



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 23, 2014

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Financial Statements For The Fiscal Year Ended June 30, 2014
And Recognition Of A Loss On A Loan Tied To The Employee
Mortgage Loan Assistance Program

RECOMMENDATION: That Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the fiscal year ended June 30, 2014;
- B. Accept the Interim Financial Statements for the Fiscal Year Ended June 30, 2014;
- C. Approve the proposed adjustments to Fiscal Year 2014 budget as detailed in the attached schedule of Proposed Budget Adjustments; and
- D. Approve the recognition of a \$96,230 loss in connection with an outstanding loan executed with a former City employee through the Employee Mortgage Loan Assistance Program.

DISCUSSION:

Each month, staff presents the interim financial statements (Attachment 1) showing the status of revenues and expenditures in relation to budget for each of the City's Funds. Each quarter, the interim financial statements are expanded to include a detailed narrative analysis of the General Fund and Enterprise Funds. This narrative analysis is included in Attachment 2.

In addition to the budget analysis, staff brings forward recommended adjustments for City Council approval. In general, the adjustments address budget shortfalls and/or additional costs and to make technical corrections to departmental budgets. A listing and description of each proposed adjustment to the current year budget is provided in Attachment 3.

Interim financial statements presented to City Council throughout the year focus on the progress of revenues and expenditures against the budget, including a discussion of where the actual revenues and expenditures might finish at year end. Since this is the final quarterly report, the revenues and expenditures are close to final year-end totals. They are still subject to change as final adjustments are made for purposes of preparing

for the annual audit and preparation of the City's annual financial report, which will be brought to Council later in the fiscal year.

Loss on Employee Mortgage Loan

The City currently has a number of loans outstanding associated with the now defunct Employee Mortgage Loan Assistance Program. The loans provided to qualifying employees include a loan equal to 15% of the purchase price secured by a 2nd trust deed; and a "points loan" equal to the four points paid by the City to the primary lender to buy down the interest on the 1st loan.

We were advised during fiscal year 2014 that a former City employee filed for bankruptcy under Chapter 13. The effect of this filing was to discharge the City's "points loan" totaling \$14,448. Because the value of home was less than the total debt outstanding, the City's 15% loan with a balance of \$81,782 was effectively unsecured.

The City Attorney's Office advised that challenging the bankruptcy would not be fruitful. Therefore, we are prepared to "write-off" the loan from the books and recognize a loss. The loss will be charged to the General Fund for the combined loan total of \$96,230.

Staff is recommending an increase in the Finance Department budget for the same amount to cover this loss, which is included in the Schedule of Proposed Budget Adjustments. Unlike other losses incurred by the City, these types of losses are infrequent and unpredictable, and therefore not budgeted.

- ATTACHMENTS:**
1. Summary by Fund Statement of Revenues and Expenditures for the Year Ended June 30, 2014
 2. Interim Financial Statements for the Year Ended June 30, 2014 (Narrative Analysis)
 3. Schedule of Proposed Budget Adjustments

PREPARED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
GENERAL FUND					
Revenue	111,826,852	113,308,846	-	(1,481,993)	101.3%
Expenditures	<u>112,062,731</u>	<u>109,692,133</u>	<u>669,638</u>	1,700,960	98.5%
<i>Addition to / (use of) reserves</i>	<u>(235,879)</u>	<u>3,616,712</u>	<u>(669,638)</u>		
SOLID WASTE FUND					
Revenue	20,127,443	20,689,401	-	(561,958)	102.8%
Expenditures	<u>20,247,668</u>	<u>19,852,861</u>	<u>149,268</u>	245,539	98.8%
<i>Addition to / (use of) reserves</i>	<u>(120,225)</u>	<u>836,540</u>	<u>(149,268)</u>		
WATER OPERATING FUND					
Revenue	36,709,435	37,156,084	-	(446,649)	101.2%
Expenditures	<u>45,179,425</u>	<u>38,974,841</u>	<u>1,086,613</u>	5,117,971	88.7%
<i>Addition to / (use of) reserves</i>	<u>(8,469,990)</u>	<u>(1,818,757)</u>	<u>(1,086,613)</u>		
WASTEWATER OPERATING FUND					
Revenue	17,907,479	18,191,272	-	(283,793)	101.6%
Expenditures	<u>19,048,005</u>	<u>17,155,652</u>	<u>720,525</u>	1,171,829	93.8%
<i>Addition to / (use of) reserves</i>	<u>(1,140,526)</u>	<u>1,035,620</u>	<u>(720,525)</u>		
DOWNTOWN PARKING					
Revenue	7,420,709	8,095,813	-	(675,104)	109.1%
Expenditures	<u>8,601,079</u>	<u>8,215,444</u>	<u>18,882</u>	366,754	95.7%
<i>Addition to / (use of) reserves</i>	<u>(1,180,370)</u>	<u>(119,631)</u>	<u>(18,882)</u>		
AIRPORT OPERATING FUND					
Revenue	15,751,093	15,497,778	-	253,315	98.4%
Expenditures	<u>16,571,531</u>	<u>15,550,615</u>	<u>122,867</u>	898,049	94.6%
<i>Addition to / (use of) reserves</i>	<u>(820,438)</u>	<u>(52,836)</u>	<u>(122,867)</u>		
GOLF COURSE FUND					
Revenue	2,108,459	2,040,894	-	67,565	96.8%
Expenditures	<u>2,106,923</u>	<u>2,121,993</u>	-	(15,070)	100.7%
<i>Addition to / (use of) reserves</i>	<u>1,536</u>	<u>(81,100)</u>	-		
INTRA-CITY SERVICE FUND					
Revenue	5,604,962	5,021,955	-	583,007	89.6%
Expenditures	<u>5,911,688</u>	<u>5,679,747</u>	<u>66,249</u>	165,692	97.2%
<i>Addition to / (use of) reserves</i>	<u>(306,726)</u>	<u>(657,792)</u>	<u>(66,249)</u>		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
FLEET REPLACEMENT FUND					
Revenue	2,758,201	2,644,557	-	113,644	95.9%
Expenditures	<u>5,134,991</u>	<u>1,538,172</u>	<u>2,067,148</u>	1,529,671	70.2%
<i>Addition to / (use of) reserves</i>	<u>(2,376,790)</u>	<u>1,106,385</u>	<u>(2,067,148)</u>		
FLEET MAINTENANCE FUND					
Revenue	2,576,502	2,619,166	-	(42,664)	101.7%
Expenditures	<u>2,650,738</u>	<u>2,387,523</u>	<u>39,744</u>	223,471	91.6%
<i>Addition to / (use of) reserves</i>	<u>(74,236)</u>	<u>231,644</u>	<u>(39,744)</u>		
SELF INSURANCE TRUST FUND					
Revenue	5,960,947	5,990,134	-	(29,187)	100.5%
Expenditures	<u>6,022,747</u>	<u>6,158,725</u>	<u>129,366</u>	(265,344)	104.4%
<i>Addition to / (use of) reserves</i>	<u>(61,800)</u>	<u>(168,591)</u>	<u>(129,366)</u>		
INFORMATION SYSTEMS ICS FUND					
Revenue	2,514,997	2,514,997	-	-	100.0%
Expenditures	<u>2,965,594</u>	<u>2,794,188</u>	<u>43,556</u>	127,850	95.7%
<i>Addition to / (use of) reserves</i>	<u>(450,597)</u>	<u>(279,191)</u>	<u>(43,556)</u>		
WATERFRONT FUND					
Revenue	12,445,067	13,911,749	-	(1,466,682)	111.8%
Expenditures	<u>13,558,989</u>	<u>13,519,865</u>	<u>208,938</u>	(169,814)	101.3%
<i>Addition to / (use of) reserves</i>	<u>(1,113,922)</u>	<u>391,883</u>	<u>(208,938)</u>		
TOTAL FOR ALL FUNDS					
Revenue	243,712,146	247,682,644	-	(3,970,497)	101.6%
Expenditures	<u>260,062,110</u>	<u>243,641,760</u>	<u>5,322,793</u>	11,097,557	95.7%
<i>Addition to / (use of) reserves</i>	<u>(16,349,964)</u>	<u>4,040,884</u>	<u>(5,322,793)</u>		

*** It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be in order to accommodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.*

