



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 27, 2022
TO: Mayor and Councilmembers
FROM: Accounting Division, Finance Department
SUBJECT: Fiscal Year 2022 Fourth Quarter Review

RECOMMENDATION: That Council:

- A. Receive a report from staff on the status of revenues and expenditures in relation to the budget for the twelve months ended June 30, 2022;
- B. Accept the Fiscal Year 2022 Interim Financial Statements for the twelve months ended June 30, 2022; and
- C. Approve the proposed fourth quarter adjustments to Fiscal Year 2022 revenue and expenditure appropriations as detailed in the attached schedule of proposed Fourth Quarter adjustments.

DISCUSSION:

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

In addition to the fourth quarter budget analysis, staff brings forward recommended revenue and expenditure budget adjustments for City Council approval. These adjustments are the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2021. A listing and description of each proposed adjustment to the current year budget is provided in Attachment 3.

Staff implemented a fourth quarter review process to review revenue and expenditure line items to assess any material changes that may occur during the fiscal year. For General Funded departments, staff reviewed their operating budget reduction targets and confirmed specific plans were implemented to meet these targets. This approach to identify and confirm specific budget reduction line items provided the best ability for staff

to ensure required cost savings were met to achieve a balance budget by the end of the fiscal year.

The table below summarizes the General Fund revenue and expenditure budget including actuals through the fourth quarter. The total adopted revenue budget is \$168.5 Million, and the total adopted expenditure budget is \$169.5 Million resulting an operating deficit of \$1 Million. The revised budget includes additional expenditures from encumbrances from prior year contractual commitments.

General Fund (in \$ Millions)	FY2022 Adopted Budget	FY2022 Revised Budget	Q4 Actuals	Q4 Actuals Percent of Revised Budget
Revenues	\$168.5	\$180.8	\$196.0	108.4%
Expenditures	169.5	186.7	181.4	97.2%
Surplus/(Deficit)	(\$1.0)	(\$5.9)	\$14.6	
50% Surplus to Capital			(7.3)	
Revised Surplus/(Deficit)			\$7.3	

Continued economic recovery occurred through the end of FY2022 that resulted in additional sales tax and transient occupancy tax revenues compared to last fiscal year. General fund departments implemented the \$6.8 Million of expenditure reduction targets included in the adopted budget, and many departments realized additional expenditure savings primarily from additional salary and fringe savings due to additional vacant positions.

Overall, staff is projecting an operating surplus in the General Fund of \$14.6 Million. City Council Resolution 12-066 requires that 50% of the year-end surplus be transferred to the capital fund to implement priority capital projects; therefore, the revised projected surplus for the General Fund is \$7.3 Million. Although this surplus replenishes General Fund reserves, the FY2023 adopted budget called for the use of \$1 Million in order to balance the budget, which results in projected reserves being below policy targets by the end of FY2023.

Staff is not recommending any additional budget actions at this time in order to balance the budget by fiscal year end; furthermore, staff will continue to closely monitor revenues and expenditures each month and provide a comprehensive financial projection during the future reports. Also, staff will continue to monitor fund balance and reserve implications due to any additional economic changes and present potential impacts in the future reports.

- ATTACHMENTS:**
1. Summary by Fund Statement of Revenues and Expenditures for the Twelve Months Ended June 30, 2022
 2. Interim Financial Statements for the Twelve Months Ended June 30, 2022 (Narrative Analysis)
 3. Schedule of Proposed Fourth Quarter Adjustments

PREPARED BY: Doug Smith, Accounting Manager

SUBMITTED BY: Keith DeMartini, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
GENERAL FUND (pages 3-7)						
Revenue	180,792,970	195,992,699	3,005	(15,196,724)	108.4%	172,555,237
Expenditures	<u>186,708,820</u>	<u>175,549,973</u>	<u>1,759,578</u>	9,399,270	95.0%	<u>165,468,209</u>
<i>Addition to / (use of) reserves</i>	<u>(5,915,850)</u>	<u>20,442,726</u>	<u>(1,762,582)</u>			<u>7,087,028</u>
SOLID WASTE FUND (page 9)						
Revenue	32,782,443	33,930,892	-	(1,148,449)	103.5%	29,882,454
Expenditures	<u>31,898,579</u>	<u>29,816,546</u>	<u>324,062</u>	1,757,970	94.5%	<u>27,919,994</u>
<i>Addition to / (use of) reserves</i>	<u>883,865</u>	<u>4,114,347</u>	<u>(324,062)</u>			<u>1,962,460</u>
WATER OPERATING FUND (page 10)						
Revenue	75,171,571	78,582,151	-	(3,410,581)	104.5%	64,048,692
Expenditures	<u>72,560,119</u>	<u>66,416,925</u>	<u>1,670,845</u>	4,472,349	93.8%	<u>57,448,395</u>
<i>Addition to / (use of) reserves</i>	<u>2,611,451</u>	<u>12,165,226</u>	<u>(1,670,845)</u>			<u>6,600,297</u>
WASTEWATER OPERATING FUND (page 11)						
Revenue	25,771,201	25,910,883	-	(139,681)	100.5%	24,734,273
Expenditures	<u>26,493,686</u>	<u>25,201,267</u>	<u>519,009</u>	773,410	97.1%	<u>21,648,097</u>
<i>Addition to / (use of) reserves</i>	<u>(722,485)</u>	<u>709,616</u>	<u>(519,009)</u>			<u>3,086,176</u>
DOWNTOWN PARKING FUND (page 12)						
Revenue	9,441,517	8,475,672	-	965,845	89.8%	5,142,225
Expenditures	<u>8,807,956</u>	<u>8,048,166</u>	<u>101,332</u>	658,457	92.5%	<u>8,093,607</u>
<i>Addition to / (use of) reserves</i>	<u>633,562</u>	<u>427,506</u>	<u>(101,332)</u>			<u>(2,951,383)</u>
AIRPORT OPERATING FUND (page 13)						
Revenue	27,612,095	30,280,673	-	(2,668,578)	109.7%	28,756,892
Expenditures	<u>31,535,748</u>	<u>27,226,349</u>	<u>1,123,686</u>	3,185,713	89.9%	<u>23,531,801</u>
<i>Addition to / (use of) reserves</i>	<u>(3,923,653)</u>	<u>3,054,324</u>	<u>(1,123,686)</u>			<u>5,225,091</u>
GOLF COURSE FUND (page 14)						
Revenue	3,643,209	4,198,344	-	(555,135)	115.2%	4,094,479
Expenditures	<u>3,365,685</u>	<u>3,257,816</u>	<u>-</u>	107,869	96.8%	<u>3,101,527</u>
<i>Addition to / (use of) reserves</i>	<u>277,524</u>	<u>940,528</u>	<u>-</u>			<u>992,952</u>
FACILITIES MANAGEMENT FUND (page 15)						
Revenue	6,877,709	6,423,132	-	454,577	93.4%	6,656,129
Expenditures	<u>7,503,317</u>	<u>6,606,666</u>	<u>10,246</u>	886,404	88.2%	<u>6,834,128</u>
<i>Addition to / (use of) reserves</i>	<u>(625,608)</u>	<u>(183,535)</u>	<u>(10,246)</u>			<u>(177,999)</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
FLEET REPLACEMENT FUND (page 16)						
Revenue	3,624,652	3,685,318	-	(60,666)	101.7%	3,761,344
Expenditures	<u>6,866,417</u>	<u>3,402,117</u>	<u>682,647</u>	2,781,653	59.5%	<u>2,118,916</u>
<i>Addition to / (use of) reserves</i>	<u>(3,241,765)</u>	<u>283,201</u>	<u>(682,647)</u>			<u>1,642,428</u>
FLEET MAINTENANCE FUND (page 17)						
Revenue	3,017,649	3,019,766	-	(2,117)	100.1%	2,944,512
Expenditures	<u>3,222,975</u>	<u>3,093,671</u>	<u>61,743</u>	67,562	97.9%	<u>2,708,238</u>
<i>Addition to / (use of) reserves</i>	<u>(205,326)</u>	<u>(73,905)</u>	<u>(61,743)</u>			<u>236,274</u>
SELF INSURANCE TRUST FUND (page 18)						
Revenue	10,416,087	10,348,667	-	67,420	99.4%	14,851,214
Expenditures	<u>11,348,101</u>	<u>11,604,082</u>	<u>45,793</u>	(301,774)	102.7%	<u>11,879,635</u>
<i>Addition to / (use of) reserves</i>	<u>(932,014)</u>	<u>(1,255,415)</u>	<u>(45,793)</u>			<u>2,971,578</u>
INFORMATION TECHNOLOGY FUND (page 19)						
Revenue	4,562,225	4,562,222	-	3	100.0%	3,840,831
Expenditures	<u>4,680,814</u>	<u>4,445,817</u>	<u>25,429</u>	209,568	95.5%	<u>3,736,678</u>
<i>Addition to / (use of) reserves</i>	<u>(118,590)</u>	<u>116,405</u>	<u>(25,429)</u>			<u>104,153</u>
WATERFRONT OPERATING FUND (page 20)						
Revenue	15,787,604	17,814,379	-	(2,026,775)	112.8%	15,764,403
Expenditures	<u>16,322,915</u>	<u>15,015,686</u>	<u>275,191</u>	1,032,039	93.7%	<u>14,747,702</u>
<i>Addition to / (use of) reserves</i>	<u>(535,310)</u>	<u>2,798,694</u>	<u>(275,191)</u>			<u>1,016,701</u>
SANTA BARBARA CLEAN ENERGY FUND (page 21)						
Revenue	12,526,007	16,312,014	-	(3,786,007)	130.2%	679,503
Expenditures	<u>10,224,917</u>	<u>15,548,593</u>	<u>175,333</u>	(5,499,009)	153.8%	<u>453,815</u>
<i>Addition to / (use of) reserves</i>	<u>2,301,090</u>	<u>763,421</u>	<u>(175,333)</u>			<u>225,688</u>
ENERGY AND CLIMATE MANAGEMENT FUND (page 22)						
Revenue	2,565,236	2,550,238	-	14,999	99.4%	2,384,354
Expenditures	<u>2,811,726</u>	<u>2,201,540</u>	<u>256,099</u>	354,087	87.4%	<u>2,168,492</u>
<i>Addition to / (use of) reserves</i>	<u>(246,490)</u>	<u>348,697</u>	<u>(256,099)</u>			<u>215,862</u>
TOTAL FOR ALL FUNDS						
Revenue	414,592,177	442,087,050	3,005	(27,491,869)	106.6%	380,096,542
Expenditures	<u>424,351,775</u>	<u>397,435,214</u>	<u>7,030,991</u>	19,885,569	95.3%	<u>351,859,235</u>
<i>Addition to / (use of) reserves</i>	<u>(9,759,599)</u>	<u>44,651,836</u>	<u>(7,033,996)</u>			<u>28,237,307</u>

