realignment of MOU related Costs in Community Development | (750,907) | (718,244) | |
| Reimbursement for services from the State office of Emergency Services | 905,000 | 905,000 | |
| Asset Forfeiture drawdown for eligible Police Expenditures | 87,803 | - | |
| Payment to Edison Material Supply (EMS) | 946,077 | - | |
| Cashiering System Upgrade | 658,000 | 658,000 | |
| ECOC Funding Transfer | (6,125,847) | (6,088,937) | |
| Subtotal - 2nd Quarter | (4,279,874) | (5,244,181) | (964,307) |
| <u>3rd Quarter Approved Budget Adjustments</u> | | | |
| Jail Staff Training grant | 26,770 | 26,770 | |
| DNA Offender Tracking System Costs | 10,740 | 10,740 | |
| Subtotal - 3rd Quarter | 37,510 | 37,510 | - |
| <u>4th Quarter Approved Budget Adjustments (Pending)</u> | | | |
| CityPlace Parking Operations | 184,260 | 184,260 | |
| Wildland Fires and Hurricane Support - OES Reimbursement | 2,095,648 | 2,095,648 | |
| Additional Labor Costs from FFA MOU | 2,722,588 | - | |
| Citywide Departmental Year-End Savings | (2,722,588) | - | |
| Decrease Secretary position in the Mayor's Office | (81,975) | - | |
| Sixth District Operating Savings | (20,000) | - | |
| DLBA funding for Police Pine Avenue Camera Monitoring | 34,500 | 34,500 | |
| Asset Forfeiture Funds - Cadet and Youth Programs | 133,550 | 133,550 | |
| Asset Forfeiture Funds - ammunition, forensic video services, telephone, relocation costs, undercover work | 405,632 | 405,362 | |
| Skylinks Golf Course Bond funds | 537,084 | - | |
| Subtotal - 4th Quarter | 3,288,699 | 2,853,320 | (435,379) |
| Total FY 08 Budget Adjustments to Date | \$ 293,981 | \$ (2,353,351) | \$ (2,647,332) |

* Does not reflect revenue performance above budgeted levels, which is traditionally not adjusted throughout the year.