CITY OF SANTA BARBARA
General Fund
Interim Statement of Budgeted and Actual Revenues
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Remaining Balance</u>	<u>Percent Received</u>
TAXES				
Sales and Use	21,084,894	21,323,309	(238,415)	101.1%
Property Taxes	25,475,500	26,555,242	(1,079,742)	104.2%
Utility Users Tax	6,975,300	7,008,202	(32,902)	100.5%
Transient Occupancy Tax	16,202,000	16,821,995	(619,995)	103.8%
Business License	2,415,000	2,555,399	(140,399)	105.8%
Real Property Transfer Tax	537,900	668,641	(130,741)	124.3%
Total	<u>72,690,594</u>	<u>74,932,787</u>	<u>(2,242,193)</u>	103.1%
LICENSES & PERMITS				
Licenses & Permits	219,180	197,663	21,517	90.2%
Total	<u>219,180</u>	<u>197,663</u>	<u>21,517</u>	90.2%
FINES & FORFEITURES				
Parking Violations	2,628,967	2,565,829	63,138	97.6%
Library Fines	135,000	136,396	(1,396)	101.0%
Municipal Court Fines	120,000	86,224	33,776	71.9%
Other Fines & Forfeitures	250,000	339,593	(89,593)	135.8%
Total	<u>3,133,967</u>	<u>3,128,042</u>	<u>5,925</u>	99.8%
USE OF MONEY & PROPERTY				
Investment Income	676,267	651,862	24,405	96.4%
Rents & Concessions	396,322	371,333	24,989	93.7%
Total	<u>1,072,589</u>	<u>1,023,195</u>	<u>49,394</u>	95.4%
INTERGOVERNMENTAL				
Grants	306,016	269,557	36,459	88.1%
Vehicle License Fees	-	39,945	(39,945)	100.0%
Reimbursements	414,320	1,094,149	(679,829)	264.1%
Total	<u>720,336</u>	<u>1,403,651</u>	<u>(683,314)</u>	194.9%
FEES & SERVICE CHARGES				
Finance	926,598	937,703	(11,105)	101.2%
Community Development	4,480,075	4,296,934	183,141	95.9%
Recreation	2,951,818	3,025,198	(73,380)	102.5%
Public Safety	631,938	567,506	64,432	89.8%
Public Works	5,661,288	5,599,902	61,386	98.9%
Library	753,839	757,187	(3,347)	100.4%
Reimbursements	4,293,383	4,221,680	71,703	98.3%
Total	<u>19,698,939</u>	<u>19,406,108</u>	<u>292,831</u>	98.5%
OTHER REVENUES				
Miscellaneous	1,634,051	1,510,781	123,270	92.5%
Franchise Fees	3,660,300	3,822,441	(162,141)	104.4%
Indirect Allocations	6,292,740	6,292,740	-	100.0%
Operating Transfers-In	1,504,156	1,591,438	(87,282)	105.8%
Anticipated Year-End Variance	1,200,000	-	1,200,000	0.0%
Total	<u>14,291,247</u>	<u>13,217,400</u>	<u>1,073,847</u>	92.5%
TOTAL REVENUES	<u>111,826,852</u>	<u>113,308,846</u>	<u>(1,481,993)</u>	101.3%

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>
GENERAL GOVERNMENT					
<u>Mayor & City Council</u>					
MAYOR & CITY COUNCIL	770,723	738,660	3,191	28,872	96.3%
ARTS AND COMMUNITY PROMOTIONS	-	5,000	-	(5,000)	100.0%
<i>Total</i>	<u>770,723</u>	<u>743,660</u>	<u>3,191</u>	<u>23,872</u>	<u>96.9%</u>
<u>City Attorney</u>					
CITY ATTORNEY	2,129,254	2,083,451	11,031	34,772	98.4%
<i>Total</i>	<u>2,129,254</u>	<u>2,083,451</u>	<u>11,031</u>	<u>34,772</u>	<u>98.4%</u>
<u>Administration</u>					
CITY ADMINISTRATOR	1,587,391	1,517,448	8,000	61,943	96.1%
CITY TV	558,637	520,336	23,602	14,699	97.4%
<i>Total</i>	<u>2,146,028</u>	<u>2,037,785</u>	<u>31,602</u>	<u>76,641</u>	<u>96.4%</u>
<u>Administrative Services</u>					
CITY CLERK	475,090	471,928	83	3,079	99.4%
ELECTIONS	300,000	200,331	-	99,669	66.8%
HUMAN RESOURCES	1,412,691	1,205,261	5,801	201,629	85.7%
EMPLOYEE DEVELOPMENT	14,447	11,573	-	2,874	80.1%
<i>Total</i>	<u>2,202,228</u>	<u>1,889,094</u>	<u>5,884</u>	<u>307,251</u>	<u>86.0%</u>
<u>Finance</u>					
ADMINISTRATION	221,336	235,965	4,168	(18,797)	108.5%
REVENUE & CASH MANAGEMENT	510,731	465,626	17,600	27,505	94.6%
CASHIERING & COLLECTION	458,460	459,796	-	(1,336)	100.3%
LICENSES & PERMITS	469,695	471,911	10,807	(13,023)	102.8%
BUDGET MANAGEMENT	430,198	420,212	-	9,986	97.7%
ACCOUNTING	624,561	608,756	7,557	8,248	98.7%
PAYROLL	294,274	290,998	-	3,276	98.9%
ACCOUNTS PAYABLE	226,149	224,236	-	1,913	99.2%
CITY BILLING & CUSTOMER SERVICE	681,888	648,661	51,102	(17,875)	102.6%
PURCHASING	639,289	596,235	833	42,221	93.4%
CENTRAL WAREHOUSE	170,978	169,670	207	1,102	99.4%
MAIL SERVICES	109,740	107,948	207	1,585	98.6%
<i>Total</i>	<u>4,837,299</u>	<u>4,700,012</u>	<u>92,481</u>	<u>44,806</u>	<u>99.1%</u>
TOTAL GENERAL GOVERNMENT	<u>12,085,532</u>	<u>11,454,001</u>	<u>144,188</u>	<u>487,342</u>	<u>96.0%</u>
PUBLIC SAFETY					
<u>Police</u>					
CHIEF'S STAFF	1,051,028	1,105,767	-	(54,739)	105.2%
SUPPORT SERVICES	723,647	727,451	364	(4,168)	100.6%
RECORDS BUREAU	1,293,046	1,257,086	8,545	27,414	97.9%

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>
PUBLIC SAFETY					
<u>Police</u>					
ADMIN SERVICES	1,055,911	1,006,876	13,306	35,729	96.6%
PROPERTY ROOM	213,001	184,204	-	28,797	86.5%
TRAINING/RECRUITMENT	483,113	442,729	15,080	25,304	94.8%
RANGE	1,272,799	1,271,826	12,026	(11,053)	100.9%
COMMUNITY & MEDIA RELATIONS	858,553	904,292	-	(45,739)	105.3%
INFORMATION TECHNOLOGY	1,185,630	1,179,400	7,874	(1,644)	100.1%
INVESTIGATIVE DIVISION	4,978,937	5,168,760	-	(189,823)	103.8%
CRIME LAB	155,092	139,959	-	15,133	90.2%
PATROL DIVISION	15,757,918	15,787,420	23,411	(52,913)	100.3%
TRAFFIC	1,411,082	1,395,360	-	15,722	98.9%
SPECIAL EVENTS	831,095	968,318	-	(137,223)	116.5%
TACTICAL PATROL FORCE	1,497,838	1,341,263	-	156,575	89.5%
STREET SWEEPING ENFORCEMENT	340,916	339,488	-	1,428	99.6%
NIGHT LIFE ENFORCEMENT	301,944	325,867	-	(23,923)	107.9%
PARKING ENFORCEMENT	989,866	986,615	-	3,251	99.7%
COMBINED COMMAND CENTER	2,462,970	2,205,043	-	257,927	89.5%
ANIMAL CONTROL	658,550	559,600	-	98,950	85.0%
<i>Total</i>	<u>37,522,935</u>	<u>37,297,324</u>	<u>80,606</u>	<u>145,004</u>	99.6%
<u>Fire</u>					
ADMINISTRATION	816,274	809,268	1,921	5,085	99.4%
EMERGENCY SERVICES AND PUBLIC ED	294,891	287,280	-	7,611	97.4%
PREVENTION	1,118,386	1,148,219	-	(29,833)	102.7%
WILDLAND FIRE MITIGATION PROGRAM	194,013	188,521	1,800	3,693	98.1%
OPERATIONS	18,069,121	18,575,653	25,561	(532,093)	102.9%
ARFF	1,860,354	1,781,807	-	78,547	95.8%
<i>Total</i>	<u>22,353,039</u>	<u>22,790,747</u>	<u>29,282</u>	<u>(466,990)</u>	102.1%
TOTAL PUBLIC SAFETY	<u>59,875,974</u>	<u>60,088,072</u>	<u>109,888</u>	<u>(321,985)</u>	100.5%
PUBLIC WORKS					
<u>Public Works</u>					
ADMINISTRATION	1,049,511	896,714	4,619	148,178	85.9%
ENGINEERING SVCS	4,871,823	4,702,447	2,713	166,663	96.6%
PUBLIC RT OF WAY MGMT	1,042,862	1,013,696	5,510	23,656	97.7%
ENVIRONMENTAL PROGRAMS	507,253	334,912	82,833	89,508	82.4%
<i>Total</i>	<u>7,471,449</u>	<u>6,947,769</u>	<u>95,675</u>	<u>428,005</u>	94.3%
TOTAL PUBLIC WORKS	<u>7,471,449</u>	<u>6,947,769</u>	<u>95,675</u>	<u>428,005</u>	94.3%
COMMUNITY SERVICES					
<u>Parks & Recreation</u>					
REC PROGRAM MGMT	748,170	675,935	-	72,235	90.3%

