



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-21

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

September 1, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and File the Fiscal Year 2009 Third Quarter Budget Performance Report.
(Citywide)

DISCUSSION

This report provides an update on the City's Fiscal Year 2009 (FY 09) budget and operational performance through June 30, 2009. The report covers a broad spectrum of financial information for all funds and departments with multi-year comparisons, charts and graphs to provide a clear picture of the City's financial situation. While the focus of the financial report is the General Fund, exceptional performance (both positive and negative) in other funds is highlighted where applicable.

Summary

The total Adjusted City Budget for all funds as of June 30, 2009 is \$3.5 billion. With 75 percent of the year complete, expenditure performance in all funds is at approximately 43.2 percent year-to-date. The total adjusted General Fund expenditure budget was \$401.9 million, reflecting a \$4 million reduction for a 40-hour employee furlough. After the first nine months of the fiscal year, based on current appropriation authority, it is anticipated the budget will close in balance.

FY 09 General Fund Revenue

Given the receipt of large upfront, one-time installment payments early in the fiscal year, year-to-date General Fund revenue is close to the expected performance after the third quarter of the year at \$310.1 million, or approximately 76.3 percent of total budget. However, as previously reported, it is estimated that Upland Oil, Sales and Use Tax, Vehicle License Fees, Transient Occupancy Tax, Interest-Pooled Cash, Real Property Transfer Tax, and other economically sensitive revenues will come in below budget due to the impact of the current recession.

Foreclosure activities, delinquent payments, and reassessment appeals were expected to negatively impact Secured Property Tax receipts later in the fiscal year or in FY 10. However, current Secured Property Tax receipts are trending higher than expected, while all property tax categories combined appear to be trending close to budget. The analysis of year-to-date collections reveal that the FY 09 budget, with its conservative growth projection over the FY 08 estimated performance, may have compensated for the impact of the initial declines in the real estate market for this fiscal year, with greater losses in property tax revenue likely to hit in FY 10 due to a historic lag between performance and actual receipts. An increase in the payment of outstanding property tax bills by banks taking ownership of foreclosed homes appears to be partially mitigating the negative impact of foreclosure related delinquencies in the current fiscal year.

Staff is vigilantly monitoring revenue performance and modifying 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 many of the major General Fund revenue streams. The table below highlights performance through June 30, 2009 for selected General Fund revenues:

Revenue Source	FY 09 YTD Revenue	YTD Rev as % of Adjusted Budget	Estimates-to-Close	Notes
Secured Property Tax	\$67,549,408	99.9%	\$68,600,000	The City received its fourth secured property tax distribution from the County in May. The total year-to-date payment is net of administrative costs charged to the City. An increase in the payment of outstanding property tax by banks taking ownership of foreclosed homes will partially offset the impact of foreclosure related delinquent payments. By the third quarter of each fiscal year, approximately 98 percent of property tax payments have typically been received.
Real Property Transfer Tax	\$569,037	35.6%	\$900,000	Receipts continue to demonstrate a decline below budgeted projections due to declines in the market value of homes sold.
Sales and Use Tax, (includes the Triple Flip)	\$43,429,137	78.7%	\$52,650,439	The Sales and Use Tax payments were reduced by 25 percent for the State Triple Flip and are offset by the bi-annual Property Tax In-Lieu of Sales Tax payment from the State. It is estimated that year-end receipts will come in below budget expectations due to poor sales tax activity. Third quarter sales tax receipts demonstrated 20.4 percent decline over the previous year, with overall economic activity showing a 12.9 percent decrease from last year.
Uplands Oil Transfer	\$4,459,276	23.6%	\$10,699,261	Budgeted FY 09 revenue is based on an average oil price of \$85/bbl. Wilmington Crude oil averaged \$46/bbl as of June 2009. ETCs are approximately \$8.2 million below the adjusted budget.

