



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 15, 2022
TO: Mayor and Councilmembers
FROM: Accounting Division, Finance Department
SUBJECT: Fiscal Year 2023 First-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 three months ended September 30, 2022;
- B. Accept the Fiscal Year 2023 Interim Financial Statements for the three months ended September 30, 2022; and
- C. Approve the proposed first quarter adjustments to Fiscal Year 2023 appropriations and estimated revenues as detailed in the attached schedule of Proposed First 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 First Quarter budget analysis, staff brings forward recommended 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 2022. A listing and description of each proposed adjustment to the current year budget is provided in Attachment 3.

Due to the economic uncertainties articulated in the FY2023 adopted budget and the need to implement \$1 Million of budget reduction plans spread amongst all General Funded City departments, staff implemented a first quarter review process to review revenue and expenditure line items to assess any material changes that may occur during the fiscal year. This information was reviewed and discussed with department and Finance staff and consolidated into this first quarter report for the City Council's review.

For General Funded departments, staff have reviewed their operating budget reduction targets and have identified specific plans in order to meet these targets. This approach to identify and confirm specific budget reduction line items will best ensure required cost savings in order 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 First Quarter. The total adopted revenue budget is \$184.6 Million and the total adopted expenditure budget is \$185.7 Million, resulting an operating deficit of \$1.1 Million. The revised budget includes additional expenditures from encumbrances from prior year contractual commitments.

General Fund	FY2023 Adopted Budget	FY2023 Revised Budget	Q1 Actuals	Q1 Actuals Percent of Revised Budget
Revenues	\$184,618,453	\$184,523,307	\$39,878,529	21.6%
Expenditures	185,678,749	191,907,700	42,159,349	22.0%
Surplus/(Deficit)	(\$1,060,296)	(\$7,384,393)	(\$2,280,820)	

Staff are anticipating continued economic recovery from the impacts of COVID that will likely result in additional sales tax and transient occupancy tax revenues compared to last fiscal year and the FY2023 adopted budget. Staff are projecting that property tax revenue will be \$1.2 Million more than the adopted budget. General Fund departments are projected to implement the \$1 Million of expenditure reduction targets included in the adopted budget. Additional expenditure savings are likely to be realized due to continuing high staff vacancy rates.

At this time, staff are not recommending any additional budget actions 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 mid-year report in preparation for the upcoming FY2024 budget cycle. Also, staff will continue to monitor fund balance and reserve implications due to any additional economic changes and present potential impacts in the mid-year report.