*** It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be 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 Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Remaining Balance</u>	<u>Percent Received</u>	<u>Previous YTD</u>	<u>Change Over Prior Year</u>
TAXES						
Sales and Use	23,239,045	28,503,731	(5,264,686)	122.7%	24,349,865	17.1%
Measure C Sales Tax	24,988,418	30,824,430	(5,836,012)	123.4%	25,420,407	21.3%
Property Taxes	42,347,386	42,225,898	121,488	99.7%	40,154,409	5.2%
Utility Users Tax	7,315,292	7,804,880	(489,588)	106.7%	7,336,944	6.4%
Transient Occupancy Tax	19,500,000	26,628,111	(7,128,111)	136.6%	15,671,049	69.9%
Business License	2,556,359	2,653,092	(96,733)	103.8%	2,542,827	4.3%
Cannabis Excise Tax	1,847,469	1,672,274	175,195	90.5%	1,920,298	-12.9%
Real Property Transfer Tax	923,776	1,352,652	(428,876)	146.4%	1,144,357	18.2%
<i>Total Tax Revenues</i>	<u>122,717,745</u>	<u>141,665,065</u>	<u>(18,947,320)</u>	<u>115.4%</u>	<u>118,540,155</u>	<u>19.5%</u>
LICENSES & PERMITS						
Licenses & Permits	151,666	215,977	(64,311)	142.4%	191,685	12.7%
<i>Total</i>	<u>151,666</u>	<u>215,977</u>	<u>(64,311)</u>	<u>142.4%</u>	<u>191,685</u>	<u>12.7%</u>
FINES & FORFEITURES						
Police	2,348,505	2,136,649	211,856	91.0%	1,481,634	44.2%
Other Fines & Forfeitures	665,602	100,822	564,780	15.1%	62,719	60.8%
<i>Total</i>	<u>3,014,107</u>	<u>2,237,471</u>	<u>776,636</u>	<u>74.2%</u>	<u>1,544,352</u>	<u>44.9%</u>
USE OF MONEY & PROPERTY						
Investment Income	312,661	550,120	(237,459)	175.9%	429,435	28.1%
Rents & Concessions	1,008,355	1,064,850	(56,495)	105.6%	494,143	115.5%
<i>Total</i>	<u>1,321,016</u>	<u>1,614,970</u>	<u>(293,954)</u>	<u>122.3%</u>	<u>923,578</u>	<u>74.9%</u>
INTERGOVERNMENTAL						
Library	1,139,127	1,162,393	(23,266)	102.0%	1,221,490	-4.8%
Fire	1,628,000	2,328,194	(700,194)	143.0%	2,812,198	-17.2%
Other Intergovernmental	11,976,119	6,196,431	5,779,688	51.7%	13,092,712	-52.7%
<i>Total</i>	<u>14,743,246</u>	<u>9,687,019</u>	<u>5,056,228</u>	<u>65.7%</u>	<u>17,126,401</u>	<u>-43.4%</u>
FEES & SERVICE CHARGES						
Community Development	5,755,380	7,147,983	(1,392,603)	124.2%	5,686,672	25.7%
Parks & Recreation	3,351,794	3,527,320	(175,526)	105.2%	1,954,511	80.5%
Other Service Charges	3,896,007	3,495,326	400,681	89.7%	3,027,958	15.4%
<i>Total</i>	<u>13,003,181</u>	<u>14,170,629</u>	<u>(1,167,448)</u>	<u>109.0%</u>	<u>10,669,142</u>	<u>32.8%</u>
OTHER REVENUES						
Interfund Charges & Reimbursement	11,001,907	10,399,492	602,415	94.5%	9,670,017	7.5%
Overhead Indirect Allocations	9,025,888	8,987,059	38,829	99.6%	8,615,290	4.3%
Interfund Transfers	1,810,843	1,795,153	15,690	99.1%	976,073	83.9%
Interfund Loans	24,140	24,140	(0)	100.0%	24,140	0.0%
Miscellaneous	132,692	887,988	(755,296)	669.2%	300,655	195.4%
Donations	139,709	131,647	8,062	94.2%	121,774	8.1%
Franchise Fees	3,706,830	4,176,090	(469,260)	112.7%	3,851,974	8.4%
<i>Total</i>	<u>25,842,009</u>	<u>26,401,568</u>	<u>(559,559)</u>	<u>102.2%</u>	<u>23,559,923</u>	<u>12.1%</u>
<i>Subtotal Non-Tax Revenues</i>	<u>58,075,225</u>	<u>54,327,633</u>	<u>3,747,592</u>	<u>93.5%</u>	<u>54,015,081</u>	<u>0.6%</u>
TOTAL REVENUES	<u>180,792,970</u>	<u>195,992,699</u>	<u>(15,199,729)</u>	<u>108.4%</u>	<u>172,555,237</u>	<u>13.6%</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR & CITY COUNCIL	978,866	885,948	-	92,918	90.5%	837,471
ARTS AND COMMUNITY PROMOTIONS	2,633,806	2,583,096	47,568	3,142	99.9%	2,545,147
<i>Total</i>	<u>3,612,672</u>	<u>3,469,044</u>	<u>47,568</u>	<u>96,059</u>	<u>97.3%</u>	<u>3,382,617</u>
<u>City Attorney</u>						
CITY ATTORNEY-ADMINISTRATION	1,532,833	1,164,605	63,769	304,459	80.1%	912,159
CITY ATTORNEY-ADVISORY	1,429,876	1,424,837	-	5,039	99.6%	1,278,162
CITY ATTORNEY-CIVIL LITIGATION	1,243,891	1,093,785	-	150,106	87.9%	1,118,656
CITY ATTORNEY-CODE ENFORCEMENT	457,763	445,103	-	12,660	97.2%	417,392
<i>Total</i>	<u>4,664,363</u>	<u>4,128,330</u>	<u>63,769</u>	<u>472,264</u>	<u>89.9%</u>	<u>3,726,368</u>
<u>Administration</u>						
CITY ADMINISTRATOR	3,037,829	2,381,044	55,545	601,240	80.2%	1,958,255
EMPLOYEE RELATIONS	342,030	241,756	65,626	34,647	89.9%	261,297
CITY TV	761,533	608,645	200,654	(47,766)	106.3%	515,305
CITY CLERK	1,080,178	1,030,931	-	49,247	95.4%	558,259
ELECTIONS	-	-	-	-	0.0%	63,118
<i>Total</i>	<u>5,221,570</u>	<u>4,262,377</u>	<u>321,825</u>	<u>637,368</u>	<u>87.8%</u>	<u>3,356,234</u>
<u>Human Resources</u>						
HUMAN RESOURCES	2,956,625	1,910,528	24,669	1,021,428	65.5%	1,534,571
EMPLOYEE DEVELOPMENT	43,447	26,843	-	16,604	61.8%	25,974
<i>Total</i>	<u>3,000,072</u>	<u>1,937,371</u>	<u>24,669</u>	<u>1,038,031</u>	<u>65.4%</u>	<u>1,560,545</u>
<u>Finance</u>						
ADMINISTRATION	477,625	393,215	18,704	65,706	86.2%	312,024
REVENUE & CASH MANAGEMENT	554,826	535,938	7,865	11,023	98.0%	495,703
CASHIERING & COLLECTION	623,633	560,844	-	62,788	89.9%	517,253
LICENSES & PERMITS	570,184	459,655	2,942	107,587	81.1%	425,187
BUDGET MANAGEMENT	625,621	624,654	-	967	99.8%	499,638
ACCOUNTING	1,038,067	899,498	42,957	95,612	90.8%	952,365
PAYROLL	479,667	487,956	-	(8,289)	101.7%	415,844
ACCOUNTS PAYABLE	263,358	269,474	-	(6,116)	102.3%	245,654
CITY BILLING & CUSTOMER SERVICE	783,529	701,557	-	81,971	89.5%	637,107
PURCHASING	884,495	824,308	-	60,187	93.2%	826,384
CENTRAL WAREHOUSE	237,002	233,852	-	3,150	98.7%	206,928
MAIL SERVICES	150,243	148,774	8,511	(7,043)	104.7%	145,425
<i>Total</i>	<u>6,688,248</u>	<u>6,139,726</u>	<u>80,979</u>	<u>467,543</u>	<u>93.0%</u>	<u>5,679,512</u>
TOTAL GENERAL GOVERNMENT	<u>23,186,924</u>	<u>19,936,849</u>	<u>538,810</u>	<u>2,711,265</u>	<u>88.3%</u>	<u>17,705,276</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	1,027,298	1,712,628	5,721	(691,050)	167.3%	1,106,363
BUSINESS OFFICE	738,813	605,453	1,302	132,059	82.1%	562,313
RECORDS BUREAU	1,989,374	1,638,007	-	351,367	82.3%	1,691,957
STRATEGIC OPERATIONS AND PERSONNEL	1,822,393	2,030,437	15,161	(223,205)	112.2%	2,011,989
PROPERTY ROOM	269,180	240,907	-	28,273	89.5%	248,205
TRAINING, RECRUITMENT AND WELLNESS	1,767,042	1,685,310	48,636	33,095	98.1%	1,132,521
RANGE AND EQUIPMENT	1,527,771	1,509,354	12,170	6,247	99.6%	1,303,051
COMMUNITY & MEDIA RELATIONS	342,196	260,652	-	81,544	76.2%	343,395
INFORMATION TECHNOLOGY/CRIME ANALYSIS	1,722,377	1,712,309	17,154	(7,086)	100.4%	1,575,488
CRIMINAL INVESTIGATIONS & INTERNAL OP'S	5,195,839	5,576,253	22,613	(403,027)	107.8%	5,784,990
CRIME LAB	164,677	158,178	-	6,500	96.1%	159,083
FIELD OPERATIONS DIVISION	20,676,573	19,749,368	2,300	924,906	95.5%	17,881,264
TRAFFIC	692,407	1,008,697	-	(316,289)	145.7%	654,500
SPECIAL EVENTS	490,804	651,071	544	(160,810)	132.8%	201,021
STREET CRIMES UNIT	2,516,991	1,461,237	-	1,055,753	58.1%	1,247,752
SPECIAL ENFORCEMENT TEAM	818,913	740,645	-	78,268	90.4%	1,081,788
PARKING AND STREET SWEEPING	377,749	405,957	-	(28,208)	107.5%	344,267
PARKING ENFORCEMENT	1,422,226	838,126	138,656	445,444	68.7%	1,118,439
COMBINED COMMUNICATIONS CENTER	3,034,658	3,369,363	-	(334,705)	111.0%	3,077,025
ANIMAL CONTROL	920,312	847,613	5,007	67,692	92.6%	860,757
<i>Total</i>	<u>47,517,594</u>	<u>46,201,564</u>	<u>269,263</u>	<u>1,046,767</u>	<u>97.8%</u>	<u>42,386,168</u>
<u>Fire</u>						
ADMINISTRATION	1,181,592	1,121,485	-	60,106	94.9%	937,345
EMERGENCY SERVICES AND PUBLIC ED	499,723	490,278	-	9,445	98.1%	449,363
PREVENTION	1,373,976	1,204,179	525	169,273	87.7%	1,434,189
WILDLAND FIRE MITIGATION PROGRAM	550,388	342,197	16,900	191,291	65.2%	239,810
OPERATIONS	25,370,927	25,664,290	110,922	(404,284)	101.6%	24,776,404
TRAINING AND RECRUITMENT	827,473	710,947	-	116,525	85.9%	754,347
ARFF	2,873,041	3,003,490	-	(130,449)	104.5%	2,660,841
<i>Total</i>	<u>32,677,119</u>	<u>32,536,866</u>	<u>128,346</u>	<u>11,907</u>	<u>100.0%</u>	<u>31,252,300</u>
TOTAL PUBLIC SAFETY	<u>80,194,714</u>	<u>78,738,430</u>	<u>397,610</u>	<u>1,058,675</u>	<u>98.7%</u>	<u>73,638,467</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,436,974	1,275,958	23,280	137,736	90.4%	940,934
ENGINEERING SVCS	6,364,086	5,505,791	57,062	801,233	87.4%	5,362,434
PUBLIC RT OF WAY MGMT	1,888,917	1,602,241	35,775	250,901	86.7%	1,465,699
ENVIRONMENTAL PROGRAMS	999,246	664,790	174,771	159,686	84.0%	436,139
<i>Total</i>	<u>10,689,224</u>	<u>9,048,780</u>	<u>290,888</u>	<u>1,349,556</u>	<u>87.4%</u>	<u>8,205,206</u>
TOTAL PUBLIC WORKS	<u>10,689,224</u>	<u>9,048,780</u>	<u>290,888</u>	<u>1,349,556</u>	<u>87.4%</u>	<u>8,205,206</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
REC PROGRAM MGMT	826,902	775,785	25,587	25,530	96.9%	642,129
FACILITIES & SPECIAL EVENTS	1,354,313	1,335,692	-	18,620	98.6%	915,822
YOUTH ACTIVITIES	1,354,406	1,242,693	2,176	109,537	91.9%	851,032
ACTIVE ADULTS	872,764	836,584	299	35,881	95.9%	707,419
AQUATICS	1,745,507	1,822,635	24,416	(101,544)	105.8%	1,757,240
SPORTS	663,534	615,007	299	48,228	92.7%	371,217
TENNIS	392,428	379,024	-	13,403	96.6%	304,600
NEIGHBORHOOD & OUTREACH SERV	1,009,260	940,721	-	68,539	93.2%	937,680
ADMINISTRATION	1,117,707	1,078,808	-	38,898	96.5%	897,698
PROJECT MANAGEMENT TEAM	605,320	486,879	28,483	89,958	85.1%	551,169
PARK OPERATIONS MANAGEMENT	837,949	830,071	11,285	(3,407)	100.4%	797,777
GROUND & FACILITIES MAINTENANCE	5,703,547	5,439,475	13,804	250,267	95.6%	5,089,636
FORESTRY	1,451,408	1,367,779	-	83,629	94.2%	1,301,121
BEACH MAINTENANCE	140,663	137,086	-	3,576	97.5%	100,650
MEDIANS PARKWAYS & CONTRACTS	510,800	474,209	-	36,591	92.8%	475,415
<i>Total</i>	<u>18,586,507</u>	<u>17,762,450</u>	<u>106,349</u>	<u>717,708</u>	<u>96.1%</u>	<u>15,700,605</u>
<u>Library</u>						
ADMINISTRATION	717,029	646,921	86,761	(16,653)	102.3%	515,147
CENTRAL LIBRARY	5,896,062	5,112,383	15,770	767,909	87.0%	4,319,951
EASTSIDE LIBRARY	358,383	322,416	1,269	34,697	90.3%	272,616
LIBRARY ON THE GO	114,396	109,795	-	4,600	96.0%	-
<i>Total</i>	<u>7,085,870</u>	<u>6,191,515</u>	<u>103,801</u>	<u>790,554</u>	<u>88.8%</u>	<u>5,107,714</u>
TOTAL COMMUNITY SERVICES	<u>25,672,377</u>	<u>23,953,965</u>	<u>210,150</u>	<u>1,508,262</u>	<u>94.1%</u>	<u>20,808,320</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	1,564,829	1,484,016	8,189	72,625	95.4%	1,181,565
RENTAL HOUSING MEDIATION	291,502	288,838	-	2,664	99.1%	262,760
HUMAN SERVICES	1,038,063	960,828	-	77,235	92.6%	844,116
LONG RANGE PLAN & SPEC STUDY	1,045,482	992,957	-	52,525	95.0%	1,016,038
DEVEL & ENVIRONMENTAL REVIEW	1,647,228	1,542,773	10,020	94,435	94.3%	1,386,452
ZONING INFO & ENFORCEMENT	1,524,840	1,365,834	13,802	145,204	90.5%	1,396,418
DESIGN REV & HIST PRESERVATION	1,581,636	1,409,620	-	172,016	89.1%	1,340,835
BLDG INSP & CODE ENFORCEMENT	2,148,033	1,802,019	19,525	326,488	84.8%	1,581,752
RECORDS ARCHIVES & CLER SVCS	781,376	644,834	10,094	126,448	83.8%	618,369
BLDG COUNTER & PLAN REV SVCS	2,701,244	2,325,328	195,244	180,673	93.3%	2,081,176
<i>Total</i>	<u>14,324,234</u>	<u>12,817,047</u>	<u>256,875</u>	<u>1,250,312</u>	<u>91.3%</u>	<u>11,709,481</u>
TOTAL COMMUNITY DEVELOPMENT	<u>14,324,234</u>	<u>12,817,047</u>	<u>256,875</u>	<u>1,250,312</u>	<u>91.3%</u>	<u>11,709,481</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
SUSTAINABILITY AND RESILIENCE						
<u>Sustainability and Resilience</u>						
ADMINISTRATION	250,068	113,579	65,245	71,244	71.5%	38,153
<i>Total</i>	<u>250,068</u>	<u>113,579</u>	<u>65,245</u>	<u>71,244</u>	<u>71.5%</u>	<u>38,153</u>
TOTAL SUSTAINABILITY AND RESILIENCE	<u>250,068</u>	<u>113,579</u>	<u>65,245</u>	<u>71,244</u>	<u>71.5%</u>	<u>38,153</u>
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
ANTICIPATED SALARY SAVINGS	(2,100,000)	-	-	(2,100,000)	0.0%	-
TRANSFERS OUT	8,622,862	5,287,905	-	3,334,957	61.3%	7,417,899
CAPITAL OUTLAY TRANSFER	25,788,418	25,653,418	-	135,000	99.5%	25,945,407
APPROP. RESERVE	80,000	-	-	80,000	0.0%	-
<i>Total</i>	<u>32,391,280</u>	<u>30,941,323</u>	<u>-</u>	<u>1,449,957</u>	<u>95.5%</u>	<u>33,363,306</u>
TOTAL NON-DEPARTMENTAL	<u>32,391,280</u>	<u>30,941,323</u>	<u>-</u>	<u>1,449,957</u>	<u>95.5%</u>	<u>33,363,306</u>
TOTAL EXPENDITURES	<u>186,708,820</u>	<u>175,549,973</u>	<u>1,759,578</u>	<u>9,399,270</u>	<u>95.0%</u>	<u>165,468,209</u>