HONORABLE MAYOR AND CITY COUNCIL

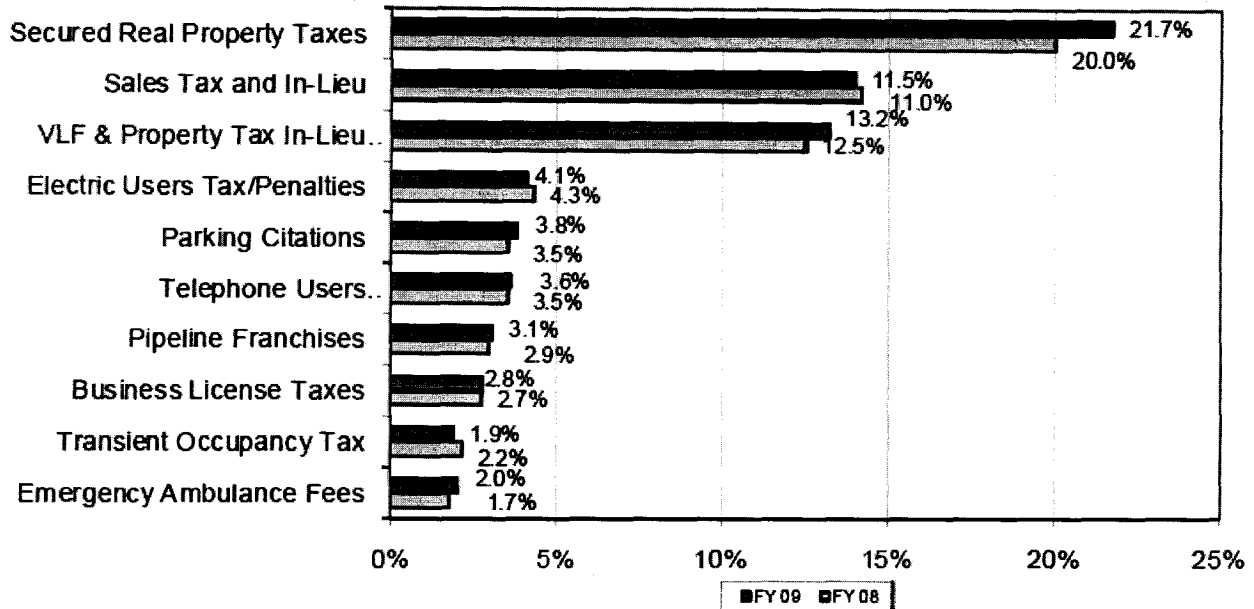
September 1, 2009

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Revenue Source	FY 09 YTD Revenue	YTD Rev as % of Adjusted Budget	Estimates-to-Close	Notes
Motor Vehicle In-Lieu Tax (VLF), combined with Property Tax In-Lieu of VLF	\$41,017,149	101.4%	\$41,126,618	Payments for VLF are received monthly, while the Property Tax In-Lieu of VLF is received in January and May. Monthly VLF payments are trending lower than budget due to a decline in auto sales. In-Lieu VLF is based on property tax receipts and has reached budgeted expectations.
Utility Users Tax	\$30,053,560	70.6%	\$40,890,000	Electricity UUT may come in below budgeted expectations. Though Southern California Edison increased rates for some customer classes in the second quarter of this fiscal year, those increases were offset by decreases in other customer groups for a neutral fiscal impact. Natural gas UUT collections are less than anticipated due to lower consumption volume than in the prior year. Telephone UUT collections are expected to come in below budget due to a continuing trend of price competition in the industry and a reduction in landlines. Water UUT collections are trending below budget due to the success of water conservation efforts.
Parking Citations	\$11,808,078	70.9%	\$15,077,979	Parking citation revenue is not expected to meet budgeted expectations. Estimated increases in citation activity from past resource investments may have been too optimistic.
Business License Tax	\$8,580,540	75.7%	\$11,400,000	Business recovery efforts and the annual CPI adjustment should lead to year-end collections at or above budget.
Emergency Ambulance Fees	\$6,214,096	72.1%	\$8,450,000	It is anticipated that revenue may slightly under perform budgeted expectations.
Transient Occupancy Tax	\$5,945,129	64.8%	\$8,560,000	Transient Occupancy Tax receipts are expected to come in below budget. The slowing economy has led to declines in hotel room prices to attract business and reduced occupancy rates in Long Beach hotels.
Pipeline Franchises	\$7,585,190	94.8%	\$8,700,000	Southern California Gas Pipeline Franchise fee revenue is trending above budget. The most recent quarterly payments demonstrated an increase in the volume and cost of gas transferred to electric plants over the same period last year. The next payment is scheduled in August.

A summary of the top 40 General Fund revenues is included in Attachment A. Exhibit 1 below shows the City's top 10 General Fund revenue sources in FY 09 as a percentage of total year-to-date General Fund revenue.

Exhibit 1 – Top 10 FY 09 General Fund Revenue Sources as a Percentage of the \$310.1 million Total Year-to-Date



FY 09 Revenue by Department

Attachment B provides a breakdown of General Fund revenue performance by department. Many of the departmental variances are captured in the footnotes to this attachment. The Public Works Department realized the highest level of General Fund revenue to date of all operating departments at \$17.7 million, followed by the Department of Financial Management at \$16 million, and the Police Department at \$10.6 million. As noted earlier, 76 percent of revenue was collected by the end of the third quarter, due mostly to one-time payments and interdepartmental transfers. Many actual revenues continue to trail under budget.

FY 09 General Fund Expenditures

The Adopted General Fund expenditure budget for FY 09 is \$403.9 million. As of June 30, 2009, the total adjusted General Fund budget is \$401.9 million, due mainly to the budget decrease related to the employee furlough (more detail is provided below). The overall year-to-date General Fund spending is \$287.5 million, or 71.5 percent of adjusted budget, with 75 percent of the Fiscal Year complete. This is a result of cost savings measures implemented by the City Manager early in Fiscal Year 2009, including department-specific savings targets, a freeze on hiring, reduced limits on Department contracting authority and other measures to ensure the City ends the fiscal year in balance.

