ITEM NO. 33

Memorandum

Financial Services Department

TO: Honorable Mayor and City Councilmembers

THROUGH: Peter Weiss, City Manager

FROM: Michael M. Blazenski, Interim Director of Finance

DATE: August 26, 2013

SUBJECT: Financial Status Report

Attached please find a copy of the Unaudited Financial Status Report for the year ending June 30 2013 (Period 12).

General Fund revenues as of June 30th came in at 101.39% of the amended budget amount. Overall General Fund expenditures and purchase orders are at 97.10% of the amended budget. Revenues exceeded budget by $1,752,977. Expenditures were under budget by $3,456,069. This resulted in revenues exceeding expenditures by $12,002,453 of which $6,255,121 was one time revenue. Of this amount an additional $1,125,864 was additional unexpected proceeds resulting from the sale of Laguna Vista and the remaining increase is the result of slightly higher revenue collections in various accounts.

The following is a snapshot of General Fund revenues vs. expenditures as of June 30th (unaudited).

Description	Amended Budget	YTD as of 4th Quarter	YTD % of Amended Budget
Revenues	$125,944,004	$127,696,981	101.39%
Expenditures	$119,150,597	$115,694,528	97.10%
Surplus/(Shortfall)	$6,793,407	$12,002,453	

FISCAL YEAR RESULTS

As previously noted above revenues exceeded budget by $1,752,977. Of this amount, an additional $1,125,864 was additional unexpected proceeds resulting from the sale of Laguna Vista and the remaining increase is the result of slightly higher revenue collections in various accounts.

The City Council has designated a portion of the one time receipts to be allocated to Beach Sand Replenishment $650,000, $3,000,000 to Beach Area Restroom replacement and $650,000 for the Mission Cove housing project. The remainder of one time money, $1,955,121, received will be put in the unallocated fund balance.

Expenditures were under budget by $3,456,069. This resulted from all departments being under budget, mainly due to reduced personnel costs in every department except for the Fire Department being over budget by $496,440 resulting from excess overtime and the City Attorney being over budget by $8,167 as the result of unexpected outside attorney fees. At year end, there was $1,003,178 of expenditures to be carried over to the new fiscal year. These are expenditures that were budgeted and the projects not yet completed. In addition, it is requested that the labor savings of $796,000 in the Police budget be used to help purchase a replacement CAD system. This will require the City Council approving this transfer. This leaves $3,948,154 from regular operations to be put into the unassigned fund balance.

I am available to answer any questions you may have.

cc: City Clerk
City Treasurer
Department Directors

CITY OF OCEANSIDE
FINANCIAL STATUS REPORT
Fiscal Year 2012-13
Fourth Quarter Ending June 30, 2013

The City has completed the fourth quarter of the 2012-13 fiscal year. The financial data in this report is based on the close of Period 12, which reflects revenues and expenditures posted through normal day-to-day operations (i.e. payroll, accounts payable, cashiering, and accrued revenues/expenditures through July 31st). It does not include Period 13 entries (August accruals, depreciation and other year-end entries in preparation for the audit).

This report summarizes the activities of the operating funds, but is not meant to be inclusive of all finance and accounting transactions. It is intended only to provide Council and the public with an overview of the state of the City's general fiscal condition.

GENERAL FUND BUDGET POSITION

The City Council adopted the FY 12/13 budget on June 6, 2012 with approved General Fund revenues of $116,347,225 and expenditures of $116,278,746. Table 1 delineates the year-to-date changes to the General Fund budget as of June 30, 2013.

The amended budget for the First Quarter reflects an increase of $250,250 over the adopted budget. This is comprised of the following components:

- $16,650 revenue increase for CFD administrative costs in Treasurer budget, approved by Council 6/27/12
- $23,830 expenditure increase for Parks & Recreation for chairs at El Corazon Senior Center and termite extermination and repairs at Heritage Park. Funding approved by Council 7/5/12 from Assigned P&R reserves.
- $206,420 continued appropriations from FY 11/12 for incomplete projects and programs in accordance with Administrative Directive 20. This amount has been set aside in the General Fund Balance as Assigned and Committed Reserves.
- $20,000 expenditure increase for City Manager Office for Council Goal Setting and Budget Prioritization facilitator. Funding approved by Council 9/16/12 from unassigned reserves.