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

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

Included in the FY22 adopted and revised General Fund budgets are departmental targeted savings that were loaded as negative expenditures within one program of each department. This has the impact of distorting the annual budget and variances for those programs until such time as the department reallocates the negative expenditure against other approved appropriations. This task is scheduled to be completed by January 31, 2022, and has no impact on the total appropriations by General Fund department as adopted and approved by council.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Special Revenue Funds
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
TRAFFIC SAFETY FUND						
Revenue	233,000	236,596	-	(3,596)	101.5%	171,824
Expenditures	233,000	236,596	-	(3,596)	101.5%	171,824
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
CREEK RESTORATION/WATER QUALITY IMPRVMT						
Revenue	4,032,793	5,484,890	-	(1,452,097)	136.0%	4,856,175
Expenditures	4,270,724	3,557,946	345,666	367,112	91.4%	4,159,297
<i>Revenue Less Expenditures</i>	<u>(237,931)</u>	<u>1,926,944</u>	<u>(345,666)</u>	<u>(1,819,209)</u>		<u>696,878</u>
COMMUNITY DEVELOPMENT BLOCK GRANT						
Revenue	2,014,181	908,288	-	1,105,893	45.1%	3,164,658
Expenditures	2,664,893	1,391,740	770,725	502,429	81.1%	3,182,861
<i>Revenue Less Expenditures</i>	<u>(650,712)</u>	<u>(483,452)</u>	<u>(770,725)</u>	<u>603,464</u>		<u>(18,202)</u>
COUNTY LIBRARY						
Revenue	1,078,050	951,484	-	126,567	88.3%	996,334
Expenditures	1,079,114	993,186	13,532	72,396	93.3%	835,414
<i>Revenue Less Expenditures</i>	<u>(1,064)</u>	<u>(41,702)</u>	<u>(13,532)</u>	<u>54,171</u>		<u>160,921</u>
STREETS FUND						
Revenue	12,411,119	12,585,160	-	(174,041)	101.4%	12,472,907
Expenditures	14,393,469	11,723,540	117,403	2,552,525	82.3%	11,156,489
<i>Revenue Less Expenditures</i>	<u>(1,982,350)</u>	<u>861,620</u>	<u>(117,403)</u>	<u>(2,726,566)</u>		<u>1,316,418</u>
MEASURE A FUND						
Revenue	4,061,999	5,238,884	-	(1,176,886)	129.0%	4,753,463
Expenditures	4,854,932	3,711,694	30,433	1,112,805	77.1%	3,724,700
<i>Revenue Less Expenditures</i>	<u>(792,934)</u>	<u>1,527,190</u>	<u>(30,433)</u>	<u>(2,289,691)</u>		<u>1,028,763</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

SOLID WASTE FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	32,266,595	32,523,308	-	(256,713)	100.8%	29,386,644
Other Fees & Charges	30,000	908,787	-	(878,787)	3029.3%	162,944
Investment Income	23,645	42,991	-	(19,346)	181.8%	30,793
Grants	155,741	155,382	-	359	99.8%	46,356
Miscellaneous	286,223	280,186	-	6,037	97.9%	255,717
Operating Transfers-In	20,239	20,239	-	-	100.0%	-
TOTAL REVENUES	<u>32,782,443</u>	<u>33,930,892</u>	<u>-</u>	<u>(1,148,449)</u>	<u>103.5%</u>	<u>29,882,454</u>
EXPENSES						
Salaries & Benefits	1,584,887	1,457,908	-	126,979	92.0%	1,275,593
Materials, Supplies & Services	28,845,396	27,472,307	301,621	1,071,468	96.3%	25,518,617
Special Projects	1,170,049	738,177	204	431,668	63.1%	789,778
Transfers-Out	50,000	50,000	-	(0)	100.0%	50,000
Capital Outlay Transfers	1,946	1,946	-	(0)	100.0%	208,050
Equipment	185,000	96,207	22,238	66,555	64.0%	77,955
Other	40,000	-	-	40,000	0.0%	-
Appropriated Reserve	21,300	-	-	21,300	0.0%	-
TOTAL EXPENSES	<u>31,898,579</u>	<u>29,816,546</u>	<u>324,062</u>	<u>1,757,970</u>	<u>94.5%</u>	<u>27,919,994</u>
<i>Revenue Less Expense</i>	<u>883,865</u>	<u>4,114,347</u>	<u>(324,062)</u>	<u>(2,906,420)</u>		<u>1,962,460</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

WATER OPERATING FUND

	<u>Revised 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	57,330,939	58,746,186	-	(1,415,247)	102.5%	57,918,922
Service Charges	208,765	297,823	-	(89,058)	142.7%	259,973
Cater JPA Treatment Charges	2,359,556	2,812,667	-	(453,111)	119.2%	2,727,364
Investment Income	684,620	788,026	-	(103,406)	115.1%	915,775
Grants	10,710,798	10,572,764	-	138,034	98.7%	-
Reimbursements	3,310,043	4,218,433	-	(908,390)	127.4%	1,295,162
Miscellaneous	227,206	806,609	-	(579,403)	355.0%	651,553
Operating Transfers-In	339,644	339,644	-	-	100.0%	279,943
TOTAL REVENUES	<u>75,171,571</u>	<u>78,582,151</u>	<u>-</u>	<u>(3,410,581)</u>	<u>104.5%</u>	<u>64,048,692</u>
EXPENSES						
Salaries & Benefits	12,874,407	12,013,418	-	860,989	93.3%	10,961,554
Materials, Supplies & Services	18,022,498	15,664,721	1,526,604	831,173	95.4%	15,532,036
Special Projects	740,765	403,124	141,115	196,526	73.5%	476,330
Water Purchases	11,228,839	9,119,322	-	2,109,517	81.2%	7,671,369
Debt Service	9,190,636	9,166,436	-	24,200	99.7%	9,163,052
Capital Outlay Transfers	19,122,471	19,122,471	-	(0)	100.0%	13,209,221
Equipment	239,655	112,975	-	126,680	47.1%	169,167
Capitalized Fixed Assets	259,250	223,123	3,126	33,001	87.3%	234,902
Other	731,598	591,335	-	140,263	80.8%	30,764
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>72,560,119</u>	<u>66,416,925</u>	<u>1,670,845</u>	<u>4,472,349</u>	<u>93.8%</u>	<u>57,448,395</u>
<i>Revenue Less Expense</i>	<u>2,611,451</u>	<u>12,165,226</u>	<u>(1,670,845)</u>	<u>(7,882,929)</u>		<u>6,600,297</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

WASTEWATER OPERATING FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	24,869,491	24,956,943	-	(87,452)	100.4%	23,823,481
Fees	548,856	576,057	-	(27,201)	105.0%	436,485
Investment Income	151,245	156,459	-	(5,214)	103.4%	199,288
Rents & Concessions	61,072	55,037	-	6,035	90.1%	61,072
Miscellaneous	5,000	30,849	-	(25,849)	617.0%	24,361
Operating Transfers-In	135,537	135,537	-	-	100.0%	189,586
TOTAL REVENUES	<u>25,771,201</u>	<u>25,910,883</u>	<u>-</u>	<u>(139,681)</u>	<u>100.5%</u>	<u>24,734,273</u>
EXPENSES						
Salaries & Benefits	7,911,818	7,538,379	-	373,440	95.3%	7,172,950
Materials, Supplies & Services	9,031,971	8,496,879	402,783	132,310	98.5%	7,506,951
Special Projects	679,985	485,195	113,727	81,063	88.1%	551,881
Debt Service	3,558,338	3,558,337	-	1	100.0%	3,558,585
Capital Outlay Transfers	4,939,840	4,939,840	-	0	100.0%	2,563,219
Equipment	106,000	95,411	-	10,589	90.0%	86,171
Capitalized Fixed Assets	111,234	85,243	-	25,991	76.6%	206,855
Other	4,500	1,985	2,500	15	99.7%	1,485
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>26,493,686</u>	<u>25,201,267</u>	<u>519,009</u>	<u>773,410</u>	<u>97.1%</u>	<u>21,648,097</u>
<i>Revenue Less Expense</i>	<u>(722,485)</u>	<u>709,616</u>	<u>(519,009)</u>	<u>(913,091)</u>		<u>3,086,176</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

DOWNTOWN PARKING FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Improvement Tax	750,000	965,508	-	(215,508)	128.7%	638,187
Parking Fees	5,541,456	4,738,083	-	803,373	85.5%	3,349,140
Other Fees & Charges	12,925	28,994	-	(16,069)	224.3%	18,517
Investment Income	53,545	30,993	-	22,552	57.9%	67,417
Rents & Concessions	136,820	159,280	-	(22,460)	116.4%	157,760
Miscellaneous	295,466	251,508	-	43,958	85.1%	191,717
Operating Transfers-In	2,651,305	2,301,305	-	350,000	86.8%	719,486
TOTAL REVENUES	<u>9,441,517</u>	<u>8,475,672</u>	<u>-</u>	<u>965,845</u>	<u>89.8%</u>	<u>5,142,225</u>
EXPENSES						
Salaries & Benefits	4,225,612	4,077,650	-	147,961	96.5%	3,809,362
Materials, Supplies & Services	3,794,140	3,340,427	15,573	438,141	88.5%	2,427,058
Special Projects	497,659	393,131	85,759	18,769	96.2%	610,707
Capital Outlay Transfers	226,425	226,425	-	-	100.0%	1,223,579
Equipment	54,120	10,533	-	43,587	19.5%	22,900
Appropriated Reserve	10,000	-	-	10,000	0.0%	-
TOTAL EXPENSES	<u>8,807,956</u>	<u>8,048,166</u>	<u>101,332</u>	<u>658,457</u>	<u>92.5%</u>	<u>8,093,607</u>
<i>Revenue Less Expense</i>	<u>633,562</u>	<u>427,506</u>	<u>(101,332)</u>	<u>307,388</u>		<u>(2,951,383)</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

