



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 20, 2008
TO: Mayor and Councilmembers
FROM: Accounting Division, Finance Department
SUBJECT: Fiscal Year 2008 Third Quarter Review

RECOMMENDATION: That Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget as of March 31, 2008;
- B. Accept the Fiscal Year 2008 Interim Financial Statements for the Nine Months Ended March 31, 2008; and
- C. Approve the adjustments to appropriations and estimated revenues as shown in the Schedule of Recommended Third Quarter Budget Adjustments.

DISCUSSION :

Each month, staff presents the interim financial statements (Attachment 3) showing the progress 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 the attached interim financial statements (Attachment 2).

A few years ago Finance Department staff began presenting a report to Council on the third quarter results of operations. This report incorporates analysis of account balances and explanations of unusual and/or significant trends or variances from the year-to-date (YTD) budget. Any known needs for additional appropriations are also presented to Council in the third quarter review. These adjustments are the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2007. These adjustments are summarized in Attachment 1.

This review is the last formal presentation of interim financial results that Finance Department staff will make to Council before the end of the fiscal year. The fourth quarter review will report on actual results for the year.

- ATTACHMENT(S):**
1. Schedule of Recommended Third Quarter Budget Adjustments
 2. Interim Financial Statements for the Nine Months Ended March 31, 2008 (Narrative Analysis)
 3. Summary by Fund Statement of Revenues and Expenditures for the Nine Months Ended March 31, 2008

PREPARED BY: Rudolf J. Livingston, Accounting Manager

SUBMITTED BY: Robert D. Peirson, Finance Director

APPROVED BY: City Administrator's Office

Schedule of Recommended Third Quarter Budget Adjustments

As part of the third quarter review we consider requests from City departments for additional appropriations. The recommended adjustments are presented to Council with the third quarter review. These adjustments are generally the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2007. The following is a summary of the recommended budget adjustments included in the attached schedule.

General Fund – The Police Department has incurred unbudgeted expenditures to provide continuing services in three programs or activities. In prior years, the Police Department might have been able to absorb these costs within their salary & benefit savings. However, the department has been near or at full staffing for most of the year and there is not sufficient salary and benefit savings to absorb these additional costs. In fact, staff may be required to return to Council in June or July for additional salary and benefit appropriation authority for the Police Department due to the near-capacity staffing levels of the current fiscal year.

The current year budget included \$100,000 in salary and benefit costs for neighborhood bike patrols. Due to the importance of this program to the community, the patrols have continued during the year and the Department has incurred \$187,861 in cost through March 31. This is an important program and Council has directed the Department to continue these patrols. Staff estimates that an additional \$137,000 in appropriations will be needed to fund this program through June 30.

The City has been in contract negotiations with the County regarding the City's share of the costs of the County animal control shelter. The contract was recently finalized and the Department will need additional appropriations of \$55,695 to pay this year's costs.

The 2007 Police Department budget included funding for the County Mental Health Assessment Team Contract. The City was not billed for the entire cost of the contract in fiscal year 2007 so the appropriations lapsed at year end. The County has billed the City for the FY 2007 charges this year and the Department will need \$42,914 in additional appropriations for this contract.

The recommended Police Department supplemental appropriation will come from General Fund reserves.

Solid Waste Fund – The Solid Waste Fund is required to pay to monitor the closed landfill at Elings Park. The Fund needs \$80,000 of additional appropriation authority to provide for landfill monitoring activities for the balance of the fiscal year. The additional appropriation will be funded from reserves.

County Library Fund - The City operates several small branch libraries on behalf of Santa Barbara County. The City accounts for the operations of these small branches in a separate Special Revenue Fund. During the year, the City has been required to provide additional janitorial services to the Solvang and Carpinteria branches. Additionally, some County-paid building maintenance costs from prior years were not previously billed to the City are required to be paid this year. The County Library Fund is requesting \$10,521 additional appropriations to cover these costs. The additional appropriation will be funded from reserves.

Water Fund – Runoff in the aftermath of the Zaca fire caused contaminants to be introduced into the City's Gibraltar watershed. As a result, the Water Fund has needed to provide additional treatments to clean the water prior to introduction into the City's water distribution system. On April 8th Water Fund staff received Council authorization for the purchase of additional activated carbon for this purpose. Staff believed that there was sufficient appropriation authority to cover the cost of this purchase. Subsequently, staff realized that the appropriation authority existed in the Water Capital Fund and not the Water Operating Fund where this expense belongs. Accordingly, staff is requesting an additional \$400,000 of appropriation authority in the Water Operating Fund to cover the additional chemical purchases. The recommended appropriation will be funded from reserves.

CITY OF SANTA BARBARA
Fiscal Year 2008 3rd Quarter Review
Schedule of Recommended 3rd Quarter Adjustments

Fund/Department/Description	Apprpr.	Source	
		Estimated Revenue	Use of Reserves
GENERAL FUND (001)			
Police Department			
Additional salary & benefit costs for bike patrols	\$ 137,000	\$ -	\$ 137,000
Payments to the County Animal Shelter in excess of budget	55,695		55,695
2007 County Mental Health Assessment Team contract billed to City in FY 08	42,914		42,914
Total Police Department	<u>235,609</u>	<u>-</u>	<u>235,609</u>
Total General Fund	<u>\$ 235,609</u>	<u>\$ -</u>	<u>\$ 235,609</u>
SOLID WASTE FUND (145)			
Additional landfill monitoring at Elings Park	\$ 80,000	\$ -	\$ 80,000
Total Solid Waste Fund	<u>80,000</u>	<u>-</u>	<u>80,000</u>
COUNTY LIBRARY FUND (181)			
Janitorial Services for Solvang Library (Jan-June)	\$ 2,892	\$ -	\$ 2,892
Janitorial Services for Carpinteria Library (Jan-June)	2,610	-	2,610
Montecito Association building maintenance	5,019	-	5,019
	<u>\$ 10,521</u>	<u>\$ -</u>	<u>\$ 10,521</u>
WATER FUND (411)			
Water treatment chemicals required as a result of added treatments due to the Zaca fire	\$ 400,000	\$ -	\$ 400,000
	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 400,000</u>

**Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)**

General Fund Revenues

The table below summarizes General Fund revenues for the nine months ended March 31, 2008. For interim financial statement purposes, revenues are reported on the cash basis (i.e. when they are received). The table below includes the budgeted totals as well as the year-to-date (YTD) budget, which for tax revenues has been seasonally adjusted based on a 3-year average of collections through the same period. Because tax revenues are not collected evenly throughout the year, adjusting the YTD budget to reflect the unique collection pattern of each category of tax revenue enables a more meaningful comparison to year-to-date results shown in the YTD Actual column. For all other revenues, the YTD Budget column represents 75% (9 months out of the 12 elapsed) of the annual budget column. Unlike tax revenues, these revenues tend to be collected more evenly during the year.