FY 09 General Fund Expenditures by Department

Police Department

The Long Beach Police Department has worked extensively to stay on budget for the year and generate savings for the General Fund. The department's largest savings have come from salaries due to vacancies. June Estimates to Close (ETCs) are \$1,793,918 under budget, despite having to absorb the furlough budget reduction within its operations, placing them among the top General Fund savers citywide.

Moreover, the department continues to stay on target regarding overtime spending, with 82 percent of the department's overtime budget expended to date versus exceeding the budget by 29 percent in FY 08. Overall, third quarter FY 09 overtime spending is significantly less than the same period in FY 08. The month of May reflects the most significant reductions, with the second and third pay periods of the month coming in 7.3 percent and 21 percent lower than May of 2008.

Health and Human Services Department

In March 2009, the Health and Human Services Department initiated operating reductions in response to continued revenue contractions from the state, which resulted in an annualized savings of \$1.8 million and a loss of 30 FTEs. As third quarter revenues continued to decline, the Department initiated a second round of reductions that resulted in an annualized savings of \$2.7 million and a loss of 41 FTEs, for a total of \$4.5 million in annual savings and 71 FTEs reduced.

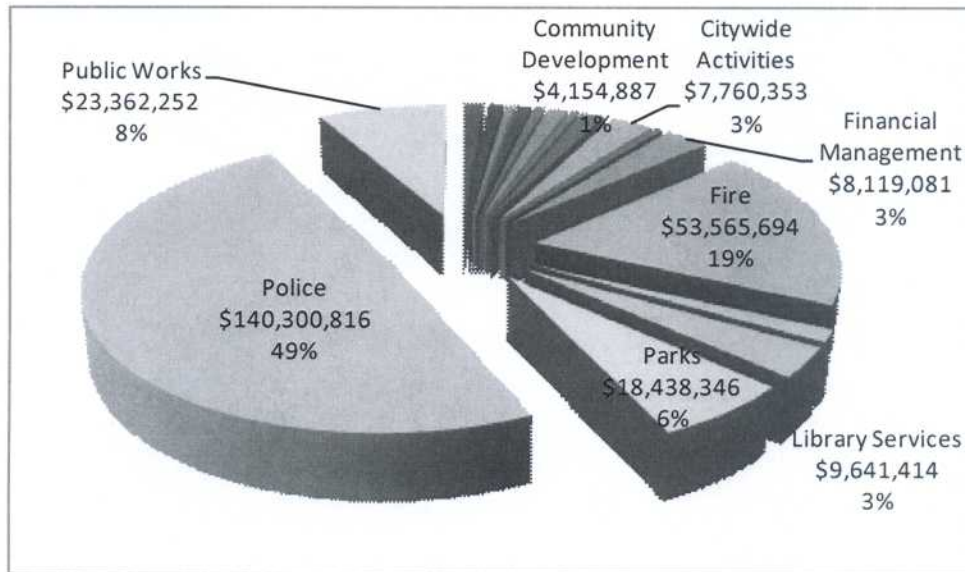
Furthermore, recent reductions in funding from the State's FY 10 Adopted Budget will require the Department to make additional reductions in FY 10, currently estimated at \$2.5 million. The impacts of these reductions will be communicated under separate cover when a plan is finalized.

Year-to-Date General Fund Expenditures

Exhibit 2 shows the City's top 8 General Fund year-to-date expenditures by department. In aggregate the Top 8 represents \$265.3 million or 92.3 percent of year-to-date General Fund expenditures. The majority of General Fund expenditures comprise public safety services. Of the \$287.5 million expended to date, the Police Department (49 percent) and Fire Department (19 percent) comprise 68 percent of the total General Fund year-to-date expenditures. Attachment C provides a listing of all departments' year-to-date General Fund expenditure performance.

Exhibit 2 – Largest FY 09 General Fund Expenditures Year-to-Date by Department, as a Percentage of the \$287.5 million Total Expenditures.

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



FY 09 Expenditure Performance – All Funds

The City's Adopted FY 09 Budget for all funds includes \$3.5 billion of annual funds, carryover (multi-year grants and capital projects funds) of \$370.4 million, and City Council approved budget amendments of \$41.6 million. Combined, the total Adjusted City Budget as of June 30, 2009 is \$3.5 billion. Please see Attachment D for a breakdown of Citywide expenditures by fund.

While it is not expected that department or fund expenditures will occur equally throughout the fiscal year or be fully expended in the current fiscal year due to the inclusion of multi-year projects, monitoring the rate of expenditure is a helpful indicator of resource management. With 75 percent of the year complete, expenditure performance in all funds is at approximately 43.2 percent year-to-date. This includes the Harbor and Redevelopment Funds currently performing at 30 percent and 35.2 percent, respectively.