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered
COMMUNITY SERVICES					
<u>Parks & Recreation</u>					
FACILITIES & SPECIAL EVENTS	784,564	753,824	-	30,740	96.1%
YOUTH ACTIVITIES	900,541	979,116	-	(78,575)	108.7%
ACTIVE ADULTS	716,529	694,248	-	22,281	96.9%
AQUATICS	1,263,670	1,238,894	9,672	15,104	98.8%
SPORTS	540,018	571,577	-	(31,558)	105.8%
TENNIS	276,873	270,655	-	6,218	97.8%
NEIGHBORHOOD & OUTREACH SERV	1,038,248	1,102,105	-	(63,857)	106.2%
ADMINISTRATION	643,802	670,335	8,407	(34,940)	105.4%
PROJECT MANAGEMENT TEAM	366,272	309,885	2,576	53,811	85.3%
BUSINESS SERVICES	6,082	1,298	-	4,785	21.3%
PARK OPERATIONS MANAGEMENT	953,835	918,291	750	34,794	96.4%
GROUNDS & FACILITIES MAINTENANCE	4,698,526	4,471,683	173,859	52,985	98.9%
FORESTRY	1,243,687	1,207,362	8,816	27,509	97.8%
BEACH MAINTENANCE	157,332	142,197	10,572	4,563	97.1%
MEDIANS PARKWAYS & CONTRACTS	-	-	15,164	(15,164)	100.0%
<i>Total</i>	<u>14,338,150</u>	<u>14,007,404</u>	<u>229,817</u>	<u>100,929</u>	<u>99.3%</u>
 <u>Library</u>					
ADMINISTRATION	460,433	457,695	-	2,738	99.4%
PUBLIC SERVICES	2,607,620	2,516,818	-	90,802	96.5%
SUPPORT SERVICES	1,617,031	1,653,255	16,389	(52,612)	103.3%
<i>Total</i>	<u>4,685,085</u>	<u>4,627,768</u>	<u>16,389</u>	<u>40,928</u>	<u>99.1%</u>
TOTAL COMMUNITY SERVICES	<u>19,023,234</u>	<u>18,635,172</u>	<u>246,205</u>	<u>141,857</u>	<u>99.3%</u>
 COMMUNITY DEVELOPMENT					
<u>Community Development</u>					
ADMINISTRATION	551,107	504,198	52	46,857	91.5%
ECONOMIC DEVELOPMENT	48,420	42,507	-	5,913	87.8%
CITY ARTS ADVISORY PROGRAM	437,260	437,260	-	-	100.0%
RENTAL HOUSING MEDIATION	249,060	188,927	-	60,132	75.9%
HUMAN SERVICES	821,025	814,852	4,250	1,923	99.8%
HOUSING PRESERVATION AND DEV	59,645	21,866	37,784	(5)	100.0%
LONG RANGE PLAN & SPEC STUDY	905,914	794,758	20,036	91,120	89.9%
DEVEL & ENVIRONMENTAL REVIEW	1,350,777	1,269,951	209	80,617	94.0%
ZONING INFO & ENFORCEMENT	1,264,867	1,218,955	2,275	43,637	96.6%
DESIGN REV & HIST PRESERVATION	1,100,803	1,030,227	91	70,484	93.6%
BLDG INSP & CODE ENFORCEMENT	1,147,440	1,069,605	12	77,823	93.2%
RECORDS ARCHIVES & CLER SVCS	563,562	521,020	6,567	35,975	93.6%
BLDG COUNTER & PLAN REV SVCS	1,302,478	1,255,834	2,405	44,239	96.6%
<i>Total</i>	<u>9,802,357</u>	<u>9,169,960</u>	<u>73,681</u>	<u>558,716</u>	<u>94.3%</u>
TOTAL COMMUNITY DEVELOPMENT	<u>9,802,357</u>	<u>9,169,960</u>	<u>73,681</u>	<u>558,716</u>	<u>94.3%</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>
NON-DEPARTMENTAL					
<u>Non-Departmental</u>					
DUES, MEMBERSHIPS, & LICENSES	22,272	23,940	-	(1,668)	107.5%
TRANSFERS OUT	43,500	43,500	-	-	100.0%
NON-DEPARTMENTAL					
<u>Non-Departmental</u>					
DEBT SERVICE TRANSFERS	350,746	322,078	-	28,668	91.8%
CAPITAL OUTLAY TRANSFER	1,000,000	1,000,000	-	-	100.0%
APPROP.RESERVE	359,658	-	-	359,658	0.0%
NON-DEPT - COMMUNITY PROMOTIONS	2,028,008	2,007,641	-	20,367	99.0%
<i>Total</i>	<u>3,804,184</u>	<u>3,397,159</u>	<u>-</u>	<u>407,024</u>	<u>89.3%</u>
TOTAL NON-DEPARTMENTAL	<u>3,804,184</u>	<u>3,397,159</u>	<u>-</u>	<u>407,024</u>	<u>89.3%</u>
TOTAL EXPENDITURES	<u>112,062,731</u>	<u>109,692,133</u>	<u>669,638</u>	<u>1,700,959</u>	<u>98.5%</u>

*** The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

For Enterprise and Internal Service Funds, the level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Special Revenue Funds
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
TRAFFIC SAFETY FUND					
Revenue	506,204	580,151	-	(73,947)	114.6%
Expenditures	<u>506,204</u>	<u>580,151</u>	<u>-</u>	<u>(73,947)</u>	114.6%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	3,367,572	3,464,352	-	(96,780)	102.9%
Expenditures	<u>5,433,182</u>	<u>4,651,150</u>	<u>201,822</u>	<u>580,210</u>	89.3%
<i>Revenue Less Expenditures</i>	<u>(2,065,610)</u>	<u>(1,186,798)</u>	<u>(201,822)</u>	<u>(676,990)</u>	
COMMUNITY DEVELOPMENT BLOCK GRANT					
Revenue	1,853,369	1,074,163	-	779,206	58.0%
Expenditures	<u>2,167,813</u>	<u>1,044,459</u>	<u>17,893</u>	<u>1,105,460</u>	49.0%
<i>Revenue Less Expenditures</i>	<u>(314,444)</u>	<u>29,704</u>	<u>(17,893)</u>	<u>(326,255)</u>	
COUNTY LIBRARY					
Revenue	2,017,383	2,077,184	-	(59,801)	103.0%
Expenditures	<u>2,234,214</u>	<u>2,065,199</u>	<u>2,060</u>	<u>166,955</u>	92.5%
<i>Revenue Less Expenditures</i>	<u>(216,831)</u>	<u>11,985</u>	<u>(2,060)</u>	<u>(226,756)</u>	
STREETS FUND					
Revenue	14,746,123	14,716,639	-	29,484	99.8%
Expenditures	<u>19,205,075</u>	<u>11,079,132</u>	<u>3,164,044</u>	<u>4,961,898</u>	74.2%
<i>Revenue Less Expenditures</i>	<u>(4,458,952)</u>	<u>3,637,507</u>	<u>(3,164,044)</u>	<u>(4,932,415)</u>	
MEASURE A					
Revenue	3,411,416	3,442,166	-	(30,750)	100.9%
Expenditures	<u>4,761,898</u>	<u>3,153,775</u>	<u>1,162,223</u>	<u>445,900</u>	90.6%
<i>Revenue Less Expenditures</i>	<u>(1,350,482)</u>	<u>288,391</u>	<u>(1,162,223)</u>	<u>(476,650)</u>	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

SOLID WASTE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Service charges	19,399,527	19,889,577	-	(490,050)	102.5%
Other Fees & Charges	474,816	539,553	-	(64,737)	113.6%
Grants	20,000	23,654	-	(3,654)	118.3%
Miscellaneous	233,100	236,616	-	(3,516)	101.5%
TOTAL REVENUES	<u>20,127,443</u>	<u>20,689,401</u>	<u>-</u>	<u>(561,958)</u>	<u>102.8%</u>
EXPENSES					
Salaries & Benefits	819,688	803,217	-	16,471	98.0%
Materials, Supplies & Services	18,700,727	18,412,836	140,315	147,576	99.2%
Special Projects	585,988	557,697	8,953	19,338	96.7%
Transfers-Out	50,000	50,000	-	-	100.0%
Capital Outlay Transfers	17,556	17,556	-	-	100.0%
Equipment	13,709	11,556	-	2,153	84.3%
Capitalized Fixed Assets	10,000	-	-	10,000	0.0%
Other	50,000	-	-	50,000	0.0%
TOTAL EXPENSES	<u>20,247,668</u>	<u>19,852,861</u>	<u>149,268</u>	<u>245,539</u>	<u>98.8%</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

WATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Water Sales- Metered	32,300,000	33,296,287	-	(996,287)	103.1%
Service Charges	506,500	624,169	-	(117,669)	123.2%
Cater JPA Treatment Charges	2,467,510	1,907,084	-	560,426	77.3%
Investment Income	534,400	544,344	-	(9,944)	101.9%
Rents & Concessions	22,872	22,872	-	-	100.0%
Reimbursements	673,153	490,269	-	182,885	72.8%
Miscellaneous	20,000	86,059	-	(66,059)	430.3%
Operating Transfers-In	185,000	185,000	-	-	100.0%
TOTAL REVENUES	<u>36,709,435</u>	<u>37,156,084</u>	<u>-</u>	<u>(446,649)</u>	<u>101.2%</u>
EXPENSES					
Salaries & Benefits	8,318,512	7,819,151	-	499,361	94.0%
Materials, Supplies & Services	10,521,198	7,855,725	853,024	1,812,448	82.8%
Special Projects	1,105,856	443,012	72,099	590,745	46.6%
Water Purchases	8,016,230	7,568,604	111,462	336,164	95.8%
Debt Service	5,566,589	3,912,189	-	1,654,400	70.3%
Capital Outlay Transfers	11,189,231	11,189,231	-	-	100.0%
Equipment	146,195	77,629	42,153	26,413	81.9%
Capitalized Fixed Assets	132,839	84,343	7,875	40,621	69.4%
Other	32,775	24,957	-	7,818	76.1%
Appropriated Reserve	150,000	-	-	150,000	0.0%
TOTAL EXPENSES	<u>45,179,425</u>	<u>38,974,841</u>	<u>1,086,613</u>	<u>5,117,971</u>	<u>88.7%</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

WASTEWATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Service Charges	16,997,000	17,235,843	-	(238,843)	101.4%
Fees	692,579	754,734	-	(62,155)	109.0%
Investment Income	150,900	161,116	-	(10,216)	106.8%
Rents & Concessions	32,000	15,650	-	16,350	48.9%
Miscellaneous	35,000	23,928	-	11,072	68.4%
TOTAL REVENUES	<u>17,907,479</u>	<u>18,191,272</u>	<u>-</u>	<u>(283,793)</u>	<u>101.6%</u>
EXPENSES					
Salaries & Benefits	5,630,999	5,153,522	-	477,477	91.5%
Materials, Supplies & Services	6,852,640	6,218,838	593,975	39,827	99.4%
Special Projects	465,500	113,708	124,982	226,810	51.3%
Debt Service	1,668,096	1,431,361	-	236,735	85.8%
Capital Outlay Transfers	4,154,727	4,154,727	-	-	100.0%
Equipment	97,044	58,296	1,568	37,179	61.7%
Capitalized Fixed Assets	26,000	24,200	-	1,800	93.1%
Other	3,000	1,000	-	2,000	33.3%
Appropriated Reserve	150,000	-	-	150,000	0.0%
TOTAL EXPENSES	<u>19,048,005</u>	<u>17,155,652</u>	<u>720,525</u>	<u>1,171,829</u>	<u>93.8%</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

DOWNTOWN PARKING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Improvement Tax	875,000	1,009,607	-	(134,607)	115.4%
Parking Fees	6,313,084	6,824,016	-	(510,932)	108.1%
Other Fees & Charges	1,000	2,853	-	(1,853)	285.3%
Investment Income	98,200	101,968	-	(3,768)	103.8%
Rents & Concessions	88,925	71,873	-	17,052	80.8%
Miscellaneous	1,000	41,996	-	(40,996)	4199.6%
Operating Transfers-In	43,500	43,500	-	-	100.0%
TOTAL REVENUES	<u>7,420,709</u>	<u>8,095,813</u>	<u>-</u>	<u>(675,104)</u>	<u>109.1%</u>
EXPENSES					
Salaries & Benefits	4,049,433	3,992,438	-	56,995	98.6%
Materials, Supplies & Services	2,108,134	1,872,344	6,417	229,372	89.1%
Special Projects	531,852	504,431	9,995	17,426	96.7%
Transfer-Out	328,908	328,908	-	-	100.0%
Capital Outlay Transfers	1,507,753	1,507,753	-	-	100.0%
Equipment	25,000	9,569	2,470	12,961	48.2%
Appropriated Reserve	50,000	-	-	50,000	0.0%
TOTAL EXPENSES	<u>8,601,079</u>	<u>8,215,444</u>	<u>18,882</u>	<u>366,754</u>	<u>95.7%</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

AIRPORT OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Leases-Commercial/Industrial	4,472,500	4,190,885	-	281,615	93.7%
Leases-Terminal	5,189,964	4,980,946	-	209,018	96.0%
Leases-Non-Commercial Aviation	1,895,929	1,714,470	-	181,459	90.4%
Leases-Commercial Aviation	3,939,000	4,278,204	-	(339,204)	108.6%
Investment Income	111,100	119,140	-	(8,040)	107.2%
Miscellaneous	142,600	214,133	-	(71,533)	150.2%
TOTAL REVENUES	<u>15,751,093</u>	<u>15,497,778</u>	<u>-</u>	<u>253,315</u>	<u>98.4%</u>
EXPENSES					
Salaries & Benefits	5,500,302	5,053,075	-	447,227	91.9%
Materials, Supplies & Services	7,748,566	7,393,916	109,133	245,517	96.8%
Special Projects	563,000	464,952	-	98,048	82.6%
Transfer-Out	19,728	19,728	-	-	100.0%
Debt Service	1,817,106	1,823,905	-	(6,799)	100.4%
Capital Outlay Transfers	744,632	744,632	-	-	100.0%
Equipment	82,358	50,406	13,734	18,218	77.9%
Appropriated Reserve	95,839	-	-	95,839	0.0%
TOTAL EXPENSES	<u>16,571,531</u>	<u>15,550,615</u>	<u>122,867</u>	<u>898,049</u>	<u>94.6%</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

GOLF COURSE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Fees & Card Sales	1,739,239	1,664,726	-	74,513	95.7%
Investment Income	8,800	9,519	-	(719)	108.2%
Rents & Concessions	332,520	328,701	-	3,819	98.9%
Miscellaneous	27,900	37,948	-	(10,048)	136.0%
TOTAL REVENUES	<u>2,108,459</u>	<u>2,040,894</u>	<u>-</u>	<u>67,565</u>	<u>96.8%</u>
EXPENSES					
Salaries & Benefits	1,022,332	1,062,931	-	(40,599)	104.0%
Materials, Supplies & Services	620,507	569,154	-	51,353	91.7%
Debt Service	245,698	274,559	-	(28,861)	111.7%
Capital Outlay Transfers	214,486	214,486	-	-	100.0%
Equipment	3,000	-	-	3,000	0.0%
Other	900	864	-	36	96.0%
TOTAL EXPENSES	<u>2,106,923</u>	<u>2,121,993</u>	<u>-</u>	<u>(15,070)</u>	<u>100.7%</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

INTRA-CITY SERVICE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Service Charges	2,530,773	2,530,773	-	-	100.0%
Work Orders - Bldg Maint.	2,592,140	2,354,361	-	237,779	90.8%
Grants	120,449	92,922	-	27,527	77.1%
Miscellaneous	361,600	43,899	-	317,701	12.1%
TOTAL REVENUES	<u>5,604,962</u>	<u>5,021,955</u>	<u>-</u>	<u>583,007</u>	<u>89.6%</u>
EXPENSES					
Salaries & Benefits	3,462,955	3,309,174	-	153,781	95.6%
Materials, Supplies & Services	1,460,873	1,483,149	11,478	(33,754)	102.3%
Special Projects	940,978	864,774	51,422	24,782	97.4%
Equipment	15,000	3,000	-	12,000	20.0%
Capitalized Fixed Assets	31,882	19,649	3,349	8,883	72.1%
TOTAL EXPENSES	<u>5,911,688</u>	<u>5,679,747</u>	<u>66,249</u>	<u>165,692</u>	<u>97.2%</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

FLEET REPLACEMENT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Vehicle Rental Charges	2,228,805	2,228,805	-	-	100.0%
Investment Income	122,300	122,004	-	296	99.8%
Rents & Concessions	233,978	233,978	-	-	100.0%
Miscellaneous	173,118	59,770	-	113,348	34.5%
TOTAL REVENUES	<u>2,758,201</u>	<u>2,644,557</u>	<u>-</u>	<u>113,644</u>	95.9%
EXPENSES					
Salaries & Benefits	193,629	182,455	-	11,175	94.2%
Materials, Supplies & Services	3,061	3,006	-	55	98.2%
Special Projects	1,161,400	29,543	-	1,131,857	2.5%
Capitalized Fixed Assets	3,776,901	1,323,169	2,067,148	386,584	89.8%
TOTAL EXPENSES	<u>5,134,991</u>	<u>1,538,172</u>	<u>2,067,148</u>	<u>1,529,671</u>	70.2%

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

FLEET MAINTENANCE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Vehicle Maintenance Charges	2,463,432	2,463,432	-	-	100.0%
Reimbursements	10,000	10,000	-	-	100.0%
Miscellaneous	103,070	145,734	-	(42,664)	141.4%
TOTAL REVENUES	<u>2,576,502</u>	<u>2,619,166</u>	<u>-</u>	<u>(42,664)</u>	<u>101.7%</u>
EXPENSES					
Salaries & Benefits	1,280,067	1,197,627	-	82,440	93.6%
Materials, Supplies & Services	1,181,623	1,063,582	30,338	87,703	92.6%
Special Projects	64,663	27,688	1,300	35,674	44.8%
Debt Service	43,070	43,070	-	-	100.0%
Equipment	15,800	12,990	-	2,810	82.2%
Capitalized Fixed Assets	48,623	42,566	8,106	(2,049)	104.2%
Appropriated Reserve	16,893	-	-	16,893	0.0%
TOTAL EXPENSES	<u>2,650,738</u>	<u>2,387,523</u>	<u>39,744</u>	<u>223,471</u>	<u>91.6%</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

SELF INSURANCE TRUST FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Insurance Premiums	2,756,112	2,756,112	-	-	100.0%
Workers' Compensation Premiums	2,950,702	2,950,702	-	-	100.0%
OSH Charges	193,833	193,833	-	-	100.0%
Investment Income	60,300	48,759	-	11,541	80.9%
Miscellaneous	-	40,728	-	(40,728)	100.0%
TOTAL REVENUES	<u>5,960,947</u>	<u>5,990,134</u>	<u>-</u>	<u>(29,187)</u>	100.5%
EXPENSES					
Salaries & Benefits	538,662	453,494	-	85,169	84.2%
Materials, Supplies & Services	5,483,919	5,705,166	129,366	(350,613)	106.4%
Special Projects	100	-	-	100	0.0%
Equipment	66	66	-	-	100.0%
TOTAL EXPENSES	<u>6,022,747</u>	<u>6,158,725</u>	<u>129,366</u>	<u>(265,344)</u>	104.4%