Summary of Revenues For the Nine Months Ended March 31, 2008 GENERAL FUND								
	Current Year Analysis					Prior Year Analysis		
	Annual Budget	YTD Budget *	YTD Actual	YTD Variance	YTD Percent Rec'd	3-Year Average Bench- mark	Prior Year YTD Actual	Variance Prior Yr To Current Yr
Sales & Use Tax	\$ 21,189,900	\$ 14,621,031	\$ 14,611,743	\$ (9,288)	69.0%	69.0%	\$ 14,069,240	3.9%
Property Tax	21,985,200	12,201,786	12,426,020	224,234	56.5%	55.5%	11,342,317	9.6%
UUT	6,846,800	5,100,866	5,054,183	(46,683)	73.8%	74.5%	4,917,368	2.8%
TOT	13,581,500	10,145,381	9,845,558	(299,823)	72.5%	74.7%	9,722,323	1.3%
Bus License	2,296,000	1,864,352	1,798,094	(66,258)	78.3%	81.2%	1,784,041	0.8%
Prop Trans Tax	500,000	371,000	391,335	20,335	78.3%	74.2%	438,295	-10.7%
Total Taxes	<u>66,399,400</u>	<u>44,304,416</u>	<u>44,126,933</u>	<u>(177,483)</u>	66.5%	66.7%	<u>42,273,584</u>	4.4%
License & Permits	128,995	96,746	108,916	12,170	84.4%	75.0%	95,159	14.5%
Fines & Forfeitures	3,228,937	2,421,703	1,984,724	(436,979)	61.5%	75.0%	1,760,083	12.8%
Franchise Fee	2,968,600	2,187,858	2,020,759	(167,099)	68.1%	73.7%	2,133,285	-5.3%
Use of Money & Property	1,978,395	1,483,796	1,631,024	147,228	82.4%	75.0%	1,459,774	11.7%
Intergovernmental	2,507,245	1,880,434	2,501,870	621,436	99.8%	75.0%	1,501,441	66.6%
Fee & Charges	18,775,619	14,081,714	13,644,237	(437,477)	72.7%	75.0%	12,760,250	6.9%
Miscellaneous	8,215,305	6,161,479	6,093,673	(67,806)	74.2%	75.0%	6,048,395	0.7%
Budgeted year-end var	2,311,793	1,733,845	-	(1,733,845)	0.0%	75.0%	-	0.0%
Total Other	<u>40,114,889</u>	<u>30,047,575</u>	<u>27,985,203</u>	<u>(2,062,372)</u>	69.8%	75.0%	<u>25,758,387</u>	
Total Revenues	<u>\$ 106,514,289</u>	<u>\$ 74,351,990</u>	<u>\$ 72,112,136</u>	<u>\$ (2,239,854)</u>	67.7%	69.8%	<u>\$ 68,031,971</u>	6.0%

* YTD Budget for Taxes is calculated based on a 3-year average of collections for each revenue source; for all other revenues, YTD Budget is calculated on a straight-line basis based on the number of months elapsed.

As shown in the table above, General Fund revenues totaled \$72.1 million compared to an YTD budget of \$74.4 million for the first nine months of the year. This is approximately \$2.2 million under the year to date budget but represents a \$4.1 million increase from the prior year. Approximately \$1.7 million of the \$2.2 million unfavorable budget variance is the "Anticipated Year-End Budget Variance" that is included in the Miscellaneous Revenue category. After deducting the year-end variance amount, revenues through March 31st are approximately \$500,000 (0.7%) below the year-to-date budget.

Variances in the major revenues are discussed below.

***Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)***

Sales and Use Taxes

Although sales tax collections are essentially equal to the year-to-date budget through nine months, staff still projects that we will end the fiscal year more than \$500,000 below budget. This is because the growth seen early in the fiscal year has slowed substantially in the last two quarters. The next definitive sales tax information won't be received until mid-June and will be for the quarter ended March 31st. Unless the results for the March quarter reflect a significant turnaround, staff still projects ending the fiscal year between \$500,000 and \$600,000 below budget.

Property Taxes

Property tax revenues are approximately \$224,000 ahead of the year-to-date budget which is consistent with our year-end projection. Despite the turmoil in the real estate market, we are projecting to end the year with a growth rate of approximately 5.5%.

Utility Users Taxes

Utility users tax (UUT) is a 6% tax applied to utilities, including water, cable television, telephone, electricity, refuse, and natural gas. By ordinance, 50% of all UUT revenues are restricted for streets maintenance and capital and they are reported directly in the Streets Fund. Through March 31st, General Fund UUT revenues are approximately \$46,000 below the year-to-date. This is slightly better than our year-end estimate which projected ending the year approximately \$84,000 below budget.

Transient Occupancy Taxes

Through three-quarters of the fiscal year TOT revenue is approximately \$300,000 below the year-to-date budget but is consistent with our year-end estimate. The year-end estimate assumes we will end the year with 2% growth, leaving us approximately \$635,000 below budget. Staff still believes that the year-end estimate is reasonable and will be met.

Fines & Forfeitures

Fines & Forfeitures revenue is approximately \$437,000 (18%) below the year-to-date budget at March 31. As previously discussed with the Council and Finance Committee during the ongoing review of the proposed fiscal year 2009 budget, this is due primarily to a shortfall in parking citation revenue. With the number of citations issued is essentially flat compared to last fiscal year, staff believes that the shortfall can in large measure be attributed to more people paying their citations on time thus avoiding the substantial doubling of the fine imposed on later payments. This may be due to more than one factor including the fact that with citations now at \$41, the doubling of the citation to \$82 for late payment has focused people's attention on paying on time. In addition, with the fairly recently added capability to pay parking citations online we are seeing more and more people take advantage of this convenient payment option to make a payment just prior to the imposition of the late payment charge.

***Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)***

Intergovernmental

At March 31st, intergovernmental revenue is almost equivalent to the \$2.5 million annual budget which appears to be approximately \$621,000 ahead of the year-to-date budget. This is, however, a bit misleading. Of the total \$2.5 million budgeted and received in intergovernmental revenue, over \$2 million is Fire Department mutual aid revenue. This revenue is not received proportionately through the year as is implied by comparing it to 75% of the annual budget. We will not be receiving any significant additional mutual aid over the final fiscal quarter so what we have received to date is where we will end the fiscal year. Therefore, staff expects intergovernmental revenue to end the fiscal year no more than approximately \$100,000 to \$150,000 over budget. In addition, of the \$2 million in mutual aid revenue received through March 31, approximately \$1.8 million has already been appropriated to the Fire Department budget – most of it to pay for the overtime incurred to generate the mutual aid revenue.

Overall intergovernmental revenue also reflects that our vehicle license fee (VLF) revenue is running approximately 32% (~\$150,000) below budget through nine months of the fiscal year.

Franchise Fees

Franchise fee revenues are received from companies that have a franchise agreement with the City and often follow the same pattern as UUT. Franchise fees are approximately 5% (\$167,000) below the year-to-date budget. This is less favorable than staff's year-end estimate which projects we will fall approximately \$60,000 below budget. Unless the franchise fee revenue accelerates over the final fiscal quarter, we are likely to fall short of even our previously reduced year-end estimate.

Use of Money & Property

By far the largest component of this revenue category is investment income. Despite the dramatic decline in interest rates since the start of the fiscal year, as of March 31 this revenue category is approximately 10% (\$147,000) ahead of the year-to-date budget. In large measure, this is due to the conservative interest rate assumptions used when the budget was developed. Investment income through March 31 is ahead of staff's year-end projection which estimated a surplus for this component of use of money and property of approximately \$31,000.

Fees & Service Charges

Fee & Service Charge revenue is approximately \$437,000 below the year-to-date budget at March 31, 2008. Although these revenues are below the year-to-date budget, they are 6.9% ahead of the prior year third quarter revenue. As shown in the following table, almost all of this unfavorable variance relates to the Community Development and Parks & Recreation Departments.

**Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)**

Fees and Service Charges
General Fund

For the Nine Months Ended March 31, 2008

Department	Annual Budget	YTD Budget	YTD Actual	Budget Variance	Percent Received YTD	Prior Year YTD	Prior Year Variance	Percent Variance
Finance	\$ 845,358	\$ 634,019	\$ 596,982	\$ (37,037)	70.6%	\$ 622,130	\$ (25,148)	-4.0%
Community Development	5,383,430	4,037,573	3,439,730	(597,843)	63.9%	3,353,902	85,828	2.6%
Parks & Recreation	2,284,775	1,713,581	1,529,361	(184,220)	66.9%	1,365,891	163,470	12.0%
Public Safety	402,231	301,673	219,085	(82,588)	54.5%	260,339	(41,254)	-15.8%
Public Works	4,236,887	3,177,665	3,446,032	268,367	81.3%	2,873,283	572,749	19.9%
Library	703,233	527,425	729,146	201,721	103.7%	642,002	87,144	13.6%
Inter-Fund Charges	4,919,705	3,689,779	3,683,901	(5,878)	74.9%	3,642,703	41,198	1.1%
Total	\$ 18,775,619	\$ 14,081,714	\$ 13,644,237	\$ (437,477)	72.7%	\$ 12,760,250	\$ 883,987	6.9%

Planning and Building & Safety revenues are the largest contributing factors to the negative variance in fees and service charges revenue in the Community Development Department. These revenues are dependent on many factors beyond the control of the department and are therefore very difficult to accurately predict. The recent slowdown in building and construction activity has had a significant impact on these revenues. The Staff has been busy working on permits for various projects but we do not receive the permit fees until the contractor pulls permits on the job. Historically, approximately 58% of planning revenues are received in the second half of the year; however, revenues are expected to finish the year approximately \$500,000 below budget. The Department will have expenditure savings to offset any revenue shortfalls.

Parks & Recreation revenues are \$184,000 below the year-to-date budget primarily due to the timing of registration for classes and summer programs. Registrations for summer camps and programs account for a significant part of annual revenues and registrations do not begin until April 1. Staff is projecting that revenues will meet the annual budget by year-end.

**Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)**

General Fund Expenditures

The table below summarizes the General Fund budget and year-to-date expenditures through March 31, 2008. The Annual Budget column represents the amended budget, which includes appropriation carryovers from the prior year, as well as any supplemental appropriations approved by Council in the current year. As shown in the table below, a year-to-date budget (labeled "YTD Budget") column is included. This represents 75% of the annual budget to coincide with 9 out of 12 months in the fiscal year having elapsed. Unlike revenues, where the collection rate during the year is seasonally affected, most expenditures tend to be incurred fairly evenly throughout the year.

**SUMMARY OF EXPENDITURES
GENERAL FUND
For the Nine Months Ended March 31, 2008**

Department	Annual Budget	YTD Budget	YTD Actual	Encumbrance	Variance Favorable (Unfavorable)	
					\$	%
Mayor & Council	\$ 862,001	\$ 646,501	\$ 591,111	\$ -	\$ 55,390	6.4%
City Attorney	2,203,476	1,652,607	1,531,345	10,767	110,495	5.0%
City Administrator	2,241,360	1,681,020	1,581,318	75,488	24,214	1.1%
Administrative Svcs.	2,480,806	1,860,605	1,725,881	58,778	75,946	3.1%
Finance	5,072,039	3,804,029	3,316,680	90,440	396,909	7.8%
Police	32,437,456	24,328,092	23,764,930	225,642	337,520	1.0%
Fire	20,666,866	15,500,150	15,089,883	112,574	297,693	1.4%
Public Works	7,053,925	5,290,444	4,794,576	240,268	255,600	3.6%
Parks & Recreation	15,339,297	11,504,473	10,739,632	736,065	28,776	0.2%
Library	4,649,994	3,487,496	3,092,337	123,826	271,333	5.8%
Community Dev.	11,094,960	8,321,220	7,748,541	298,534	274,145	2.5%
Non-Departmental	4,146,240	3,109,680	3,297,489	-	(187,809)	-4.5%
Total	\$ 108,248,420	\$ 81,186,315	\$ 77,273,723	\$ 1,972,382	\$ 1,940,210	1.8%
% of annual budget		75.0%	71.4%	1.8%	1.8%	

The amended annual budget totals approximately \$108.2 million, and the year-to-date budget is calculated at \$81.2 million (75%). Actual expenditures of \$77.3 million, combined with almost \$2 million in encumbrances, resulted in a favorable YTD budget variance of \$1.9 million (1.8%) at March 31. Encumbrances consist of amounts carried forward from the prior year and current year encumbered contracts for materials and services, such as financial audits, maintenance, and attorney services that will be performed throughout the remainder of this fiscal year. All departments except Non-Departmental are within the YTD budget at March 31. All departments will be closely monitoring expenditures throughout the remainder of the year to ensure that expenditures end the year under budget.

Several of the significant departmental expenditure variances are due to savings in salaries and benefits. These savings are primarily due to vacancies in key positions, under-filling certain positions, and positions held vacant under the City's hiring chill. Departmental salary and benefit savings at March 31 totaled \$91,106 in City Attorney, \$277,825 in Finance, \$380,065 in Community Development, \$193,891 in Public Works, and \$172,944 in Library.

***Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)***

Police Department expenditures were approximately \$338,000 under the YTD budget at March 31 but this represents only 1% of the annual budget. The department has requested additional appropriations at March 31 (See Attachment 1) to cover expenditures that were not anticipated in the annual budget. Additionally, the department will be closely monitoring expenditures during the fourth quarter. In prior years, salary & benefit savings from position vacancies had been used to offset negative variances. The department has over-hired this year and there will probably not be any salary and benefit savings. If additional appropriations are needed to meet budget, a request will be brought to Council after the end of the fourth quarter.

Fire Department expenditures were almost \$298,000 (1.4%) at March 31. This is primarily due to special projects and materials, supplies, and services that have not been expended. Additionally, there are temporary salary and benefit saving due to the timing of pay dates thus far in the year.

Non-departmental expenditures are approximately \$188,000 (4.5%) over the YTD budget at March 31. These expenditures often exceed the YTD budget at March 31 because of debt service payments that are made semi-annually rather than evenly throughout the year and large community events that occur in the first half of the year. While there is a negative budget variance through nine months, expenditures will be within budgetary limits at year-end.

**Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)**

Enterprise Fund Revenues

Unlike the General Fund, which relies primarily on taxes to subsidize programs and services, Enterprise Fund operations are primarily financed from user fees. The table below summarizes Enterprise Fund revenues through March 31, 2008, with a comparison to budget and prior year revenues. Note that the "YTD Budget" column has been calculated based on a 3-year average collection rate through March 31. This rate, which is shown as a percentage in the "3 Year Average Rec'd" column, has been applied to the annual budget amount to arrive at the YTD Budget. This approach is used in recognition that enterprise fund revenues, like General Fund tax revenues, are seasonally affected and are generally not received evenly throughout the year. Therefore, adjusting the budget for seasonal variations facilitates the comparison to YTD revenues.