The amended budget for the Second Quarter reflects an increase of $300,190 over the First Quarter. This is comprised of the following components:

- $35,000 for regional economic development collaboration effort. Funding approved by Council 10/3/12 from Economic Stabilization Reserves.
- $420,000 for Oracle financial system phase 6 upgrade. Funding approved by Council 10/3/12 from Information Services Software Reserves and I/S Unassigned Reserves.
- $30,544 for overhaul and re-powering of rescue boat approved by Council 10/17/12. Funding transferred from Harbor Unrestricted Fund Balance.
- ($185,354) expenditure reduction based on September Financial Update presented to Council on 10/23/12 (reflects rounding).
- $991,803 revenue increase based on September Financial Update presented to Council on 10/23/12. $697,321 identified as one-time revenue.

The amended budget for the Third Quarter reflects an increase of $2,215,720 over the Second Quarter. This is comprised of the following components:

- $14,220 for Oracle Software contingency. Funding from Information Services Unassigned Reserves approved by Council 10/3/12.
- $57,000 for mobile home inspection program. Funding offset by revenue increase, approved by Council 3/13/13.

- $1,500,000 for sale of 2013 Certificates of Participation (flood control and parking projects). Funding from surplus reserves approved by Council 1/30/13.
- $482,500 for prepayment of 2004 Street Lighting lease. Funding from surplus reserves approved by Council 2/27/13.
- $150,000 for fire overtime. Funding from surplus reserves, approved by Council 1/30/13.
- $12,000 for graffiti tracker program. Funding from surplus reserves, approved by Council 1/30/13.

The amended revenue budget for the fourth quarter reflects an increase of $6,278,484.

This increase was approved at the May 15, 2013 City Council meeting as part of the 3rd Quarter Financial Status Report. Included in the approved increases were:

- $4,503,177 for the sale of the Laguna Vista Mobile Home Park
- $853,543 in various Property Tax revenue accounts
- $520,000 in Transient Occupancy Tax
- $403,200 in Prop 172 Sales Tax and
- Various other adjustments decreasing revenue by $1,436

The amended expenditure budget was also approved at the May 15 City Council meeting in the amount of $105,691.

Table 1
CHANGES TO GENERAL FUND BUDGET
Fiscal Year 2012-2013

	Adopted Budget	Amended Budget	Increase (Decrease)
FIRST QUARTER			
Revenues	$116,347,225	$116,363,875	$16,650
Expenditures	$116,278,746	$116,528,996	$250,250
SECOND QUARTER			
Revenues	-	$117,355,678	$991,803
Expenditures	-	$116,829,186	$300,190
THIRD QUARTER			
Revenues	-	$119,665,520	$2,309,842
Expenditures	-	$119,044,906	$2,215,720
FOURTH QUARTER			
Revenues		$125,944,004	$6,278,484
Expenditures	-	$119,150,597	$105,691

GENERAL FUND REVENUES

Fiscal Year 2012-2013 General Fund adopted revenues are projected to be $116,347,225 which represents a $4,007,640 or 3.57% increase from the prior fiscal year, primarily due to the street sweeping and housing grant program services now included in the General Fund. The amended revenue as of June 30th has been increased to $125,944,004 as noted in Table 1. Revenues received as of June 30, 2013 exceeded the amended budget by $1,750,165 or 1.39%. These revenue amounts are estimates as some of the revenue is accrued from August

receipts which relate to the 2012-13 fiscal year.

Table 2 highlights the amount and percentage received in each of the major revenue types. A discussion follows below.