AIRPORT OPERATING FUND

	<u>Revised 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	5,531,982	5,155,216	-	376,766	93.2%	5,100,127
Leases-Terminal	5,551,935	8,543,426	-	(2,991,491)	153.9%	4,072,294
Leases-Non-Commercial Aviation	4,562,386	5,062,706	-	(500,320)	111.0%	4,404,611
Leases-Commercial Aviation	5,121,457	4,990,309	-	131,148	97.4%	4,084,497
Investment Income	109,045	188,133	-	(79,088)	172.5%	145,649
Grants	6,344,534	5,907,498	-	437,036	93.1%	8,569,915
Service Charges	-	1,358	-	(1,358)	100.0%	742
Miscellaneous	119,196	160,468	-	(41,272)	134.6%	156,493
Operating Transfers-In	271,560	271,560	-	-	100.0%	2,222,564
TOTAL REVENUES	<u>27,612,095</u>	<u>30,280,673</u>	<u>-</u>	<u>(2,668,578)</u>	<u>109.7%</u>	<u>28,756,892</u>
EXPENSES						
Salaries & Benefits	9,183,365	8,652,543	-	530,822	94.2%	7,525,943
Materials, Supplies & Services	12,420,485	10,655,299	1,007,807	757,379	93.9%	8,757,606
Special Projects	2,389,869	815,622	108,301	1,465,946	38.7%	73,954
Transfer-Out	250,000	-	-	250,000	0.0%	674,763
Debt Service	1,555,750	1,555,750	-	0	100.0%	1,553,000
Capital Outlay Transfers	5,400,929	5,400,929	-	0	100.0%	4,798,442
Equipment	230,390	146,207	7,577	76,606	66.7%	148,093
Appropriated Reserve	104,959	-	-	104,959	0.0%	-
TOTAL EXPENSES	<u>31,535,748</u>	<u>27,226,349</u>	<u>1,123,686</u>	<u>3,185,713</u>	<u>89.9%</u>	<u>23,531,801</u>
<i>Revenue Less Expense</i>	<u>(3,923,653)</u>	<u>3,054,324</u>	<u>(1,123,686)</u>	<u>(5,854,291)</u>		<u>5,225,091</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

GOLF COURSE FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Fees & Card Sales	3,427,253	3,967,444	-	(540,191)	115.8%	3,842,441
Investment Income	10,745	20,512	-	(9,767)	190.9%	15,419
Rents & Concessions	205,211	209,500	-	(4,289)	102.1%	233,341
Miscellaneous	-	887	-	(887)	100.0%	3,278
TOTAL REVENUES	3,643,209	4,198,344	-	(555,135)	115.2%	4,094,479
EXPENSES						
Salaries & Benefits	82,612	77,744	-	4,868	94.1%	50,774
Materials, Supplies & Services	3,031,007	2,928,005	-	103,001	96.6%	2,807,396
Debt Service	41,430	41,430	-	(0)	100.0%	41,430
Capital Outlay Transfers	210,636	210,636	-	-	100.0%	201,926
TOTAL EXPENSES	3,365,685	3,257,816	-	107,869	96.8%	3,101,527
<i>Revenue Less Expense</i>	<i>277,524</i>	<i>940,528</i>	<i>-</i>	<i>(663,004)</i>		<i>992,952</i>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

FACILITIES MANAGEMENT FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	3,087,902	3,087,909	-	(7)	100.0%	3,122,907
Work Orders - Bldg Maint.	3,548,781	3,251,642	-	297,139	91.6%	3,167,493
Miscellaneous	10,500	3,055	-	7,445	29.1%	1,448
Operating Transfers-In	230,526	80,526	-	150,000	34.9%	364,281
TOTAL REVENUES	<u>6,877,709</u>	<u>6,423,132</u>	<u>-</u>	<u>454,577</u>	<u>93.4%</u>	<u>6,656,129</u>
EXPENSES						
Salaries & Benefits	4,414,605	3,866,430	-	548,174	87.6%	3,824,706
Materials, Supplies & Services	2,110,329	1,902,222	-	208,107	90.1%	1,711,915
Special Projects	406,120	355,097	10,246	40,777	90.0%	243,371
Capital Outlay Transfers	477,198	477,198	-	-	100.0%	1,045,981
Equipment	10,000	5,719	-	4,281	57.2%	8,154
Appropriated Reserve	85,065	-	-	85,065	0.0%	-
TOTAL EXPENSES	<u>7,503,317</u>	<u>6,606,666</u>	<u>10,246</u>	<u>886,404</u>	<u>88.2%</u>	<u>6,834,128</u>
<i>Revenue Less Expense</i>	<u>(625,608)</u>	<u>(183,535)</u>	<u>(10,246)</u>	<u>(431,827)</u>		<u>(177,999)</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

FLEET REPLACEMENT FUND

	<u>Revised 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	3,161,109	3,171,963	-	(10,854)	100.3%	2,957,047
Investment Income	168,561	179,604	-	(11,043)	106.6%	211,356
Rents & Concessions	123,982	119,602	-	4,380	96.5%	151,555
Miscellaneous	112,000	155,150	-	(43,150)	138.5%	197,058
Operating Transfers-In	59,000	59,000	-	-	100.0%	244,328
TOTAL REVENUES	<u>3,624,652</u>	<u>3,685,318</u>	<u>-</u>	<u>(60,666)</u>	<u>101.7%</u>	<u>3,761,344</u>
EXPENSES						
Salaries & Benefits	247,988	172,508	-	75,479	69.6%	220,545
Materials, Supplies & Services	19,553	18,308	-	1,245	93.6%	18,175
Special Projects	75,000	-	-	75,000	0.0%	-
Debt Service	104,408	104,408	-	-	100.0%	-
Transfer-Out	-	-	-	-	0.0%	111,336
Capital Outlay Transfers	1,054,838	1,054,838	-	-	100.0%	93,380
Capitalized Fixed Assets	5,364,631	2,052,055	682,647	2,629,929	51.0%	1,675,480
TOTAL EXPENSES	<u>6,866,417</u>	<u>3,402,117</u>	<u>682,647</u>	<u>2,781,653</u>	<u>59.5%</u>	<u>2,118,916</u>
<i>Revenue Less Expense</i>	<u>(3,241,765)</u>	<u>283,201</u>	<u>(682,647)</u>	<u>(2,842,319)</u>		<u>1,642,428</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

FLEET MAINTENANCE FUND

	<u>Revised 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 Maintenance Charges	2,921,453	2,913,716	-	7,737	99.7%	2,820,602
Reimbursements	5,000	5,000	-	(0)	100.0%	31,154
Miscellaneous	60,000	69,854	-	(9,854)	116.4%	92,755
Operating Transfers-In	31,196	31,196	-	-	100.0%	-
TOTAL REVENUES	<u>3,017,649</u>	<u>3,019,766</u>	<u>-</u>	<u>(2,117)</u>	<u>100.1%</u>	<u>2,944,512</u>
EXPENSES						
Salaries & Benefits	1,487,372	1,424,094	-	63,278	95.7%	1,454,344
Materials, Supplies & Services	1,463,658	1,465,043	6,526	(7,912)	100.5%	1,204,534
Special Projects	141,377	109,174	24,942	7,262	94.9%	28,844
Debt Service	-	-	-	-	0.0%	14,579
Capital Outlay Transfers	61,934	61,934	-	-	100.0%	-
Equipment	7,147	17,214	-	(10,067)	240.9%	5,433
Capitalized Fixed Assets	46,488	16,213	30,275	-	100.0%	504
Appropriated Reserve	15,000	-	-	15,000	0.0%	-
TOTAL EXPENSES	<u>3,222,975</u>	<u>3,093,671</u>	<u>61,743</u>	<u>67,562</u>	<u>97.9%</u>	<u>2,708,238</u>
<i>Revenue Less Expense</i>	<u>(205,326)</u>	<u>(73,905)</u>	<u>(61,743)</u>	<u>(69,679)</u>		<u>236,274</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

SELF INSURANCE TRUST FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Insurance Premiums	5,056,793	5,056,794	-	(1)	100.0%	3,448,018
Workers' Compensation Premiums	4,219,100	4,164,100	-	55,000	98.7%	4,132,711
OSH Charges	290,230	290,230	-	(0)	100.0%	275,896
Unemployment Insurance Premium	277,529	277,529	-	(0)	100.0%	227,559
Investment Income	53,545	41,123	-	12,422	76.8%	69,557
Miscellaneous	-	-	-	-	0.0%	292,615
Operating Transfers-In	518,890	518,890	-	-	100.0%	6,404,857
TOTAL REVENUES	<u>10,416,087</u>	<u>10,348,667</u>	<u>-</u>	<u>67,420</u>	<u>99.4%</u>	<u>14,851,214</u>
EXPENSES						
Salaries & Benefits	756,388	776,573	-	(20,186)	102.7%	715,888
Materials, Supplies & Services	10,590,896	10,826,691	45,793	(281,588)	102.7%	11,163,747
Capital Outlay Transfers	818	818	-	(0)	100.0%	-
TOTAL EXPENSES	<u>11,348,101</u>	<u>11,604,082</u>	<u>45,793</u>	<u>(301,774)</u>	<u>102.7%</u>	<u>11,879,635</u>
<i>Revenue Less Expense</i>	<u>(932,014)</u>	<u>(1,255,415)</u>	<u>(45,793)</u>	<u>369,194</u>		<u>2,971,578</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

INFORMATION TECHNOLOGY FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	4,485,985	4,485,982	-	3	100.0%	3,733,713
Operating Transfers-In	76,240	76,240	-	-	100.0%	107,118
TOTAL REVENUES	<u>4,562,225</u>	<u>4,562,222</u>	<u>-</u>	<u>3</u>	<u>100.0%</u>	<u>3,840,831</u>
EXPENSES						
Salaries & Benefits	2,720,726	2,588,446	-	132,280	95.1%	2,374,288
Materials, Supplies & Services	1,694,740	1,599,080	25,331	70,328	95.9%	1,086,751
Special Projects	21,091	14,195	97	6,799	67.8%	325
Capital Outlay Transfers	232,127	232,127	-	-	100.0%	268,205
Equipment	12,130	11,969	-	161	98.7%	7,109
TOTAL EXPENSES	<u>4,680,814</u>	<u>4,445,817</u>	<u>25,429</u>	<u>209,568</u>	<u>95.5%</u>	<u>3,736,678</u>
<i>Revenue Less Expense</i>	<u>(118,590)</u>	<u>116,405</u>	<u>(25,429)</u>	<u>(209,566)</u>		<u>104,153</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

WATERFRONT OPERATING FUND

	<u>Revised 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	1,850,000	2,257,613	-	(407,613)	122.0%	1,965,420
Leases - Food Service	2,795,000	3,400,627	-	(605,627)	121.7%	2,800,596
Slip Rental Fees	4,829,458	4,894,155	-	(64,697)	101.3%	4,757,212
Visitors Fees	649,459	817,254	-	(167,795)	125.8%	693,437
Slip Transfer Fees	1,200,000	1,380,950	-	(180,950)	115.1%	1,709,625
Parking Revenue	2,814,685	3,377,751	-	(563,066)	120.0%	2,637,469
Wharf Parking	180,000	292,108	-	(112,108)	162.3%	243,234
Grants	-	12,752	-	(12,752)	100.0%	10,707
Other Fees & Charges	235,562	246,707	-	(11,145)	104.7%	229,927
Investment Income	89,945	116,260	-	(26,315)	129.3%	109,957
Rents & Concessions	385,000	431,378	-	(46,378)	112.0%	407,329
Miscellaneous	629,892	458,220	-	171,672	72.7%	199,488
Operating Transfers-In	128,603	128,603	-	-	100.0%	-
TOTAL REVENUES	<u>15,787,604</u>	<u>17,814,379</u>	<u>-</u>	<u>(2,026,775)</u>	<u>112.8%</u>	<u>15,764,403</u>
EXPENSES						
Salaries & Benefits	7,839,278	7,461,657	-	377,621	95.2%	6,702,108
Materials, Supplies & Services	5,472,124	4,848,929	208,954	414,241	92.4%	4,565,203
Special Projects	233,348	175,392	29,070	28,886	87.6%	144,488
Debt Service	2,038,500	2,038,500	-	(0)	100.0%	2,042,191
Capital Outlay Transfers	436,852	436,852	-	0	100.0%	1,221,243
Equipment	121,895	51,843	525	69,527	43.0%	69,956
Capitalized Fixed Assets	78,544	-	36,643	41,901	46.7%	-
Other	2,375	2,513	-	(138)	105.8%	2,513
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	<u>16,322,915</u>	<u>15,015,686</u>	<u>275,191</u>	<u>1,032,039</u>	<u>93.7%</u>	<u>14,747,702</u>
<i>Revenue Less Expense</i>	<u>(535,310)</u>	<u>2,798,694</u>	<u>(275,191)</u>	<u>(3,058,814)</u>		<u>1,016,701</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

SANTA BARBARA CLEAN ENERGY FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	10,972,584	14,718,475	-	(3,745,891)	134.1%	-
Investment Income	-	73	-	(73)	100.0%	244
Miscellaneous	-	-	-	-	0.0%	100,000
Operating Transfers-In	1,553,423	1,593,466	-	(40,043)	102.6%	579,259
TOTAL REVENUES	12,526,007	16,312,014	-	(3,786,007)	130.2%	679,503
EXPENSES						
Salaries & Benefits	155,481	163,292	-	(7,811)	105.0%	-
Materials, Supplies & Services	9,276,308	14,579,031	158,539	(5,461,262)	158.9%	48,558
Special Projects	744,127	786,612	16,794	(59,278)	108.0%	80,000
Transfer-Out	-	-	-	-	0.0%	322,000
Debt Service	-	19,658	-	(19,658)	100.0%	3,257
Other	49,000	-	-	49,000	0.0%	-
TOTAL EXPENSES	10,224,917	15,548,593	175,333	(5,499,009)	153.8%	453,815
<i>Revenue Less Expense</i>	<u>2,301,090</u>	<u>763,421</u>	<u>(175,333)</u>	<u>1,713,002</u>		<u>225,688</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Twelve Months Ended June 30, 2022 (100% of Fiscal Year)