- ATTACHMENTS:**
1. Summary by Fund Statement of Revenues and Expenditures for the Three Months Ended September 30, 2022
 2. Interim Financial Statements for the Three Months Ended September 30, 2022 (Narrative Analysis)
 3. Schedule of Proposed First 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 Three Months Ended September 30, 2022 (25% 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	184,523,308	39,878,531	3,005	144,647,782	21.6%	38,122,175
Expenditures	<u>191,907,700</u>	<u>42,159,349</u>	<u>4,730,329</u>	145,018,022	24.4%	<u>43,117,047</u>
<i>Addition to / (use of) reserves</i>	<u>(7,384,392)</u>	<u>(2,280,818)</u>	<u>(4,733,334)</u>			<u>(4,994,872)</u>
SOLID WASTE FUND (page 9)						
Revenue	34,140,749	8,431,160	-	25,709,589	24.7%	8,743,968
Expenditures	<u>34,402,810</u>	<u>6,219,736</u>	<u>493,949</u>	27,689,125	19.5%	<u>6,623,200</u>
<i>Addition to / (use of) reserves</i>	<u>(262,061)</u>	<u>2,211,424</u>	<u>(493,949)</u>			<u>2,120,769</u>
WATER OPERATING FUND (page 10)						
Revenue	70,492,814	18,491,656	-	52,001,158	26.2%	17,972,162
Expenditures	<u>70,960,432</u>	<u>13,758,305</u>	<u>7,499,669</u>	49,702,458	30.0%	<u>18,816,906</u>
<i>Addition to / (use of) reserves</i>	<u>(467,618)</u>	<u>4,733,351</u>	<u>(7,499,669)</u>			<u>(844,744)</u>
WASTEWATER OPERATING FUND (page 11)						
Revenue	27,441,554	6,780,995	-	20,660,559	24.7%	6,482,721
Expenditures	<u>28,321,916</u>	<u>5,218,368</u>	<u>2,134,277</u>	20,969,271	26.0%	<u>5,224,887</u>
<i>Addition to / (use of) reserves</i>	<u>(880,362)</u>	<u>1,562,627</u>	<u>(2,134,277)</u>			<u>1,257,833</u>
DOWNTOWN PARKING FUND (page 12)						
Revenue	10,266,997	2,408,266	-	7,858,731	23.5%	1,596,291
Expenditures	<u>10,750,478</u>	<u>2,186,189</u>	<u>1,509,400</u>	7,054,888	34.4%	<u>1,895,066</u>
<i>Addition to / (use of) reserves</i>	<u>(483,481)</u>	<u>222,076</u>	<u>(1,509,400)</u>			<u>(298,775)</u>
AIRPORT OPERATING FUND (page 13)						
Revenue	27,185,151	6,332,773	-	20,852,378	23.3%	6,179,360
Expenditures	<u>30,040,741</u>	<u>5,555,445</u>	<u>3,572,728</u>	20,912,569	30.4%	<u>6,070,352</u>
<i>Addition to / (use of) reserves</i>	<u>(2,855,590)</u>	<u>777,329</u>	<u>(3,572,728)</u>			<u>109,008</u>
GOLF COURSE FUND (page 14)						
Revenue	3,837,489	1,247,974	-	2,589,515	32.5%	1,094,894
Expenditures	<u>3,294,658</u>	<u>697,744</u>	<u>2,170,709</u>	426,205	87.1%	<u>603,387</u>
<i>Addition to / (use of) reserves</i>	<u>542,831</u>	<u>550,230</u>	<u>(2,170,709)</u>			<u>491,507</u>
FACILITIES MANAGEMENT FUND (page 15)						
Revenue	6,974,899	1,703,976	-	5,270,923	24.4%	1,458,556
Expenditures	<u>7,277,427</u>	<u>1,527,523</u>	<u>707,817</u>	5,042,088	30.7%	<u>1,474,968</u>
<i>Addition to / (use of) reserves</i>	<u>(302,528)</u>	<u>176,454</u>	<u>(707,817)</u>			<u>(16,412)</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Three Months Ended September 30, 2022 (25% 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	3,761,445	836,664	-	2,924,781	22.2%	813,589
Expenditures	<u>5,340,104</u>	<u>78,355</u>	<u>864,106</u>	4,397,643	17.6%	<u>706,232</u>
<i>Addition to / (use of) reserves</i>	<u>(1,578,659)</u>	<u>758,309</u>	<u>(864,106)</u>			<u>107,357</u>
FLEET MAINTENANCE FUND (page 17)						
Revenue	3,226,802	831,317	-	2,395,485	25.8%	745,944
Expenditures	<u>3,282,091</u>	<u>709,455</u>	<u>340,517</u>	2,232,120	32.0%	<u>708,287</u>
<i>Addition to / (use of) reserves</i>	<u>(55,289)</u>	<u>121,862</u>	<u>(340,517)</u>			<u>37,656</u>
SELF INSURANCE TRUST FUND (page 18)						
Revenue	13,067,765	3,255,512	-	9,812,253	24.9%	2,232,639
Expenditures	<u>14,203,713</u>	<u>2,654,396</u>	<u>360,525</u>	11,188,791	21.2%	<u>2,392,971</u>
<i>Addition to / (use of) reserves</i>	<u>(1,135,948)</u>	<u>601,116</u>	<u>(360,525)</u>			<u>(160,332)</u>
INFORMATION TECHNOLOGY FUND (page 19)						
Revenue	5,261,982	1,259,501	-	4,002,481	23.9%	1,121,496
Expenditures	<u>5,158,122</u>	<u>1,430,710</u>	<u>129,525</u>	3,597,887	30.2%	<u>1,489,235</u>
<i>Addition to / (use of) reserves</i>	<u>103,860</u>	<u>(171,209)</u>	<u>(129,525)</u>			<u>(367,739)</u>
WATERFRONT OPERATING FUND (page 20)						
Revenue	17,036,131	5,340,214	-	11,695,917	31.3%	5,017,279
Expenditures	<u>19,027,445</u>	<u>4,490,943</u>	<u>1,081,898</u>	13,454,604	29.3%	<u>3,927,784</u>
<i>Addition to / (use of) reserves</i>	<u>(1,991,314)</u>	<u>849,271</u>	<u>(1,081,898)</u>			<u>1,089,495</u>
SANTA BARBARA CLEAN ENERGY FUND (page 21)						
Revenue	34,000,000	5,647,233	-	28,352,767	16.6%	200,140
Expenditures	<u>33,400,235</u>	<u>3,548,853</u>	<u>1,548,661</u>	28,302,722	15.3%	<u>63,851</u>
<i>Addition to / (use of) reserves</i>	<u>599,765</u>	<u>2,098,380</u>	<u>(1,548,661)</u>			<u>136,290</u>
ENERGY AND CLIMATE MANAGEMENT FUND (page 22)						
Revenue	2,552,568	638,142	-	1,914,426	25.0%	761,868
Expenditures	<u>2,922,691</u>	<u>412,782</u>	<u>256,099</u>	2,253,810	22.9%	<u>295,563</u>
<i>Addition to / (use of) reserves</i>	<u>(370,123)</u>	<u>225,360</u>	<u>(256,099)</u>			<u>466,305</u>
TOTAL FOR ALL FUNDS						
Revenue	443,769,654	103,083,914	3,005	340,688,744	23.2%	92,543,081
Expenditures	<u>460,290,564</u>	<u>90,648,153</u>	<u>27,400,208</u>	342,242,203	25.6%	<u>93,409,735</u>
<i>Addition to / (use of) reserves</i>	<u>(16,520,910)</u>	<u>12,435,761</u>	<u>(27,403,213)</u>			<u>(866,654)</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 Three Months Ended September 30, 2022 (25% 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	26,704,042	7,408,720	19,295,322	27.7%	7,458,934	-0.7%
Measure C Sales Tax	28,323,342	8,104,704	20,218,638	28.6%	7,647,258	6.0%
Property Taxes	43,250,489	-	43,250,489	0.0%	-	0.0%
Utility Users Tax	7,779,112	2,138,098	5,641,014	27.5%	1,926,902	11.0%
Transient Occupancy Tax	23,583,553	9,047,587	14,535,966	38.4%	8,311,110	8.9%
Business License	2,714,006	506,812	2,207,194	18.7%	523,132	-3.1%
Cannabis Excise Tax	1,879,977	368,558	1,511,419	19.6%	484,519	-23.9%
Real Property Transfer Tax	1,328,218	294,470	1,033,748	22.2%	321,276	-8.3%
<i>Total Tax Revenues</i>	<u>135,562,739</u>	<u>27,868,950</u>	<u>107,693,790</u>	<u>20.6%</u>	<u>26,673,131</u>	<u>4.5%</u>
LICENSES & PERMITS						
Licenses & Permits	159,858	39,539	120,319	24.7%	53,137	-25.6%
<i>Total</i>	<u>159,858</u>	<u>39,539</u>	<u>120,319</u>	<u>24.7%</u>	<u>53,137</u>	<u>-25.6%</u>
FINES & FORFEITURES						
Police	2,358,618	276,092	2,082,526	11.7%	837,863	-67.0%
Other Fines & Forfeitures	660,302	297,607	362,695	45.1%	5,729	5095.1%
<i>Total</i>	<u>3,018,920</u>	<u>573,699</u>	<u>2,445,221</u>	<u>19.0%</u>	<u>843,591</u>	<u>-32.0%</u>
USE OF MONEY & PROPERTY						
Investment Income	529,185	246,429	282,756	46.6%	87,090	183.0%
Rents & Concessions	1,392,631	376,270	1,016,361	27.0%	192,512	95.5%
<i>Total</i>	<u>1,921,816</u>	<u>622,700</u>	<u>1,299,117</u>	<u>32.4%</u>	<u>279,602</u>	<u>122.7%</u>
INTERGOVERNMENTAL						
Library	905,598	16,454	889,143	1.8%	42,649	-61.4%
Fire	1,000,000	19,123	980,877	1.9%	5,930	222.5%
Other Intergovernmental	709,932	50,690	659,242	7.1%	129,275	-60.8%
<i>Total</i>	<u>2,615,530</u>	<u>86,267</u>	<u>2,529,262</u>	<u>3.3%</u>	<u>177,854</u>	<u>-51.5%</u>
FEES & SERVICE CHARGES						
Community Development	6,313,279	1,866,861	4,446,418	29.6%	1,713,878	8.9%
Parks & Recreation	4,511,330	1,524,955	2,986,375	33.8%	1,417,558	7.6%
Other Service Charges	4,042,475	1,198,461	2,844,014	29.6%	763,112	57.0%
<i>Total</i>	<u>14,867,084</u>	<u>4,590,277</u>	<u>10,276,807</u>	<u>30.9%</u>	<u>3,894,548</u>	<u>17.9%</u>
OTHER REVENUES						
Interfund Charges & Reimbursement	11,922,594	2,594,714	9,327,880	21.8%	2,522,668	2.9%
Overhead Indirect Allocations	9,654,155	2,402,595	7,251,560	24.9%	2,246,765	6.9%
Interfund Transfers	562,510	124,034	438,476	22.1%	412,935	-70.0%
Interfund Loans	(24,140)	6,035	(30,175)	-25.0%	6,035	0.0%
Miscellaneous	116,442	21,742	94,701	18.7%	54,957	-60.4%
Donations	138,709	724	137,986	0.5%	1,490	-51.4%
Franchise Fees	4,007,090	947,256	3,059,834	23.6%	955,462	-0.9%
<i>Total</i>	<u>26,377,360</u>	<u>6,097,099</u>	<u>20,280,261</u>	<u>23.1%</u>	<u>6,200,311</u>	<u>-1.7%</u>
<i>Subtotal Non-Tax Revenues</i>	<u>48,960,569</u>	<u>12,009,581</u>	<u>36,950,987</u>	<u>24.5%</u>	<u>11,449,044</u>	<u>4.9%</u>
TOTAL REVENUES	<u>184,523,308</u>	<u>39,878,531</u>	<u>144,644,777</u>	<u>21.6%</u>	<u>38,122,175</u>	<u>4.6%</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2022 (25% 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	1,036,953	234,980	2,936	799,036	22.9%	228,243
ARTS AND COMMUNITY PROMOTIONS	2,335,503	423,679	1,207,432	704,392	69.8%	597,438
<i>Total</i>	<u>3,372,456</u>	<u>658,659</u>	<u>1,210,368</u>	<u>1,503,429</u>	<u>55.4%</u>	<u>825,680</u>