The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

INFORMATION SYSTEMS ICS FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Service charges	2,514,997	2,514,997	-	-	100.0%
TOTAL REVENUES	<u>2,514,997</u>	<u>2,514,997</u>	<u>-</u>	<u>-</u>	<u>100.0%</u>
EXPENSES					
Salaries & Benefits	1,591,218	1,591,188	-	30	100.0%
Materials, Supplies & Services	984,806	846,725	43,556	94,525	90.4%
Special Projects	18,500	305	-	18,195	1.6%
Capital Outlay Transfers	212,000	212,000	-	-	100.0%
Equipment	23,484	22,190	-	1,294	94.5%
Capital Fixed Assets	123,000	121,781	-	1,219	99.0%
Appropriated Reserve	12,586	-	-	12,586	0.0%
TOTAL EXPENSES	<u>2,965,594</u>	<u>2,794,188</u>	<u>43,556</u>	<u>127,850</u>	<u>95.7%</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2014 (100% of Fiscal Year)

WATERFRONT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
REVENUES					
Leases - Commercial	1,373,772	1,467,157	-	(93,385)	106.8%
Leases - Food Service	2,641,800	2,977,798	-	(335,998)	112.7%
Slip Rental Fees	4,122,293	4,138,316	-	(16,023)	100.4%
Visitors Fees	450,000	454,520	-	(4,520)	101.0%
Slip Transfer Fees	525,000	672,450	-	(147,450)	128.1%
Parking Revenue	2,009,800	2,492,160	-	(482,360)	124.0%
Wharf Parking	250,000	277,482	-	(27,482)	111.0%
Other Fees & Charges	236,435	252,421	-	(15,986)	106.8%
Investment Income	137,700	142,375	-	(4,675)	103.4%
Rents & Concessions	306,267	317,498	-	(11,231)	103.7%
Miscellaneous	392,000	719,572	-	(327,572)	183.6%
TOTAL REVENUES	<u>12,445,067</u>	<u>13,911,749</u>	<u>-</u>	<u>(1,466,682)</u>	<u>111.8%</u>
EXPENSES					
Salaries & Benefits	5,866,308	5,661,758	-	204,550	96.5%
Materials, Supplies & Services	4,015,598	3,785,880	189,575	40,143	99.0%
Special Projects	190,438	163,750	-	26,688	86.0%
Debt Service	1,843,880	2,316,955	-	(473,075)	125.7%
Capital Outlay Transfers	1,544,155	1,544,155	-	-	100.0%
Equipment	55,610	21,673	2,259	31,678	43.0%
Capital Fixed Assets	40,000	22,896	17,104	-	100.0%
Other	-	2,798	-	(2,798)	100.0%
Appropriated Reserve	3,000	-	-	3,000	0.0%
TOTAL EXPENSES	<u>13,558,989</u>	<u>13,519,865</u>	<u>208,938</u>	<u>(169,814)</u>	<u>101.3%</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

*Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)*

General Fund Revenues

The table below summarizes General Fund revenues for the year ended June 30, 2014. For interim financial statement purposes, revenues are reported on a cash basis (i.e. when the funds are received). The table below does not include year-end adjusting entries to close the books, which will occur during the next several weeks, in preparation for the annual audit and compilation of the annual financial statements. Final results will be presented in connection with the Council's review and approval of the City's Comprehensive Annual Financial Report later in the fiscal year. Major revenues and significant variances are discussed below.

Summary of Revenues For the Fiscal Year Ended June 30, 2014 GENERAL FUND				
Current Year Analysis				
	Annual Budget	Actual	Variance	Percent Rec'd
Sales & Use Tax	\$ 21,084,894	\$ 21,323,309	\$ 238,415	101.13%
Property Tax	25,475,500	26,555,242	1,079,742	104.24%
UUT	6,975,300	7,008,202	32,902	100.47%
TOT	16,202,000	16,821,995	619,995	103.83%
Bus License	2,415,000	2,555,399	140,399	105.81%
Prop Trans Tax	537,900	668,641	130,741	124.31%
Total Taxes	72,690,594	74,932,787	2,242,193	103.08%
License & Permits	219,180	197,663	(21,517)	90.18%
Fines & Forfeitures	3,133,967	3,128,042	(5,925)	99.81%
Franchise Fee	3,660,300	3,822,441	162,141	104.43%
Use of Money & Property	1,072,589	1,023,195	(49,394)	95.39%
Intergovernmental	720,336	1,403,651	683,314	194.86%
Fee & Charges	19,698,939	19,406,108	(292,831)	98.51%
Miscellaneous	9,430,947	9,394,959	(35,988)	99.62%
Total Other	37,936,258	38,376,058	439,800	101.16%
Total Before Budgeted Variances	110,626,852	113,308,846	2,681,993	102.42%
Anticipated Year-End Var	1,200,000	-	(1,200,000)	0.00%
Total Revenues	\$ 111,826,852	\$ 113,308,846	\$ 1,481,993	101.33%

As seen in the table above, total revenues are approximately \$2,424,000 above the budget through June 30, 2014.

Sales Taxes

Sales tax revenue through June 30, 2014 was \$238,415 above the budget. Sales taxes earned between April 1, 2014 and June 30, 2014 are received between July and September. Revenues for the quarter ended June 2014 were 9.1% above those from the June 2013 quarter. Sales tax revenues continue to show recovery from growth lost during the recession and have now exceeded the level of sales tax receipts in the June quarter of fiscal year 2007, which was the City's peak year for sales tax revenue.

*Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)*

Property Tax

Property tax revenue ended the year \$1,079,743 over budget. The actual secured and unsecured property taxes exceeded staff's budgeted growth estimates based on information received by the County early in the fiscal year. Revenue growth for fiscal year 2014 was approximately 4% relative to prior year, the strongest growth since fiscal year 2008.

Transient Occupancy Tax

TOT revenue was \$619,995 above the budget at June 30, 2014 as shown on the table on the previous page. This 15.9% increase from the prior year is partly due to the completion of major renovations completed at high-end hotel after more than a year of construction and to unseasonably warm weather during the winter months.

Business License Tax

Business License revenue is \$140,399 above the budget. The budget assumed 1% earned revenue growth in Fiscal Year 2014. However, both a slight increase in business license renewals, and steady increases in revenue resulting from the business license audit program, has resulted in a 1.6% growth over the prior year.

Property Transfer Tax

Property Transfer Tax is derived from the sale of real property. The rate is \$0.55 per \$1,000 of value. Approximately \$1.2 billion in sales during fiscal year 2014 generated \$668,641 in revenues to the City, resulting in a \$130,741 favorable variance from budget at year-end. This 3.8% increase over the prior year is likely due to the increase in property values from prior year.

Intergovernmental

Intergovernmental revenue was approximately \$683,000 above budget. The largest component of intergovernmental revenue is mutual aid reimbursements received by the Fire Department for providing assistance to other agencies. The City is reimbursed for the actual costs of providing assistance plus an overhead factor. The Fire Department budgeted \$400,000 in reimbursements and has received \$1,079,421 in reimbursements as of June 30, 2014.

Miscellaneous

Miscellaneous revenue was approximately \$35,988 below the year-to-date budget. The table below lists the largest components of miscellaneous revenue, which includes overhead cost recovery, transfers in from the Traffic Safety Fund and Police Grants Fund, donations, administrative citations, auction revenue, City TV revenue, sale of property, insurance rebates, refunds, and other miscellaneous revenue.

***Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)***

Miscellaneous Revenue General Fund For the Year Ended June 30, 2014				
Type of Misc. Revenue	Annual Budget	YTD Actual	Budget Variance	Percent Received YTD
Miscellaneous Revenue	\$ 1,634,051	\$ 1,510,781	\$ (123,270)	92.5%
Transfers In	1,504,156	1,591,438	87,282	105.8%
Overhead Allocation	6,292,740	6,292,740	-	100.0%
Total	\$ 9,430,947	\$ 9,394,959	\$ (35,988)	99.6%

Fees & Service Charges

Overall, fees and service charges ended the year \$292,831 under budget. The table below provides more details on fees and service charges by department. The more significant mid-year variances are also discussed.

Fees and Service Charges General Fund For the Year Ended June 30, 2014				
Department	Annual Budget	YTD Actual	Budget Variance	Percent Received YTD
Finance	\$ 926,598	\$ 937,703	\$ 11,105	101.2%
Community Development	4,480,075	4,296,934	(183,141)	95.9%
Parks & Recreation	2,951,818	3,025,198	73,380	102.5%
Public Safety	631,938	567,506	(64,432)	89.8%
Public Works	5,661,288	5,599,902	(61,386)	98.9%
Library	753,839	757,187	3,347	100.4%
Inter-Fund Charges	4,293,383	4,221,680	(71,703)	98.3%
Total	\$ 19,698,939	\$ 19,406,108	\$ (292,831)	98.5%

Community Development fees are approximately \$183,000 below the year-to-date budget. This variance is largely due to slow growth in building-related activity charges, such as planning work orders fees, building permit fees.

Parks & Recreation fees are approximately \$73,000 above budget. Revenues for many recreation programs performed well, providing for a year of strong growth.

Public Safety fees and charges are approximately \$64,000 under budget. Several revenues are down slightly relative to the budget, including DUI response cost recovery, identification fees, and dismissal fees in the Police Department, and certain plan check fees in the Fire Department. In addition, Police Officer Standards and Training (POST) reimbursements for costs of training reimbursable by the State is down.

*Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)*

Inter-Fund charges are \$72,000 below the budget. These charges represent reimbursements from other City funds and departments and from other governments for various services.

Anticipated Year-End Variance

It is important to note that the table on page 1 includes \$1,200,000 for anticipated year-end budget variances. The \$1.2 million is roughly equal to 1.1% of budgeted operating expenditures in the General Fund and, although budgeted as revenue, represents staff's estimate of the favorable expenditure variances (i.e. expenditures *under* budget) for the year. As is the case each year, the Anticipated Year-End Variance budgeted will not reflect any actual revenues, but rather favorable variances in expenditures by year-end.

*Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)*

General Fund Expenditures

The table below summarizes the General Fund budget and year-to-date expenditures through June 30, 2014. The "Adjusted Annual Budget" column represents the adopted budget, appropriation carryovers from the prior year, and any supplemental appropriations approved by Council in the current year.

The table includes actual expenditures without encumbrances, and separate column for the variance after considering encumbrances. Outstanding encumbrances include certain appropriations that were carried forward from prior year and contracts.

SUMMARY OF EXPENDITURES GENERAL FUND For the Year Ended June 30, 2014						
Department	Adjusted Annual Budget	YTD Actual	YTD Variance Without Encumbrance	Encum- brance	YTD Variance With Encumb Favorable (Unfavorable)	
					\$	%
Mayor & Council	\$ 770,723	\$ 743,660	\$ 27,063	\$ 3,191	\$ 23,872	3.1%
City Attorney	2,129,254	2,083,451	45,803	11,031	34,772	1.6%
City Administrator	2,146,028	2,037,785	108,243	31,602	76,641	3.6%
Administrative Svs.	2,202,228	1,889,094	313,134	5,884	307,250	14.0%
Finance	4,837,299	4,700,012	137,287	92,481	44,806	0.9%
Police	37,522,935	37,297,324	225,611	80,606	145,005	0.4%
Fire	22,353,039	22,790,747	(437,708)	29,282	(466,990)	-2.1%
Public Works	7,471,449	6,947,769	523,680	95,675	428,005	5.7%
Parks & Recreation	14,338,150	14,007,404	330,746	229,817	100,929	0.7%
Library	4,685,085	4,627,768	57,317	16,389	40,928	0.9%
Community Development	9,802,357	9,169,960	632,397	73,681	558,716	5.7%
Community Prom/Gen Gov't	3,804,184	3,397,159	407,025	-	407,025	10.7%
Total	\$ 112,062,731	\$ 109,692,133	\$ 2,370,598	\$ 669,639	\$ 1,700,959	1.5%
% of annual budget		97.9%	2.1%	0.6%	1.5%	

The Adjusted Annual Budget of \$112.1 million at June 30, compared to actual expenditures of \$109.7 million, resulted in a favorable variance of approximately \$2.4 million before encumbrances. Significant variances in departments are discussed below.

Administrative Services

Administrative Services ended the year \$313,134 under budget. This department consists of two programs accounted for in the General Fund, Human Resources and City Clerk. The Human Resources Program ended \$200,000 below budget, primarily due to a Personnel Analyst position that was vacant all year. Finding a suitable candidate through two open recruitments has not been successful.

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For the Year Ended June 30, 2014 (100% of Year Elapsed)*

The City Clerk's Office conducted the bi-annual election in November 2013 for vacant City Council seats. Staff budgets \$300,000 in every election year, even though the costs vary depending on the number of candidates and whether any other items are on the ballot. In this year, only \$200,331 of the \$300,000 was needed, resulting in savings of almost \$100,000.

Fire Department

The Fire Department is over budget by \$437,708 at year end, attributable to two separate items. The first is overtime related to mutual aid calls. The level of response is difficult to predict, and staff budgets an amount approximating historical averages. This past year, due to continued dry conditions, was a high fire year. As such, the Fire Department incurred a total of \$782,409 in mutual aid costs against a budget of \$349,560, for an overage of \$432,849. These costs are more than offset by mutual aid reimbursements which, for fiscal year 2014, totaled almost \$1.1 million, exceeding budget by over \$680,000.

The Fire Department also exceeded its overtime budget by approximately \$250,000 due to a higher than expected number of injuries and family medical leave. With minimum staffing requirements, an increase in time off for injuries, sickness or other unplanned absences results in an increase in overtime costs.

Public Works

The \$523,680 favorable expenditures variance is due to various factors. The largest, accounting for \$257,177 of the variance, relates to savings in salary and benefits. The savings are primarily due to the following: (1) the appointment of new Public Works Director at a lower salary than budgeted; (2) a Principal Engineer who is being paid out of the Water Fund while serving as Acting Water Resources Manager; and (3) vacant Supervising Surveyor position. The balance of savings is derived from a variety of line-items across the department, primarily in the Supplies & Services category.

Community Development

The department ended the year well under budget. The \$632,397 savings were primarily attributable to the following:

1. Leave of Absences – Approximately \$90,000 in savings was realized in salaries and benefits due to a long-term leave of absence of an employee in the Long Range Planning Program.
2. Vacancies – Approximately \$271,000 in savings was the result of staff vacancies, including a Building Inspector Aide and the Community Development Director. There was also smaller savings in Plan Check hourly salaries and approximately \$60,000 in savings in the Rental Housing Mediation Program staff salaries.
3. General Savings in Supplies & Services – The department achieved approximately \$252,000 in savings across a number of line-item accounts, most notably in professional services, non-contractual services and equipment.

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For the Year Ended June 30, 2014 (100% of Year Elapsed)*

Community Promotions/General Government

The year-end savings of \$407,025 is almost entirely due to the unspent portion of appropriated reserves. These funds, if used, are allocated to the department where the monies are needed. This year, all of the \$359,658 budgeted went unspent.

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*Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)*

ENTERPRISE REVENUES AND EXPENSES ANALYSIS

Unlike the General Fund, which relies primarily on taxes to subsidize programs and services, Enterprise Fund operations are financed primarily from user fees and other non-tax revenues. The table below summarizes Enterprise Fund revenues and expenses through June 30, 2014, with a comparison to the current year budget and prior year expenses. The expenses shown in the table do not include outstanding encumbrances at June 30, 2014. Outstanding encumbrances include appropriations that were carried forward from prior year as part of the appropriation carryovers and contracts.

SUMMARY OF REVENUES & EXPENSES For the Year Ended June 30, 2014 ENTERPRISE FUNDS						
	<u>Current Year Analysis</u>				<u>Prior Year Analysis</u>	
	<u>Amended Budget</u>	<u>YTD Actual</u>	<u>YTD Variance</u>	<u>YTD Percent</u>	<u>YTD Actual</u>	<u>% Variance</u>
Water Fund						
Revenues	\$36,709,435	\$ 37,156,084	\$ 446,649	101.2%	\$ 38,936,859	-4.6%
Expenses	45,179,425	38,974,841	6,204,584	86.3%	30,926,183	26.0%
Wastewater Fund						
Revenues	17,907,479	18,191,272	283,793	101.6%	20,407,931	-10.9%
Expenses	19,048,005	17,155,652	1,892,353	90.1%	15,619,483	9.8%
Downtown Parking Fund						
Revenues	7,420,709	8,095,813	675,104	109.1%	8,209,916	-1.4%
Expenses	8,601,079	8,215,444	385,635	95.5%	7,484,514	9.8%
Airport Fund						
Revenues	15,751,093	15,497,778	(253,315)	98.4%	15,168,981	2.2%
Expenses	16,571,531	15,550,615	1,020,916	93.8%	15,476,398	0.5%
Golf Fund						
Revenues	2,108,459	2,040,894	(67,565)	96.8%	1,855,377	10.0%
Expenses	2,106,923	2,121,993	(15,070)	100.7%	1,951,485	8.7%
Waterfront Fund						
Revenues	12,445,067	13,911,749	1,466,682	111.8%	12,935,121	7.6%
Expenses	13,558,989	13,519,865	39,124	99.7%	12,447,394	8.6%

The following discussion highlights some of the more significant revenue and expense variances of the enterprise funds, in relation to budget or prior year.

Water Fund

Water Fund revenues ended the year \$446,649 (1.2%) over budget. This is essentially in line with expectations.

Water Fund expenses ended the year \$6.2 million below budget. This large variance is attributable to two factors. The first was the delayed start up of the Ortega Groundwater Well Plant. During fiscal year 2014, the Plant was online for approximately sixty days. However, the budget for chemical and energy costs assumed the plant would be operational for most of the year. As a result, the Water Fund realized savings of \$661,952 directly related to the delays.

Another factor was the better than expected performance of the Cater ozone treatment process. When the process was activated, it required less powdered activated carbon (PAC) than anticipated, which costs approximately \$25,000 per truckload. This has resulted in savings of almost \$370,000.

The largest factor pertains to debt service. During fiscal year 2014, the 1994 Refunding Revenue Bonds were paid off, and both the 2002 Refunding Certificates of Participation (COPs) and the 2003 State loan used to fund the Sheffield Water Quality Improvement Project were refinanced through the issuance of the 2013 Refunding COPs. The combination of these debt retirements and refinancing resulted in an overall reduction in fiscal year debt service costs of \$968,204 relative to the amounts budgeted.

In addition to the savings described above, the Water Fund also realized savings in debt service costs from the delay in the completion of the Ortega Groundwater Treatment Plant project, which is funded from another State loan. During construction, only interest is paid; and when the project is complete, the loan is fully amortized to include the payment of both principal and interest. Staff expected, and therefore budgeted, the repayment of principal and interest in fiscal year 2014 based on the expected completion of the project in that same year. Due to the delays, a total of \$686,195 in debt service was not incurred in fiscal year 2014 but will be incurred starting in fiscal year 2015 when the project is expected to be completed.