ENERGY AND CLIMATE MANAGEMENT FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	2,369,071	2,369,071	-	(0)	100.0%	1,852,461
Grants	184,600	169,601	-	14,999	91.9%	175,561
Miscellaneous	-	1	-	(1)	100.0%	48,627
Operating Transfers-In	11,565	11,565	-	-	100.0%	307,705
TOTAL REVENUES	<u>2,565,236</u>	<u>2,550,238</u>	<u>-</u>	<u>14,999</u>	<u>99.4%</u>	<u>2,384,354</u>
EXPENSES						
Salaries & Benefits	512,963	483,931	-	29,032	94.3%	400,956
Materials, Supplies & Services	1,839,379	1,489,550	125,755	224,073	87.8%	1,238,641
Special Projects	160,774	11,402	51,744	97,628	39.3%	24,964
Transfer-Out	-	-	-	-	0.0%	250,000
Debt Service	24,140	24,140	-	(0)	100.0%	24,140
Capital Outlay Transfers	100,870	100,870	-	0	100.0%	229,791
Equipment	4,000	646	-	3,354	16.2%	-
Capitalized Fixed Assets	169,600	91,000	78,600	-	100.0%	-
TOTAL EXPENSES	<u>2,811,726</u>	<u>2,201,540</u>	<u>256,099</u>	<u>354,087</u>	<u>87.4%</u>	<u>2,168,492</u>
<i>Revenue Less Expense</i>	<u>(246,490)</u>	<u>348,697</u>	<u>(256,099)</u>	<u>(339,088)</u>		<u>215,862</u>

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

*Fiscal Year 2022 Interim Financial Statements
For The Twelve Months Ended June 30, 2022 (100% of Year Elapsed)*

General Fund Revenues

The table below summarizes preliminary General Fund revenues for the twelve months ended June 30, 2022. For interim financial statement purposes, revenues are reported on a cash basis (i.e., when the funds are received). Each of these revenues below have unique cycles for collections, which may vary from other revenues, and which can cause fluctuations from previous years.

Summary of Revenues For the Twelve Months Ended June 30, 2022 Fiscal Year 2022 GENERAL FUND						
	Current Year Analysis FY2022				Prior Year Analysis FY2021	
	Revised Budget	YTD Actual	Variance	Percent Rec'd	Prior Year YTD Actual	Change From FY21
Property Tax	\$42,347,386	\$42,225,898	(\$121,488)	100%	\$40,154,409	5%
Sales & Use Tax	23,239,045	28,503,731	5,264,686	123%	24,349,865	17%
Measure C Sales Tax	24,988,418	30,824,430	5,836,012	123%	25,420,407	21%
TOT	19,500,000	26,628,111	7,128,111	137%	15,671,049	70%
UUT	7,315,292	7,804,880	489,588	107%	7,336,944	6%
Bus License	2,556,359	2,653,092	96,733	104%	2,542,827	4%
Cannabis Excise Tax	1,847,469	1,672,274	(175,195)	91%	1,920,298	(13%)
Prop Trans Tax	923,776	1,352,652	428,876	146%	1,144,357	18%
Total Taxes	\$122,717,745	\$141,665,067	\$18,947,323	115%	\$118,540,156	20%
License & Permits	151,666	215,977	64,311	142%	191,685	13%
Fines & Forfeitures	3,014,107	2,237,471	(776,636)	74%	1,544,352	45%
Franchise Fee	3,706,830	4,176,090	469,260	113%	3,851,974	8%
Use of Money & Property	1,321,016	1,614,970	293,954	122%	923,578	75%
Intergovernmental	14,743,246	9,687,019	(5,056,227)	66%	17,126,401	(43%)
Fee & Charges	13,003,181	14,170,629	1,167,448	109%	10,669,142	33%
Miscellaneous	22,135,179	22,225,478	90,299	100%	19,707,949	13%
Total Other	\$58,075,225	\$54,327,634	(\$3,747,591)	94%	\$54,015,081	1%
Total Before Budgeted Variances	\$180,792,970	\$195,992,701	\$15,199,732	108%	\$172,555,238	14%
Anticipated YE Var		-			-	
Total Revenues	\$180,792,970	\$195,992,701	\$15,199,732	108%	\$172,555,238	14%

This table includes the annual adopted budget as well as any budget adjustments to date, and actual collections for Fiscal Year 2022. The City's general tax revenues, Franchise Fees, and Fees & Charges are reported in the table above. The largest general tax revenues are discussed in more detail below.

Property Tax

As of June 30, 2022, \$42.2 Million in property tax revenues had been received to date. During the budget process, it was expected the City would see growth of approximately 5% from the prior year; however, more recent information now shows lower growth of approximately 3% to 3.5%. Some of this is due to Proposition 13, in which the assessed value of properties increases each January to the lesser of 2% or CPI. In the last several years, this increase was 2%. CPI for

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2021-2022 was only 1.016%. Actual property tax revenues came in below budget by approximately \$121,000 at year end.

Sales Taxes

Sales tax revenue received to date is approximately \$28.5 Million. While representing twelve months of sales tax payments collected through June 30, 2022, on a cash basis; \$5.4 Million of this represents sales prior to FY2022 and will be accrued back to the prior year.

Sales tax has been trending in a positive direction for several months, likely due to a combination of increased consumer spending (particularly in online sales and auto sales), and the results of higher-than-expected inflation. Sales tax came in higher than budget by nearly \$5.3 Million. Staff continues to monitor this revenue closely and will evaluate whether adjusting the FY2023 budget projection is warranted.

Measure C Sales Taxes

Voters approved a one-cent Measure C sales tax in Fiscal Year 2018, which became effective April 1, 2018. Measure C sales tax revenue received at yearend is approximately \$30.8 Million on a cash basis. Similar to sales tax, Measure C sales tax also came in higher than budget by \$5.8 Million at yearend. Staff will continue to monitor this revenue closely and may consider adjusting the FY2023 budget projection if warranted. The additional Measure C revenue will be programmed for capital projects in future budget cycles.

Transient Occupancy Tax

Transient occupancy tax (TOT) revenue at yearend is \$26.6 Million, which is significantly higher than collections for FY2021 (70% higher), due to COVID-19. The local travel industry is seeing increases in demand for rooms, now higher than pre-pandemic levels. However, the main cause of the growth is largely the result of increases in average daily rates, which are 30%-40% higher than FY2019 pre-pandemic rates. TOT revenues came in higher than budget by \$7.1 Million (37%) at yearend. Staff continues to monitor this revenue closely and may consider adjusting the FY2023 budget projection if warranted.

Department and Other Revenues

On March 8, 2022, the City Council approved of appropriating \$1,047,112 of the \$10.9 Million in American Rescue Plan Act (ARPA) funds that were received in June 6, 2022 into the General Fund to partially offset some of the revenue that has been lost in the General Fund directly related to economic impacts from COVID-19. These funds will be used to continue to provide services to the community. These funds were included in FY2022 as intergovernmental revenues.

Departmental revenues comprise approximately \$33.8 Million of the General Fund budgeted revenues. They span various revenue categories listed in the table above, however, for simplicity of reporting, the variance is shown in the Fees & Charges category.

Overall, departmental revenues ended the year approximately \$783,974 above budget, primarily due to additional permit and other revenue in the Community Development Department. The table below provides variances by department.

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SUMMARY OF DEPARTMENTAL REVENUES				
GENERAL FUND				
For the Twelve Months Ended June 30, 2022 Fiscal Year 2022				
Department	Revised Budget	YTD Actual		Budget vs. Actual
Mayor & Council	\$120,000	\$148,441	124%	28,441
City Attorney	331,302	489,514	148%	158,212
City Administrator	267,557	256,365	96%	(11,192)
Human Resources	-	71,644	-	71,644
Finance	527,931	195,407	37%	(332,524)
General Government	\$1,246,790	\$1,161,371	93%	(85,419)
Police	4,264,225	3,875,314	91%	(388,911)
Fire	6,275,064	7,087,347	113%	812,283
Public Safety	\$10,539,289	\$10,962,661	104%	423,372
Parks & Recreation	6,034,579	6,179,215	102%	144,636
Library	1,246,127	1,221,444	98%	(24,683)
Community Services	\$7,280,706	\$7,400,659	102%	119,953
Public Works	7,426,180	6,664,059	90%	(762,121)
Sustainability & Resiliency	100,000	-	0%	(100,000)
Community Development	6,464,728	7,652,918	118%	1,188,190
Total	\$33,057,693	\$33,841,667	102%	783,974
% of annual budget		102.4%		2.4%

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General Fund Expenditures

The table below summarizes the General Fund budget and year-to-date expenditures through June 30, 2022. The “Revised Budget” column represents the adopted budget, appropriation carryovers from the prior year, and any supplemental appropriations approved by the City Council in the current year.

The table includes actual expenditures without encumbrances. Inclusion of encumbrances can distort the analysis of budgeted and actual expenditures during the year, as actual receipt of services or goods can occur in later periods. Outstanding encumbrances include certain appropriations that were carried forward from prior year and contracts or blanket purchase orders that have been executed in the current year but are expected to be used throughout the year. The following discussion of actual expenditures does not include the impact of encumbrances.

In some cases, COVID-19 caused increased expenditures as the City has quickly pivoted in response to unprecedented impacts and potential threats of the pandemic. The FY2022 adopted budget included several targeted reduction plans designed to reduce the City’s overall expenditures. These targeted reductions were spread over departments in the General Fund and total \$6.8 Million.

The General Fund revised budget, including \$6,699,596 of carried forward appropriations and encumbrances, and any new FY2022 council approved amendments, is \$186.7 Million, of which \$181.4 Million has been spent as of June 20, 2022. The table below shows performance at department level.

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SUMMARY OF EXPENDITURES GENERAL FUND For the Twelve Months Ended June 30, 2022 Fiscal Year 2022						
Department	Revised Budget	YTD Actual	YTD Variance Without Encumbrance	Encum- brance	Remaining Budget After Encumbrances	
Mayor & Council	\$3,612,672	\$3,469,044	96%	\$143,628	\$47,568	\$96,060
City Attorney	4,664,363	4,128,330	89%	536,033	63,769	472,264
City Administrator	5,221,570	4,262,377	82%	959,193	321,825	637,368
Human Resources	3,000,072	1,937,371	65%	1,062,701	24,669	1,038,032
Finance	6,688,248	6,139,726	92%	548,522	80,979	467,543
General Government	\$23,186,925	\$19,936,848	86%	\$3,250,077	\$538,810	\$2,711,267
Police	47,517,594	46,201,564	97%	1,316,030	269,263	1,046,767
Fire	32,677,119	32,536,866	100%	140,253	128,346	11,907
Public Safety	\$80,194,713	\$78,738,430	98%	\$1,456,283	\$397,609	\$1,058,674
Parks & Recreation	18,586,507	17,762,450	96%	824,057	106,349	717,708
Library	7,085,870	6,191,515	87%	894,355	103,801	790,554
Community Services	\$25,672,377	\$23,953,965	93%	\$1,718,412	\$210,150	\$1,508,262
Public Works	10,689,224	9,048,780	85%	1,640,444	290,888	1,349,556
Sustainability & Resiliency	250,068	113,579	45%	136,489	65,245	71,244
Community Development	14,324,234	12,817,047	89%	1,507,187	256,875	1,250,312
Non-Departmental	32,391,280	36,777,335	114%	(4,386,055)	0	(4,386,055)
Total	\$186,708,821	\$181,385,984	97%	\$5,322,837	\$1,759,577	\$3,563,260
% of annual budget		97.1%		2.9%	0.9%	1.9%

Expenditure Analysis by General Fund

The General Fund Expenditure Budget for FY2022 was adopted at \$169.5 Million, with an additional \$6.7 Million added as a result of carried over budget from FY2021 and any other Council-approved adjustments. 43.0% of the total budget, including Non-Departmental Expenditures, is appropriated to provide public safety services through the Police and Fire Departments. Community Services combines the Parks & Recreation and Library Departments and comprises 13.8% of the total budget. General Government makes up 12.4% of the appropriations and is the total of all costs for Finance, City Administration, Mayor & Council, City Attorney, Human Resources, and City Clerk.

All departments are targeted with achieving expenditure savings that were included in the adopted budget. Most departments met or exceeded this goal as originally determined at \$6.8 Million for all departments through FY2022. With continued uncertainty in how the economic impact of the pandemic will be felt by the City, staff has confidence that expenditures will end the year below budget and meet expenditure reduction targets.

General Fund expenditures were \$181.4 Million as of June 30, 2022, representing 97% of the revised budget, with an additional \$1.8 Million (0.9%) encumbered.

General Government actual spending of \$20.0 Million, represents 86.0% of the annual budget. This includes salary savings from holding several positions vacant through the second quarter of FY2022.

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Public Safety has expenditures of \$78.7 Million, representing 98.2% of the annual budget, with savings achieved from keeping a number of positions vacant.

The Police Department (PD) expended \$46.2 Million (97.2%) of its budget. The department continues to incur overtime costs due to impacts of COVID-19 on staffing levels and has returned to 10 plan 12 plan shifts. Additionally, a Holiday payout in the fourth quarter drove salaries over budgeted amounts; however, the payout significantly reduced the City's long-term liability. Despite exceeding budgeted salaries, savings in benefits (due to vacancies) and other cost saving measures resulted in overall savings of \$ 1.0 Million for the Department.