<u>City Attorney</u>						
CITY ATTORNEY-ADMINISTRATION	1,040,676	236,995	237,311	566,370	45.6%	244,417
CITY ATTORNEY-ADVISORY	1,520,447	348,942	-	1,171,504	22.9%	364,199
CITY ATTORNEY-CIVIL LITIGATION	1,429,249	288,011	-	1,141,238	20.2%	247,793
CITY ATTORNEY-CODE ENFORCEMENT	506,545	95,502	-	411,043	18.9%	123,249
<i>Total</i>	<u>4,496,917</u>	<u>969,451</u>	<u>237,311</u>	<u>3,290,155</u>	<u>26.8%</u>	<u>979,657</u>
<u>Administration</u>						
CITY ADMINISTRATOR	2,481,641	466,272	82,216	1,933,153	22.1%	510,702
CITY TV	729,923	166,690	158,353	404,880	44.5%	135,577
CITY CLERK	721,579	147,020	37,000	537,559	25.5%	152,795
<i>Total</i>	<u>3,933,142</u>	<u>779,981</u>	<u>277,569</u>	<u>2,875,592</u>	<u>26.9%</u>	<u>799,073</u>
<u>Human Resources</u>						
HUMAN RESOURCES	2,579,904	458,690	40,600	2,080,614	19.4%	410,964
EMPLOYEE RELATIONS	425,310	61,685	93,112	270,514	36.4%	54,171
EMPLOYEE DEVELOPMENT	42,699	4,461	-	38,238	10.4%	-
<i>Total</i>	<u>3,047,913</u>	<u>524,836</u>	<u>133,712</u>	<u>2,389,365</u>	<u>21.6%</u>	<u>465,135</u>
<u>Finance</u>						
ADMINISTRATION	334,970	69,719	24,339	240,912	28.1%	87,283
REVENUE & CASH MANAGEMENT	773,693	145,998	3,365	624,330	19.3%	134,551
CASHIERING & COLLECTION	636,968	131,803	-	505,166	20.7%	146,716
LICENSES & PERMITS	766,641	132,718	2,942	630,981	17.7%	114,344
BUDGET MANAGEMENT	816,288	128,032	56,483	631,773	22.6%	135,342
ACCOUNTING	1,141,852	242,881	84,216	814,756	28.6%	235,285
PAYROLL	479,984	111,487	-	368,497	23.2%	115,544
ACCOUNTS PAYABLE	278,278	66,395	-	211,883	23.9%	66,222
CITY BILLING & CUSTOMER SERVICE	833,618	139,234	3,355	691,029	17.1%	133,627
PURCHASING	840,556	197,335	96	643,126	23.5%	227,262
CENTRAL WAREHOUSE	244,738	61,965	-	182,773	25.3%	59,727
MAIL SERVICES	163,466	35,696	5,457	122,313	25.2%	34,971
<i>Total</i>	<u>7,311,052</u>	<u>1,463,262</u>	<u>180,253</u>	<u>5,667,538</u>	<u>22.5%</u>	<u>1,490,874</u>
TOTAL GENERAL GOVERNMENT	<u>22,161,481</u>	<u>4,396,188</u>	<u>2,039,214</u>	<u>15,726,079</u>	<u>29.0%</u>	<u>4,560,421</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2022 (25% 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	717,769	295,231	4,821	417,717	41.8%	440,878
BUSINESS OFFICE	675,625	133,154	2,849	539,621	20.1%	136,275
RECORDS BUREAU	2,142,109	376,461	2,883	1,762,765	17.7%	436,814
STRATEGIC OPERATIONS AND PERSONNEL	1,902,857	432,445	265,756	1,204,656	36.7%	498,115
PROPERTY ROOM	259,996	62,511	-	197,485	24.0%	51,624
TRAINING, RECRUITMENT AND WELLNESS	2,118,941	405,950	64,918	1,648,072	22.2%	392,499
RANGE AND EQUIPMENT	1,550,872	368,465	14,601	1,167,806	24.7%	356,290
COMMUNITY & MEDIA RELATIONS	488,574	37,038	-	451,536	7.6%	92,141
INFORMATION TECHNOLOGY/CRIME ANALYSIS	1,736,115	529,677	75,852	1,130,587	34.9%	580,039
CRIMINAL INVESTIGATIONS & INTERNAL OP'S	6,549,715	1,328,790	6,442	5,214,482	20.4%	1,426,545
CRIME LAB	170,298	36,213	-	134,085	21.3%	38,841
FIELD OPERATIONS DIVISION	23,293,045	4,794,096	27,639	18,471,310	20.7%	4,686,860
TRAFFIC	772,855	120,286	-	652,569	15.6%	269,445
SPECIAL EVENTS	627,643	297,076	14,998	315,569	49.7%	332,135
STREET CRIMES UNIT	2,731,971	358,839	-	2,373,131	13.1%	313,059
SPECIAL ENFORCEMENT TEAM	884,466	57,100	-	827,366	6.5%	241,194
PARKING AND STREET SWEEPING	397,555	104,358	-	293,197	26.2%	96,358
PARKING ENFORCEMENT	1,482,760	190,105	100,406	1,192,248	19.6%	226,427
COMBINED COMMUNICATIONS CENTER	3,129,417	791,533	-	2,337,883	25.3%	837,611
ANIMAL CONTROL	954,668	101,997	4,142	848,528	11.1%	119,808
<i>Total</i>	<u>52,587,249</u>	<u>10,821,326</u>	<u>585,307</u>	<u>41,180,616</u>	<u>21.7%</u>	<u>11,572,956</u>
<u>Fire</u>						
ADMINISTRATION	1,322,186	287,382	851	1,033,952	21.8%	281,745
EMERGENCY SERVICES AND PUBLIC ED	578,117	114,685	-	463,432	19.8%	120,991
PREVENTION	1,598,680	304,012	525	1,294,143	19.0%	338,042
WILDLAND FIRE MITIGATION PROGRAM	738,902	86,422	17,643	634,837	14.1%	55,849
OPERATIONS	26,377,093	6,239,873	99,569	20,037,650	24.0%	7,307,555
TRAINING AND RECRUITMENT	1,187,072	169,810	164	1,017,098	14.3%	135,384
ARFF	3,105,504	769,241	-	2,336,263	24.8%	775,386
<i>Total</i>	<u>34,907,554</u>	<u>7,971,426</u>	<u>118,753</u>	<u>26,817,376</u>	<u>23.2%</u>	<u>9,014,953</u>
TOTAL PUBLIC SAFETY	<u>87,494,803</u>	<u>18,792,752</u>	<u>704,059</u>	<u>67,997,992</u>	<u>22.3%</u>	<u>20,587,910</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,464,933	311,608	27,522	1,125,804	23.1%	317,569
ENGINEERING SVCS	7,094,124	1,312,839	51,782	5,729,503	19.2%	1,442,028
PUBLIC RT OF WAY MGMT	2,092,273	369,724	52,069	1,670,480	20.2%	402,010
ENVIRONMENTAL PROGRAMS	806,576	88,255	211,131	507,190	37.1%	99,480
<i>Total</i>	<u>11,457,906</u>	<u>2,082,427</u>	<u>342,503</u>	<u>9,032,976</u>	<u>21.2%</u>	<u>2,261,088</u>
TOTAL PUBLIC WORKS	<u>11,457,906</u>	<u>2,082,427</u>	<u>342,503</u>	<u>9,032,976</u>	<u>21.2%</u>	<u>2,261,088</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2022 (25% 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	1,047,254	219,465	3,854	823,934	21.3%	146,711
FACILITIES & SPECIAL EVENTS	1,574,152	347,893	138,527	1,087,732	30.9%	275,041
YOUTH ACTIVITIES	1,631,330	481,396	13,759	1,136,175	30.4%	403,515
ACTIVE ADULTS	1,109,737	262,193	8,341	839,204	24.4%	252,003
AQUATICS	2,230,584	683,552	149,834	1,397,198	37.4%	689,658
SPORTS	856,188	189,395	160,436	506,357	40.9%	203,170
TENNIS	566,645	111,278	173,057	282,310	50.2%	112,933
NEIGHBORHOOD & OUTREACH SERV	1,235,466	257,102	6,745	971,619	21.4%	255,500
ADMINISTRATION	1,269,735	270,739	901	998,095	21.4%	254,233
PROJECT MANAGEMENT TEAM	740,712	145,488	29,001	566,223	23.6%	128,379
PARK OPERATIONS MANAGEMENT	1,043,643	232,913	11,683	799,047	23.4%	161,553
GROUND & FACILITIES MAINTENANCE	5,926,303	1,312,741	147,702	4,465,859	24.6%	1,276,254
FORESTRY	1,609,092	324,865	101,901	1,182,327	26.5%	312,008
BEACH MAINTENANCE	158,254	27,477	8,610	122,167	22.8%	34,345
MEDIANS PARKWAYS & CONTRACTS	607,447	110,836	120,030	376,581	38.0%	105,524
<i>Total</i>	<u>21,606,542</u>	<u>4,977,335</u>	<u>1,074,378</u>	<u>15,554,829</u>	<u>28.0%</u>	<u>4,610,828</u>
<u>Library</u>						
ADMINISTRATION	932,821	245,949	99,654	587,218	37.0%	137,209
CENTRAL LIBRARY	5,946,744	1,145,827	7,400	4,793,518	19.4%	1,109,099
EASTSIDE LIBRARY	386,328	68,670	2,595	315,063	18.4%	82,499
LIBRARY ON THE GO	192,691	26,957	-	165,733	14.0%	21,809
ADULT EDUCATION	212,056	7,105	-	204,951	3.4%	-
<i>Total</i>	<u>7,670,640</u>	<u>1,494,508</u>	<u>109,649</u>	<u>6,066,483</u>	<u>20.9%</u>	<u>1,350,616</u>
TOTAL COMMUNITY SERVICES	<u>29,277,182</u>	<u>6,471,842</u>	<u>1,184,027</u>	<u>21,621,312</u>	<u>26.1%</u>	<u>5,961,443</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	2,014,906	480,925	63,475	1,470,507	27.0%	335,340
RENTAL HOUSING MEDIATION	321,113	70,142	-	250,971	21.8%	73,372
HUMAN SERVICES	862,824	5,628	-	857,196	0.7%	6,623
LONG RANGE PLAN & SPEC STUDY	995,328	221,214	382	773,732	22.3%	274,155
DEVEL & ENVIRONMENTAL REVIEW	1,721,654	348,219	15,366	1,358,069	21.1%	385,946
ZONING INFO & ENFORCEMENT	1,744,050	314,092	22,139	1,407,819	19.3%	347,210
DESIGN REV & HIST PRESERVATION	1,582,720	342,273	3,582	1,236,865	21.9%	385,062
BLDG INSP & CODE ENFORCEMENT	1,761,300	295,181	35,724	1,430,396	18.8%	443,676
RECORDS ARCHIVES & CLER SVCS	797,593	152,276	46,696	598,621	24.9%	166,231
BLDG COUNTER & PLAN REV SVCS	2,646,010	461,392	213,900	1,970,718	25.5%	527,046
CODE COMPLIANCE	771,758	121,619	227	649,912	15.8%	-
<i>Total</i>	<u>15,219,256</u>	<u>2,812,961</u>	<u>401,489</u>	<u>12,004,806</u>	<u>21.1%</u>	<u>2,944,661</u>
TOTAL COMMUNITY DEVELOPMENT	<u>15,219,256</u>	<u>2,812,961</u>	<u>401,489</u>	<u>12,004,806</u>	<u>21.1%</u>	<u>2,944,661</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2022 (25% 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	222,146	29,237	59,036	133,873	39.7%	5,180
<i>Total</i>	<u>222,146</u>	<u>29,237</u>	<u>59,036</u>	<u>133,873</u>	<u>39.7%</u>	<u>5,180</u>
TOTAL SUSTAINABILITY AND RESILIENCE	<u>222,146</u>	<u>29,237</u>	<u>59,036</u>	<u>133,873</u>	<u>39.7%</u>	<u>5,180</u>
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
ANTICIPATED SALARY SAVINGS	(4,420,842)	-	-	(4,420,842)	0.0%	-
TRANSFERS OUT	858,743	214,686	-	644,057	25.0%	382,991
CAPITAL OUTLAY TRANSFER	29,437,026	7,359,256	-	22,077,770	25.0%	6,413,355
APPROP. RESERVE	200,000	-	-	200,000	0.0%	-
<i>Total</i>	<u>26,074,927</u>	<u>7,573,942</u>	<u>-</u>	<u>18,500,985</u>	<u>29.0%</u>	<u>6,796,345</u>
TOTAL NON-DEPARTMENTAL	<u>26,074,927</u>	<u>7,573,942</u>	<u>-</u>	<u>18,500,985</u>	<u>29.0%</u>	<u>6,796,345</u>
TOTAL EXPENDITURES	<u>191,907,700</u>	<u>42,159,349</u>	<u>4,730,329</u>	<u>145,018,022</u>	<u>24.4%</u>	<u>43,117,047</u>

