



CITY OF LONG BEACH **R-12**

DEPARTMENT OF FINANCIAL MANAGEMENT

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

February 21, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Fiscal Year 2012 First Quarter Budget Performance Report, including a report on Redevelopment Agency (RDA) services proposed to be continued, and direct the City Manager to provide those RDA services and related costs to help ensure City and community needs are met. (Citywide)

DISCUSSION

This report includes information on the City's Fiscal Year 2012 (FY 12) budget performance through December 31, 2011 for all funds, with particular emphasis on the General Fund and the Redevelopment Fund. In addition, the report describes actions that the City Manager will take now to help ensure a balanced budget at year-end, as well as authority requested of City Council to continue to provide certain RDA services and related costs.

Summary

As of the end of the first quarter, expenditures in all City funds are expected to end the year within budget. General Fund revenue, however, is currently projected to end the year at about \$392.6 million or 2.7 percent under budget, creating a potential budget deficit of \$11 million. To address this problem early, all departments (City Manager and non-City Manager) will be asked to come in under budget and the FY11 \$5 million in savings will be reserved to offset the potential shortfall. This report outlines the steps to be taken immediately, and if further action is necessary, staff will make additional recommendations at mid-year.

FY 12 Expenditures – All Funds

There are no significant spending concerns to report at this time. Please see Attachment A for a complete summary of expenditures by fund. Staff will update the City Council in the 2nd Quarter Budget Performance Report if any new problems arise. All discussion of General Fund and Redevelopment Fund changes are included in separate sections below.

FY 12 General Fund Expenditures

As of December 31, 2011, all departments have estimated to end the year within their appropriations. See Attachment D for a summary of expenditures by department and Attachment footnotes for an explanation of any relevant changes.

FY 12 General Fund Revenue

General Fund revenues in the first quarter of FY 12 are declining or growing slower than expected since the budget was adopted. While revenues from property and sales tax are experiencing some rebound, other City operations, including some that generate revenue to the General Fund through inter-fund transfers, are not coming in as expected. First Quarter estimates are projecting an \$11 million shortfall in the General Fund. Citywide revenues represent \$7.8 million of that shortfall. Inter-fund transfers from SERRF, and Towing Fund account for \$2.1 million and \$1 million, respectively. Additional citywide revenue declines include \$1.6 million in the gas pipeline franchise and \$2.4 million in Utility Users Tax. Departmental revenues, such as those in Financial Management, Police and Public Works, are also experiencing combined declines of \$2.5 million.

A summary of the top 40 General Fund revenues is included in Attachment B. 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.

Closing FY 12 General Fund Budget Gap

The current estimates based on three months of data show General Fund expenses coming in slightly under budget. Financial Management does not anticipate any issues with ending the year within budgeted appropriation. As previously mentioned, however, the General Fund revenue and fund transfers are currently estimated to come in \$11 million under budget. In order to end the fiscal year in balance, a 1% savings target will be initiated citywide immediately for all General Fund Departments to generate savings of approximately \$3.7 million by year-end. No reductions will occur to sworn personnel in Police and Fire. It is anticipated that both Police and Fire can accommodate the 1% adjustment without impacting services. In addition, the FY 11 revenue surplus of \$5 million will be applied as needed to further offset the FY 12 shortfall. If both the 1% savings target and \$5 million revenue surplus are utilized, the shortfall is reduced to \$2.3 million (or 0.6% of the Adjusted Budget).

These steps to reduce the projected deficit to \$2.3 million make the situation more manageable without adversely impacting City services and operations. Past history indicates it is very possible that unexpected revenues or additional department savings may cover the remaining shortfall. In the unlikely case that revenues drop even further than estimated, additional actions may be recommended. In the event that revenues and/or expenses end the year better than anticipated, the \$5 million FY 11 surplus can be held in reserve for potential RDA costs. In addition, the City Manager is tightening his hiring freeze and further restricting discretionary spending.

Other Fund Highlights

In addition to the Redevelopment Fund, which is discussed below, the Towing and SERRF Funds are not expected to meet their budgeted transfers. SERRF will not be able to make a FY 12 net facility transfer to the General Fund as a result of ending FY 11 with insufficient fund balance to exceed the minimum amount required by the JPA agreement. While Towing and Lien Sales has reduced expenditures in FY 12, its budgeted transfer to the General Fund does not reflect the continued declines in towing volume and associated revenues. In addition, a single audit finding related to Technology Services' grant charges could increase costs for General Fund departments, if not in FY 12, then likely in FY 13.