Other expenditure savings in the Water Fund include the following:

- Staff vacancies stemming from turnover generated approximately \$500,000 in savings.
- Planned repairs to one of the heating, ventilation and air conditioning (HVAC) systems was delayed, saving approximately \$150,000.
- Amounts budgeted for the City's share of the Cachuma Operations and Maintenance Board (COMB) and Cachuma Conservation Release Board (CCRB) are based on preliminary budget information provided from those agencies. In fiscal year 2014, the final amounts paid to these entities, totaling approximately \$2.8 million, was \$336,164 less than budgeted.
- A groundwater management plan was expected to commence this year but has been delayed to the allocation of resources to respond to, and develop a plan for, the impacts on water supplies of the drought. The project was budgeted at \$182,000.

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For the Year Ended June 30, 2014 (100% of Year Elapsed)*

- The appropriated reserve of \$150,000 was not used and therefore resulted in a corresponding saving.

Wastewater Fund

Wastewater Fund revenues ended the year \$283,793 (1.6%) over budget. Given that these budget estimates were developed almost 1 ½ years earlier, this variance is well within a reasonable margin of error.

The \$1.9 million savings (excluding \$451,770 in encumbrances) in expenses relative to the budget is attributable to several factors.

- Staff budgeted debt service costs for a new State Revolving Loan to fund the Fats, Oil and Grease Project and the Headworks Screening Project. However, repayment of the principal on the loan will not begin until fiscal year 2015, resulting in savings of \$150,000.
- There was a fair amount of turnover in staff during the year that led to periods of vacancies, resulting in \$477,477 in savings.
- \$150,000 in appropriated reserves was not used during the year.
- In Wastewater Treatment, only \$113,544 was spent on two special projects totaling \$350,000. One of the projects related to the City's Industrial Waste Pretreatment Program. This effort was not started due to staff shortages. The other project related to ocean monitoring and water sampling associated with the NPDES permit. The contract awarded for these services were less than budgeted.
- Savings of \$633,822 were realized in the Materials & Supplies category. However, \$593,975 of the savings were encumbered as of June 30, 2014, so these savings temporary since the funds will be carried forward to, and spent in, fiscal year 2015.

Downtown Parking

Over the last few years, Downtown Parking revenues have been conservatively budgeted due to the general uncertainty in the economy and its potential impacts on parking activity. Accordingly, the \$675,104 year-end revenue surplus stems from a conservative budget estimate. Interestingly, revenues are down \$114,103 from the prior year. In any case, budgeted revenues for fiscal year have been increased to \$7.9 million to reflect more recent revenue trends.

Downtown Parking expenses are slightly below budget at year-end, resulting in a \$385,635 (4.5%) savings. This is due to savings realized across all expense categories, primarily in materials and supplies.

Airport

Overall, Airport revenues are only \$253,315 (1.6%) below budget at year-end. However, individual revenue categories realized more significant variances, both favorable and unfavorable.

Lease revenues generated from the commercial/industrial properties owned by the Airport and located on the north side of Hollister Avenue fell short of budget by \$281,615. This shortfall is

*Fiscal Year 2014 Interim Financial Statements
For the Year Ended June 30, 2014 (100% of Year Elapsed)*

primarily due to two major properties (a tire shop and restaurant) being vacant during the year. One of the properties has been rented in fiscal year 2015, while the other remains vacant.

Parking revenues ended the year approximately \$270,000 below the \$3 million budgeted in fiscal year 2014. Most of the shortfall is attributable to the loss of American Eagle in April 2014; the balance is likely attributed to, in hindsight, overly optimistic revenue assumptions.

Revenues from rental car companies, which are tied to gross receipts, exceeded expectations by over \$100,000. This was surprising given the loss of American Eagle and may be an anomaly. Staff does not have sufficient data from the rental car companies to accurately assess the reason for the favorable results.

Aviation building lease revenues, budgeted at \$2.1 million, ended the year \$181,818 over budget. The fiscal year 2014 budgeted revenues for this revenue were based on rates and fees negotiated with airlines in fiscal year 2013. Since then, the Airport negotiated new rates with airlines, which increased building lease rates from \$85/ft. to \$87/ft. and boosted total building lease revenues. Similarly, new landing fees were negotiated with airlines resulting in additional revenues above budget of \$128,111.

More than offsetting the revenue shortfalls, expenses ended the year \$1,020,916 under budget. A large portion of the savings came from a number of staff vacancies that were backfilled with hourly staff and overtime, generating almost approximately \$450,000 in savings. Unused appropriated reserves provided an additional \$95,839 in saving; and the balance of savings was across a number of materials and supplies line-item accounts.

Golf Course Fund

The Golf Course operation has been challenged over the last several years with maintaining the level of play. The overarching issue facing all golf courses nationally is the general decline in golf play over the last 15-20 years. This decline was more acute during the recession.

Fortunately, the great weather (ignoring the impacts on water supply) helped the Golf Course with strong revenues during the winter relative to historical trends. Unfortunately, starting in May 2014, the number of rounds has dropped precipitously and has continued through the entire summer which is traditionally the strongest period. Primarily because of the weak performance at the end of the fiscal year, revenues fell short of budget by \$67,565 (3.2%). Although the shortfall, in of itself, is not particularly material, the current trend is troubling given the weakening financial condition of the Golf Fund.

Parks & Recreation Department staff have been working on developing alternative strategies to respond the overall financial concerns and long-trends to ensure the Golf Course can continue to operate and become financially sustainable over the long-term. The strategies will be presented to the Finance Committee in October.

Golf Fund expenses exceeded budget by \$15,070. This was due to several factors, including increased costs for salaries and benefits for a new Administrative Analyst position hired during the year that were partly allocated to the Golf Fund. One of the key areas the new position would be focusing on is assisting with evaluating the finances and operations of the Golf Course, specifically indentifying opportunities to make the Golf Course financially sustainable.

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Another area where costs exceeded budget is in debt service. At year end, Finance adjusts the accounting records to an accrual basis of accounting, which includes recognizing accrued but unpaid interest on outstanding debt. These year-end adjustments required for closing the books and preparing the annual financial report caused debt service costs to exceed budget.

Waterfront

The Waterfront Department, as a whole, saw revenues exceed budget by \$1,466,682 (11%). This continues a three-year trend in Waterfront revenues that can be broadly be attributed to unseasonably good weather, the implementation of automated payment system at the parking lots, and an improving economy. In general, Waterfront revenues, in particular leases with businesses on the wharf and harbor, parking and slip transfer fees, are largely affected by weather and/or economic conditions.

Waterfront expenses exceeded budget by approximately \$170,000. This is entirely due to unbudgeted costs associated with the refinancing of the 2002 Waterfront Refunding COPs. Any time bonds or COPs are paid off, all unamortized costs, such as issuance costs and premiums paid at the time of original issuance, must be fully recognized (expensed) in that period. In addition, any accrued interest payable related to the retired debt was paid off at the time of refinancing. The total of these unbudgeted costs totaled over \$400,000. Savings in other areas reduce this impact down to approximately \$170,000 for the fund.

City of Santa Barbara
Interim Financial Statements for the Fiscal Year Ended June 30, 2014
Proposed Budget Adjustments

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
GENERAL FUND			
General Government			
Transfer 50% of Estimated Surplus to Capital Outlay Fund	\$ 1,840,000	\$ -	\$ (1,840,000)
Finance			
Increase in Appropriation Authority to Cover Loss on EMLAP Loan	96,230	-	(96,230)
Fire			
Increase costs related to mutual aid calls funded by reimbursements	500,000	500,000	-
GENERAL FUND TOTAL	<u>\$ 2,436,230</u>	<u>\$ 500,000</u>	<u>\$ (1,936,230)</u>
SPECIAL REVENUE FUNDS			
Miscellaneous Grants Fund			
Increase Appropriations & Estimated Revenues for AVOID 12 Grant	\$ 12,371	\$ 12,371	\$ -
Transfer Unused Reserve Funds in the Miscellaneous Grants Fund to the General Fund	72,265	-	(72,265)
SPECIAL REVENUE FUND TOTAL	<u>\$ 84,636</u>	<u>\$ 12,371</u>	<u>\$ (72,265)</u>
ENTERPRISE FUNDS			
Golf Course			
Increase appropriations to cover unbudgeted costs for salaries & benefits and debt service.	\$ 20,000	\$ -	\$ (20,000)
Waterfront Fund			
Increase appropriations to cover one-time costs associated with the refinancing of the 2002 Waterfront Revenue Bonds	200,000	200,000	-
Airport Grants Fund			
Transfer Unused Matching Funds from FAA Grants Fund to Airport Capital Fund			
- Reduce Capital Budget	(59,812)	-	59,812
- Increase Transfers Out	59,812	-	(59,812)
Wastewater Capital Fund			
Increase funding for the Replacement of Influent Pump Project	62,123	-	(62,123)
Increase funding for the El Estero Strategic Plan Implementation Project	76,310	-	(76,310)
Allocate Available Funds from the El Estero Equipment Rehab Project	(138,433)	-	138,433
ENTERPRISE FUND TOTAL	<u>\$ 220,000</u>	<u>\$ 200,000</u>	<u>\$ (20,000)</u>