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

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Special Revenue Funds
For the Three Months Ended September 30, 2022 (25% 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	245,000	17,131	-	227,869	7.0%	57,879
Expenditures	245,000	17,131	-	227,869	7.0%	57,879
<i>Revenue Less Expenditures</i>	-	-	-	-		-
CREEK RESTORATION/WATER QUALITY IMPRVMT						
Revenue	4,845,513	1,858,445	-	2,987,068	38.4%	1,684,590
Expenditures	5,205,335	914,071	573,420	3,717,844	28.6%	776,360
<i>Revenue Less Expenditures</i>	(359,822)	944,374	(573,420)	(730,776)		908,230
COMMUNITY DEVELOPMENT BLOCK GRANT						
Revenue	1,196,247	44,835	-	1,151,412	3.7%	235,786
Expenditures	2,453,609	85,732	773,031	1,594,846	35.0%	359,695
<i>Revenue Less Expenditures</i>	(1,257,362)	(40,897)	(773,031)	(443,434)		(123,909)
COUNTY LIBRARY						
Revenue	446,729	844	-	445,885	0.2%	1,147
Expenditures	562,437	89,226	13,904	459,307	18.3%	206,796
<i>Revenue Less Expenditures</i>	(115,709)	(88,383)	(13,904)	(13,422)		(205,649)
STREETS FUND						
Revenue	13,178,081	3,187,807	-	9,990,274	24.2%	3,207,481
Expenditures	13,326,747	2,958,996	322,468	10,045,283	24.6%	2,913,451
<i>Revenue Less Expenditures</i>	(148,666)	228,811	(322,468)	(55,009)		294,030
MEASURE A FUND						
Revenue	5,045,484	1,016,980	-	4,028,504	20.2%	928,131
Expenditures	5,059,957	1,019,870	463,460	3,576,628	29.3%	799,852
<i>Revenue Less Expenditures</i>	(14,473)	(2,890)	(463,460)	451,877		128,280