Redevelopment Fund

The Redevelopment Agency of the City of Long Beach (RDA) dissolved on February 1, 2012 as a result of a Supreme Court decision that invalidated AB1X 27 and confirmed AB1X 26. Many of the RDA programmatic costs were discontinued and layoff actions taken. On February 14, 2012, the City Council considered whether to continue certain RDA public services, debt service costs, and costs on the enforceable obligation list. In addition to these costs, there are also administrative costs associated with supporting the Successor Agency and protecting the City's interests, termination costs, and general overhead costs that continue even with the termination of the RDA. Most of these costs are independent of the decision to become the Successor Agency. It is recommended that Council also authorize these costs to be continued through FY 12. These costs may be offset by revenue authorized by ABX1 26. However, there is no assurance of revenue offset because of the uncertainties as to how the Oversight Board or the California Department of Finance will view these transactions. Therefore, there is uncertainty as to what will be the City's ultimate net costs for continuing expenses associated with the former RDA. Although it is hoped that there will be no or low net costs to the City, it is strongly recommended that the City not expend general-purpose reserves or one-time funds, including one-time oil revenue, until there is clearer resolution of potential liabilities of the City for these costs and as to how the City's projected difficult multi-year structural budget issue will be resolved.

A summary of estimated remaining FY 12 RDA related costs for successor agency, overhead and property management, excluding third party contracts, is shown below. Not listed below, and less predictable in their amount and timing are revenues that the City will receive as result of the abolishment of the RDA, including property tax revenues, Successor Agency administrative funding and payments for Enforceable Obligations.

Successor Agency and/or Protecting the City's interests

- | | |
|--|-------------|
| • Successor Agency/Housing Successor staff | \$1,100,000 |
| • City Attorney and Accounting support | \$ 490,000 |
| • Audit costs (paid in full) | \$ 85,000 |
| • RDA funded staff thru March 2 (payouts additional) | \$ 525,000 |

Continuing Overhead	
• Cost allocations	\$ 470,000
• Civic Center rent	\$ 145,000
• Other overhead charges	\$ 200,000
Property Management	
• Former RDA property maintenance	\$ 240,000
• Property insurance	<u>\$ 50,000</u>
Total	\$3,305,000

TIMING CONSIDERATIONS

City Council action on this matter is requested on February 21, 2012 in order to immediately take the necessary actions to address the projected FY12 budget shortfall to ensure a balanced budget at year-end.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

December 2011 (25% of FY Completed)
Expenditure Analysis by Fund - Fiscal Year 2012