Table 2
GENERAL FUND REVENUES
Fiscal Year 2012-2013

Revenue Type	Adopted Budget	Amended Budget	YTD as of 4th Quarter	YTD % of Amended Budget
Property Taxes	45,629,700	48,334,204	48,758,178	100.88%
Sales Taxes	18,822,800	19,551,003	19,940,405	101.99%
All Other Taxes	11,215,000	11,375,825	11,337,419	99.66%
Licenses & Permits	1,590,560	2,044,660	2,227,190	108.93%
Fines/Forfeitures	3,992,060	3,931,010	4,010,591	102.02%
Use of Money & Property	4,298,990	4,437,858	4,425,729	99.73%
Intergovernmental	607,379	619,379	501,928	81.04%
Charges for Services	18,927,111	18,526,585	18,160,467	98.02%
Other Revenue & Transfers	11,038,000	17,123,480	18,335,073	107.08%
Use of Reserves	225,625	0	0	0.00%
Total	**116,347,225**	**125,944,004**	**127,696,980**	**101.39%**

Property Taxes comprise 39% of the total General Fund revenues and are primarily received in the December/January and April/May timeframes. Property taxes at year end were 100.88% of budget and while some categories in this classification were slightly down the overall collections exceeded budget. The budget was exceeded by $423,974.

Sales Taxes comprise 16% of the total General Fund revenues, and consist of three components. Revenues recognized at the end of the year are 101.99% of budget. This exceeded the adjusted budget by $389,402.

All Other Taxes comprise 9.6% of the total General Fund revenues, with year end remittances totaling 99.6% of projections.

Transient Occupancy Tax – the City collects 10% of the room rent charged by a hotel operator to tourists occupying a hotel room within the City for a period of less than 30 days. TOT receipts as of June 30th are at 98.4% of the amended budget of $4,175,000; however the collections exceeded the original budget by $453,219 and was an increase of $291,064 over the previous year.

Card Room Tax – this tax increased from 5% to 6% on gross revenues as of January 1, 2013 for the Ocean's 11 card room, with 110.04% of projected revenues received through year end.

Business License Tax – the business license tax is $0.50 per $1,000 gross revenues. The City has received 101.34% as of year end.

Franchise Tax – the City receives franchise taxes from Cox Communications on a quarterly basis and from SDG&E on an annual basis in April. The SDG&E remittance advice shows that the payment will be below budget expectations. Franchise taxes collected were 97.3% of the amended budget.

Licenses & Permits comprise less 1.6% of the total General Fund revenues, and is above target with 108.9% received during the year. This is the result of increased building activity in the city.

Fines & Forfeitures comprise 3.4% of the total General Fund revenues and includes revenue from abandoned vehicle abatements (AVA), impound fees, false alarms, red light photo fines, administrative citations, parking citations and other miscellaneous fines. 102% of these revenues were received during the year. The largest component of Fines & Forfeitures is parking citations. Parking citation revenue made projections this year.

Use of Money and Property comprise 3.7% of the total General Fund revenues and includes interest earnings on the City's investment portfolio, as well as general rents and leases, cell towers in right-of way and City property, Municipal Golf Course, Harbor Tidelands, and parking machines collections. Collections equal 99.7% of the adjusted budget and should reach 100% with year end accruals.

Intergovernmental comprise slightly over 0.5% of the total General Fund revenues and includes Homeowner Property Tax Exemptions, POST reimbursement, and other grants and inter-agency reimbursements. 81% has been received as of June 30th. SB90 claims and payments from government agencies yet to be accrued and should make the category reach 100% when the audited numbers are completed.

Charges for Services comprise 14.7% of the total General Fund revenues, with 98% being received as of year end. Ambulance billing is a large component of this revenue type. On 10/17/12 Council approved outsourcing the ambulance billing services with Wittman Enterprise, who was responsible for billing backlogged services from June-November 2012. This category is down slightly because internal service charges are down. This results from expenditures for these charges also being down by the same amount thus there is no impact on the performance of the General Fund.

Other Revenues and Transfers comprise 13.5% of the total General Fund revenues, of which 107.1% has been received at year end. The Finance Department has established a mechanism to automatically transfer 1/12th of the budgeted transfers each month. The large increase over budget is the result of the Laguna Vista sale generating $1,125,864 more revenue than expected.

Use of Reserves was not needed during the fiscal year as revenues exceeded expenditures.

GENERAL FUND EXPENDITURES

Fiscal Year 2012-2013 General Fund expenditures are budgeted to be $116,278,746 which represents an increase of approximately $3.8 million from the prior fiscal year. The amended budget has been increased to $119,150,597 as noted in Table 1.