Other Significant Issues

Employee Furlough or Equivalent Savings

City management entered into discussions with the City's nine labor unions regarding employee generated cost savings options in FY 09, including a mandatory 40-hour work furlough or equivalent savings. While various cost savings strategies were discussed, immediate action was necessary to help address the projected FY 09 budget shortfall by the end of the fiscal year. Beginning May 29, 2009, City management implemented a business closure and mandatory 40-hour work furlough or equivalent savings for permanent

employees on the last Friday of each month to continue through the end of the fiscal year. By generating cost savings through an employee furlough, city management seeks to provide for the continuation of critical programs and services for the public while mitigating service impacts and the need for significant workforce reductions. In order to continue certain critical business functions, alternative approaches to employee-generated savings including floating furlough days are also being utilized. The employee 40-hour work furlough is expected to generate \$4 million in General Fund and approximately \$7 million in All Funds savings.

Current-Year General Fund Operating Savings

In light of current economic challenges and the State's budget crisis, the City is projecting a current-year revenue shortfall. Given the negative budgetary outlook for FY 10 and beyond, the City Manager implemented an aggressive current year budget balancing approach. Please note budget appropriations were not reduced to reflect all of these operating changes. Thus, expenditure ETCs are projected to come in significantly under budget for FY 09.

Conclusion

It is currently anticipated that all of the actions taken since the first quarter of 2009 will result in a balanced budget for FY 09 and, more importantly, will help to place the General Fund in a stronger financial position entering FY 10. Revenues impacted by the slowing national and regional economy make it imperative that we maintain a firm position of fiscal restraint. Looking to the future, we must not lose sight of the fact that the City must also address its unfunded liabilities including retiree health care commitments, ongoing labor negotiations, pending litigation and critical infrastructure needs including remediating our aging facilities, streets, sidewalks and other infrastructure systems. To realign resources to meet these needs will take much collaboration on the part of the community and workforce, as current year and future service reductions will have a direct impact on City employees as well as the community members accustomed to a certain level of service from the City.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,




LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

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ATTACHMENTS

APPROVED:


PATRICK H. WEST
CITY MANAGER

**June 2009
General Fund Revenue (Top 40)
Fiscal Year 2009
(75.0% of Year Completed)**

Attachment A

TOP 40 GENERAL FUND REVENUES	FY 08 Year End Actuals	FY 08 June YTD	FY 09 June YTD	FY 09 June YTD Over/(Under) FY 08 June YTD	% of FY 09 Adj Budget	FY 09 Adjusted Budget	FY 09 Estimate-to-Close
SECURED REAL PROPERTY TAXES ¹	\$ 65,417,653	\$ 62,264,109	\$ 67,549,408	\$ 5,285,299	99.9%	\$ 67,600,000	\$ 68,600,000
CITY SALES AND USE TAX & IN-LIEU SALES AND USE TAX ²	52,792,453	44,120,376	43,429,137	(691,238)	78.7%	55,198,211	52,650,439
VEHICLE LICENSE FEE & PROPERTY TAX IN-LIEU OF VLF ³	39,393,475	38,837,432	41,017,149	2,179,716	101.4%	40,444,000	41,126,618
ELECTRIC USERS TAX & PENALTIES	17,663,613	13,423,495	12,741,881	(681,613)	69.0%	18,479,500	17,300,000
PARKING CITATIONS ⁴	14,844,848	10,994,228	11,808,078	813,850	70.9%	16,654,482	15,077,979
TELEPHONE USERS TAX & PENALTIES	14,633,115	10,948,451	11,213,726	265,275	75.0%	14,943,000	15,100,000
PIPELINE FEES ⁵	11,411,785	9,155,663	9,578,756	423,093	79.7%	12,013,564	12,013,564
BUSINESS LICENSE TAXES	11,300,759	8,518,713	8,580,540	61,827	75.7%	11,337,589	11,400,000
TRANSIENT OCCUPANCY TAX ⁶	9,108,780	6,694,900	5,945,129	(749,770)	64.8%	9,180,000	8,560,000
EMERGENCY AMBULANCE FEES ⁷	8,348,777	5,394,784	6,214,096	819,312	72.1%	8,620,000	8,450,000
PIPELINE FRANCHISES ⁸	11,901,157	6,454,518	7,585,190	1,130,671	94.8%	8,000,000	8,700,000
ELECTRIC COMPANY FRANCHISES	6,202,407	5,049,697	4,843,361	(206,336)	70.2%	6,897,000	6,300,000
PRIOR YEAR SECURED REAL PROPERTY TAXES ⁹	6,037,846	5,186,669	4,352,514	(834,155)	74.9%	5,814,000	5,000,000
GAS USERS TAX & PENALTIES ¹⁰	5,777,714	4,418,855	3,672,995	(745,860)	65.5%	5,604,450	5,100,000
CHARGES FOR SPECIAL SERVICES	4,298,330	2,282,662	1,591,299	(691,363)	30.1%	5,292,840	5,100,961
INTEREST-POOLED CASH ¹¹	5,830,484	4,370,060	1,780,478	(2,589,582)	36.4%	4,888,000	2,507,376
AMERICAN GOLF LEASE ¹²	4,729,547	3,171,674	2,956,904	(214,771)	65.0%	4,550,000	4,592,547
VEHICLE CODE FINES ¹³	3,087,569	2,186,986	2,366,175	179,189	54.2%	4,367,891	3,110,130
OTHER DEPT SVCS TO PROPRIETARY FUNDS	3,668,847	1,890,977	3,164,557	1,273,581	76.7%	4,124,278	4,345,911
WATER USERS TAX & PENALTIES ¹⁴	3,048,960	2,210,349	2,424,958	214,609	68.0%	3,565,000	3,390,000
MISC REFUNDS & REIMB	9,226,607	1,860,921	2,844,976	984,054	84.2%	3,377,959	3,600,853
LAND,BLDG,R/W,EASEMENT,APT RENTALS	3,543,440	2,560,119	2,593,940	33,821	78.4%	3,310,000	3,310,000
CIP-ENGINEERING CHARGES ¹⁵	2,717,491	1,161,523	2,024,718	863,195	64.3%	3,150,000	2,750,000
REDEV. REIMB.-NORTH LB	2,231,926	-	1,900,403	1,900,403	75.0%	2,533,870	2,122,978
CITY/MISC/BOND REFI ADVANCES ¹⁶	1,295,424	1,295,424	2,300,000	1,004,576	100.0%	2,300,000	2,300,000
OIL PRODUCTION TAX ¹⁷	2,151,968	1,598,711	1,522,820	(75,892)	67.7%	2,250,000	2,100,000
MISC REVENUE FROM OTHER AGENCIES ¹⁸	811,674	359,379	279,496	(79,884)	16.6%	1,682,312	472,702
REAL PROPERTY TRANSFER TAX ¹⁹	1,196,023	712,877	569,037	(143,840)	35.6%	1,600,000	900,000
OFF-STREET PARKING ²⁰	1,141,686	777,745	564,458	(213,287)	40.5%	1,394,128	661,626
ASSET MANAGEMENT CHARGES	1,210,152	1,003,269	983,979	(19,290)	79.8%	1,232,350	1,232,350
METERED/OTHER PARKING	1,128,409	838,695	809,896	(28,800)	66.7%	1,214,000	1,000,000
FIRE INSPECTION FEES	1,087,692	852,727	943,730	91,003	81.6%	1,157,000	1,282,200
OTHER DEPT CHGS TO GOVTL FUNDS	1,096,208	702,133	720,405	18,271	64.2%	1,121,616	1,117,794
FACILITY RENTAL	782,703	480,729	600,616	119,888	59.1%	1,016,207	896,731
FIRE PLAN CHECK FEES ²¹	1,297,269	824,556	1,141,109	316,554	113.2%	1,008,000	1,400,000
INTANGIBLE PERSONAL PROPERTY TAXES	1,202,842	860,544	706,535	(154,009)	70.7%	1,000,000	1,000,000
HARBOR-POLICE	631,155	193,860	293,854	99,995	29.6%	991,596	991,596
FALSE ALARM REVENUE ²²	582,111	400,270	398,701	(1,569)	40.7%	978,762	555,345
REDEV. REIMB.-CENTRAL	1,003,494	-	719,264	719,264	75.0%	959,018	994,573
UPLAND OIL TRANSFER	21,524,522	16,461,991	4,459,276	(12,002,715)	23.6%	18,857,471	10,699,261
TRANSFERS FROM OTHER FUNDS ²³	21,313,154	16,343,491	14,386,268	(1,957,223)	53.7%	26,814,351	26,676,723
SUBTOTAL TOP 40 GENERAL FUND REVENUES	376,674,071	296,863,560	293,579,808	(3,283,752)	76.2%	385,522,445	384,490,256
SUBTOTAL ALL OTHER REVENUES	24,341,106	13,986,943	16,559,036	2,572,093	80.0%	20,689,551	23,690,418
TOTAL	\$ 401,015,177	\$ 310,850,503	\$ 310,138,844	\$ (711,659)	76.3%	\$ 406,211,996	\$ 388,180,674

Notes: See Next Page

June 2009
General Fund Revenue (Top 40)
Fiscal Year 2009
(75.0% of Year Completed)