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2022 (25% 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	33,716,747	8,374,994	-	25,341,753	24.8%	7,848,194
Other Fees & Charges	70,000	9,133	-	60,867	13.0%	875,914
Investment Income	44,500	20,956	-	23,544	47.1%	6,415
Grants	23,279	23,279	-	-	100.0%	23,211
Miscellaneous	286,223	2,799	-	283,424	1.0%	(9,766)
TOTAL REVENUES	<u>34,140,749</u>	<u>8,431,160</u>	<u>-</u>	<u>25,709,589</u>	<u>24.7%</u>	<u>8,743,968</u>
EXPENSES						
Salaries & Benefits	1,736,916	320,052	-	1,416,864	18.4%	371,125
Materials, Supplies & Services	30,930,325	5,814,317	422,887	24,693,121	20.2%	6,231,252
Special Projects	1,380,659	37,020	55,846	1,287,793	6.7%	2,909
Transfers-Out	50,000	12,500	-	37,500	25.0%	12,500
Capital Outlay Transfers	973	243	-	730	25.0%	487
Equipment	241,518	35,604	15,217	190,697	21.0%	4,927
Other	40,000	-	-	40,000	0.0%	-
Appropriated Reserve	22,420	-	-	22,420	0.0%	-
TOTAL EXPENSES	<u>34,402,810</u>	<u>6,219,736</u>	<u>493,949</u>	<u>27,689,125</u>	<u>19.5%</u>	<u>6,623,200</u>
<i>Revenue Less Expense</i>	<u>(262,061)</u>	<u>2,211,424</u>	<u>(493,949)</u>	<u>(1,979,536)</u>		<u>2,120,769</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2022 (25% 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	60,197,486	16,888,815	-	43,308,671	28.1%	17,042,457
Service Charges	208,765	91,534	-	117,231	43.8%	95,165
Cater JPA Treatment Charges	2,359,556	-	-	2,359,556	0.0%	(656)
Investment Income	901,175	327,873	-	573,302	36.4%	165,444
Reimbursements	6,759,704	1,162,722	-	5,596,982	17.2%	554,273
Miscellaneous	66,128	20,713	-	45,415	31.3%	115,478
TOTAL REVENUES	<u>70,492,814</u>	<u>18,491,656</u>	<u>-</u>	<u>52,001,158</u>	<u>26.2%</u>	<u>17,972,162</u>
EXPENSES						
Salaries & Benefits	13,981,945	2,880,459	-	11,101,487	20.6%	2,992,139
Materials, Supplies & Services	21,066,556	3,224,198	7,291,642	10,550,716	49.9%	2,787,216
Special Projects	803,963	84,215	52,509	667,239	17.0%	112,515
Water Purchases	11,084,565	2,050,915	-	9,033,650	18.5%	2,202,831
Debt Service	9,221,536	1,983,899	-	7,237,637	21.5%	1,943,199
Capital Outlay Transfers	14,080,186	3,520,046	-	10,560,140	25.0%	8,759,966
Equipment	247,606	1,875	11,503	234,229	5.4%	7,212
Capitalized Fixed Assets	290,275	11,991	144,016	134,269	53.7%	11,778
Other	33,800	708	-	33,092	2.1%	48
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>70,960,432</u>	<u>13,758,305</u>	<u>7,499,669</u>	<u>49,702,458</u>	<u>30.0%</u>	<u>18,816,906</u>
<i>Revenue Less Expense</i>	<u>(467,618)</u>	<u>4,733,351</u>	<u>(7,499,669)</u>	<u>2,298,700</u>		<u>(844,744)</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 Three Months Ended September 30, 2022 (25% 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	26,609,956	6,563,385	-	20,046,571	24.7%	6,330,086
Fees	584,826	140,741	-	444,085	24.1%	100,236
Investment Income	180,700	61,440	-	119,260	34.0%	32,694
Rents & Concessions	61,072	12,251	-	48,822	20.1%	15,268
Miscellaneous	5,000	3,179	-	1,821	63.6%	4,437
TOTAL REVENUES	<u>27,441,554</u>	<u>6,780,995</u>	<u>-</u>	<u>20,660,559</u>	<u>24.7%</u>	<u>6,482,721</u>
EXPENSES						
Salaries & Benefits	8,562,134	1,862,660	-	6,699,474	21.8%	1,904,012
Materials, Supplies & Services	10,216,367	1,811,822	1,975,400	6,429,145	37.1%	1,583,261
Special Projects	993,527	11,617	148,227	833,683	16.1%	115,613
Debt Service	3,551,087	341,981	-	3,209,106	9.6%	341,981
Capital Outlay Transfers	4,743,055	1,185,764	-	3,557,291	25.0%	1,234,960
Equipment	128,500	3,012	8,150	117,338	8.7%	18,301
Capitalized Fixed Assets	122,246	-	-	122,246	0.0%	25,275
Other	5,000	1,513	2,500	988	80.3%	1,485
TOTAL EXPENSES	<u>28,321,916</u>	<u>5,218,368</u>	<u>2,134,277</u>	<u>20,969,271</u>	<u>26.0%</u>	<u>5,224,887</u>
<i>Revenue Less Expense</i>	<u>(880,362)</u>	<u>1,562,627</u>	<u>(2,134,277)</u>	<u>(308,712)</u>		<u>1,257,833</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 Three Months Ended September 30, 2022 (25% 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	900,000	263,563	-	636,437	29.3%	208,541
Parking Fees	8,283,728	1,869,909	-	6,413,819	22.6%	1,124,815
Other Fees & Charges	30,000	3,939	-	26,061	13.1%	5,456
Investment Income	37,400	11,909	-	25,491	31.8%	7,579
Rents & Concessions	157,760	40,940	-	116,820	26.0%	40,940
Miscellaneous	144,366	39,570	-	104,796	27.4%	26,036
Operating Transfers-In	713,743	178,436	-	535,307	25.0%	182,924
TOTAL REVENUES	<u>10,266,997</u>	<u>2,408,266</u>	<u>-</u>	<u>7,858,731</u>	<u>23.5%</u>	<u>1,596,291</u>
EXPENSES						
Salaries & Benefits	5,255,213	1,101,348	-	4,153,865	21.0%	1,030,561
Materials, Supplies & Services	4,277,554	862,973	1,153,095	2,261,485	47.1%	630,299
Special Projects	439,459	39,455	356,305	43,700	90.1%	175,534
Capital Outlay Transfers	721,087	180,272	-	540,815	25.0%	56,606
Equipment	47,165	2,142	-	45,024	4.5%	2,066
Appropriated Reserve	10,000	-	-	10,000	0.0%	-
TOTAL EXPENSES	<u>10,750,478</u>	<u>2,186,189</u>	<u>1,509,400</u>	<u>7,054,888</u>	<u>34.4%</u>	<u>1,895,066</u>
<i>Revenue Less Expense</i>	<u>(483,481)</u>	<u>222,076</u>	<u>(1,509,400)</u>	<u>803,843</u>		<u>(298,775)</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 Three Months Ended September 30, 2022 (25% 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	5,607,214	1,196,238	-	4,410,976	21.3%	1,332,720
Leases-Terminal	9,757,487	2,246,240	-	7,511,247	23.0%	2,269,620
Leases-Non-Commercial Aviation	4,658,247	1,247,915	-	3,410,332	26.8%	1,231,016
Leases-Commercial Aviation	6,374,208	1,555,046	-	4,819,162	24.4%	1,291,234
Investment Income	200,500	81,943	-	118,557	40.9%	35,002
Grants	437,036	-	-	437,036	0.0%	-
Service Charges	-	412	-	(412)	100.0%	311
Miscellaneous	150,459	4,978	-	145,481	3.3%	19,457
TOTAL REVENUES	<u>27,185,151</u>	<u>6,332,773</u>	<u>-</u>	<u>20,852,378</u>	<u>23.3%</u>	<u>6,179,360</u>
EXPENSES						
Salaries & Benefits	10,376,693	2,194,377	-	8,182,316	21.1%	2,127,771
Materials, Supplies & Services	12,967,253	2,394,793	2,375,233	8,197,228	36.8%	2,137,537
Special Projects	3,156,948	161,758	1,195,360	1,799,830	43.0%	54,799
Transfer-Out	250,000	62,500	-	187,500	25.0%	-
Debt Service	1,551,750	387,938	-	1,163,813	25.0%	388,937
Capital Outlay Transfers	1,352,551	338,138	-	1,014,413	25.0%	1,348,413
Equipment	253,990	15,942	2,135	235,914	7.1%	12,894
Appropriated Reserve	131,556	-	-	131,556	0.0%	-
TOTAL EXPENSES	<u>30,040,741</u>	<u>5,555,445</u>	<u>3,572,728</u>	<u>20,912,569</u>	<u>30.4%</u>	<u>6,070,352</u>
<i>Revenue Less Expense</i>	<u>(2,855,590)</u>	<u>777,329</u>	<u>(3,572,728)</u>	<u>(60,192)</u>		<u>109,008</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 Three Months Ended September 30, 2022 (25% of Fiscal Year)