Table 3 highlights the amount and percentage expended by each department. The YTD Actual & PO's column includes outstanding encumbered Purchase Orders in the total, which provides a better representation of monies spent or committed through year end.

As of June 30th, the General Fund has expended or committed 97.10% of the amended budget. This has resulted in overall expenditures being $3,756,069 under the amended approved budget. Of this amount $1,003,178 are appropriations to be carried over to the 2013-14 fiscal year as projects were not completed. In addition, $796,000 is requested to be carried forwarded from the under expenditure of payroll costs in the Police Department to pay for replacement CAD system. This will need to approved by the City Council.

All departments are within their budgeted expect for City Treasurer being over $850 and City Attorney being over $8,167.

In addition, the fire department ended the year $496,440 over budget. This is the direct result of the department exceeding its overtime budget.

Table 3
GENERAL FUND EXPENDITURES
Fiscal Year 2012-2013

Department	Adopted Budget	Amended Budget	YTD Actual and PO's as of 4th Quarter	YTD % of Amended Budget
GENERAL GOVERNMENT				
City Council	894,446	894,447	834,468	93.29%
City Clerk	1,218,200	1,261,793	1,150,148	91.15%
City Treasurer	314,318	314,319	315,169	100.27%
City Manager	1,659,634	1,703,369	1,474,483	86.56%
City Attorney	1,493,115	1,493,115	1,501,282	100.55%
Financial Services	4,297,270	4,822,623	4,762,567	98.75%
Human Resources	660,527	660,527	600,148	90.86%
Non-Departmental	4,767,730	7,116,859	6,140,672	86.28%
PUBLIC SAFETY				
Fire	23,978,258	24,116,898	24,613,338	102.06%
Police	48,627,470	48,129,385	47,291,398	98.26%
PUBLIC WORKS				
Public Works	11,701,610	11,739,050	11,175,327	95.20%
COMMUNITY DEVELOPMENT				
Development Services	6,885,602	6,969,858	6,242,856	89.57%
COMMUNITY/CULTURAL SERVICES				
Neighborhood Services	5,429,333	5,577,120	5,359,005	96.09%
Library	4,351,234	4,351,234	4,233,667	97.30%
Total	**116,278,747**	**119,150,597**	**115,694,528**	**97.10%**

ENTERPRISE FUNDS

Enterprise funds, also known as business-type activities, are used to account for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprise. The financial status of operating funds for Water, Sewer and Solid Waste Disposal are discussed below. Please note that Water and Sewer budgets consist of multiple funds (operating, replacement and developer connection). Debt service is not included. Generally accepted accounting principles (GAAP) call for fiscal analysis of Enterprise Funds to reflect a roll up all funds into one report

WATER FUND REVENUES

Overall revenues for the Water Combined Funds are at 107.7% at the end of the year as noted in Table 4 below.

- Water Sales – this revenue comprises 96% of the total revenues for Water operations, and is used for the purpose of purchasing, treating, transporting and delivering water to customers. These revenues also fund debt service and fixed asset replacement costs. These revenues are up due to higher than anticipated water use during the course of the year as well as lower than anticipated water losses.
- Developer Fees – Development activity has shown an increase, resulting in an increase in these fees from the original budget estimate.
- Grants – the Water department is eligible for funding from various federal and state grants for the following programs/projects: 511 Pump Station, North San Diego County Water Reclamation, and the Ocean Desalination Feasibility Study.
- Other Revenue - includes interest earnings, reimbursement for services, and sale of surplus equipment.

WATER FUND EXPENDITURES

Table 4 highlights the amount and percentage expended by each water program. The YTD Actual & PO's column includes outstanding encumbered Purchase Orders in the total, which provides a better representation of monies spent or committed for the year. As of June 30th, the Water Combined Funds have expended or committed 82.3% of the overall amended budget. Expenditures for the operating budget were at 105.23% due to higher than estimated water use by customers. Operating expenditures did not exceed operating revenues. Expenditures for capital projects were significantly lower than anticipated since many of the projects are still in the planning and design stages.