SUMMARY OF REVENUES & EXPENSES Nine Months Ended March 31, 2008 ENTERPRISE FUNDS								
	Current Year Analysis					Prior Year Analysis		
	Annual Budget	YTD Budget *	YTD Actual	YTD Variance	YTD Percent Rec'd	3 Year Average Rec'd	YTD Actual	% Variance
Water Fund								
Revenues	\$ 31,250,990	\$ 23,891,382	\$ 24,872,180	\$ 980,798	79.6%	76.5%	\$ 23,691,338	5.0%
Expenses **	33,620,463	25,215,347	24,515,191	700,156	72.9%	75.0%	20,936,927	17.1%
Wastewater Fund								
Revenues	13,550,500	10,303,800	10,525,373	221,573	77.7%	76.0%	9,955,122	5.7%
Expenses **	14,823,156	11,117,367	10,444,442	672,925	70.5%	75.0%	8,732,292	19.6%
Downtown Parking Fund								
Revenues	7,276,420	5,377,274	5,314,937	(62,337)	73.0%	73.9%	5,106,833	4.1%
Expenses **	10,216,079	7,662,059	5,587,163	2,074,896	54.7%	75.0%	5,486,730	1.8%
Airport Fund								
Revenues	13,152,229	9,764,215	10,005,142	240,927	76.1%	74.2%	9,772,914	2.4%
Expenses **	15,799,362	11,849,522	11,596,458	253,064	73.4%	75.0%	9,512,173	21.9%
Golf Fund								
Revenues	2,423,900	1,739,633	1,634,832	(104,801)	67.4%	71.8%	1,622,966	0.7%
Expenses **	3,201,062	2,400,797	2,333,192	67,605	72.9%	75.0%	1,799,547	29.7%
Waterfront Fund								
Revenues	11,355,775	8,594,051	8,680,626	86,575	76.4%	75.7%	8,453,157	2.7%
Expenses **	14,022,177	10,516,633	9,425,083	1,091,550	67.2%	75.0%	8,726,739	8.0%
* Revenues in the YTD Budget column have been calculated based on a 3-year average collection rate through March 31, which has been applied to the annual budget.								
** Expenses include encumbrances at March 31.								

As shown above, revenues of all funds except the Downtown Parking and Golf Funds exceeded the YTD budget at March 31. Dry weather conditions this year have resulted in Water Fund revenues exceeding the YTD budget at March 31 by approximately \$981,000 (3.1%).

***Fiscal Year 2008 Interim Financial Statements
For the Nine Months Ended March 31, 2008 (75% of Year Elapsed)***

Wastewater Fund, Airport Fund, and Waterfront Fund revenues were within 1.9% of the YTD budget at March 31. This variance is not considered significant and all of these funds are expected to meet or slightly exceed budget at year end.

Downtown Parking Fund revenues were \$62,337 (0.9%) below the YTD budget at March 31, 2008. This variance is not considered significant and revenues should approximate budget at year-end.

Golf Fund revenues are approximately \$105,000 (4.4%) below the YTD budget at March 31. Even though revenues are slightly below the YTD budget, they are slightly higher than prior year revenues. Due to the early start to daylight savings time and dry weather this year, golf rounds and revenues have been increasing from prior year amounts. Golf revenues are expected to increase throughout the remainder of the year but annual revenues will likely fall short of the budget. If revenues fail to meet budget, expenses will be reduced to offset any revenue shortfall.

Enterprise Fund Expenses

Enterprise fund encumbrances and expenses through March 31, 2008, with a comparison to budget and actual, are summarized in the table above. The column labeled "YTD Budget" represents 75% of the annual budget column. Although many expenses tend to be incurred fairly evenly throughout the year, there are some expenses that do not occur evenly during the year. These expenses, such as debt service and capital projects can create significant temporary variances from the YTD budget during the year

Water Fund expenses are slightly more than \$700,000 (2.1%) below the YTD budget. Debt service costs account for approximately \$397,000 of the YTD budget variance in the fund. Debt service payments are made twice a year with the largest payments being made in the fourth quarter. Additionally, the fund has approximately \$277,000 savings from budgeted salary and benefit costs due to retirements and position vacancies.

Wastewater Fund expenses are \$673,000 (4.5%) lower than the YTD budget. The largest budget variance (\$658,000) is due to the timing and scheduled amounts of the semi-annual debt service payments with the largest payment coming due in the fourth quarter of the year.

Downtown Parking Fund expenses are almost \$2.1 million (20.3%) below the year-to-date budget at March 31. This variance is almost entirely due to several long-term capital projects that are budgeted and will be completed over the next few years.

Waterfront Fund expenses are \$1.1 million (7.8%) below the YTD budget at March 31. The primary reason for this positive variance is capital outlay transfers due to construction on the Marina One Walkway Replacement project being delayed until next fiscal year.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
GENERAL FUND					
Revenue	106,514,289	72,112,136	-	34,402,153	67.7%
Expenditures	108,248,418	77,273,723	1,972,382	29,002,313	73.2%
<i>Addition to / (use of) reserves</i>	(1,734,129)	(5,161,587)	(1,972,382)		
WATER OPERATING FUND					
Revenue	31,250,991	24,872,180	-	6,378,811	79.6%
Expenditures	33,620,463	23,150,221	1,364,970	9,105,272	72.9%
<i>Addition to / (use of) reserves</i>	(2,369,472)	1,721,959	(1,364,970)		
WASTEWATER OPERATING FUND					
Revenue	13,550,500	10,525,373	-	3,025,127	77.7%
Expenditures	14,823,156	9,501,506	942,936	4,378,714	70.5%
<i>Addition to / (use of) reserves</i>	(1,272,656)	1,023,867	(942,936)		
DOWNTOWN PARKING					
Revenue	7,276,420	5,314,937	-	1,961,483	73.0%
Expenditures	10,216,079	4,618,142	969,021	4,628,917	54.7%
<i>Addition to / (use of) reserves</i>	(2,939,659)	696,795	(969,021)		
AIRPORT OPERATING FUND					
Revenue	13,152,229	10,005,142	-	3,147,087	76.1%
Expenditures	15,799,362	10,828,858	767,600	4,202,904	73.4%
<i>Addition to / (use of) reserves</i>	(2,647,133)	(823,716)	(767,600)		
GOLF COURSE FUND					
Revenue	2,423,900	1,634,832	-	789,068	67.4%
Expenditures	3,201,062	1,580,814	752,378	867,869	72.9%
<i>Addition to / (use of) reserves</i>	(777,162)	54,018	(752,378)		
INTRA-CITY SERVICE FUND					
Revenue	8,225,226	6,194,123	-	2,031,103	75.3%
Expenditures	8,433,123	5,487,702	580,388	2,365,033	72.0%
<i>Addition to / (use of) reserves</i>	(207,897)	706,421	(580,388)		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
ICS EQUIPMENT REPLACEMENT FUND					
Revenue	2,516,931	1,959,504	-	557,427	77.9%
Expenditures	3,907,256	839,727	1,921,513	1,146,016	70.7%
<i>Addition to / (use of) reserves</i>	(1,390,325)	1,119,777	(1,921,513)		
SELF INSURANCE TRUST FUND					
Revenue	5,993,885	4,727,009	-	1,266,876	78.9%
Expenditures	6,881,233	4,137,900	492,464	2,250,869	67.3%
<i>Addition to / (use of) reserves</i>	(887,348)	589,109	(492,464)		
INFORMATION SYSTEMS ICS FUND					
Revenue	2,445,086	1,870,058	-	575,028	76.5%
Expenditures	2,608,470	1,874,749	143,685	590,036	77.4%
<i>Addition to / (use of) reserves</i>	(163,384)	(4,692)	(143,685)		
WATERFRONT FUND					
Revenue	11,355,775	8,680,626	-	2,675,149	76.4%
Expenditures	14,022,177	8,923,861	501,222	4,597,095	67.2%
<i>Addition to / (use of) reserves</i>	(2,666,402)	(243,235)	(501,222)		
TOTAL FOR ALL FUNDS					
Revenue	204,705,232	147,895,921	-	56,809,311	72.2%
Expenditures	221,760,799	148,217,205	10,408,557	63,135,037	71.5%
<i>Addition to / (use of) reserves</i>	(17,055,567)	(321,284)	(10,408,557)		

