



**CITY OF OCEANSIDE
FINANCIAL STATUS REPORT
Fiscal Year 2015-16
First Quarter Ending September 30, 2015**

The first quarter ended on September 30, 2015. This report summarizes the activities of the operating funds, but is not meant to be inclusive of all finance and accounting transactions and excludes encumbrances. 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 2015-16 budget on June 3, 2015 with approved General Fund revenues of \$131.8 million, expenditures of \$131.1 million. In the following sections, the amounts in the tables listed as Amended Budget include supplemental appropriations or other actions taken by Council since the budget adoption.

GENERAL FUND REVENUES

Table 1 highlights the amount and percentage of revenues received in each of the major classifications as compared to budget. The first quarter results show General Fund revenues coming in at 12% of budget.

**Table 1
GENERAL FUND REVENUES
Fiscal Year 2015-16
In Thousands**

Funding Sources	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
Revenue Type				
Property Taxes	52,300	52,300	934	2%
Sales Taxes	21,690	21,690	1,665	8%
Transient Occupancy Tax (TOT)	4,950	4,950	738	15%
All Other Taxes	3,850	3,850	660	17%
Licenses & Permits	2,275	2,275	764	34%
Franchise Fees	4,120	4,120	-	0%
Fines/Forfeitures	3,680	3,680	627	17%
Use of Money & Property	5,314	5,314	2,076	39%
Intergovernmental	500	500	586	117%
Ambulance Billing	3,490	3,490	848	24%
Charges for Services	16,833	16,833	3,768	22%
Other Revenue & Transfers	12,805	12,844	3,260	25%
TOTAL REVENUES	131,808	131,847	15,926	12%

Property Taxes comprise 39% of the total General Fund annual revenues and are primarily received in the December/January and April/May timeframes. Revenues are 2% of budget at the end of the first quarter.

Sales Taxes comprise 8% of the total annual General Fund revenues. Sales tax revenues are at 8% of budget at the end of the first quarter.



Transient Occupancy Tax (TOT) – the City collects 10% of the room rent charged by an operator to tourists occupying a hotel room or vacation rental within the City for a period of less than 30 days. TOT receipts are at 15% of budget at the end of the first quarter.

GENERAL FUND EXPENDITURES

Table 2 highlights the amount and percentage expended by each department in the General Fund. As of September 30, 2015, the General Fund departments combined have expended 24% of budget which is on target.

**Table 2
GENERAL FUND EXPENDITURES
Fiscal Year 2015-16
In Thousands**

Department Expenditures	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
General Government				
City Council	922	922	224	24%
City Clerk	1,162	1,162	250	22%
City Treasurer	331	331	83	25%
City Manager	2,109	2,109	416	20%
City Attorney	1,551	1,551	374	24%
Financial Services	5,474	5,474	1,085	20%
Human Resources	714	714	173	24%
Non-Departmental	6,543	6,557	1,244	19%
Public Safety				
Fire	27,064	27,064	7,537	28%
Police	52,800	52,800	13,475	26%
Public Works				
Public Works	13,205	13,244	2,879	22%
Community Development				
Development Services	8,210	8,210	1,727	21%
Community/Cultural Services				
Neighborhood Services	6,164	6,168	1,482	24%
Library	4,857	4,857	1,181	24%
TOTAL EXPENDITURES	131,106	131,161	32,131	24%



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 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 of all funds into one report.

WATER FUND REVENUES

Overall revenues for the Water Combined Funds are at 23% of the current budget at the end of the first quarter as noted in Table 3.

WATER FUND EXPENDITURES

Table 3 highlights the amount and percentage expended by each water program. At the end of the first quarter, Water Combined Funds have expended 17% of the current operating budget. Operating revenues exceeded operating expenses resulting in \$3.0 million in operating income. As of September 30, 2015, Capital project expenses are 9% of total budget



Table 3
WATER COMBINED FUNDS (excluding debt service)
Fiscal Year 2015-16
In Thousands

Operating	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
REVENUES				
Water Sales	55,883	55,883	12,261	22%
Developer Fees	527	527	434	82%
Other Revenue	1,157	1,157	324	28%
TOTAL OPERATING REVENUES	57,567	57,567	13,020	23%
EXPENDITURES				
Administration & General	37,188	37,188	6,277	17%
Flood Control/Storm Drains	675	675	169	25%
Water Distribution	1,518	1,518	369	24%
Water Filtration Plant	1,759	1,759	266	15%
Desalting Plant	2,598	2,598	335	13%
Water Maintenance	2,396	2,396	556	23%
Water Meter Services	2,826	2,826	569	20%
Clean Water Program	1,168	1,168	196	17%
Other Water Programs	1,905	1,905	330	17%
Miscellaneous Projects	1,023	1,023	87	9%
TOTAL OPERATING EXPENDITURES	53,056	53,055	9,154	17%
Depreciation/GASB 31 Expenses	-	-	(166)	
TOTAL EXPENDITURES	53,056	53,055	8,988	17%
Transfers In	1,931	1,931	1,918	99%
Transfers Out	2,950	2,950	2,920	99%
OPERATING INCOME/(LOSS)	3,492	3,493	3,029	
Capital Projects	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
Replacement Projects	11,732	14,032	1,677	12%
Connection Projects	13,865	13,365	842	6%
TOTAL CAPITAL EXPENDITURES	25,597	27,397	2,519	9%

SEWER FUND REVENUES

Revenues for the Sewer Combined Funds are at 21% of budget at the end of the first quarter as shown in Table 4.



SEWER FUND EXPENDITURES

Table 4 highlights the amount and percentage expended by each sewer program. At the end of the first quarter, the Sewer Combined Funds have expended 23% of the budget. Capital Project expenses are at 9% of budget.