Table 4
WATER COMBINED FUNDS (excluding debt service)
Fiscal Year 2012-2013

	Adopted Budget	Amended Budget	YTD Actual and PO's as of 4th Quarter	YTD % of Amended Budget
Water Sales	49,899,857	50,206,857	55,084,796	109.72%
Developer Fees	400,000	850,085	815,961	95.99%
Grants	490,000	1,029,000	416,377	40.46%
Other Revenue	1,271,789	1,285,289	1,171,093	91.12%
Inter-fund Transfers In	20,500	31,961	39,035	122.13%
TOTAL OPERATING REVENUES	**52,082,146**	**53,403,192**	**57,527,262**	**107.72%**
Use of Reserves	3,755,700	3,755,700	0	n/a
TOTAL FUNDING SOURCES	**55,837,846**	**57,158,892**	**57,527,262**	**n/a**
EXPENDITURES				
Administration & General	30,619,746	30,481,471	30,687,417	100.68%
Flood Control/Storm Drains	785,666	785,666	787,154	100.19%
Water Distribution	1,406,267	1,406,267	1,301,457	92.55%
Water Filtration Plant	1,484,800	1,584,800	1,588,367	100.23%
Desalting Plant	2,158,721	2,158,721	1,966,396	91.09%
Water Maintenance	2,236,023	2,278,068	2,153,440	94.53%
Water Meter Services	2,054,465	2,054,465	2,003,764	97.53%
Clean Water Program	1,173,457	1,217,819	1,271,450	104.40%
Other Water Programs	1,419,071	1,430,714	952,520	66.58%
Inter-fund Tranfers Out	900,000	900,000	983,201	109.24%
Replacement Projects (capital)	2,992,050	5,231,845	2,919,435	55.80%
Connection Projects (capital)	4,681,250	12,731,432	4,599,441	36.13%
TOTAL CASH EXPENSES	**51,911,516**	**62,261,268**	**51,214,042**	**82.26%**
Depreciation/GASB 31 Expenses	0	0	3,847,309	n/a
TOTAL OPERATING EXPENSES	**51,911,516**	**62,261,268**	**55,061,351**	**n/a**
OPERATING INCOME/(LOSS)	**3,926,330**	**(5,102,376)**	**2,465,911**	**n/a**

Table 5
SEWER COMBINED FUNDS (excluding debt service)
Fiscal Year 2012-2013

	Adopted Budget	Amended Budget	YTD Actual and PO's as of 4rd Quarter	YTD % of Amended Budget
Sewer Service & Flow Fees	28,926,633	29,711,133	32,995,519	111.05%
Developer Fees	500,000	930,300	890,112	95.68%
Other Revenue	431,248	496,350	537,527	108.30%
TOTAL OPERATING REVENUES	**29,857,881**	**31,137,783**	**34,423,158**	**110.55%**
Use of Reserves	0	0	0	n/a
TOTAL FUNDING SOURCES	**29,857,881**	**31,137,783**	**34,423,158**	**110.55%**
EXPENDITURES				
Administration & General	5,283,805	6,048,955	5,491,372	90.78%
Facilities Maintenance	1,888,596	1,926,838	1,897,775	98.49%
Sewer Collections	3,196,531	3,196,531	3,061,179	95.77%
La Salina Wastewater	3,160,123	3,160,123	3,002,752	95.02%
San Luis Rey Wastewater	6,874,892	6,881,838	6,917,558	100.52%
Sewer Laboratory	778,980	778,980	693,666	89.05%
SCADA Program	267,433	267,433	250,001	93.48%
GIS Program	330,563	330,653	248,781	75.24%
Replacement Projects (capital)	4,310,690	4,310,690	2,030,099	47.09%
Expansion Projects (capital)	689,713	689,713	240,368	34.85%
TOTAL CASH EXPENSES	**26,781,326**	**27,591,754**	**23,833,551**	**86.38%**
Depreciation/GASB 31 Expense	0	0	8,255,877	n\a
TOTAL OPERATING EXPENSES	**26,781,326**	**27,591,754**	**32,089,428**	**n\a**
OPERATING INCOME/(LOSS)	**3,076,555**	**3,546,029**	**2,333,730**	**n\a**

SEWER FUND REVENUES

Overall revenues for the Sewer Combined Funds are at 110.6% at the end of the third quarter as noted in Table 5 above.