*** 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 made 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 Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD
TAXES					
Sales and Use	21,189,900	14,611,743	6,578,157	69.0%	14,069,240
Property Taxes	21,985,200	12,426,020	9,559,180	56.5%	11,342,317
Utility Users Tax	6,846,800	5,054,183	1,792,617	73.8%	4,917,368
Transient Occupancy Tax	13,581,500	9,845,558	3,735,942	72.5%	9,722,323
Franchise Fees	2,968,600	2,020,759	947,841	68.1%	2,133,285
Business License	2,296,000	1,798,094	497,906	78.3%	1,784,041
Real Property Transfer Tax	500,000	391,335	108,665	78.3%	438,295
<i>Total</i>	69,368,000	46,147,692	23,220,308	66.5%	44,406,868
LICENSES & PERMITS					
Licenses & Permits	128,995	108,916	20,079	84.4%	95,159
<i>Total</i>	128,995	108,916	20,079	84.4%	95,159
FINES & FORFEITURES					
Parking Violations	2,883,937	1,776,080	1,107,857	61.6%	1,557,771
Library Fines	145,000	97,474	47,526	67.2%	108,584
Municipal Court Fines	200,000	111,170	88,830	55.6%	93,728
<i>Total</i>	3,228,937	1,984,724	1,244,213	61.5%	1,760,083
USE OF MONEY & PROPERTY					
Investment Income	1,551,355	1,306,836	244,519	84.2%	1,150,303
Rents & Concessions	427,040	324,188	102,852	75.9%	309,471
<i>Total</i>	1,978,395	1,631,024	347,371	82.4%	1,459,774
INTERGOVERNMENTAL					
Grants	1,873,745	2,179,183	(305,438)	116.3%	1,014,964
Vehicle License Fees	633,500	322,687	310,813	50.9%	486,477
<i>Total</i>	2,507,245	2,501,870	5,375	99.8%	1,501,441
FEES & SERVICE CHARGES					
Finance	845,358	596,982	248,376	70.6%	622,130
Community Development	5,383,430	3,439,730	1,943,700	63.9%	3,353,902
Recreation	2,284,775	1,529,361	755,414	66.9%	1,365,891
Public Safety	402,231	219,085	183,146	54.5%	260,339
Public Works	4,236,887	3,446,032	790,855	81.3%	2,873,283
Library	703,233	729,146	(25,913)	103.7%	642,002
Reimbursements	4,919,705	3,683,901	1,235,804	74.9%	3,642,703
<i>Total</i>	18,775,619	13,644,237	5,131,382	72.7%	12,760,250
OTHER MISCELLANEOUS REVENUES					
Miscellaneous	1,108,847	1,064,960	43,887	96.0%	733,664
Indirect Allocations	6,204,531	4,680,149	1,524,382	75.4%	4,766,145
Operating Transfers-In	3,213,720	348,564	2,865,156	10.8%	548,586
<i>Total</i>	10,527,098	6,093,673	4,433,425	57.9%	6,048,395
TOTAL REVENUES	106,514,289	72,112,136	34,402,153	67.7%	68,031,970