Fund	FY 12 New Allocation	Estimated All-Years Carryover ¹	FY 12 Adopted Appropriation	Amendments ²	Adjusted Budget	Year-to-Date Actuals	Estimates-to-Close	Remaining	% Spent
Funds with All Years Carryover									
Airport	\$40,009,253	\$64,837,870	\$104,847,123	\$696,418	\$105,543,541	\$12,154,597	\$71,485,757	\$93,388,944	11.5%
Business Assistance	723,288	1,340,574	2,063,862	(112,899)	1,950,963	186,063	657,370	1,764,900	9.5%
Capital Projects	4,880,009	159,084,775	163,964,784	(74,737,433)	89,227,351	660,649	8,224,458	88,566,702	0.7%
Civic Center	1,309,512	724,955	2,034,467	77,557	2,112,024	[608,982]	1,271,246	2,721,007	-28.8%
Community Development									
Grants	28,160,185	29,985,248	58,145,433	(1,118,929)	57,026,504	6,249,633	40,379,681	50,776,871	11.0%
Fleet Services	31,301,278	(577,111)	30,724,167	2,864,151	33,588,317	4,075,003	32,849,095	29,513,314	12.1%
Gas	123,543,074	12,564,139	136,107,213	4,928,041	141,035,255	41,828,262	123,772,241	99,206,993	29.7%
Gasoline Tax Street Improvement	16,653,929	21,805,942	38,459,871	2,276,207	40,736,078	2,474,692	16,653,929	38,261,385	6.1%
General Grants	6,368,921	11,051,337	17,420,258	9,910,740	27,330,998	2,339,287	7,395,686	24,991,710	8.6%
General Services	38,857,906	189,233	39,047,139	14,185,334	53,232,473	7,144,654	41,853,814	46,087,819	13.4%
Harbor	829,937,985	1,207,141,199	2,037,079,184	-	2,037,079,184	68,914,008	829,937,985	1,968,165,176	3.4%
Health	39,156,197	27,986,543	67,142,740	(2,334,887)	64,807,853	5,630,199	31,162,995	59,177,655	8.7%
Housing Authority	73,268,134	658,353	73,926,487	(27,014)	73,899,473	19,158,694	78,776,927	54,740,779	25.9%
Housing Development	28,177,360	55,104,629	83,281,989	10,876,722	94,158,711	3,544,003	28,152,372	90,614,708	3.8%
Insurance	38,864,900	295,483	39,160,383	(113,928)	39,046,455	6,654,286	37,064,555	32,392,169	17.0%
Redevelopment	170,977,877	188,160,508	359,138,385	(8,275,572)	350,862,813	19,017,493	170,708,592	331,845,320	5.4%
Refuse/Recycling	43,690,702	122,138	43,812,840	30,462	43,843,301	6,996,712	42,515,965	36,846,589	16.0%
Tidelands	131,779,936	60,733,543	192,513,479	9,312,766	201,826,245	23,874,602	132,174,880	177,951,643	11.8%
Transportation	15,879,532	18,448,967	34,328,499	(388,378)	33,940,121	2,069,492	14,995,369	31,870,629	6.1%
SUBTOTAL	\$ 1,663,539,978	\$ 1,859,658,325	\$ 3,523,198,303	\$ (31,950,642)	\$ 3,491,247,660	\$ 232,363,347	\$ 1,710,032,918	\$ 3,258,884,314	6.7%
Funds Without All Years Carryover									
Belmont Shore Parking Meter	461,872	-	461,872	-	461,872	52,701	461,872	409,171	11.4%
Certified Unified Program Agency (CUPA)	1,241,978	-	1,241,978	27	1,242,006	248,840	1,237,864	993,165	20.0%
Debt Service Fund	10,813,439	-	10,813,439	-	10,813,439	4,072,065	9,267,470	6,741,374	37.7%
Development Services	11,899,047	-	11,899,047	375,885	12,274,931	2,103,128	11,737,106	10,171,804	17.1%
Employee Benefits	234,238,194	-	234,238,194	21	234,238,214	46,741,577	234,244,854	187,496,637	20.0%
General	392,004,602	-	392,004,602	8,737,086	400,741,687	74,548,990	396,980,657	326,192,698	18.6%
Parking & Business Area Improvement	6,231,869	-	6,231,869	-	6,231,869	251,428	6,231,869	5,980,441	4.0%
Police & Fire Public Safety	3,135,304	-	3,135,304	-	3,135,304	681,567	3,075,697	2,453,737	21.7%
Oil Production Act	47,995,289	-	47,995,289	101,663	48,096,952	13,433,387	48,096,952	34,663,566	27.9%
SERRF	11,369,810	-	11,369,810	-	11,369,810	9,497,090	11,369,810	1,872,720	83.5%
SERRF JPA	21,298,167	-	21,298,167	-	21,298,167	3,603,103	21,298,167	17,695,064	16.9%
Sewer									
Special Advertising & Promotion	5,348,243	-	5,348,243	755	5,348,998	1,019,796	5,327,849	4,329,202	19.1%
Tideland Oil Revenue	242,069,969	-	242,069,969	43,927	242,113,896	46,891,232	242,163,896	195,222,664	19.4%
Towing ³	8,295,917	-	8,295,917	226	8,296,143	918,914	7,670,956	7,377,229	11.1%
Upland Oil	19,650,857	-	19,650,857	-	19,650,857	2,747,884	19,650,857	16,902,972	14.0%
Water	100,136,513	-	100,136,513	-	100,136,513	18,590,622	100,136,513	81,545,890	18.6%
SUBTOTAL	\$ 1,116,191,069	\$ -	\$ 1,116,191,069	\$ 9,259,589	\$ 1,125,450,658	\$ 225,402,323	\$ 1,118,952,389	\$ 900,048,335	20.0%
TOTAL - All Funds	\$ 2,779,731,046	\$ 1,859,658,325	\$ 4,639,389,371	\$ (22,691,053)	\$ 4,616,698,318	\$ 457,765,670	\$ 2,828,985,307	\$ 4,158,932,649	9.9%

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.
³ Personnel costs are expected to be lower than budget due to vacancies.