GOLF COURSE 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						
Fees & Card Sales	3,652,737	1,175,608	-	2,477,129	32.2%	1,049,328
Investment Income	22,500	9,447	-	13,053	42.0%	4,140
Rents & Concessions	162,252	63,230	-	99,022	39.0%	42,236
Miscellaneous	-	(311)	-	311	100.0%	(810)
TOTAL REVENUES	<u>3,837,489</u>	<u>1,247,974</u>	<u>-</u>	<u>2,589,515</u>	<u>32.5%</u>	<u>1,094,894</u>
EXPENSES						
Salaries & Benefits	87,333	19,244	-	68,089	22.0%	17,943
Materials, Supplies & Services	2,937,895	621,500	2,170,709	145,686	95.0%	532,784
Debt Service	41,430	-	-	41,430	0.0%	-
Capital Outlay Transfers	228,000	57,000	-	171,000	25.0%	52,659
TOTAL EXPENSES	<u>3,294,658</u>	<u>697,744</u>	<u>2,170,709</u>	<u>426,205</u>	<u>87.1%</u>	<u>603,387</u>
<i>Revenue Less Expense</i>	<u>542,831</u>	<u>550,230</u>	<u>(2,170,709)</u>	<u>2,163,310</u>		<u>491,507</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 Three Months Ended September 30, 2022 (25% 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	3,355,887	838,972	-	2,516,915	25.0%	771,976
Work Orders - Bldg Maint.	3,608,512	865,004	-	2,743,508	24.0%	684,978
Miscellaneous	10,500	-	-	10,500	0.0%	1,602
TOTAL REVENUES	<u>6,974,899</u>	<u>1,703,976</u>	<u>-</u>	<u>5,270,923</u>	<u>24.4%</u>	<u>1,458,556</u>
EXPENSES						
Salaries & Benefits	4,629,735	989,049	-	3,640,686	21.4%	974,224
Materials, Supplies & Services	2,070,928	404,013	534,618	1,132,298	45.3%	353,707
Special Projects	288,101	83,879	173,199	31,023	89.2%	26,822
Capital Outlay Transfers	193,598	48,399	-	145,199	25.0%	119,300
Equipment	10,000	2,183	-	7,817	21.8%	916
Appropriated Reserve	85,065	-	-	85,065	0.0%	-
TOTAL EXPENSES	<u>7,277,427</u>	<u>1,527,523</u>	<u>707,817</u>	<u>5,042,088</u>	<u>30.7%</u>	<u>1,474,968</u>
<i>Revenue Less Expense</i>	<u>(302,528)</u>	<u>176,454</u>	<u>(707,817)</u>	<u>228,835</u>		<u>(16,412)</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2022 (25% 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	3,182,866	742,403	-	2,440,463	23.3%	752,859
Investment Income	204,248	53,968	-	150,280	26.4%	30,815
Rents & Concessions	107,553	25,793	-	81,760	24.0%	29,900
Miscellaneous	68,000	14,500	-	53,500	21.3%	15
Operating Transfers-In	198,778	-	-	198,778	0.0%	-
TOTAL REVENUES	<u>3,761,445</u>	<u>836,664</u>	<u>-</u>	<u>2,924,781</u>	<u>22.2%</u>	<u>813,589</u>
EXPENSES						
Salaries & Benefits	231,260	41,759	-	189,501	18.1%	52,058
Materials, Supplies & Services	21,038	970	-	20,068	4.6%	8,117
Debt Service	198,778	-	-	198,778	0.0%	-
Capital Outlay Transfers	-	-	-	-	0.0%	257,253
Capitalized Fixed Assets	4,889,028	35,626	864,106	3,989,296	18.4%	388,804
TOTAL EXPENSES	<u>5,340,104</u>	<u>78,355</u>	<u>864,106</u>	<u>4,397,643</u>	<u>17.6%</u>	<u>706,232</u>
<i>Revenue Less Expense</i>	<u>(1,578,659)</u>	<u>758,309</u>	<u>(864,106)</u>	<u>(1,472,863)</u>		<u>107,357</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2022 (25% 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	3,161,802	789,535	-	2,372,267	25.0%	727,990
Reimbursements	5,000	1,250	-	3,750	25.0%	1,250
Miscellaneous	60,000	40,531	-	19,469	67.6%	16,704
TOTAL REVENUES	<u>3,226,802</u>	<u>831,317</u>	<u>-</u>	<u>2,395,485</u>	<u>25.8%</u>	<u>745,944</u>
EXPENSES						
Salaries & Benefits	1,698,636	351,456	-	1,347,180	20.7%	370,422
Materials, Supplies & Services	1,463,788	346,460	253,350	863,978	41.0%	316,593
Special Projects	65,042	10,679	56,892	(2,529)	103.9%	11,573
Capital Outlay Transfers	1,467	367	-	1,100	25.0%	734
Equipment	7,884	494	-	7,390	6.3%	-
Capitalized Fixed Assets	30,275	-	30,275	-	100.0%	8,966
Appropriated Reserve	15,000	-	-	15,000	0.0%	-
TOTAL EXPENSES	<u>3,282,091</u>	<u>709,455</u>	<u>340,517</u>	<u>2,232,120</u>	<u>32.0%</u>	<u>708,287</u>
<i>Revenue Less Expense</i>	<u>(55,289)</u>	<u>121,862</u>	<u>(340,517)</u>	<u>163,366</u>		<u>37,656</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2022 (25% 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	7,658,599	1,914,650	-	5,743,949	25.0%	1,023,263
Workers' Compensation Premiums	4,572,008	1,142,315	-	3,429,694	25.0%	1,041,025
OSH Charges	292,974	73,244	-	219,731	25.0%	72,558
Unemployment Insurance Premium	427,559	102,566	-	324,993	24.0%	69,382
Investment Income	40,800	3,782	-	37,018	9.3%	7,455
Operating Transfers-In	75,825	18,956	-	56,869	25.0%	18,956
TOTAL REVENUES	<u>13,067,765</u>	<u>3,255,512</u>	<u>-</u>	<u>9,812,253</u>	<u>24.9%</u>	<u>2,232,639</u>
EXPENSES						
Salaries & Benefits	928,263	188,379	-	739,884	20.3%	197,107
Materials, Supplies & Services	13,275,041	2,465,915	360,525	10,448,601	21.3%	2,195,659
Capital Outlay Transfers	409	102	-	307	25.0%	205
TOTAL EXPENSES	<u>14,203,713</u>	<u>2,654,396</u>	<u>360,525</u>	<u>11,188,791</u>	<u>21.2%</u>	<u>2,392,971</u>
<i>Revenue Less Expense</i>	<u>(1,135,948)</u>	<u>601,116</u>	<u>(360,525)</u>	<u>(1,376,539)</u>		<u>(160,332)</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 Three Months Ended September 30, 2022 (25% 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	5,061,982	1,259,501	-	3,802,481	24.9%	1,121,496
Operating Transfers-In	200,000	-	-	200,000	0.0%	-
TOTAL REVENUES	<u>5,261,982</u>	<u>1,259,501</u>	<u>-</u>	<u>4,002,481</u>	<u>23.9%</u>	<u>1,121,496</u>
EXPENSES						
Salaries & Benefits	3,420,556	625,552	-	2,795,004	18.3%	600,714
Materials, Supplies & Services	1,612,951	776,578	124,957	711,417	55.9%	841,681
Special Projects	297	-	97	200	32.7%	-
Capital Outlay Transfers	111,677	27,919	-	83,758	25.0%	45,532
Equipment	12,640	660	4,471	7,509	40.6%	1,309
TOTAL EXPENSES	<u>5,158,122</u>	<u>1,430,710</u>	<u>129,525</u>	<u>3,597,887</u>	<u>30.2%</u>	<u>1,489,235</u>
<i>Revenue Less Expense</i>	<u>103,860</u>	<u>(171,209)</u>	<u>(129,525)</u>	<u>404,594</u>		<u>(367,739)</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 Three Months Ended September 30, 2022 (25% 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	2,000,000	745,097	-	1,254,903	37.3%	763,738
Leases - Food Service	3,100,000	1,133,878	-	1,966,122	36.6%	1,049,961
Slip Rental Fees	5,070,940	1,293,147	-	3,777,793	25.5%	1,221,349
Visitors Fees	750,000	182,828	-	567,172	24.4%	240,141
Slip Transfer Fees	1,100,000	341,725	-	758,275	31.1%	466,450
Parking Revenue	3,254,325	1,223,457	-	2,030,868	37.6%	928,042
Wharf Parking	220,000	99,381	-	120,620	45.2%	90,593
Other Fees & Charges	252,630	63,747	-	188,884	25.2%	70,330
Investment Income	112,700	45,303	-	67,397	40.2%	23,276
Rents & Concessions	392,316	119,135	-	273,181	30.4%	106,548
Miscellaneous	783,220	92,515	-	690,705	11.8%	56,850
TOTAL REVENUES	17,036,131	5,340,214	-	11,695,917	31.3%	5,017,279
EXPENSES						
Salaries & Benefits	8,297,772	1,766,088	-	6,531,684	21.3%	1,894,545
Materials, Supplies & Services	6,062,350	1,257,866	1,030,291	3,774,193	37.7%	1,049,235
Special Projects	297,070	70,380	14,440	212,250	28.6%	57,166
Debt Service	2,036,965	889,263	-	1,147,702	43.7%	889,263
Capital Outlay Transfers	2,000,000	500,000	-	1,500,000	25.0%	27,353
Equipment	147,075	7,346	525	139,204	5.4%	10,221
Capitalized Fixed Assets	83,840	-	36,643	47,197	43.7%	-
Other	2,375	-	-	2,375	0.0%	-
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	19,027,445	4,490,943	1,081,898	13,454,604	29.3%	3,927,784
<i>Revenue Less Expense</i>	<u>(1,991,314)</u>	<u>849,271</u>	<u>(1,081,898)</u>	<u>(1,758,687)</u>		<u>1,089,495</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 Three Months Ended September 30, 2022 (25% 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	34,000,000	5,647,233	-	28,352,767	16.6%	-
Investment Income	-	-	-	-	0.0%	73
Operating Transfers-In	-	-	-	-	0.0%	200,067
TOTAL REVENUES	<u>34,000,000</u>	<u>5,647,233</u>	<u>-</u>	<u>28,352,767</u>	<u>16.6%</u>	<u>200,140</u>
EXPENSES						
Salaries & Benefits	177,610	42,761	-	134,848	24.1%	25,840
Materials, Supplies & Services	31,800,411	3,322,741	1,496,836	26,980,835	15.2%	38,010
Special Projects	1,110,847	183,351	51,825	875,671	21.2%	-
Other	311,368	-	-	311,368	0.0%	-
TOTAL EXPENSES	<u>33,400,235</u>	<u>3,548,853</u>	<u>1,548,661</u>	<u>28,302,722</u>	<u>15.3%</u>	<u>63,851</u>
<i>Revenue Less Expense</i>	<u>599,765</u>	<u>2,098,380</u>	<u>(1,548,661)</u>	<u>50,045</u>		<u>136,290</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2022 (25% 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	2,552,568	638,142	-	1,914,426	25.0%	592,268
Grants	-	-	-	-	0.0%	169,600
Miscellaneous	-	-	-	-	0.0%	1
TOTAL REVENUES	<u>2,552,568</u>	<u>638,142</u>	<u>-</u>	<u>1,914,426</u>	<u>25.0%</u>	<u>761,868</u>
EXPENSES						
Salaries & Benefits	691,985	139,127	-	552,858	20.1%	111,936
Materials, Supplies & Services	1,997,753	267,511	125,755	1,604,487	19.7%	145,791
Special Projects	127,778	-	51,744	76,034	40.5%	6,584
Debt Service	24,140	6,035	-	18,105	25.0%	6,035
Capital Outlay Transfers	435	109	-	326	25.0%	25,217
Equipment	2,000	-	-	2,000	0.0%	-
Capitalized Fixed Assets	78,600	-	78,600	-	100.0%	-
TOTAL EXPENSES	<u>2,922,691</u>	<u>412,782</u>	<u>256,099</u>	<u>2,253,810</u>	<u>22.9%</u>	<u>295,563</u>
<i>Revenue Less Expense</i>	<u>(370,123)</u>	<u>225,360</u>	<u>(256,099)</u>	<u>(339,384)</u>		<u>466,305</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 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)