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR	862,001	591,111	-	270,890	68.6%	
<i>Total</i>	862,001	591,111	-	270,890	68.6%	587,526
<u>City Attorney</u>						
CITY ATTORNEY	2,203,476	1,531,345	10,767	661,365	70.0%	
<i>Total</i>	2,203,476	1,531,345	10,767	661,365	70.0%	1,485,041
<u>Administration</u>						
CITY ADMINISTRATOR	1,415,020	1,009,193	1,939	403,889	71.5%	
LABOR RELATIONS	280,505	177,635	33,851	69,019	75.4%	
CITY TV	545,835	394,490	39,698	111,647	79.5%	
<i>Total</i>	2,241,360	1,581,318	75,488	584,554	73.9%	1,493,426
<u>Administrative Services</u>						
CITY CLERK	913,107	716,997	28,607	167,503	81.7%	
HUMAN RESOURCES	1,508,353	978,685	30,171	499,497	66.9%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	59,345	30,198	-	29,147	50.9%	
<i>Total</i>	2,480,806	1,725,881	58,778	696,147	71.9%	1,371,206
<u>Finance</u>						
ADMINISTRATION	769,392	560,076	35,095	174,221	77.4%	
TREASURY	420,828	198,559	-	222,269	47.2%	
CASHIERING & COLLECTION	429,279	294,577	-	134,702	68.6%	
LICENSES & PERMITS	500,380	308,234	2,865	189,281	62.2%	
BUDGET MANAGEMENT	431,479	207,591	-	223,888	48.1%	
ACCOUNTING	537,610	312,098	27,061	198,450	63.1%	
PAYROLL	273,379	195,430	6,297	71,653	73.8%	
ACCOUNTS PAYABLE	209,611	153,934	-	55,677	73.4%	
CITY BILLING & CUSTOMER SERVICE	554,488	397,263	11,722	145,503	73.8%	
PURCHASING	653,292	472,749	602	179,942	72.5%	
CENTRAL STORES	193,680	144,096	-	49,584	74.4%	
MAIL SERVICES	98,622	71,384	6,799	20,439	79.3%	
<i>Total</i>	5,072,039	3,316,680	90,440	1,664,918	67.2%	3,887,957
TOTAL GENERAL GOVERNMENT	12,859,682	8,746,335	235,473	3,877,875	69.8%	8,825,155
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	927,930	734,973	-	192,957	79.2%	
SUPPORT SERVICES	589,376	404,929	1,352	183,095	68.9%	
RECORDS	1,470,452	949,103	11,284	510,066	65.3%	
ADMIN DIV MGMT	1,024,052	803,778	17,045	203,229	80.2%	
COMMUNITY SVCS	90,482	61,864	-	28,618	68.4%	
PROPERTY ROOM	153,380	120,268	251	32,860	78.6%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
<u>Police</u>						
TRNG/RECRUITMENT	444,748	270,973	2,097	171,678	61.4%	
RANGE	1,133,281	882,153	27,686	223,442	80.3%	
BEAT COORDINATORS	944,231	596,680	-	347,550	63.2%	
INFORMATION TECHNOLOGY	1,392,312	906,281	76,311	409,720	70.6%	
INVESTIGATIVE DIVISION	4,490,777	3,311,596	7,750	1,171,431	73.9%	
CRIME LAB	212,838	159,595	-	53,243	75.0%	
PATROL DIVISION	12,230,509	9,094,526	79,483	3,056,500	75.0%	
TRAFFIC	1,160,734	856,838	1,272	302,624	73.9%	
SPECIAL EVENTS	848,569	865,709	-	(17,140)	102.0%	
TACTICAL PATROL FORCE	948,375	710,003	-	238,372	74.9%	
STREET SWEEPING ENFORCEMENT	249,887	187,707	-	62,180	75.1%	
NIGHT LIFE ENFORCEMENT	418,940	292,908	-	126,032	69.9%	
PARKING ENFORCEMENT	987,533	671,502	980	315,051	68.1%	
CCC	2,252,839	1,572,385	90	680,364	69.8%	
ANIMAL CONTROL	466,210	309,966	41	156,204	66.5%	
<i>Total</i>	32,437,456	23,764,930	225,642	8,446,884	74.0%	22,084,671
<u>Fire</u>						
ADMINISTRATION	957,903	662,201	958	294,744	69.2%	
EMERGENCY SERVICES AND PUBLIC ED	347,198	205,308	12,536	129,354	62.7%	
PREVENTION	1,264,900	789,712	2,025	473,162	62.6%	
WILDLAND FIRE MITIGATION PROGRAM	180,741	123,831	850	56,060	69.0%	
OPERATIONS	16,408,339	12,178,787	96,204	4,133,349	74.8%	
ARFF	1,507,784	1,126,818	-	380,966	74.7%	
<i>Total</i>	20,666,866	15,089,883	112,574	5,464,409	73.6%	13,998,942
TOTAL PUBLIC SAFETY	53,104,321	38,854,813	338,216	13,911,292	73.8%	36,083,614
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	898,666	678,073	13,329	207,263	76.9%	
ENGINEERING SVCS	4,158,224	2,752,854	79,510	1,325,859	68.1%	
PUBLIC RT OF WAY MGMT	1,414,900	1,003,177	74,588	337,134	76.2%	
ENVIRONMENTAL PROGRAMS	582,135	360,471	72,840	148,824	74.4%	
<i>Total</i>	7,053,925	4,794,576	240,268	2,019,080	71.4%	4,363,146
TOTAL PUBLIC WORKS	7,053,925	4,794,576	240,268	2,019,080	71.4%	4,363,146
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
PRGM MGMT & BUS SVCS	448,128	349,932	-	98,196	78.1%	
FACILITIES	451,134	343,660	596	106,878	76.3%	
CULTURAL ARTS	545,026	405,837	8,600	130,589	76.0%	
YOUTH ACTIVITIES	783,352	626,059	5,289	152,004	80.6%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
TEEN PROGRAMS	385,422	278,985	6,731	99,707	74.1%	
SR CITIZENS	820,095	606,103	656	213,337	74.0%	
AQUATICS	1,192,284	886,412	37,711	268,161	77.5%	
SPORTS	425,195	285,810	2,206	137,179	67.7%	
TENNIS	301,166	210,383	280	90,504	69.9%	
WESTSIDE CENTER	1,027,843	747,956	1,730	278,157	72.9%	
ADMINISTRATION	531,410	413,996	-	117,414	77.9%	
PROJECT MANAGEMENT TEAM	358,457	270,379	2,615	85,463	76.2%	
BUSINESS SERVICES	589,656	435,022	25,574	129,061	78.1%	
FACILITY & PROJECT MGT	1,145,648	787,990	3,661	353,997	69.1%	
GROUND MANAGEMENT	4,825,795	3,237,220	341,429	1,247,147	74.2%	
FORESTRY	1,340,589	749,989	289,254	301,347	77.5%	
BEACH MAINTENANCE	168,095	103,900	9,734	54,461	67.6%	
<i>Total</i>	15,339,297	10,739,632	736,065	3,863,600	74.8%	9,711,170
<u>Library</u>						
ADMINISTRATION	471,107	305,154	-	165,953	64.8%	
PUBLIC SERVICES	2,475,467	1,660,916	11,155	803,396	67.5%	
SUPPORT SERVICES	1,703,420	1,126,267	112,671	464,482	72.7%	
<i>Total</i>	4,649,994	3,092,337	123,826	1,433,831	69.2%	3,042,186
TOTAL COMMUNITY SERVICES	19,989,291	13,831,969	859,891	5,297,431	73.5%	12,753,356
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	495,483	314,994	3,161	177,328	64.2%	
ECON DEV	90,476	49,915	2,885	37,676	58.4%	
CITY ARTS ADVISORY PROGRAM	596,647	563,635	-	33,012	94.5%	
HUMAN SVCS	787,349	614,390	163,299	9,660	98.8%	
RDA	695,095	502,392	-	192,703	72.3%	
RDA HSG DEV	627,697	462,482	-	165,215	73.7%	
LR PLANNING/STUDIES	797,840	553,293	7,335	237,212	70.3%	
DEV & DESIGN REVIEW	1,479,338	935,289	47,456	496,593	66.4%	
ZONING	1,250,924	831,025	9,980	409,919	67.2%	
DESIGN REV & HIST PRESERVATN	1,095,463	735,033	42,792	317,638	71.0%	
BLDG PERMITS	1,197,440	844,217	5,085	348,138	70.9%	
RECORDS & ARCHIVES	580,873	389,419	5,688	185,765	68.0%	
PLAN CK & COUNTER SRV	1,400,335	952,458	10,852	437,026	68.8%	
<i>Total</i>	11,094,960	7,748,541	298,534	3,047,885	72.5%	6,962,010
TOTAL COMMUNITY DEVELOPMENT	11,094,960	7,748,541	298,534	3,047,885	72.5%	6,962,010

CITY OF SANTA BARBARA
 General Fund
 Interim Statement of Appropriations, Expenditures and Encumbrances
 For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
COMMUNITY PROMOTIONS	1,749,330	1,373,373	-	375,957	78.5%	
SPECIAL PROJECTS	105,747	99,630	-	6,117	94.2%	
TRANSFERS OUT	48,420	36,420	-	12,000	75.2%	
DEBT SERVICE TRANSFERS	355,945	324,058	-	31,887	91.0%	
CAPITAL OUTLAY TRANSFER	1,863,458	1,464,008	-	399,450	78.6%	
APPROP. RESERVE	23,340	-	-	23,340	0.0%	
<i>Total</i>	4,146,240	3,297,489	-	848,751	79.5%	3,831,221
TOTAL NON-DEPARTMENTAL	4,146,240	3,297,489	-	848,751	79.5%	3,831,221
TOTAL EXPENDITURES	108,248,418	77,273,723	1,972,382	29,002,313	73.2%	72,818,503