December 2011
General Fund Revenue (Top 40)
Fiscal Year 2012
(25% of Year Completed)

Attachment B

TOP 40 GENERAL FUND REVENUES	FY 11 Year End Actuals	FY 11 December YTD	FY 12 December YTD	FY 12 December YTD Over/(Under) FY 11 December YTD	FY 12 Adjusted Budget	Estimates-to-Close		Notes:
SECURED REAL PROPERTY TAXES	\$ 68,587,857	\$ 26,974,318	\$ 27,430,832	\$ 456,514	\$ 67,879,673	\$ 68,733,496	101%	
CITY SALES AND USE TAX & IN-LIEU SALES AND USE TAX	58,071,721	11,244,939	10,894,543	(350,396)	56,856,014	56,886,491	100%	
VEHICLE LICENSE FEE & PROPERTY TAX IN-LIEU OF VLF	40,211,114	208,686	-	(208,686)	38,150,000	38,827,417	102%	
ELECTRIC USERS TAX & PENALTIES	17,152,152	4,641,838	4,430,077	(211,760)	17,490,000	16,700,000	95%	1st Qtr FY 12 EUJUT revenue is the lowest 1st qtr revenue since 2005. Currently 4.6% below FY 11 ytd actuals. A rate increase was anticipated for FY 12 but a decision by the PUC has been delayed.
TELEPHONE USERS TAX & PENALTIES	13,855,558	3,714,331	3,394,166	(320,165)	15,000,000	13,900,000	93%	1st Qtr FY 12 TUJUT revenue is 6.6% below prior ytd actuals. This is a two-year downward trend in TUJUT revenue. The industry trend is towards fewer land lines and continual declines in prices for cellular services impacting UJUT revenue.
WATER USERS TAX & PENALTIES	3,733,372	901,327	878,893	(21,434)	3,800,000	3,500,000	92%	1st Qtr FY 12 WJUT revenue is trending lower than previous years. There was no rate increase in FY 12 to buffer declines in usage and conservation efforts.
GAS USERS TAX & PENALTIES	4,090,171	886,426	1,012,911	126,485	3,870,000	3,700,000	96%	
PARKING CITATIONS	12,744,119	3,029,744	2,800,632	(129,112)	13,258,846	12,366,965	93%	The downward trend in parking citations continues. Long Beach's experience is reflective of a statewide trend.
TRANSFER FROM UPLAND OIL	11,650,850	1,717,500	-	(1,717,500)	12,900,000	12,900,000	100%	
GAS-IN-LIEU	10,123,175	2,980,794	-	(2,980,794)	11,923,175	11,923,175	100%	
BUSINESS LICENSE TAXES	11,367,173	2,740,442	2,389,260	(351,182)	11,697,000	11,411,505	98%	
ONE TIME TRANSFER FROM UPLAND OIL	-	-	-	-	11,615,000	11,615,000	100%	Represents the General Fund share of the one-time Upland Oil transfer appropriated by the City Council in the February 7, 2012 Budget Adjustment. A portion of these funds will be immediately moved into reserves as directed by the City Council.
EMERGENCY AMBULANCE FEES	10,228,722	1,394,702	2,261,828	867,126	9,100,000	9,900,000	109%	Increases in ambulance billing are the result of formerly contracted out collections being brought in-house during the summer of 2011.
TRANSIENT OCCUPANCY TAX	8,846,638	1,943,145	2,329,927	386,782	8,360,000	8,989,970	108%	Increases in average revenue per room and industry responses to the changes in customer booking behaviors continues to positively impact TOT revenue.
ELECTRIC COMPANY FRANCHISES	6,140,049	1,849,339	1,797,593	(51,746)	6,200,000	6,210,679	100%	
PIPELINE FEE-WATER	5,551,165	-	1,387,221	1,387,221	5,744,000	5,548,593	97%	
OTHER DEPT SVCS TO PROPRIETARY FUNDS	5,011,539	135,379	414,037	278,658	5,696,331	5,087,356	89%	Estimated interfund revenues are expected to end the year below budget.
CHARGES FOR SPECIAL SERVICES	4,988,147	237,219	97,330	(19,888)	5,399,983	4,844,484	86%	Estimated revenue from the actual billing for contracts for services with outside agencies are anticipated to be smaller than budgeted.
PIPELINE FRANCHISES	4,475,618	1,402,665	1,062,046	(340,619)	4,618,744	3,000,000	65%	Current year-to-date pipeline franchise revenue at a 5 year low. The forecast for natural gas prices is that 2012 will be low (reaching 10 year lows) due to low demand, high production, high storage levels.
AMERICAN GOLF LEASE	4,459,881	1,064,414	1,079,173	14,759	4,537,240	4,541,686	100%	
PIPELINE FEE-SEWER	4,276,136	-	1,068,262	1,068,262	4,423,000	4,272,812	97%	