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
INTERNAL SERVICE FUNDS			
Self-Insurance Fund			
Increase appropriations to cover increased costs for liability claims, workers' compensation claims, and property insurance.	\$ 270,000	\$ -	(270,000)
Facilities Capital Fund			
Increase Funding for the Following Projects:	308,645	-	(308,645)
- Installation of New Security System at 630 Garden Street			
- Haley Youth Center Improvements			
- Roof Coating at Fire Station #2			
- Community Development Office Improvements			
- City Attorney Security System Installation			
Provide Funding for Fire Station #6 Improvements - Flooring, roof insulation, and attic fan	45,177	-	(45,177)
Allocate Funds from the following projects			
- Police HVAC Replacement (project funded in FY 2015)	(327,082)	-	327,082
- Fire Station #2 Kitchen Remodel	(26,740)	-	26,740
INTERNAL SERVICE FUND TOTAL	<u>\$ 270,000</u>	<u>\$ -</u>	<u>\$ (270,000)</u>



CITY OF SANTA BARBARA



FOURTH QUARTER FINANCIAL REVIEW Fiscal Year 2014

September 23, 2014

PRESENTATION OUTLINE

I. GENERAL FUND REVENUES

II. GENERAL FUND EXPENDITURES

III. ENTERPRISE FUNDS

IV. PROPOSED BUDGET ADJUSTMENTS



GENERAL FUND REVENUES

GENERAL FUND

Tax Revenues

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>YTD Variance</u>	<u>YTD % Rec'd</u>
Sales Tax	\$ 21,084,894	\$ 21,323,309	\$ 238,415	101%
Property Tax	25,475,500	26,555,242	1,079,742	104%
UUT	6,975,300	7,008,202	32,902	100%
TOT	16,202,000	16,821,995	619,995	104%
Bus License	2,415,000	2,555,399	140,399	106%
Prop Trans Tax	537,900	668,641	130,741	124%
Total Taxes	\$ 72,690,594	\$ 74,932,787	\$ 2,242,193	103%

GENERAL FUND

Other Revenues

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>YTD Variance</u>	<u>YTD % Rec'd</u>
License & Permits	\$ 219,180	\$ 197,663	\$ (21,517)	90%
Fines/Forfeitures	3,133,967	3,128,042	(5,925)	100%
Franchise Fee	3,660,300	3,822,441	162,141	104%
Use of Money/Prop	1,072,589	1,023,195	(49,394)	95%
Intergovernmental	720,336	1,403,651	683,314	195%
Miscellaneous	9,430,947	9,394,959	(35,988)	100%
Total Other	<u>\$ 18,237,319</u>	<u>\$ 18,969,950</u>	<u>\$ 732,631</u>	<u>104%</u>

GENERAL FUND

Miscellaneous Revenue Detail

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>YTD Variance</u>	<u>YTD % Rec'd</u>
Miscellaneous Revenue	\$ 1,634,051	\$ 1,510,781	\$ (123,270)	92.5%
Transfers In	1,504,156	1,591,438	87,282	105.8%
Overhead Allocation	6,292,740	6,292,740	-	100.0%
Total	<u>\$ 9,430,947</u>	<u>\$ 9,394,959</u>	<u>\$ (35,988)</u>	<u>99.6%</u>

GENERAL FUND

Department Fees and Charges

	Annual Budget	YTD Actual	YTD Variance	YTD % Rec'd
Finance	\$ 926,598	\$ 937,703	\$ 11,105	101.2%
Community Dev	4,480,075	4,296,934	(183,141)	95.9%
Parks & Rec	2,951,818	3,025,198	73,380	102.5%
Public Safety	631,938	567,506	(64,432)	89.8%
Public Works	5,661,288	5,599,902	(61,386)	98.9%
Library	753,839	757,187	3,347	100.4%
Inter-Fund Chgs	4,293,383	4,221,680	(71,703)	98.3%
Total	\$ 19,698,939	\$ 19,406,108	\$ (292,831)	98.5%



GENERAL FUND EXPENDITURES

GENERAL FUND EXPENDITURES

For the Year Ended June 30, 2014

Department	Adjusted	YTD	Variance		Variance with	
	Annual		Without	Encum-	Encumbrance	
	Budget	Actual	Encumbr.	brance	\$	%
Mayor & Council	\$ 770,723	\$ 743,660	\$ 27,063	\$ 3,191	\$ 23,872	3.1%
City Attorney	2,129,254	2,083,451	45,803	11,031	34,772	1.6%
City Administrator	2,146,028	2,037,785	108,243	31,602	76,641	3.6%
Administrative Svs.	2,202,228	1,889,094	313,134	5,884	307,250	14.0%
Finance	4,837,299	4,700,012	137,287	92,481	44,806	0.9%
Police	37,522,935	37,297,324	225,611	80,606	145,005	0.4%
Fire	22,353,039	22,790,747	(437,708)	29,282	(466,990)	-2.1%
Public Works	7,471,449	6,947,769	523,680	95,675	428,005	5.7%
Parks & Recreation	14,338,150	14,007,404	330,746	229,817	100,929	0.7%
Library	4,685,085	4,627,768	57,317	16,389	40,928	0.9%
Community Development	9,802,357	9,169,960	632,397	73,681	558,716	5.7%
Community Promotion	3,804,184	3,397,159	407,025	-	407,025	10.7%
Total	\$ 112,062,731	\$ 109,692,133	\$ 2,370,598	\$ 669,639	\$ 1,700,959	1.5%

GENERAL FUND

Reserve Balances – 2008 thru 2014





ENTERPRISE FUNDS

ENTERPRISE FUNDS REVENUES & EXPENSES

For The Fiscal Year Ended June 30, 2014

	Annual Budget	YTD Actual	YTD Variance	YTD %
Solid Waste Fund				
Revenues	\$ 20,127,443	\$ 20,689,401	\$ 561,958	102.8%
Expenses	20,247,668	19,852,861	394,807	98.1%
Water Fund				
Revenues	36,709,435	37,156,084	\$ 446,649	101.2%
Expenses	45,179,425	38,974,841	6,204,584	86.3%
Wastewater Fund				
Revenues	17,907,479	18,191,272	\$ 283,793	101.6%
Expenses	19,048,005	17,155,652	1,892,353	90.1%
Downtown Parking Fund				
Revenues	7,420,709	8,095,813	\$ 675,104	109.1%
Expenses	8,601,079	8,215,444	385,635	95.5%
Airport Fund				
Revenues	15,751,093	15,497,778	\$ (253,315)	98.4%
Expenses	16,571,531	15,550,615	1,020,916	93.8%
Golf Fund				
Revenues	2,108,459	2,040,894	\$ (67,565)	96.8%
Expenses	2,106,923	2,121,993	(15,070)	100.7%
Waterfront Fund				
Revenues	12,445,067	13,911,749	\$ 1,466,682	111.8%
Expenses	13,558,989	13,519,865	39,124	99.7%



PROPOSED BUDGET ADJUSTMENTS

Proposed Budget Adjustments

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
GENERAL FUND			
Finance			
Increase Appropriation Authority for Loss on EMLAP Loan	\$ 96,230	\$ -	\$ (96,230)
Fire			
Increase Costs Related to Mutual Aid Funded From Reimbursements	500,000	500,000	-
General Government			
Transfer 50% of Estimated Surplus to Capital Outlay Fund	1,840,000	-	(1,840,000)
TOTAL GENERAL FUND	\$ 2,436,230	\$ 500,000	\$ (1,936,230)
SPECIAL REVENUE FUNDS			
Miscellaneous Grants Fund			
Increase Appropriations & Est Revenues for AVOID 12 Grant	\$ 12,371	\$ 12,371	\$ -
Transfer Unused Reserve Funds to General Fund	72,265	-	(72,265)
TOTAL MISCELLANEOUS GRANTS FUND	\$ 84,636	\$ 12,371	\$ (72,265)

Proposed Budget Adjustments (cont.)

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
ENTERPRISE FUNDS			
Golf Course			
Incr. Appropriations to Cover Unbudgeted Debt Service and Salary & Benefit Costs	\$ 20,000	\$ -	\$ (20,000)
Waterfront Fund			
Incr. Appropriations to Cover One-Time Costs Associated with 2002 Waterfront Revenue Bonds	\$ 200,000	\$ 200,000	\$ -
Airport Grants Fund			
Transfer Unused Matching Funds from FAA Grants Fund to Airport Capital Fund			
- Reduce Capital Budget	\$ (59,812)	\$ -	\$ 59,812
- Increase Transfers Out	59,812	-	(59,812)
Airport Grants Fund Total	\$ -	\$ -	\$ -
Wastewater Capital Fund			
Increase Funding for the Replacement of Influent Pump Project	\$ 62,123	\$ -	\$ (62,123)
Increase Funding for the El Estero Strategic Plan Impl. Project	76,310	-	(76,310)
Allocate Available Funds from the El Estero Equip Rehab Proj.	(138,433)	-	138,433
	\$ -	\$ -	\$ -

Proposed Budget Adjustments (cont.)

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
INTERNAL SERVICE FUNDS			
Self Insurance Fund			
Increase Appropriations to Cover Additional Costs for Liability Claims, Workers' Comp Claims, and Property Insurance	\$ 270,000	\$ -	\$ (270,000)
Facilities Capital Fund			
Increase Funding for the Following Projects:	\$ 308,645	\$ -	\$ (308,645)
- Installation of New Security System at 630 Garden Street			
- Haley Youth Center Improvements			
- Roof Coating at Fire Station #2			
- Community Development Office Improvements			
-City Attorney Security System Installation			
Provide Funding for Fire Station #6 Improvements - Flooring, Roof Insulation and Attic Fan	45,177	-	(45,177)
Allocate Funds from the Following Projects			
- Police HVAC Replacement (Project Funded in FY 2015)	(327,082)		327,082
- Fire Station #2 Kitchen Remodel	(26,740)		26,740
Total Facilities Fund	\$ -	\$ -	\$ -



Questions?