*** 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 legal 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
Special Revenue Funds
Interim Statement of Revenues and Expenditures
For the Nine Months Ended March 31, 2008 (75% 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	580,000	363,509	-	216,491	62.7%
Expenditures	580,000	363,509	-	216,491	62.7%
<i>Revenue Less Expenditures</i>	-	-	-	-	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	2,917,387	2,231,979	-	685,408	76.5%
Expenditures	2,942,939	1,587,878	356,400	998,661	66.1%
<i>Revenue Less Expenditures</i>	(25,552)	644,100	(356,400)	(313,253)	
SOLID WASTE PROGRAM					
Revenue	16,874,282	12,621,082	-	4,253,200	74.8%
Expenditures	16,957,418	12,573,704	147,756	4,235,957	75.0%
<i>Revenue Less Expenditures</i>	(83,136)	47,378	(147,756)	17,242	
COMM.DEVELOPMENT BLOCK GRANT					
Revenue	3,042,611	843,053	-	2,199,558	27.7%
Expenditures	3,042,611	1,080,446	254,334	1,707,831	43.9%
<i>Revenue Less Expenditures</i>	-	(237,392)	(254,334)	491,727	
COUNTY LIBRARY					
Revenue	1,600,867	1,326,198	-	274,669	82.8%
Expenditures	1,823,036	1,295,694	22,084	505,257	72.3%
<i>Revenue Less Expenditures</i>	(222,169)	30,504	(22,084)	(230,589)	
STREETS FUND					
Revenue	11,338,641	8,801,905	-	2,536,735	77.6%
Expenditures	16,873,990	9,468,916	1,003,980	6,401,093	62.1%
<i>Revenue Less Expenditures</i>	(5,535,349)	(667,011)	(1,003,980)	(3,864,358)	
MEASURE "D"					
Revenue	5,070,000	3,433,899	-	1,636,101	67.7%
Expenditures	8,002,263	3,534,327	1,767,171	2,700,765	66.2%
<i>Revenue Less Expenditures</i>	(2,932,263)	(100,428)	(1,767,171)	(1,064,664)	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% 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>	<u>Previous YTD</u>
REVENUES						
Water Sales - Metered	27,500,000	21,690,627	-	5,809,373	78.9%	20,700,376
Service Charges	489,600	349,975	-	139,625	71.5%	360,063
Cater JPA Treatment Charges	1,650,000	1,477,026	-	172,974	89.5%	1,557,053
Investment Income	1,095,000	1,242,183	-	(147,183)	113.4%	928,632
Grants	19,125	-	-	19,125	0.0%	11,234
Reimbursements	18,000	-	-	18,000	0.0%	-
Miscellaneous	479,266	112,369	-	366,897	23.4%	133,980
TOTAL REVENUES	<u>31,250,991</u>	<u>24,872,180</u>	<u>-</u>	<u>6,378,811</u>	<u>79.6%</u>	<u>23,691,338</u>
EXPENSES						
Salaries & Benefits	6,969,059	4,818,768	-	2,150,291	69.1%	4,339,154
Materials, Supplies & Services	7,312,467	4,565,235	1,269,054	1,478,179	79.8%	4,891,656
Special Projects	244,530	54,764	72,202	117,564	51.9%	104,258
Water Purchases	7,604,071	5,621,958	-	1,982,113	73.9%	5,292,464
Debt Service	4,743,896	3,165,950	-	1,577,946	66.7%	2,768,731
Capital Outlay Transfers	6,428,452	4,847,890	-	1,580,562	75.4%	2,020,703
Equipment	174,529	37,229	2,957	134,343	23.0%	52,368
Capitalized Fixed Assets	143,460	33,390	20,757	89,313	37.7%	93,344
Other	-	5,039	-	(5,039)	100.0%	4,751
TOTAL EXPENSES	<u>33,620,463</u>	<u>23,150,221</u>	<u>1,364,970</u>	<u>9,105,272</u>	<u>72.9%</u>	<u>19,567,427</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 Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

WASTEWATER OPERATING FUND

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service Charges	12,500,000	9,622,844	-	2,877,156	77.0%	9,043,941
Fees	500,500	438,652	-	61,848	87.6%	425,780
Investment Income	525,000	453,459	-	71,541	86.4%	420,696
Grants	-	-	-	-	100.0%	27,233
Miscellaneous	25,000	10,418	-	14,582	41.7%	37,472
TOTAL REVENUES	13,550,500	10,525,373	-	3,025,127	77.7%	9,955,122
EXPENSES						
Salaries & Benefits	4,697,383	3,381,292	-	1,316,091	72.0%	3,161,870
Materials, Supplies & Services	5,912,051	3,634,496	910,963	1,366,592	76.9%	3,124,963
Special Projects	671,367	513,707	18,977	138,683	79.3%	86,944
Debt Service	1,354,108	359,145	-	994,963	26.5%	368,653
Capital Outlay Transfers	2,045,464	1,551,464	-	494,000	75.8%	902,011
Equipment	47,853	33,771	1,383	12,699	73.5%	28,232
Capitalized Fixed Assets	85,815	27,632	11,613	46,569	45.7%	27,027
Appropriated Reserve	9,116	-	-	9,116	0.0%	-
TOTAL EXPENSES	14,823,156	9,501,506	942,936	4,378,714	70.5%	7,699,700

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 Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)
DOWNTOWN PARKING

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Improvement Tax	850,000	666,035	-	183,965	78.4%	632,000
Parking Fees	6,125,000	4,330,380	-	1,794,620	70.7%	4,248,733
Investment Income	250,000	279,874	-	(29,874)	111.9%	211,316
Miscellaneous	15,000	2,228	-	12,772	14.9%	14,784
Operating Transfers-In	36,420	36,420	-	-	100.0%	-
TOTAL REVENUES	7,276,420	5,314,937	-	1,961,483	73.0%	5,106,833
EXPENSES						
Salaries & Benefits	3,445,876	2,444,523	-	1,001,353	70.9%	2,370,566
Materials, Supplies & Services	1,977,205	1,325,574	124,437	527,194	73.3%	1,121,783
Special Projects	922,785	523,294	372,491	27,000	97.1%	374,759
Capital Outlay Transfers	9,523	9,523	-	-	100.0%	-
Equipment	41,246	-	2,800	38,446	6.8%	7,283
Capitalized Fixed Assets	3,759,443	315,228	469,293	2,974,923	20.9%	447,081
Appropriated Reserve	60,000	-	-	60,000	0.0%	-
TOTAL EXPENSES	10,216,079	4,618,142	969,021	4,628,917	54.7%	4,321,473

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% 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>	<u>Previous YTD</u>
REVENUES						
Leases - Commercial / Industrial	3,979,900	3,112,836	-	867,064	78.2%	2,858,607
Leases - Terminal	5,159,650	3,759,845	-	1,399,805	72.9%	3,674,812
Leases - Non-Commerical Aviation	1,251,941	912,290	-	339,651	72.9%	992,794
Leases - Commerical Aviation	2,080,209	1,697,331	-	382,878	81.6%	1,538,562
Investment Income	580,318	400,581	-	179,737	69.0%	467,013
Miscellaneous	100,211	122,259	-	(22,048)	122.0%	241,126
TOTAL REVENUES	<u>13,152,229</u>	<u>10,005,142</u>	<u>-</u>	<u>3,147,087</u>	<u>76.1%</u>	<u>9,772,914</u>
EXPENSES						
Salaries & Benefits	4,587,401	3,260,939	-	1,326,462	71.1%	3,125,741
Materials, Supplies & Services	7,428,573	4,628,456	763,620	2,036,497	72.6%	4,306,366
Special Projects	676,123	374,468	1,169	300,485	55.6%	299,953
Transfers-Out	94,081	70,561	-	23,520	75.0%	-
Capital Outlay Transfers	2,698,842	2,316,342	-	382,500	85.8%	870,768
Equipment	137,577	65,197	2,810	69,570	49.4%	65,990
Capitalized Fixed Assets	152,895	112,895	-	40,000	73.8%	13,862
Appropriated Reserve	23,870	-	-	23,870	0.0%	-
TOTAL EXPENSES	<u>15,799,362</u>	<u>10,828,858</u>	<u>767,600</u>	<u>4,202,904</u>	<u>73.4%</u>	<u>8,682,681</u>

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CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