**December 2011
General Fund Revenue (Top 40)
Fiscal Year 2012
(25% of Year Completed)**

TOP 40 GENERAL FUND REVENUES	FY 11 Year End Actuals	FY 11 December YTD	FY 12 December YTD	FY 12 December YTD Over/(Under) FY 11 December YTD	FY 12 Adjusted Budget	Estimates-to-Close	Notes:
MISC REFUNDS & REIMB	3,753,423	914,261	891,590	(22,671)	4,267,524	4,153,852	97%
PRIOR YEAR SECURED REAL PROPERTY TAXES	3,313,125	1,492,466	848,007	(644,461)	3,405,960	3,405,960	100%
LAND,BLDG,RW,EASEMENT,APT RENTALS	3,524,151	562,604	879,516	316,911	3,335,300	3,693,257	111%
VEHICLE CODE FINES	2,916,165	521,984	420,541	(101,443)	3,100,000	2,748,855	89%
PIPELINE SAFETY FEES	2,355,579	(264,866)	-	264,866	2,428,000	2,442,000	101%
REDEV. REIMB.-NORTH LB	1,844,323	832,021	434,566	(397,424)	2,328,082	1,738,386	75%
CITY/MISC/BOND REFI ADVANCES	1,362,749	1,558,647	145,902	(1,412,745)	2,300,000	2,027,530	88%
FIRE PLAN CHECK FEES	1,787,198	527,376	348,023	(179,353)	2,290,476	1,800,000	79%
CIP-ENGINEERING CHARGES	3,924,090	(90,376)	65,856	156,232	2,145,941	2,145,941	100%
OIL PRODUCTION TAX	1,899,671	472,124	448,412	(23,713)	2,000,000	1,842,681	92%
PRIVATE HAULER FRANCHISE FEE	1,385,768	378,059	238,579	(139,481)	1,670,000	1,400,000	84%
UNSECURED PERSONAL PROPERTY TAXES	1,566,837	377,721	17,770	(359,952)	1,412,000	1,613,889	114%
POLICE CHARGES FOR SPECIAL EVENTS	1,513,082	474,014	432,648	(41,367)	1,400,000	1,400,000	100%
FIRE INSPECTION FEES	1,109,209	318,013	334,443	16,430	1,314,780	1,254,000	95%
ASSET MANAGEMENT CHARGES	1,301,261	325,158	340,293	15,135	1,314,075	1,354,000	103%
HARBOR-POLICE	1,493,367	-	-	-	1,297,931	2,600,789	200%
OTHER DEPT CHGS TO GOVT'L FUNDS	1,046,010	225,021	192,040	(32,981)	1,078,087	1,084,341	101%
DOG LICENSES & PENALTIES	1,014,029	192,478	211,293	18,815	1,070,122	1,070,122	100%
TRANSFERS FROM OTHER FUNDS	14,851,283	2,338,862	-	(2,338,862)	19,477,337	16,485,704	85%
SUBTOTAL TOP 40 GENERAL FUND REVENUES	\$ 357,526,474	\$ 78,222,758	\$ 71,079,238	\$ (7,143,520)	\$ 376,153,622	\$ 369,020,935	98%
SUBTOTAL ALL OTHER REVENUES	\$ 29,796,053	\$ 6,326,554	\$ 4,337,726	\$ (1,988,828)	\$ 27,487,870	\$ 23,615,242	86%
TOTAL	\$ 387,324,527	\$ 84,549,313	\$ 75,416,964	\$ (9,132,348)	\$ 403,641,492	\$ 392,636,177	97%

December 2011
 Revenue Analysis by Department
 General Fund - Fiscal Year 2012
 (25% of Year Completed)