- Sewer Service & Flow Fees – this revenue comprise 97% of the total revenues for Sewer operations, debt service and fixed asset replacement costs. Council approved a new Environmental Mitigation Surcharge to fund a pending fine with the Regional Water Quality Control Board for the discharge of raw sewage from the Haymar Sewer Interceptor during the December 2010 storms. The $1.5 million surcharge will offset the $1.5 million expense in Administration. The surcharge was eliminated August 13th as enough money was collected to pay the fine. Revenues were also higher than anticipated due to higher than estimated water usage which is tied to sewer rates by all user

categories. A larger increase in usage was seen in industrial customers.

- Other Revenue - includes interest earnings, reimbursement for services, and Rainbow MWD pass-thru fees.

SEWER FUND EXPENDITURES

Table 5 highlights the amount and percentage expended by each sewer program. The YTD Actual & PO's column includes outstanding encumbered Purchase Orders in the total, which provides a better representation of monies spent or committed for the third quarter. As of year end, the Sewer Combined Funds has expended or committed 86% of the amended budget. As in the Water Fund, most of the capital projects were in the planning and design phases and therefore, a significant amount of funds have yet to be expended.

Table 6
SOLID WASTE DISPOSAL FUND 731
Fiscal Year 2012-2013

	Adopted Budget	Amended Budget	YTD Actual and PO's as of 4th Quarter	YTD % of Amended Budget
REVENUES				
Trash P/U Fees	22,149,416	22,149,416	21,783,796	98.35%
Waste Mgmt Collector Payment	1,700,000	1,771,393	1,829,138	103.26%
Other Revenue	0	1,737	4,462	256.88%
TOTAL OPERATING REVENUES	**23,849,416**	**23,922,546**	**23,617,396**	**98.72%**
Use of Reserves	0	0	0	n/a
TOTAL FUNDING SOURCES	**23,849,416**	**23,922,546**	**23,617,396**	**98.72%**
EXPENDITURES				
Personnel	777,187	777,187	651,662	83.85%
Maintenance & Operations	17,700,050	17,708,000	15,863,245	89.58%
Capital	0	0	575	n/a
Internal Services Charges	1,367,375	1,367,375	1,367,388	100.00%
Inter-fund Transfers Out	3,767,147	3,767,147	3,831,911	101.72%
TOTAL CASH EXPENSES	**23,611,759**	**23,619,709**	**21,714,781**	**91.94%**
	0	0	-	
TOTAL OPERATING EXPENSES	**23,611,759**	**23,619,709**	**21,714,781**	**91.94%**
OPERATING INCOME/(LOSS)	**237,657**	**302,837**	**1,902,615**	**628.26%**

SOLID WASTE DISPOSAL FUND REVENUES

Overall revenues for the Solid Waste Disposal Fund are approximately 99% at the end of the year as noted in Table 6 above.

Trash Pick-Up Fees – these fees are collected to provide all the costs associated with solid waste disposal. Over 98% has been received as of year end.

Waste Management Collector Payment – per the November 2010 contract with Waste Management, effective September 2012 the collector payment remitted is the greater of nine percent of gross receipts for the prior year or $1.7 million.

SOLID WASTE DISPOSAL FUND EXPENDITURES

Table 6 highlights the amount and percentage expended by expenditure category. YTD Actual & PO's include outstanding encumbered Purchase Orders in the total, which provides a better representation of monies expended or committed for the year.

As of year end, the Solid Waste Disposal Fund has expended or committed 92% of the amended budget. There is a one-month delay in remitting payment to Waste Management, so as of June 30th there are eleven monthly payments expended in Maintenance & Operations. When the audit is completed there will be 12 payments included.

HARBOR FUND REVENUES

Overall revenues for the Harbor Fund ended at 104% for the year as noted in Table 7 below.

The Harbor Fund has received approximately 107% in slip rental revenue at June 30th. Leases and other revenue (parking meters) are of a cyclical nature.