**Table 4
SEWER COMBINED FUNDS (excluding debt service)
Fiscal Year 2015-16
In Thousands**

Operating	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
REVENUES				
Sewer Service & Flow Fees	37,353	37,353	7,465	20%
Developer Fees	464	464	461	99%
Other Revenue	1,139	1,139	138	12%
TOTAL OPERATING REVENUES	38,956	38,956	8,064	21%
EXPENDITURES				
Administration & General	5,220	5,220	1,166	22%
Facilities Maintenance	2,360	2,360	514	22%
Sewer Collections	3,480	3,480	1,788	51%
La Salina Wastewater	3,424	3,424	614	18%
San Luis Rey Wastewater	7,563	7,563	1,444	19%
Sewer Laboratory	874	874	184	21%
SCADA Program	373	373	31	8%
GIS Program	269	269	43	16%
Miscellaneous Projects	1,004	1,004	117	12%
TOTAL OPERATING EXPENDITURES	24,567	24,567	5,900	24%
Depreciation/GASB 31 Expense	-	-	(133)	
TOTAL EXPENDITURES	24,567	24,567	5,767	23%
Transfers In	5,279	5,279	5,279	100%
Transfer Out	5,279	5,279	5,279	100%
OPERATING INCOME/(LOSS)	14,389	14,389	2,297	
Capital Projects	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
Transfer In	500	500	1,462	292%
Miscellaneous Income	374	374	-	0%
TOTAL CAPITAL REVENUES	874	874	1,462	167%
Replacement Projects	12,391	15,191	1,432	9%
Expansion Projects	300	300	9	3%
TOTAL CAPITAL EXPENDITURES	12,691	15,491	1,441	9%



SOLID WASTE DISPOSAL FUND REVENUES

As noted in Table 5, overall revenues for the Solid Waste Disposal Fund are 27% of the budget at the end of the first quarter.

Trash Pick-Up Fees – these fees are collected to provide all the costs associated with solid waste disposal.

Waste Management Collector Payment – contract with Waste Management, the annual 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 5 highlights the amount and percentage expended by expenditure category. At of the end of the first quarter, the Solid Waste Disposal Fund has expended 18% of the budget.

**Table 5
SOLID WASTE DISPOSAL FUND 731
Fiscal Year 2015-16
In Thousands**

Operating	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
REVENUES				
Trash P/U Fees	19,733	19,733	5,504	28%
Waste Mgmt Collector Payment	1,780	1,780	468	26%
City Waste Services	3,976	3,976	809	20%
Other Revenue	10	10	-	0%
TOTAL OPERATING REVENUES	25,499	25,499	6,781	27%
EXPENDITURES				
Personnel	18,712	18,712	3,001	16%
Maintenance & Operations	492	492	41	8%
Internal Services Charges	1,458	1,458	365	25%
Inter-fund Transfers Out	5,185	5,185	1,296	25%
TOTAL OPERATING EXPENDITURES	25,848	25,848	4,703	18%
OPERATING INCOME/(LOSS)	(349)	(349)	2,078	

HARBOR FUND REVENUES

As shown in Table 6, overall revenues for the Harbor Fund are at 28% of budget at the end of the first quarter. The Harbor Fund has received 26% of the budgeted amount in slip rental revenue at the end of the first quarter.



HARBOR FUND EXPENDITURES

Table 6 highlights the amount and percentage expended by category. As of the end of the first quarter, the Harbor Fund has transferred 25% of the budget to the General and Risk Management Funds for reimbursement of the services provided to the Harbor.

Table 6
HARBOR FUND 751
Fiscal Year 2015-16
In Thousands

Operating	2015-2016 Adopted Budget	2015-2016 Amended Budget	2015-2016 Year-To-Date Actuals	YTD % of Amended Budget
REVENUES				
Slip Rental Revenue	5,075	5,076	1,301	26%
Harbor Leases	990	990	267	27%
Interest	26	26	8	31%
Other Revenue (parking meters & misc.)	727	727	346	48%
TOTAL OPERATING REVENUES	6,818	6,818	1,923	28%
EXPENSES				
Transfer - Harbor Police	2,090	2,090	523	25%
Transfer - Harbor Admin	878	917	258	28%
Transfer - Harbor Maint	2,581	2,581	645	25%
Transfer - Prop Mgmt	38	38	10	25%
Transfer - Harbor Lifeguard	158	158	40	25%
Transfer - Risk Management	42	42	11	25%
Transfer - Tideland Lease	586	586	-	0%
Debt Service	400	400	386	96%
TOTAL OPERATING EXPENDITURES	6,775	6,814	1,872	27%
Depreciation/GASB 31 Expenses	-	-	(10)	
TOTAL EXPENDITURES	6,775	6,814	1,862	27%
OPERATING INCOME/(LOSS)	43	4	60	



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 or the adopted budget has not changed.

Budget transfers in excess of \$25,000 are presented to the City Council on a quarterly basis for notification purposes. Table 7 below highlights the budget transfers for the first quarter of FY 2015-16.

Table 7
BUDGET TRANSFERS IN EXCESS OF \$25,000
Fiscal Year 2015-16
July – September 2015 Activity

Description of Business Unit or Project	From Account	To Account	Reason	Amount
Planning Administration	Temporary/Part Time Employees	Professional Services	Part Time Position No Longer Needed And Consulting Contract Amended	37,743
El Corazon Maintenance	Repair & Maintenance - Silica Replacement (Fund 501)	Repair & Maintenance - El Corazon Maintenance (Fund 101)	Appropriately Assign Budget In Operating Account	136,067
Building Safety	Materials, Supplies & Services	Auto Equipment	Correct Account Number For Purchase Of A Vehicle	29,000