General Fund Revenues

The table below summarizes preliminary General Fund revenues for the three months ended September 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 Three Months Ended September 30, 2022 Fiscal Year 2023								
GENERAL FUND								
	Current Year Analysis FY2023					Prior Year Analysis FY2022		
	Revised Budget	YTD Actual	Variance	**Projected Full-Year	Variance Projection to Budget	Percent Rec'd	Prior Year YTD Actual	Change From FY22
Property Tax	\$43,250,489	\$0	(\$43,250,489)	\$44,456,027	1,205,538	0%	\$0	-
Sales & Use Tax	26,704,042	7,408,720	(19,295,322)	26,704,042	-	28%	7,458,934	(1%)
Measure C Sales Tax	28,323,342	8,104,704	(20,218,638)	28,323,342	-	29%	7,647,258	6%
Transient Occupancy Tax	23,583,553	9,047,587	(14,535,966)	23,583,553	-	38%	8,311,110	9%
Utility Users Tax	7,779,112	2,138,098	(5,641,014)	7,779,112	-	27%	1,926,902	11%
Business License	2,714,006	506,812	(2,207,194)	2,714,006	-	19%	523,132	(3%)
Cannabis Excise Tax	1,879,977	368,558	(1,511,419)	1,879,977	-	20%	484,519	(24%)
Property Transfer tax	1,328,218	294,470	(1,033,748)	1,328,218	-	22%	321,276	(8%)
Total Taxes	\$135,562,739	\$27,868,948	(\$107,693,790)	\$136,768,277	\$1,205,538	21%	\$26,673,131	4%
License & Permits	159,858	39,539	(120,319)	159,858	-	25%	53,137	(26%)
Fines & Forfeitures	3,018,920	573,699	(2,445,221)	3,018,920	-	19%	843,591	(32%)
Franchise Fee	4,007,090	947,256	(3,059,834)	4,007,090	-	24%	955,462	(1%)
Use of Money & Property	1,921,816	622,700	(1,299,116)	1,921,816	-	32%	279,602	123%
Intergovernmental	2,615,530	86,267	(2,529,263)	2,615,530	-	3%	177,854	(51%)
Fee & Charges	14,867,084	4,590,277	(10,276,807)	14,867,084	-	31%	3,894,548	18%
Miscellaneous	22,370,270	5,149,843	(17,220,427)	22,370,270	-	23%	5,244,849	(2%)
Total Other	\$48,960,568	\$12,009,581	(\$36,950,987)	\$48,960,568	\$0	25%	\$11,449,043	5%
Total Revenues	\$184,523,307	\$39,878,529	(\$144,644,777)	\$185,728,845	\$1,205,538	22%	\$38,122,174	5%

****Projected Full-Year column projects only the general non-departmental revenues and Franchise Fees. All other revenues assume the same as budget for this table. Departments will be presenting more detailed projections during the Budget presentations in the upcoming months, and staff will provide more complete projections of all General Fund Revenues, as well.**

This table includes the annual adopted budget, as well as any budget adjustments to date, and actual collections for First Quarter of Fiscal Year (FY) 2023. 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 September 30, 2022, no property tax revenues had been received to date. Typically, the County does not start issuing property tax payments to the City until November or December each year. During the budget process, it was expected the City would see growth of approximately 2.5% from the prior year; however, more recent information now shows lower growth of approximately 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 2021-2022 was only 1.016% but has returned to 2% for 2022-2023. Actual property tax revenues are projected to come in above budget by approximately \$1.2 Million.