The ongoing officer staffing shortage has necessitated staffing reassignments and suspension of some programs until minimum staffing levels can be met. To meet the COVID-19 reduction target, several positions will be held open through the end of FY2022. Discussions regarding staffing needs continue between the Police Chief and the City Administrator, and levels with adjustments to be made accordingly.

The Fire Department (FD) expended \$32.5 Million, including encumbrances, using 99.6% of its budget. Overtime needed to meet required minimum staffing levels and mutual aid increased personnel costs. An additional, unanticipated settlement payment also contributed to increased expenditures during the first quarter. Despite this, the department has met its planned reduction target of \$1.6 Million by keeping open administrative positions and eliminating or deferring certain programs to FY2023. Fire deployed personnel and equipment to fourteen emergency incidents including the largest fire in California history (the Dixie Fire). This mutual aid accounted for \$1.2 Million in overtime, but also generated 20 invoices totaling \$2 Million, creating additional revenue for the department.

Community Services had actual expenditures of \$24.0 Million, or 93% of budget. This performance is the result of significantly reduced operations over the first half of the year with many programs and services cancelled due to health orders.

The Library Department spent \$6.2 Million, or 87% of its annual budget, through fourth quarter 2022. Post-COVID, the Library has been reopened for full in-person services for most of FY2022, but continues to experience impacts to user fees and donations. Despite a reduction of 19 open hours to the public and continued significant short staffing, the Library has continued to deliver materials and robust services in-person, virtually, and through offsite outreach using the new Library on the Go Van, with over 100 site visits to date. The Library has held two full-time positions vacant as well as hourly positions vacant. The Library achieved its targeted reduction of \$265,726 at the end of first quarter through the salary and benefits savings from these vacancies.

The Parks & Recreation Department had expenditures of \$17.8 Million (95.6% of annual budget). The department continues to provide essential services, such as park maintenance to ensure community access to safe and clean open spaces, food distribution and senior meal programs to provide nutrition for the community, and recreation programming, camps, and affordable activities both for youth and adults, while complying with required safety protocols to be open during COVID-19. At the same time, they continue to advance key capital infrastructure planning, design, and construction in anticipation of operations post pandemic. By holding open most currently vacant permanent staff and hourly positions, delaying recruitments, and reducing non-essential operating expenditure, the department exceeded its expenditure reduction targets for FY2022.

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The Public Works Department (PW) had expenditures of \$9.0 Million (85% of annual budget) for FY2022, reflecting a savings of \$1.3 Million. Although Engineering Work Order revenues has increased over the last few fiscal years, the year ended with a revenue shortfall of 10% due to vacant billable positions. Engineering Services had partially-offsetting expenditure savings of over \$800,000 mainly due to salary and benefits savings from staffing vacancies, extended leaves throughout the year, and reduced discretionary spending, resulting in 90% cost recovery for Engineering Services.

Land Development Engineering ended the year at 94% cost recovery. This is an ideal cost recovery percentage and meets budget. The revenue shortfall is primarily due to staffing vacancies as the Land Development worked diligently throughout the year to increase revenue and curb discretionary spending to alleviate the revenue shortfall.

The Administration program underspent its budget by almost \$136,000 primarily due to staff turnover and cost-saving measures during the pandemic, especially lower supply costs as employees continued to telecommute.

At year end, the Environmental Compliance budget shows a net savings of \$95,000 due to a revenue shortfall of \$42,000 and expenditure savings of \$137,000. However, the remaining appropriations from State reimbursement funds (\$80,000) have been requested to be carried over for underground tank abatement and major remediation efforts in FY2023.

The Sustainability & Resilience Department (S&R) had expenditures of \$113,579 (45.4% of annual budget). A new department in FY2021, S&R achieved its targeted savings for FY2022 by holding a director position open. All encumbered funds (\$65,245) are due to an outsourced vendor to service the CalRecycle program and will be fully spent by the end of FY2022. The department expects to end FY2022 below budget.

The Community Development Department (CD) had expenditures of \$12.8 Million or 89.5% of annual budget. If you include encumbrances of \$257,000 the total percentage of funds used is 92%. Expenditure savings of approximately \$1.2 Million were primarily due to salary and benefits (\$992,000), with a peak vacancy rate of 20%, and supplies and services (\$202,000) with close monitoring of departmental needs and reducing expenditure wherever possible. The Department met its budget reduction target of \$643,120.

Non-Departmental expenditures include transfers from the General Fund to other funds, the majority of which includes transfers to the Measure C fund for various capital maintenance and improvement projects. In prior fiscal years, the revenue summary table included anticipated year-end budget variances. This represented approximately 1.5% of budgeted operating expenditures in the General Fund and represents staff's estimate of the favorable expenditure variances (i.e., expenditures under budget primarily from attrition savings from position vacancies) for the year. The anticipated year-end variance budget is now reported in non-departmental expenditures in the adopted FY2022 budget.

General Fund Reserves Projection:

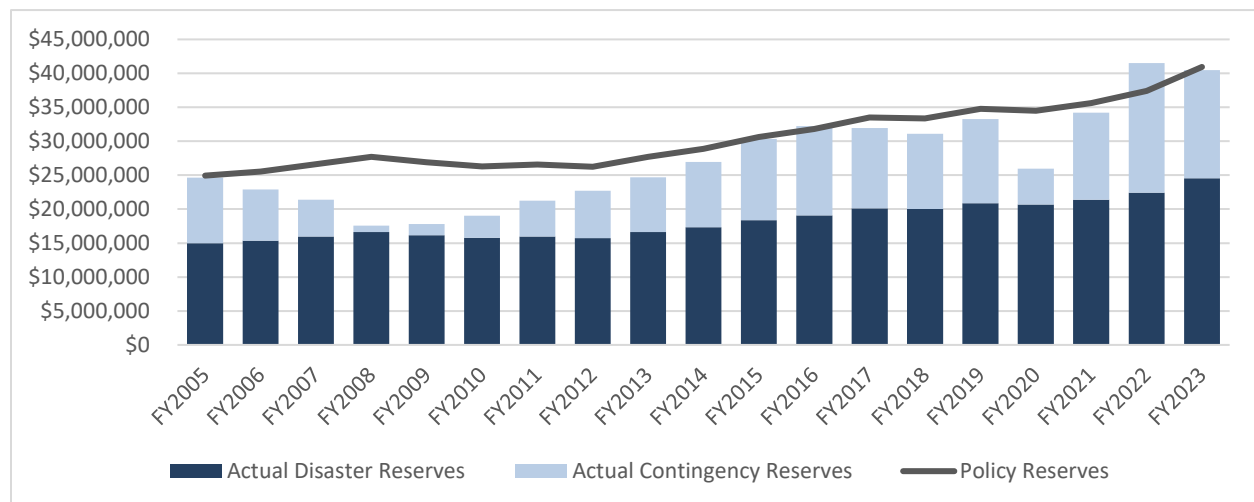
The table below summarizes the reserves projected in the General Fund by the end of FY2022, compared to the FY2022 adopted budget and prior year actual reserves. The table summarizes the General Fund reserve targets of 15% disaster and 10% contingency reserves as required by City Council resolution 12-066. Staff will continue to include a projection of anticipated changes to reserves based on likely revenue and expenditure projections included in future reports during quarterly reports to the City Council.

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General Fund: Fund Balance	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected at Q4	FY2022 vs FY2021 Projected Change in Reserve
Contingency Reserve Target 10%	\$13,910,966	\$13,799,412	\$14,255,661	\$14,965,025	\$709,364
Disaster Reserve Target 15%	20,866,449	20,699,118	21,383,491	22,447,538	1,064,047
Total Policy Reserve Target	\$34,777,415	\$34,498,530	\$35,639,152	\$37,412,563	\$1,773,411
(Below) / Above Policy	(1,513,888)	(8,526,275)	(1,419,589)	4,110,358	5,529,947
Actual Reserves	\$33,263,527	\$25,972,255	\$34,219,563	\$41,522,921	\$7,303,358
Self-Insurance Fund Under-Reserve	(2,109,073)	(4,580,532)	(4,758,252)	(5,889,878)	(1,131,626)
Remaining Contingency Reserve	\$10,288,005	\$692,605	\$8,077,820	\$13,185,505	\$5,107,686

The FY2022 adopted budget required the strategic use of a small amount of reserves in order to balance the budget. Due to the favorable revenue growth in sales tax and TOT during most of FY2022, along with additional operating and capital savings from departments, the General Fund reserve position is projected to grow by the end of FY2022. Both disaster and contingency reserves are projected to be replenished by the end of FY2022. The Self-Insurance Fund under-reserve amount represents the burden on the General Fund for the reserve position being lower than the actuarial recommended level.

The graph below summarizes the General Fund Reserves since FY2005, including a projection of ending reserves at the end of FY2022. The FY2023 called for the use of \$1 Million of reserves to balance the budget, bringing reserves below policy targets in FY2023.



Enterprise Operating Fund Revenues and Expenses

Unlike the General Fund, which relies primarily on taxes to fund programs and services, Enterprise Fund operations is financed primarily from user fees and other non-tax revenues. The table below summarizes Enterprise Fund revenues and expenses through June 30, 2022, with a comparison to the current fiscal year budget and prior fiscal year expenses.

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SUMMARY OF REVENUES & EXPENSES						
For the Twelve Months Ended June 30, 2022 Fiscal Year 2022						
ENTERPRISE FUNDS						
	Current Year Analysis FY2022			Encumbered	Prior Year FY2021	
	Annual Budget	YTD Actual	YTD Percent		YTD Actual	% Variance
Solid Waste Fund						
Revenues	\$32,782,443	\$33,930,892	103.5%	\$0	\$29,882,454	13.5%
Expenses	31,898,579	29,816,546	93.5%	324,062	27,919,994	6.8%
Add / (Use) Reserves	\$883,864	\$4,114,346		(\$324,062)	\$1,962,460	
Water Fund**						
Revenues	75,171,571	78,582,151	104.5%	0	64,048,692	22.7%
Expenses	72,560,119	66,416,925	91.5%	1,670,845	57,448,395	15.6%
Add / (Use) Reserves	\$2,611,452	\$12,165,226		(\$1,670,845)	\$6,600,297	
Wastewater Fund						
Revenues	25,771,201	25,910,883	100.5%	0	24,734,273	4.8%
Expenses	26,493,686	25,201,267	95.1%	519,009	21,648,097	16.4%
Add / (Use) Reserves	(\$722,485)	\$709,616		(\$519,009)	\$3,086,176	
Downtown Parking Fund						
Revenues	9,441,517	8,475,672	89.8%	0	5,142,225	64.8%
Expenses	8,807,956	8,048,166	91.4%	101,332	8,093,607	-0.6%
Add / (Use) Reserves	\$633,561	\$427,506		(\$101,332)	(\$2,951,382)	
Clean Energy Fund						
Revenues	12,526,007	16,312,014	130.2%	0	679,503	100.0%
Expenses	10,224,917	15,548,593	152.1%	175,333	453,815	3326.2%
Add / (Use) Reserves	\$2,301,090	\$763,421		(\$175,333)	\$225,688	
Airport Fund						
Revenues	27,612,095	30,280,673	109.7%	0	28,756,892	5.3%
Expenses	31,535,748	27,226,349	86.3%	1,123,686	23,531,801	15.7%
Add / (Use) Reserves	(\$3,923,653)	\$3,054,324		(\$1,123,686)	\$5,225,091	
Golf Fund						
Revenues	3,643,209	4,198,344	115.2%	0	4,094,479	2.5%
Expenses	3,365,685	3,257,816	96.8%	0	3,101,527	5.0%
Add / (Use) Reserves	\$277,524	\$940,528		\$0	\$992,952	
Waterfront Fund						
Revenues	15,787,604	17,814,379	112.8%	0	15,764,403	13.0%
Expenses	16,322,915	15,015,686	92.0%	275,191	14,747,702	1.8%
Add / (Use) Reserves	(\$535,311)	\$2,798,693		(\$275,191)	\$1,016,701	

The expenses shown in the preceding table do not include outstanding encumbrances as of June 30, 2022. Inclusion of encumbrances can distort the analysis of budgeted and actual expenditures. Outstanding encumbrances include appropriations that were carried forward from prior year as part of the appropriation carryovers and contracts or blanket purchase orders that have been added in the current year but are expected to be spent over the coming months.

Solid Waste Fund

Solid Waste Revenues are \$33.9 Million at the end of the fourth quarter, an excess of 3.5% (\$1.1 Million) above budgeted amounts. This included \$864,000 from the ReSource Center, which was generated by an excess in their Rate Stabilization Fund. According to the Master agreement, when there is excess money in the Rate Stabilization Fund, the County returns the surplus based on a percentage of material delivered by each member. Due to delays in construction, the Rate Stabilization Fund had an excess amount, of which the City received \$864,000. This disbursement is considered a one-time event and is unlikely to occur in future periods. In addition, the City generated about \$2.75 Million in additional solid waste rate

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revenues over FY2021 numbers, due in part to stable residential and commercial card usage, and higher than expected adopted rates.

Expenditures are \$29.8 Million (93.5% of the budget). Most of the increase in expenditure is due to higher-than-expected rate revenue and the associated payments to MarBorg for hauling service.