Notes:
¹ The City received its fourth secured property tax distribution in May. The total year-to-date payment is net of administrative costs charged to the City. A trending increase in the payment of outstanding property tax by banks taking ownership of foreclosed homes will partially offset the impact of foreclosure related delinquent payments.
² Third quarter sales tax receipts demonstrated 20.4 percent decline over the previous year, with overall economic activity showing a 12.9 percent decrease from last year. Third quarter performance of all business segments were down, except for Health & Government due to a slight increase in taxable sales at Memorial Medical Center.
³ Monthly Vehicle License Fee payments are trending much lower than budget due to a sharp decline in State auto sales. Monthly payments from the State were suspended in November and December due to a significant decline in State auto sales. Property Tax In-Lieu payments posted in January and May. Property Tax In-Lieu payments met budgeted expectations.
⁴ Parking citation revenue may not meet budgeted expectations. Estimated increases in citation activity from past resource investments were optimistic.
⁵ The second installment of quarterly Water and Sewer Pipeline Fee payments posted in April. The annual Safety Pipeline Fee posted in January.
⁶ The recession has lead to a decline in room prices and occupancy rates at Long Beach hotels.
⁷ The notable increase in revenue over the previous year is due to a fee increase.
⁸ The third quarter franchise payment reflected a significant increase in the volume of natural gas transported with a decline in price. Pipeline Franchises are expected to perform at or above budget predicated on a continuance of high transport demand by Long Beach electric generation plants.
⁹ Although delinquent property tax payments are increasing, supplemental property tax payments related to transfers of ownership and new construction are declining substantially.
¹⁰ Collections are anticipated to come in lower than budget due to a decrease in gas commodity prices and consumption.
¹¹ Interest earnings from pooled cash will come in below budget due to interest rate declines in the financial market.
¹² American Golf receipts are coming in lower than expected at this time of the year due to rainy weather earlier in the fiscal year and overall reduced play.
¹³ Vehicle Code Fines are trending well under budget.
¹⁴ Collections are trending below budget due to the impact of successful water conservation efforts.
¹⁵ Capital Projects billings will come in below budget due to reduced capital spending.
¹⁶ All of the \$2.3 million in principal payments toward the Central Long Beach Project Area debt obligation to the General Fund have posted.
¹⁷ As oil field operators reduce expenses and investments, and thus production, in order to maintain positive cash flow in an energy market with lower oil prices, collections will come in below budget.
¹⁸ The Community Development Department's budgeted revenue for the Premiere Marketing contract will not materialize. The estimate-to-close is also lower than budget given that the City will receive reduced reimbursements from the State related to the jailing of parolees.
¹⁹ Real Property Tax collections will come in less than in FY 08 and below budget projections due to a reduction in real estate prices. On average, monthly sales activity has increased over last year due to buyers taking advantage of price declines; however, home prices have significantly declined thus lowering revenue.
²⁰ Parking revenues from City Place garages have declined due to venue closures.
²¹ Current year-to-date performance is greater than in the previous year due to variations in the timing and size of development projects.
²² Revenue related to False Alarm fee increases is not meeting budgeted expectations.
²³ The total transfers are less than 50 percent of budget at this point in the year due to reductions in transfer amounts. The third installment of the quarterly transfers into the General Fund will take place in July .

June 2009
Revenue Analysis by Department
General Fund - Fiscal Year 2009
(75.0 % of Year Completed)

Attachment B

Department	FY 09 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals	Remaining	Estimates-to-Close	
Mayor and City Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
City Attorney	250	-	250	60	190	250	-
City Auditor	-	-	-	1,613	(1,613)	-	-
City Clerk	126,743	-	126,743	42,540	84,203	126,743	100.0%
City Manager	-	-	-	1,175	(1,175)	2,240	-
City Prosecutor	-	-	-	10,415	(10,415)	9,635	-
Civil Service	-	-	-	-	-	-	-
Community Development ²	6,209,256	(65,000)	6,144,256	3,681,795	2,462,461	4,510,383	73.4%
Citywide Activities	311,331,098	-	311,331,098	244,517,145	66,813,953	296,860,629	95.4%
Development Services	1,023,556	280,500	1,304,056	759,634	544,422	935,253	71.7%
Financial Management	20,451,380	-	20,451,380	15,988,651	4,462,729	20,504,627	100.3%
Fire ³	11,562,900	677,000	12,239,900	9,755,668	2,484,232	13,190,763	107.8%
Health and Human Services	1,741,193	-	1,741,193	856,378	884,815	1,581,918	90.9%
Library Services	581,617	35,255	616,872	472,134	144,738	601,527	97.5%
Parks, Recreation & Marine	9,163,158	-	9,163,158	5,758,567	3,404,591	9,678,330	105.6%
Police	17,657,934	140,129	17,798,063	10,589,316	7,208,747	17,278,175	97.1%
Public Works	25,220,027	75,000	25,295,027	17,703,753	7,591,274	22,900,201	90.5%
TOTAL	\$ 405,069,112	\$ 1,142,884	\$ 406,211,996	\$ 310,138,844	\$ 96,073,151	\$ 388,180,674	95.6%

Notes:

¹ Amendments reflect budget adjustments during the fiscal year.

² Revenues from Premier Sponsorship totalling \$1,000,000 will not be realized this fiscal year. The projects transferred over to RDA and the Veterans Memorial parking contract expired in FY 08 and both revenues will no longer accrue to CD.

³ The Fire Department revenue is higher due to a one-time second quarter \$677,000 reimbursement from wildland fire strike teams, ongoing increases to fire inspection and plan check fees, as well as movie and television revenue.