GOLF COURSE FUND

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Fees & Card Sales	2,026,900	1,371,643	-	655,257	67.7%	1,382,491
Investment Income	20,000	42,554	-	(22,554)	212.8%	30,093
Rents & Concessions	277,000	218,296	-	58,704	78.8%	209,088
Miscellaneous	100,000	2,339	-	97,661	2.3%	1,294
TOTAL REVENUES	2,423,900	1,634,832	-	789,068	67.4%	1,622,966
EXPENSES						
Salaries & Benefits	1,146,853	833,745	-	313,108	72.7%	800,410
Materials, Supplies & Services	712,357	499,818	125,925	86,614	87.8%	461,156
Special Projects	71,231	6,345	54,887	9,999	86.0%	29,874
Debt Service	183,477	183,309	-	168	99.9%	182,048
Capital Outlay Transfers	4,416	4,416	-	-	100.0%	-
Equipment	1,800	1,364	-	436	75.8%	4,688
Capitalized Fixed Assets	1,080,927	51,817	571,566	457,545	57.7%	171,654
TOTAL EXPENSES	3,201,062	1,580,814	752,378	867,869	72.9%	1,649,831

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

INTRA-CITY SERVICE FUND

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Vehicle Maintenance Charges	2,674,634	2,005,975	-	668,659	75.0%	1,863,546
Work Orders - Bldg Maint.	3,752,195	2,856,814	-	895,381	76.1%	2,484,085
Service Charges	1,748,397	1,311,298	-	437,099	75.0%	1,256,273
Miscellaneous	50,000	20,036	-	29,964	40.1%	12,788
TOTAL REVENUES	8,225,226	6,194,123	-	2,031,103	75.3%	5,616,692
EXPENSES						
Salaries & Benefits	4,336,163	2,946,650	-	1,389,513	68.0%	2,916,860
Materials, Supplies & Services	2,204,611	1,456,077	249,808	498,727	77.4%	1,290,553
Special Projects	1,510,123	882,970	297,763	329,389	78.2%	1,091,258
Capital Outlay Transfers	2,389	2,389	-	-	100.0%	-
Equipment	51,837	48,090	-	3,747	92.8%	9,379
Capitalized Fixed Assets	318,000	151,526	32,817	133,657	58.0%	7,203
Appropriated Reserve	10,000	-	-	10,000	0.0%	-
TOTAL EXPENSES	8,433,123	5,487,702	580,388	2,365,033	72.0%	5,315,252

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

ICS EQUIPMENT REPLACEMENT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Rental Charges	2,083,691	1,562,768	-	520,923	75.0%	1,495,347
Investment Income	165,000	217,993	-	(52,993)	132.1%	139,055
Rents & Concessions	268,240	158,412	-	109,828	59.1%	-
Miscellaneous	-	20,331	-	(20,331)	100.0%	48,649
TOTAL REVENUES	<u>2,516,931</u>	<u>1,959,504</u>	<u>-</u>	<u>557,427</u>	<u>77.9%</u>	<u>1,683,052</u>
EXPENSES						
Salaries & Benefits	120,441	77,455	-	42,986	64.3%	83,587
Materials, Supplies & Services	1,041	1,656	2,500	(3,115)	399.2%	1,736
Equipment	309,500	309,780	1,875	(2,156)	100.7%	-
Capitalized Fixed Assets	3,476,274	450,836	1,917,137	1,108,301	68.1%	484,412
TOTAL EXPENSES	<u>3,907,256</u>	<u>839,727</u>	<u>1,921,513</u>	<u>1,146,016</u>	<u>70.7%</u>	<u>569,735</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

SELF INSURANCE TRUST FUND

	** Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Insurance Premiums	3,140,159	2,355,120	-	785,039	75.0%	1,976,290
Workers' Compensation Premiums	2,241,057	1,680,793	-	560,264	75.0%	2,529,506
OSH Charges	256,804	190,387	-	66,417	74.1%	217,794
Investment Income	355,865	401,344	-	(45,479)	112.8%	317,830
Miscellaneous	-	99,366	-	(99,366)	100.0%	29,301
Accel - Return of Premium	-	-	-	-	100.0%	165,000
TOTAL REVENUES	5,993,885	4,727,009	-	1,266,876	78.9%	5,235,721
EXPENSES						
Salaries & Benefits	594,906	361,782	-	233,124	60.8%	358,234
Materials, Supplies & Services	6,277,517	3,772,687	492,464	2,012,365	67.9%	4,683,105
Special Projects	-	6	-	(6)	100.0%	-
Capital Outlay Transfers	3,185	3,185	-	-	100.0%	-
Equipment	5,625	240	-	5,385	4.3%	2,262
TOTAL EXPENSES	6,881,233	4,137,900	492,464	2,250,869	67.3%	5,043,600

*** 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 Expenses
For the Nine Months Ended March 31, 2008 (75% of Fiscal Year)

INFORMATION SYSTEMS ICS FUND

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service charges	2,445,086	1,870,058	-	575,028	76.5%	1,715,524
TOTAL REVENUES	2,445,086	1,870,058	-	575,028	76.5%	1,715,524
EXPENSES						
Salaries & Benefits	1,588,658	1,137,817	-	450,841	71.6%	1,027,892
Materials, Supplies & Services	671,414	458,163	106,043	107,207	84.0%	493,030
Special Projects	17,494	3,750	779	12,965	25.9%	9,282
Equipment	318,018	274,509	35,436	8,073	97.5%	86,955
Capitalized Fixed Assets	-	511	-	(511)	100.0%	3,529
Appropriated Reserve	12,886	-	1,426	11,460	11.1%	-
TOTAL EXPENSES	2,608,470	1,874,749	143,685	590,036	77.4%	1,620,687

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2008 (75% 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>	<u>Previous YTD</u>
REVENUES						
Leases - Commercial	1,402,510	1,108,758	-	293,752	79.1%	1,050,238
Leases - Food Service	2,368,171	1,874,614	-	493,557	79.2%	1,843,975
Slip Rental Fees	3,466,049	2,595,159	-	870,890	74.9%	2,544,107
Visitors Fees	485,434	384,719	-	100,715	79.3%	369,124
Slip Transfer Fees	650,000	451,775	-	198,225	69.5%	443,900
Parking Revenue	1,557,489	1,199,128	-	358,361	77.0%	1,127,489
Wharf Parking	275,000	176,431	-	98,569	64.2%	182,361
Other Fees & Charges	360,819	270,845	-	89,974	75.1%	292,681
Investment Income	291,648	324,475	-	(32,827)	111.3%	313,930
Rents & Concessions	259,470	199,555	-	59,915	76.9%	189,849
Miscellaneous	239,185	95,166	-	144,019	39.8%	95,500
TOTAL REVENUES	<u>11,355,775</u>	<u>8,680,626</u>	<u>-</u>	<u>2,675,149</u>	<u>76.4%</u>	<u>8,453,157</u>
EXPENSES						
Salaries & Benefits	5,191,879	3,660,738	-	1,531,141	70.5%	3,592,822
Materials, Supplies & Services	3,773,917	2,494,087	479,610	800,219	78.8%	2,199,285
Special Projects	38,830	25,022	13,808	-	100.0%	22,958
Debt Service	1,599,916	1,194,749	-	405,167	74.7%	1,118,498
Capital Outlay Transfers	3,039,803	1,439,803	-	1,600,000	47.4%	1,168,031
Equipment	227,833	109,461	7,803	110,569	51.5%	65,919
Capitalized Fixed Assets	-	-	-	-	100.0%	13,462
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>14,022,177</u>	<u>8,923,861</u>	<u>501,222</u>	<u>4,597,095</u>	<u>67.2%</u>	<u>8,180,973</u>

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