Staff turnover, specifically vacancies in Code Enforcement Officer and an Environmental Services Specialist, generated about \$114,000 in compensation savings by yearend.

Expenditures related to supplies and services are about \$1.3 Million under budget. The City adjusted the budget at third quarter in response to higher-than-expected payments to MarBorg. The City pays a percentage of the rate revenue it receives to MarBorg for hauler services, therefore, higher rate revenue typically translates to a higher payment to MarBorg, as is expected to be the case this year. At year end, the payment to MarBorg was about \$672,000 less than budgeted. In addition, professional services contracts were budgeted at \$668,844, but only \$223,929 was expended, with the balance to be carried over into FY2023, to be paid on current contracts.

Water Fund

At year end, Water Fund revenues are at \$78.6 Million, or 104.5% of the revised budget, which is \$3.4 Million above revised budget. Customer rate revenue, the Water Fund's primary revenue source, exceeded budget by approximately \$1 Million at year end. A drier rainy season and uptick in residential water use contributed to higher overall water use than expected.

In the third quarter, a total of \$711,000 was received via the California Water Arrearage Payment Program. Since receiving the grant, customers made significant payments between early December and April, when the credits were applied. Approximately \$573,000 was applied to customers, unapplied funds (\$138,000) were returned to the grant agency.

Sale of surplus water came in approximately \$900,000 above budgeted amounts, mainly due to an additional limited-term agreement with La Cumbre Mutual Water Company, which commenced March 1, 2022, and updates to the Water Supply Agreement with Montecito Water District, which occurred after the budget was developed.

The City received reimbursements from Cachuma Operations and Maintenance Board (\$314,000) for FY2021, and IDE Americas (\$305,000) for a true up of electrical and chemicals costs on years 1 and 2 of the Desal Plant design and implementation. Joint Powers Reimbursements exceeded budget by \$453,000, primarily due to design costs associated with the Cater Finished Water Resiliency Project. Conversely, due to limited available water and declining water quality, staff were unable to deliver water from Gibraltar Reservoir starting in January 2021. Water deliveries resumed in February 2022 (a year later), after winter rains partially filled Gibraltar and improved water quality. The interruption caused this line item to come in \$173,000 below budget.

Expenditures ended the year at 93.8% of annual budget, including encumbrances, or approximately \$4 Million below revised budget.

Vacancies and employee turnover produced budgetary savings of \$861,000, or 7%. Supplies and services came in \$221,000 below budget owing to lower use of discretionary costs like Waste Disposal, Non-Contractual Services, and several smaller line items. Special projects showed savings of \$2.3 Million, or 19% of budget (including encumbrances). Approximately

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\$1.3 Million of this was due to lower than anticipated State and Cachuma water deliveries on various Water supply contracts, with the remaining amount mainly because less supplemental water was available for purchase and delivery (\$800,000).

Increased Southern California Edison Rates, a planned move to 100% carbon free electricity, and increased chemical costs drove Electric and Chemical costs over budget by \$143,000 and \$102,000, respectively, eating into the above savings.

Wastewater Fund

Yearend revenues are on target at \$25.9 Million, Only a portion of Wastewater rates is dependent on water usage, which explains why there is less variability in Wastewater rate revenue when compared to Water rate revenue. Various other revenue sources, such as Interest Income, Sewer Tap Fees, Pre-treatment Analysis, and Fats-Oils-Grease (FOG) Disposal Fees experienced small variances that contributed to the overall balance of revenues.

Expenditures are below budget at \$25.2 Million (95.1% of annual budget) at year end. Staff turnover and vacancies, most notably 7 months' vacancy of the Collections Superintended position, drove savings, bringing salaries and benefits in at \$373,000 below budget. An additional \$34K came from supplies and services, as anticipated or backlogged services were lower than projected. Some cost savings were offset by Electric and Chemical costs, which were over budget by \$72,000 and \$115,000 respectively. Southern California Edison rate increases (12%), a planned move to 100% carbon free electricity, and increased chemical costs drove overages in these two areas.

Downtown Parking Fund

At year end, revenues ultimately came in at \$8.5 Million, or 90% of budget. The shortfall in revenue was expected due to the impacts of the pandemic. Although demand for employee parking permits is beginning to recover, it remains well below pre-COVID-19 levels because many offices continue to ask their employees to work from home. Parking and Business Improvement Area assessments helped improve revenues, coming in at almost \$966,000, which is \$216,000 (28.8% above budgeted amounts), indicating that businesses are recovering from pandemic-related impacts stronger than expected. Demand for hourly parking has returned to pre-pandemic levels on weekends but remains lower than normal on weekdays.

Despite this recovery, hourly revenues remain well below pre-pandemic levels because Downtown Parking is having difficulty hiring and retaining enough hourly lot operators to return to normal hours of operation while adhering to the 1,000-hour annual limit. ARPA funds of \$1.8 Million will also help to alleviate impacts to revenue shortages, but as hours of revenue collection remain limited, contributing to the total revenue shortfall of almost \$2.5 Million before ARPA funds being applied.

On March 8, 2022, the City Council approved of appropriating \$1,0483,189 of the \$10.9 Million in American Rescue Plan Act (ARPA) funds, which were received on June 6, 2022, to partially offset some of the revenue that has been lost in the Downtown Parking Fund directly related to economic impacts from COVID-19. These funds were used to continue to provide services to the community.

Expenditures came in at \$8.0 Million (91.4% of annual budget). This is mainly due to lower Salary and Benefit costs with ongoing vacancies in permanent positions, Supplies and Services savings from carrying ARPA related projects over to FY2023, and reduced credit card fees due to decreased hourly parking transactions. However, these were offset by hourly salaries coming

*Fiscal Year 2022 Interim Financial Statements
For The Twelve Months Ended June 30, 2022 (100% of Year Elapsed)*

in over budget, increased electricity costs due to higher-than-expected uses. Additionally, the encumbrances in Special Project lines for the PBIA assessment study (\$82,000) will be rolled to FY2023, as the study remains on hold due to major changes to the State Street Promenade and ongoing master planning process.,

The Downtown Parking Fund reserves have gradually declined over the past 4 years and the impacts of COVID-19 have further deteriorated the reserve position. The fund is below the policy reserve target at the end of FY2022.

Clean Energy Fund

The Santa Barbara Clean Energy Fund began operation in October 2021 and started receiving revenue in the second quarter this year. By year-end, revenues totaled \$16.3 Million, about \$3.8 Million above budget because of better-than-expected participation from ratepayers. In addition, a \$2 Million General Fund loan was disbursed to cover startup costs. Because of timing differences of cash flows and a slightly higher number of customers taking longer to pay their bills, staff requested an additional \$542,161 loan amount at yearend. The loan is disbursed on an as-needed basis as costs occur.

Expenditures for the Fund were \$15.5 Million (52.1% over annual budget) for FY2022. The program's second phase launched during fourth quarter, bringing in commercial customers and accelerating costs accordingly. This increase is due to better-than-expected customer participation as well as significant increases in power costs due to the recent run up in energy markets.

Airport Fund

The Santa Barbara Airport continues to see better than anticipated recovery in commercial airline activity, driving overall revenue growth. In other lines of business, the Airport revenues remained stable. Total revenue collected through the fourth quarter is \$30.3 Million or 109.7% of annual budget. Total expenses through the fourth quarter are at \$27.2 Million with an additional \$1.1 Million in encumbrances or 98.8% of annual budget. The actual surplus is the result of \$5.9 Million of ARPA funds that were received in the fourth quarter, higher than budgeted revenues from record Airline Passenger activities and expenditure budget savings. Passenger counts nearly doubled from 58,000 in January 2022 to a new record monthly count of 114,000 in June 2022, contributing to Terminal revenue rising 9.7% over FY2022 budget.

Expenditures were \$27.2 Million, or 86.38% of the annual budget, including encumbrances. The Airport achieved savings due to unfilled vacancies in the first half of the fiscal year and other related operating expenses across most programs. As vacancies persist and possibly increase with planned retirements and difficulties in the labor market, overtime costs have risen and may increase further to back fill these positions. Airport ended the fiscal year at 89.9% of budgeted expenditures including encumbrances.

Golf Fund

Golf Fund Revenues came in 15% above budget at \$4.2 Million. Golf continues to maintain its popularity post COVID-19. This popularity combined with excellent weather and favorable course conditions resulted in 72,248 paid rounds of golf in FY2022; more than 10,000 rounds above budget projections.

At Q3 the operations expense authority was adjusted to account for increased play and activity at the golf course, resulting in a net favorable return of \$940,528 in FY2022 which is 28% greater than projected at Q3.

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Expenditures were \$3.3 Million, or 96.8%, of annual budget. Due to continued high use of the Golf Course, the City anticipated the operator would achieve a higher incentive fee than projected at midyear. Additionally, corresponding operational expenses are slightly higher than forecast at midyear. Even with the increase in expenditures, the Golf Fund’s revenues exceeded expenditures by over \$940,000 in FY2022.

Waterfront Fund

The Waterfront Department’s revenues and expenditures for FY2022 at year end continue to rebound from the impact of the COVID-19 pandemic, with Waterfront parking lot revenues achieving all time daily highs in June and July in addition to the return of community events to help promote Santa Barbara and the Waterfront. Budgeted revenue estimates for FY2022 were very conservative due to significant COVID-related economic uncertainty. Ultimately, the fund exceeded FY2022 budgeted revenues by yearend and outperformed FY2021 in some instances. Waterfront Revenues were \$17.8 Million (12% over annual budget) at yearend. Commercial leases at both Stearns Wharf and the Harbor are up 22.9%, or \$423,901 over budgeted amounts, food service leases are up 27.2%, and parking revenues up 22.3% over prior year.

Expenditures were \$15.0 Million, or 92.0%, of annual budget. Cost savings were achieved by maintaining numerous position vacancies and reducing supplies and services costs across Waterfront Divisions. Additionally, Capital Outlay has been drastically reduced as COVID-19 delayed many capital projects, with planning and activities for future projects continuing at lower than initial costs. The department continues to monitor costs and achieved over \$1 Million in savings for FY2022.

Enterprise Operating Funds: Year-End Projected Reserves.

The table below summarizes the anticipated impact on reserves in each of the major enterprise funds at the end of FY2022 compared to policy reserve targets.

Enterprise Operating Funds	FY2021 Policy Reserves	FY2021 Available Reserves	FY2022 Projected Add (Use) of Reserves	FY2022 Projected Available Reserves
Solid Waste	3,891,700	(195,791)	4,114,346	3,918,555
Water	31,423,570	4,220,266	12,165,226	16,385,492
Wastewater	10,203,876	1,125,749	709,616	1,835,365
Downtown Parking	2,391,028	503,670	427,506	931,176
Airport	6,729,550	3,664,829	3,054,324	6,719,153
Golf	932,147	619,710	940,528	1,560,238
Waterfront	3,586,785	1,375,070	2,798,693	4,173,763
Clean Energy	TBD	(2,789,132)	763,421	(2,025,711)

Although staff were projecting that Downtown Parking would require using reserves in FY2022, additional salary and other operational savings resulted in a small surplus to address declining reserves and future budget challenges. The Clean Energy fund will propose a reserve policy in the future as a formal policy has yet to be established being the enterprise is in its infancy stage. Staff developed and presented balancing strategies as part of the FY2022 budget process to minimize the use of reserves and a plan for replenishment, as per Resolution 12-066.

Interdepartmental Services Operating Fund Revenues and Expenses

The City has established internal service funds for centralized services that provide support across most or all funds and departments. These functions primarily include fleet, facilities, risk management, and information technology. The interim quarterly reports would typically not discuss in detail major changes in the City's internal services departments and funds as major changes typically do not occur during the year.

Self-Insurance Fund (SIF)

The City purchases insurance policies to cap its exposure to loss for specific hazards. The SIF accumulates revenues through an annual allocation from departments as an expenditure to each department. The SIF then pays for the program's annual renewals for insurance coverage, claims that may need to be paid during the fiscal year, and the staff administering the programs.

The SIF has experienced financial challenges in recent years. The annual allocations coming into the SIF from departments has remained relatively flat because of the budgetary challenges facing the City's General Fund and other funds. The cost to the City to retain the existing property, excess general liability, and other insurance programs has increased substantially over the years. Liability coverage has become more expensive across the nation due to recent large losses from law enforcement and other claims. And property coverage has become more expensive due to insurance companies factoring in increased costs due to recent droughts and wildfires in the Western United States and California, in particular.

The most recent actuarial report recommended that the City have an \$18.3 Million reserve balance in the SIF to be able to continue to fund the City's existing insurance program and cover reasonably anticipated claim activities. The FY2022 budget assumed an ending fund balance of \$7.5 Million in the SIF, but the revised projection for yearend indicates the ending reserve will be lower by \$1 Million resulting in an ending fund balance of \$6.5 Million.

On November 16, 2021, staff presented an overview to the Finance Committee regarding major changes anticipated in the insurance industry, budget considerations for FY2022 and FY2023, and substantial increases to operating department allocations into the SIF to ensure ongoing premium and claim payment costs can be met and adequate reserves can be achieved. The Finance Committee unanimously supported implementing a plan to gradually increase allocations into the SIF over the next nine fiscal years to target achieving reserves at or near the actuarial recommended level. Staff built in these allocation increases into the FY2023 adopted budget.