June 2009
Expenditure Analysis by Department
General Fund - Fiscal Year 2009
(75.0% of Year Completed)

Attachment C

Department	FY 09 Adopted Budget	Amendments ¹	Adjusted Budget	Year-to-Date Actuals ²	Remaining	Estimates-to-Close	
Mayor and City Council	\$ 5,032,840	\$ (31,595)	\$ 5,001,245	\$ 3,518,782	\$ 1,482,462	\$ 5,001,245	100.0%
City Attorney	2,989,841	8,273	2,998,114	2,647,053	351,061	2,933,809	97.9%
City Auditor	2,289,732	2,859	2,292,590	1,553,708	738,882	2,328,287	101.6%
City Clerk	3,713,740	37,564	3,751,303	2,567,378	1,183,925	3,668,735	97.8%
City Manager	3,031,422	(155,726)	2,875,696	1,954,552	921,144	2,452,158	85.3%
City Prosecutor	5,058,303	4,307	5,062,610	3,494,990	1,567,620	5,062,610	100.0%
Civil Service	2,188,600	(31,602)	2,156,998	1,490,863	666,136	2,141,419	99.3%
Community Development	5,589,855	15,942	5,605,797	4,154,887	1,450,910	5,514,216	98.4%
Citywide Activities ³	20,264,581	649,768	20,914,350	7,760,353	13,153,996	17,159,770	82.0%
Development Services ⁴	1,895,586	(494,142)	1,401,444	1,025,548	375,896	1,432,499	102.2%
Financial Management	10,696,938	(19,296)	10,677,642	8,119,081	2,558,561	10,273,464	96.2%
Fire	73,187,088	(69,518)	73,117,570	53,565,694	19,551,876	71,613,080	97.9%
Health and Human Services	5,317,374	(240,519)	5,076,855	3,899,321	1,177,534	4,805,001	94.6%
Library Services	12,999,778	(28,914)	12,970,865	9,641,414	3,329,450	12,606,703	97.2%
Parks, Recreation & Marine	25,673,507	100,284	25,773,790	18,438,346	7,335,445	25,512,720	99.0%
Police	192,805,368	(1,842,380)	190,962,988	140,300,816	50,662,172	189,169,070	99.1%
Public Works	31,244,197	63,314	31,307,511	23,362,252	7,945,259	30,284,678	96.7%
TOTAL	\$ 403,978,750	\$ (2,031,382)	\$ 401,947,368	\$ 287,495,039	\$ 114,452,329	\$ 391,959,464	97.5%

Notes:

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

² As of June 30, 2009, 72.03 percent of payrolls are posted with 75 percent of the year complete.

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

⁴ ETC for GP CityPlace includes an increase in parking operations contract costs as a result of labor and CPI increases. Automation upgrade is being proposed to assist in reducing costs.

June 2009
Expenditure Analysis by Fund
Fiscal Year 2009
(75.0% of Year Completed)