Department	FY 12 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Remaining	Estimates-to-Close	
Mayor and City Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
City Attorney	250	-	250	23	227	250	100%
City Auditor	-	-	-	1,186	(1,186)	0	0%
City Clerk	747,876	-	747,876	3,661	744,215	748,333	100%
City Manager	-	-	-	-	-	0	0%
City Prosecutor	30,000	-	30,000	2,150	27,850	30,000	100%
Civil Service	-	-	-	-	-	0	0%
Citywide Activities	298,380,413	10,615,000	308,995,413	58,659,981	250,335,432	301,174,631	97%
Development Services ²	953,837	-	953,837	199,199	754,638	792,086	83%
Financial Management ³	20,121,878	-	20,121,878	3,988,498	16,133,380	19,185,360	95%
Fire	14,349,787	-	14,349,787	3,137,830	11,211,957	14,139,712	99%
Health and Human Services ⁴	164,249	21,000	185,249	79,101	106,148	206,134	111%
Human Resources	348,405	-	348,405	48,554	299,851	195,570	56%
Library Services ⁵	572,443	-	572,443	85,583	486,860	386,022	67%
Parks, Recreation & Marine	11,108,356	-	11,108,356	2,585,627	8,522,729	11,095,128	100%
Police	18,555,927	274,007	18,829,934	1,799,632	17,030,302	18,429,486	98%
Public Works	26,671,181	726,883	27,398,064	4,825,940	22,572,124	26,253,463	96%
TOTAL	\$ 392,004,602	\$ 11,636,890	\$ 403,641,492	\$ 75,416,964	\$ 328,224,527	\$ 392,636,177	97.27%

Notes:

¹ Amendments reflect budget adjustments during the fiscal year, including Uplands Oil Fund transfer to General Fund.

² Lower ETC's are mainly due to the Coca Cola marketing revenue contract that is expiring and does not belong to DV.

³ The lower ETC's are due to decreased Marijuana Permit Fees, Business License Tax, and reduced Parking Citation and Collection Fees.

⁴ EZ Voucher returns are low for the 1st Quarter but are expected to increase for remaining 3 quarters.

⁵ The lower ETC's are due to the elimination of State funding for the Public Library Fund (PLF) to libraries from the the budgeted amount of \$186K.

**December 2011
Expenditure Analysis by Department
General Fund - Fiscal Year 2012
(25% of Year Completed)**

Department	FY 12 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Remaining	% Spent	Estimates-to-Close	
Mayor and City Council	\$ 4,818,974	\$ 5,423	\$ 4,824,397	\$ 967,857	\$ 3,856,540	20.1%	\$ 4,824,397	100.0%
City Attorney	1,674,802	-	1,674,802	547,216	1,127,587	32.7%	1,673,943	99.9%
City Auditor	2,258,256	4,232	2,262,489	308,777	1,953,712	13.6%	2,262,489	100.0%
City Clerk	4,870,191	4,226	4,874,418	467,814	4,406,603	9.6%	4,874,418	100.0%
City Manager	2,617,969	368	2,618,336	555,869	2,062,468	21.2%	2,557,043	97.7%
City Prosecutor	4,779,552	587	4,780,139	886,869	3,893,270	18.6%	4,779,017	100.0%
Civil Service ²	2,103,455	2,372	2,105,827	407,845	1,697,981	19.4%	1,940,784	92.2%
Citywide Activities ³	24,964,215	2,250,000	27,214,215	1,089,310	26,124,905	4.0%	24,966,036	91.7%
Development Services	4,362,320	150,699	4,513,019	818,185	3,694,834	18.1%	4,510,086	99.9%
Fire	72,631,459	1,144,349	73,775,808	14,944,017	58,831,792	20.3%	73,026,926	99.0%
Financial Management	10,167,889	32,866	10,200,755	1,187,368	9,013,387	11.6%	10,199,701	100.0%
Health & Human Services	1,379,915	21,000	1,400,915	323,310	1,077,606	23.1%	1,400,916	100.0%
Human Resources ⁴	445,132	-	445,132	113,998	331,133	25.6%	415,559	93.4%
Library Services	12,399,419	552,442	12,951,861	2,203,839	10,748,021	17.0%	12,931,661	99.8%
Police ³	185,779,379	2,770,990	188,550,368	38,072,222	150,478,146	20.2%	188,846,585	100.2%
Parks, Recreation & Marine	28,708,896	502,049	29,210,945	6,404,210	22,806,735	21.9%	29,209,601	100.0%
Public Works	28,042,778	1,295,484	29,338,262	5,250,284	24,087,978	17.9%	28,561,496	97.4%
TOTAL	\$ 392,004,602	\$ 8,737,086	\$ 400,741,687	\$ 74,548,990	\$ 326,192,698	18.6%	\$ 396,980,657	99.1%

Notes:

¹ Amendments reflect budget adjustments during the fiscal year, including Uplands Oil Fund transfer to General Fund.

² Police recruit testing not currently included in expense.

³ \$2.2 million of Uplands Oil money for Police Department Overtime is appropriated in Citywide Activities. If this is taken into account, the Police Department is projected to be under budget.

⁴ Actuals related to rental costs are coming in less than what was budgeted for in FY 12.