City of Santa Barbara
Fiscal Year 2022 Financial Statements for the Twelve Months Ending Jun 30, 2022
Proposed Budget Adjustments

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
GENERAL FUND (Fund 1000)			
Increase estimated revenues and appropriations to transfer out from the General Fund to the Measure C Capital Fund (3010) for additional Measure C sales tax revenues received.	\$ 5,836,011.74	\$ 5,836,011.74	\$ -
Increased demand for the Youth Activities Summer Fun Program necessitates an increase in estimated revenues and appropriations to meet community demand.	\$ 37,000	\$ 37,000	\$ -
Increase estimated revenue and appropriations in Fire Operations Fund for activity associated with responses to Mutual Aid incidents.	\$ 405,497	\$ 405,497	\$ -
Reduce estimated appropriations by \$30,000 and increase estimated revenue by 26,439.75 to transfer unused appropriation for contractual services and the offset revenue increase in the General Fund (1000) to the Capital Outlay Fund (3000).	\$ (30,000)	\$ -	\$ 30,000
	\$ -	\$ 26,440	\$ 26,440
	\$ 56,440	\$ -	\$ (56,440)
Increase estimated revenues and appropriations for additional Traffic Safety Fund (2300) transfers.	\$ 4,316	\$ 4,316	\$ -
Reduce appropriations to transfer out \$180,000 of salary/benefit savings from the General Fund (1000) to the Library Equipment Fund (1050) for critical technology projects to support community needs.	\$ (180,000)	\$ -	\$ 180,000
	\$ 180,000	\$ -	\$ (180,000)
Total General Fund (1000)	\$ 6,309,264	\$ 6,309,264	\$ -
LIBRARY EQUIPMENT FUND (Fund number 1050)			
Increase estimated revenues and appropriations to transfer in \$180,000 of salary/benefit savings from the General Fund (1000) to the Library Equipment Fund (1050) for critical technology projects to support community needs.	\$ 180,000	\$ 180,000	\$ -
Total Library Equipment Fund (1050)	\$ 180,000	\$ 180,000	\$ -
SPECIAL REVENUE FUNDS			
Traffic Safety Fund (2300)			
Increase estimated revenues and appropriations to transfer funds to the General Fund (1000) for additional funds received in the Traffic Safety Fund (2300).	\$ 3,596	\$ 3,596	\$ -
Total Traffic Safety Fund (2300)	\$ 3,596	\$ 3,596	\$ -
Police SLESF Fund (2320)			
Increase revenues and appropriations by \$11,486 to adjust to the final amount received from the State for COPS SLESF.	\$ 11,486	\$ 11,486	\$ -
Total Police SLESF Fund (2320)	\$ 11,486	\$ 11,486	\$ -
Streets Operating Fund (2400)			
Increase appropriations to transfer funds to the Downtown Parking Fund (5300). This is needed to reimburse the Downtown Parking Fund staffing costs related to the Oversized Vehicle Program (OSV).	\$ 5,644	\$ -	\$ (5,644)
Appropriate \$46,079 to transfer from Streets Operating Reserves to fund the contract for traffic modeling services to update the City's Traffic Model and forecast future traffic patterns.	\$ 46,079	\$ -	\$ (46,079)
Total Streets Operating Fund (2400)	\$ 51,723	\$ -	\$ (51,723)
FEMA Hazard Mitigation Fund (2710)			
Increase estimated revenues and appropriations to transfer in \$69,800 from the Desalination Facility project in the Water Capital Fund (5010) to the FEMA Hazard Mitigation Fund (2710) to cover contracted engineering services for the project.	\$ 69,800	\$ 69,800	\$ -
Total FEMA Hazard Mitigation Fund (2710)	\$ 69,800	\$ 69,800	\$ -

SPECIAL REVENUE FUNDS (Continued)	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
Community Development Miscellaneous Grants Fund (2810)			
Increase in revenue and appropriations in the Community Development Miscellaneous Grants Fund by \$9,500. This entry programs an additional \$9,500 in REAP Grant Funds. The City received a REAP grant in the amount of \$499K with a period of activity from 1/1/21 through 9/30/23. The grant has been programmed as needed and this budget request adds necessary funding for continued use of interns and an allocation for grant related advertising, supplies, and other miscellaneous expenditures.	\$ 9,500	\$ 9,500	\$ -
Total Community Development Miscellaneous Grants Fund (2810)	\$ 9,500	\$ 9,500	\$ -
Library Miscellaneous Grants Fund (2850)			
Increase estimated revenue and appropriations as the California State Library awarded the Library \$5,000 for books and materials to support outdoor activities and to be used in conjunction with visits to State Parks.	\$ 5,000	\$ 5,000	\$ -
Increase estimated revenue and appropriations as the Santa Barbara Public Library Foundation awarded the Library with a \$5,000 grant funded by the Louise M. Labarere Fund, to support collections on the LOTG Van.	\$ 5,000	\$ 5,000	\$ -
Increase estimated revenue and appropriations as the Friends of the Central Library gave the Library an additional \$19,264 contribution to support Library programs and supplies.	\$ 19,264	\$ 19,264	\$ -
Increase in estimated revenue and appropriation as the Santa Barbara Foundation awarded the Library with a workforce development grant to host a series of job fairs in the community.	\$ 16,760	\$ 16,760	\$ -
Increase estimate revenue and appropriations as the Friends of the Eastside Library gave the Library an additional \$1,653 contribution to support Library programs and supplies.	\$ 1,653	\$ 1,653	\$ -
Total Library Miscellaneous Grants Fund (2850)	\$ 47,677	\$ 47,677	\$ -
Parks and Recreation Miscellaneous Grants Fund (2860)			
Increase estimated revenue and appropriations to receive a miscellaneous grant for upkeep of Alice Keck Park Memorial Gardens.	\$ 130,000	\$ 130,000	\$ -
Total Parks and Recreation Miscellaneous Grants Fund (2860)	\$ 130,000	\$ 130,000	\$ -
Capital Outlay Fund (3000)			
Increase estimated revenues and appropriations for Band Shell Renovation from SB Beautiful.	\$ 10,000	\$ 10,000	\$ -
Increase estimated revenue for technology fees in the General Fund (1000) transferred to the Capital Outlay Fund (3000) to support future technology needs and upgrades.	\$ -	\$ 56,440	\$ 56,440
Total Capital Outlay Fund (3000)	\$ 10,000	\$ 66,440	\$ 56,440
Measure C Capital Fund (3010)			
Increase estimated revenues to transfer in from the General Fund (1000) to the Measure C Capital Fund for additional	\$ -	\$ 5,836,011.74	\$ 5,836,012
Total Measure C Capital Fund (3010)	\$ -	\$ 5,836,012	\$ 5,836,012
Streets Capital Fund (3400)			
Reduce appropriations to transfer out \$10,000 from the Mission Creek Flood Control project in the Streets Capital Fund (3400) to the Gutierrez Street Bridge Replacement project in the Measure A Capital Fund (3440) to cover additional the approved contract services. The Streets Capital account has available funds as the project is close to completion and has scope of work savings.	\$ (10,000)	\$ -	\$ 10,000
	\$ 10,000	\$ -	\$ (10,000)
Total Streets Capital Fund (3400)	\$ -	\$ -	\$ -
Streets Grant Capital Fund (3410)			
Increase estimated revenues and appropriations by \$387,243 for federal grant funding for the environmental mitigation & monitoring of the Quinientos Bridge Replacement Project.	\$ 387,243	\$ 387,243	\$ -
Increase estimated revenues and appropriations by \$21,994 for federal grant funding for additional Preliminary Engineering and Right of Away phase for the Bath Street Crossing Enhancement.	\$ 21,994	\$ 21,994	\$ -
Total Streets Grant Capital Fund (3410)	\$ 409,237	\$ 409,237	\$ -

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
SPECIAL REVENUE FUNDS (Continued)			
Measure A Capital Fund (3440)			
Increase estimated revenues and appropriations to transfer in \$10,000 from the Mission Creek Flood Control project in the Streets Capital Fund (3400) to the Gutierrez Street Bridge Replacement project in the Measure A Capital Fund (3440) to cover the approved contract services.	\$ 10,000	\$ 10,000	\$ -
Total Measure A Capital Fund (3440)	\$ 10,000	\$ 10,000	\$ -
ENTERPRISE FUNDS			
Water Capital Fund (5010)			
Reduce appropriations to transfer out \$69,800 from the Desalination Facility project in the Water Capital fund (5010) to the FEMA Fund (2710) to cover contracted engineering services for the HMGP-Desalination Pump Platform Hardening project.	\$ (69,800)	\$ -	\$ 69,800
	\$ 69,800	\$ -	\$ (69,800)
Total Water Capital Fund (5010)	\$ -	\$ -	\$ -
Downtown Parking Operating Fund (5300)			
Increase estimated revenue to transfer in funds from the Streets Operating Fund (3400) to reimburse staffing costs related to the Oversized Vehicle Program (OSV).	\$ -	\$ 5,644	\$ 5,644
Total Downtown Parking Operating Fund (5300)	\$ -	\$ 5,644	\$ 5,644
SB Clean Energy Fund (5500)			
Increase in estimated revenue and appropriations in the SB Clean Energy Fund (5500) due to a higher participation rate and a global ramp up in energy prices. The adopted budget included \$2.3 million more in estimated revenues than appropriations. After this adjustment, \$0.7 million more of estimated revenues than appropriations will be budgeted.	\$ -	\$ 3,795,892	\$ 3,795,892
	\$ 5,364,740	\$ -	\$ (5,364,740)
Total SB Clean Energy Fund (5500)	\$ 5,364,740	\$ 3,795,892	\$ (1,568,848)
Golf Course Fund (5600)			
Increase estimated revenue and appropriations as the golf course received more revenues to transfer to the Golf Course Capital Fund (5610).	\$ 8,293	\$ 8,293	\$ -
Total Golf Course Fund (5600)	\$ 8,293	\$ 8,293	\$ -
Golf Course Capital Fund (5610)			
Increase estimated revenue and appropriations as the Golf Course Fund (5600) transferred more funds to purchase equipment.	\$ 8,293	\$ 8,293	\$ -
Total Golf Course Capital Fund (5610)	\$ 8,293	\$ 8,293	\$ -
Airport Operating Fund (5700)			
Appropriate \$198,580 to transfer from Airport Operating Fund Reserves (5700) to the Airport Capital Fund (5710) to assist in the purchase of a new telescopic handler lift and to cover additional costs in the Asbestos Removal Project.	\$ 198,580	\$ -	\$ (198,580)
Reduce appropriations to transfer out \$24,315 from the Airport Operating Fund (5700) to the Airport Capital Fund (5710) to replace water meter.	\$ (24,315)	\$ -	\$ 24,315
	\$ 24,315	\$ -	\$ (24,315)
Increase appropriations by \$215,000 from Airport Operating Reserves to fund one year of contracted TSA Queing Support due to a lack of hourly applicants.	\$ 215,000	\$ -	\$ (215,000)
Increase appropriations to transfer funds from the Airport Operating Fund (5700) to the Airport Capital Fund (5710) for the purchase of the Two Way Radios Replacement project.	\$ 95,855	\$ -	\$ (95,855)
Total Airport Operating Fund (5700)	\$ 509,435	\$ -	\$ (509,435)

ENTERPRISE FUNDS (Continued)	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
Airport Capital Fund (5710)			
Increase estimated revenues and appropriations by \$198,580 from a transfer from Airport Operating Fund Reserves (5700) to the Airport Capital Fund (5710) to assist in the purchase of a new telescopic handler lift and to cover additional costs in the Asbestos Removal Project.	\$ 198,580	\$ 198,580	\$ -
Increase estimated revenues and appropriations by \$24,315 by a transfer from Airport Operating Fund (5700) to the Airport Capital Fund (5710) to replace water meter.	\$ 24,315	\$ 24,315	\$ -
Reprogram existing appropriations of \$500,000 from the Airport Parking Revenue Control project to fund the purchase of two EV Parking Shuttle Buses to replace the shuttle vans currently rented to transport terminal employees and passengers to the Economy Parking lot.	\$ (500,000) \$ 500,000	\$ - \$ -	\$ 500,000 \$ (500,000)
Increase estimated revenue to transfer in funds from the Airport Operating Fund (5700) to the Airport Capital Fund (5710) for the purchase of the Two Way Radios Replacement project.	\$ -	\$ 95,855	\$ 95,855
Total Airport Capital Fund (5710)	<u>\$ 222,895</u>	<u>\$ 318,750</u>	<u>\$ 95,855</u>
Airport Customer Facility Charge Fund (5740)			
Increase appropriations by \$30,000 from the Customer Facility Charge Fund Reserves for audit requirements to restart \$10 per contract customer facility charge.	\$ 30,000	\$ -	\$ (30,000)
Total Airport Customer Facility Charge Fund (5740)	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ (30,000)</u>
INTERNAL SERVICE FUNDS			
Self Insurance Trust Fund (6100)			
Increase appropriations for property insurance premium increase in FY2022 compared to the adopted budget.	\$ 257,000	\$ -	\$ (257,000)
Total Self Insurance Trust Fund (6100)	<u>\$ 257,000</u>	<u>\$ -</u>	<u>\$ (257,000)</u>