Attachment D

Fund	FY 09 New Allocation	Estimated All-Years Carryover ¹	FY 09 Adopted Appropriation	Amendments ²	Adjusted Budget	Year-to-date Actuals	Estimates-to-close	Remaining	% Spent	
Funds with All Years Carryover										
Airport	\$34,918,652	\$30,317,316	\$65,235,968	\$359,441	\$65,595,409	\$34,794,657	55,497,470	84.6%	\$30,800,752	53.0%
Business Assistance ³	1,214,532	(234,209)	980,323	-	980,323	2,007,220	2,017,334	205.8%	(1,026,897)	204.8%
Capital Projects	10,790,141	50,011,145	60,801,286	1,770,582	62,571,868	10,765,108	18,807,867	30.1%	51,806,760	17.2%
Civic Center	1,644,585	2,236,951	3,881,536	66,146	3,947,681	422,485	2,266,656	57.4%	3,525,196	10.7%
Community Development Grants	26,749,523	36,258,856	63,008,379	13,414,047	76,422,426	23,108,627	37,780,090	49.4%	53,313,798	30.2%
Fleet Services	36,339,357	847,607	37,186,964	2,841,087	40,028,051	21,711,238	34,208,127	85.5%	18,316,814	54.2%
Gas	144,834,502	1,612,364	146,446,866	609,981	147,056,847	72,717,317	96,282,584	65.5%	74,339,529	49.4%
Gasoline Tax Street Improvement	17,354,032	22,109,314	39,463,346	256,084	39,719,430	8,866,613	11,594,147	29.2%	30,852,817	22.3%
General Grants	6,657,583	12,878,260	19,535,844	3,722,379	23,258,223	8,254,953	13,499,635	58.0%	15,003,270	35.5%
General Services	36,876,801	189,233	37,066,035	(78,604)	36,987,431	24,904,669	36,013,184	97.4%	12,082,762	67.3%
Harbor	1,020,678,713	-	1,020,678,713	-	1,020,678,713	306,072,832	566,965,786	55.5%	714,605,880	30.0%
Health	44,918,181	41,965,529	86,883,710	4,352,590	91,236,299	28,196,714	42,547,932	46.6%	63,039,586	30.9%
Housing Authority ⁴	67,457,618	731,874	68,189,492	(56,591)	68,132,900	51,495,826	69,201,789	101.6%	16,637,074	75.6%
Housing Development	26,704,716	68,082,719	94,787,435	(8,094)	94,779,340	16,196,527	31,600,447	33.3%	78,582,813	17.1%
Insurance ⁵	36,371,584	-	36,371,584	3,261	36,374,845	25,743,344	37,347,523	102.7%	10,631,501	70.8%
Police & Fire Public Safety Oil Production Act	4,756,444	-	4,756,444	(21,315)	4,735,128	3,017,493	4,543,786	96.0%	1,717,635	63.7%
Redevelopment	142,465,986	55,699,719	198,165,705	2,797,279	200,962,984	70,815,696	126,068,056	62.7%	130,147,289	35.2%
Refuse/Recycling	49,584,535	90,213	49,674,748	(59,706)	49,615,042	31,041,084	45,921,492	92.6%	18,573,958	62.6%
SERRF	55,212,970	-	55,212,970	(5,260)	55,207,710	34,544,857	52,169,069	94.5%	20,662,853	62.6%
Sewer	17,941,697	-	17,941,697	-	17,941,697	9,414,950	14,867,854	82.9%	8,526,747	52.5%
Tidelands Operating	134,673,877	22,335,700	157,009,577	(2,120,904)	154,888,673	90,242,642	127,970,475	82.6%	64,646,031	58.3%
Transportation	16,922,674	25,274,526	42,197,201	15,206,868	57,404,068	13,336,724	27,422,474	47.8%	44,067,345	23.2%
Water	87,495,696	-	87,495,696	-	87,495,696	56,112,463	81,282,935	92.9%	31,383,232	64.1%
SUBTOTAL	\$ 2,022,564,398	\$ 370,407,117	\$ 2,392,971,515	\$ 43,049,269	\$ 2,436,020,784	\$ 943,784,039	1,535,876,713	63.0%	\$ 1,492,236,745	38.7%
Funds Without All Years Carryover										
General	\$ 403,978,750	\$ -	\$ 403,978,750	\$ (2,031,382)	\$ 401,947,368	\$ 287,495,039	391,959,464	97.5%	\$ 114,452,329	71.5%
Belmont Shore Parking Meter	669,532	-	669,532	-	669,532	372,616	669,532	100.0%	296,916	55.7%
Certified Unified Program Agency (CUPA)	1,294,779	-	1,294,779	41,396	1,336,176	926,530	1,273,021	95.3%	409,645	69.3%
Employee Benefits	227,098,045	-	227,098,045	4,253	227,102,299	151,437,699	208,226,202	91.7%	75,664,600	66.7%
Development Services	13,839,827	-	13,839,827	(86,612)	13,753,215	9,617,084	11,601,813	84.4%	4,136,131	69.9%
Park Development	1,057,653	-	1,057,653	(636)	1,057,017	281,168	302,227	28.6%	775,849	26.6%
Parking & Business Area Improvement	7,031,088	-	7,031,088	1,144	7,032,232	3,962,602	6,672,232	94.9%	3,069,630	56.3%
SERRF JPA	11,394,998	-	11,394,998	-	11,394,998	7,732,248	11,394,998	100.0%	3,662,750	-
Special Advertising & Promotion	6,938,289	-	6,938,289	744,893	7,683,183	5,998,928	7,659,340	99.7%	1,684,255	78.1%
Tidelands Oil Revenue	363,188,961	-	363,188,961	(26,210)	363,162,751	89,471,957	175,811,338	48.4%	273,690,794	24.6%
Towing	9,825,615	-	9,825,615	(29,197)	9,796,418	5,806,877	8,432,905	86.1%	3,989,541	59.3%
Upland Oil	28,650,709	-	28,650,709	-	28,650,709	9,274,042	19,903,921	69.5%	19,376,667	32.4%
SUBTOTAL	\$ 1,074,968,248	\$ -	\$ 1,074,968,248	\$ (1,382,350)	\$ 1,073,585,898	\$ 572,376,789	843,906,993	78.6%	\$ 501,209,109	53.3%
TOTAL - All Funds	\$ 3,097,532,646	\$ 370,407,117	\$ 3,467,939,763	\$ 41,666,919	\$ 3,509,606,682	\$ 1,516,160,828	2,379,783,706	67.8%	\$ 1,993,445,854	43.2%

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 The negative expense carryover balance in SR 149 is offset by the overages in revenue carryover balances. The ETC assumes a pending budget adjustment of \$1,067,000 to cover loan repayment monies already paid to the Redevelopment Agency.

⁴ Housing Authority has enough carryover fund balance to cover projected expenses over and above the budget.

⁵ Fund will release prior reserve to pay for future expenses.