HARBOR FUND EXPENDITURES

Table 7 highlights the amount and percentage expended by expenditure category. YTD Actual & PO's include outstanding encumbered Purchase Orders in the total, which provides a better representation of monies expended or committed for the third quarter.

As of year end the Harbor Fund has transferred 100% of the budget to the General and Risk Management Funds for those services. The Storage Facility and Force Main Lift Station capital projects are funded from the Harbor Fund "reserves."

Table 7
HARBOR FUND 751
Fiscal Year 2012-2013

	Adopted Budget	Amended Budget	YTD Actual and PO's as of 3rd Quarter	YTD % of Amended Budget
REVENUES				
Slip Rental Revenue	4,730,000	4,730,000	5,074,803	107.29%
Harbor Leases	950,000	968,980	823,505	84.99%
Interest	34,941	34,941	18,604	53.24%
Other Revenue (parking meters)	733,699	605,000	671,469	110.99%
TOTAL OPERATING REVENUES	**6,448,640**	**6,338,921**	**6,588,381**	**103.94%**
EXPENSES				
Transfer - Harbor Police	1,938,026	1,938,026	1,938,026	100.00%
Transfer - Harbor Admin	729,184	729,184	729,184	100.00%
Transfer - Harbor Maint	2,207,524	2,207,524	2,207,524	100.00%
Transfer - Prop Mgmt	38,110	38,110	38,110	100.00%
Transfer - Risk Management	35,930	35,930	35,930	100.00%
Transfer - Harbor Lifegaurd	154,227	154,227	154,227	100.00%
Transfer - Tideland Lease	508,830	508,830	508,830	100.00%
Transfer - Finance (Oracle Upgrd)	0	30544	30,544	100.00%
Debt Service	411,342	411,342	411,311	99.99%
Capital Projects	1,485,000	1,485,000	878,062	59.13%
TOTAL CASH EXPENSES	**7,508,173**	**7,538,717**	**6,931,748**	**91.95%**
Depreciation/GASB 31 Expenses	0	0	470,953	n/a
TOTAL OPERATING EXPENSES	**7,508,173**	**7,538,717**	**7,402,701**	**98.20%**
OPERATING INCOME/(LOSS)	**(1,059,533)**	**(1,199,796)**	**(814,320)**	**n/a**

BUDGET TRANSFERS

In compliance with Section OB-2 of Council Policy 200-13 "Financial Policies", the City Manager has the authority to transfer monies appropriated within the same fund for the same department provided the total amount within a fund has not changed.

Budget transfers in excess of $25,000 are presented to the City Council on a quarterly basis for notification purposes. Table 8 below highlights the budget transfers.

Table 8
BUDGET TRANSFERS IN EXCESS OF $25,000
Fiscal Year 2012-2013
April - June Activity Only

Description of Business Unit or Project	From Account	To Account	Reason	Amount
Water Operating	Professional Services	Temp Agency Individuals Maintenance & Supplies	Reallocate Budget	$75,000
Water Operating	Professional Services	Chemicals Machinery & Equipment	Reallocate Budget	$38,930
Federal Grant-Special Revenue	Other Agency-Reimbursement	Other Federal Grants	Properly Classify Revenue	$89,778
Water Infrastructure	Professional Services	Infrastructure	Reallocate Budget	$30,400
Sewer Operating	Temp Agency	Professional Services	Reallocate Budget	$25,000
Mission Cove Project	Unallocated	Allocated to Project	Fund part of Mission Cove project	$1,797,287
GF Community Fac CIP	Mat'l Supplies & Svcs	Machinery & Equipment	Playground Equip	$48,000
General	Machinery & Equip	Electricity	Reallocate Budget	$6,000
Park Fees	Professional Fees	Infrastructure	Cover contracted costs	$40,000
Sewer Operating	Gas	Repairs and Maintenance	Reallocate Budget	$40,000
General	Mat'l Supplies & Svcs	Salaries-Full & P/T	Lifeguard Salaries	$40,296
General	Repairs & Maintenance	Machinery & Equipment	Buccaneer Park	$42,398
Public Facility Fees	Infrastructure	Machinery & Equipment	Use proper acct number	$45,402
Sewer Operating	Temp Salaries	Reg Salaries	Reallocate Budget	$4,850