Sales Taxes

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

Sales tax revenue received to date is approximately \$7.4 Million, while representing three months of sales tax payments collected through September 30, 2022, on a cash basis. 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 budgeted to date by approximately \$732,710. Staff continues to monitor this revenue closely. It is likely that actual sales tax revenues will exceed budgeted revenues. Staff will evaluate a revised projection as additional tax remittances are received in preparation for the Q2 report.

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 the end of First Quarter is approximately \$8.1 Million on a cash basis. Similar to sales tax, Measure C sales tax also came in higher than budget by \$1 Million for First Quarter. Staff will continue to monitor this revenue closely and may consider adjusting the FY2023 budget projection. It is likely that actual Measure C sales tax revenues will exceed budgeted revenues. Staff will evaluate a revised projection as additional tax remittances are received in preparation for the Q2 report. The additional Measure C revenue will be programmed for capital projects in future budget cycles.

Transient Occupancy Tax

Transient occupancy tax (TOT) revenue at First Quarter is \$9 Million, which is significantly higher than collections for FY2021 and FY2022, 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 \$3.1 Million (53%) at the end of First Quarter. Staff continues to monitor this revenue closely. It is likely that actual TOT revenues will exceed budgeted revenues. Staff will evaluate a revised projection as additional tax remittances are received in preparation for the Q2 report.

Department and Other Revenues

Departmental revenues comprise approximately \$33.7 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.

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

The table below provides variances by department.

SUMMARY OF DEPARTMENTAL REVENUES GENERAL FUND For the Three Months Ended September 30, 2022 Fiscal Year 2023					
Department	Revised Budget	YTD Actual		Projected Full Year	Variance Projection to Budget
Mayor & Council	\$120,000	\$0	0%	\$120,000	\$0
City Attorney	311,302	270,000	87%	311,302	0
City Administrator	227,548	4,453	2%	227,548	0
Human Resources	35,000	0	-	35,000	0
Finance	535,631	66,284	12%	535,631	0
General Government	\$1,229,481	\$340,737	28%	\$1,229,481	\$0
Police	4,089,416	620,747	15%	4,089,416	0
Fire	4,959,442	932,713	19%	4,959,442	0
Public Safety	\$9,048,858	\$1,553,460	17%	\$9,048,858	\$0
Parks & Recreation	7,648,307	2,291,530	30%	7,648,307	0
Library	1,006,298	24,426	2%	1,006,298	0
Community Services	\$8,654,605	\$2,315,957	27%	\$8,654,605	\$0
Public Works	7,764,604	1,840,267	24%	7,764,604	0
Sustainability & Resiliency	0	0	0%	0	0
Community Development	7,032,134	2,054,350	29%	7,032,134	0
Total	\$33,729,682	\$8,104,771	24%	\$33,729,682	\$0
% of Annual Budget		24.0%		0.0%	

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

General Fund Expenditures

The table below summarizes the General Fund budget and year-to-date expenditures through September 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.

SUMMARY OF EXPENDITURES BY TYPE GENERAL FUND For the Three Months Ended September 30, 2022 Fiscal Year 2023					
Department	Revised Budget	YTD Actual		Projected Full Year	Variance Projection to Budget
Salaries	\$80,124,627	\$17,000,753	21%	\$80,124,627	\$0
Pension (Normal & UAL)	34,159,747	7,892,590	23%	34,159,747	0
Benefits (All Others)	14,919,422	2,880,237	19%	14,919,422	0
Attrition Savings	(4,420,842)	0	0%	(4,420,842)	0
Salaries & Benefits	\$124,782,954	\$27,773,580	22%	\$124,782,954	\$0
Supplies & Services	13,833,439	2,144,242	16%	13,833,439	0
Allocated Costs	15,495,102	3,819,872	25%	15,495,102	0
Special Projects	5,716,961	633,127	11%	5,716,961	0
Transfers Out	1,057,521	214,686	20%	1,057,521	0
Other	145,599	45,301	31%	145,599	0
Supplies & Other	\$36,248,622	\$6,857,227	19%	\$36,248,622	\$0
Equipment	1,610,371	116,080	7%	1,610,371	0
Capital - General Fund	1,251,610	310,853	25%	1,251,610	0
Capital - Measure C	28,399,413	7,099,853	25%	28,399,413	0
Debt Service	7,500	1,755	23%	7,500	0
Equipment & Capital	\$31,268,894	\$7,528,542	24%	\$31,268,894	\$0
Expenditure Reductions	(572,020)	0	0%	(572,020)	0
Appropriated Reserves	179,250	0	0%	179,250	0
Total	\$191,907,700	\$42,159,349	22%	\$191,907,700	\$0
% of Annual Budget		22.0%		0.0%	

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 the 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.

***Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)***

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 FY2023 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 \$1 Million.

The General Fund revised budget, including \$7,923,162 of carried forward appropriations and encumbrances, and any new FY2023 council approved amendments, is \$191.9 Million, of which \$42.2 Million has been spent as of September 30, 2022. The table below shows performance at department level.

SUMMARY OF DEPARTMENTAL EXPENDITURES GENERAL FUND For the Three Months Ended September 30, 2022 Fiscal Year 2023							
Department	Revised Budget	YTD Actual		Projected Full Year	YTD Variance Without Encumbrance	Encum- brance	Remaining Budget After Encumbrances
Mayor & Council	\$3,372,456	\$658,659	19.5%	\$3,372,456	\$2,713,797	\$1,210,368	\$1,503,429
City Attorney	4,496,917	969,451	21.6%	4,496,917	3,527,466	237,311	3,290,155
City Administrator	3,933,142	779,981	19.8%	3,933,142	3,153,161	277,569	2,875,592
Human Resources	3,047,913	524,836	17.2%	3,047,913	2,523,077	133,712	2,389,365
Finance	7,311,052	1,463,262	20.0%	7,311,052	5,847,790	180,253	5,667,537
General Government	\$22,161,480	\$4,396,189	19.8%	\$22,161,480	\$17,765,291	\$2,039,213	\$15,726,078
Police	52,587,249	10,821,326	20.6%	52,587,249	41,765,923	585,307	41,180,616
Fire	34,907,554	7,971,426	22.8%	34,907,554	26,936,128	118,753	26,817,375
Public Safety	\$87,494,803	\$18,792,752	21.5%	\$87,494,803	\$68,702,051	\$704,060	\$67,997,991
Parks & Recreation	21,606,542	4,977,335	23.0%	21,606,542	16,629,207	1,074,378	15,554,829
Library	7,670,640	1,494,508	19.5%	7,670,640	6,176,132	109,649	6,066,483
Community Services	\$29,277,182	\$6,471,843	22.1%	\$29,277,182	\$22,805,339	\$1,184,027	\$21,621,312
Public Works	11,457,906	2,082,427	18.2%	11,457,906	9,375,479	342,503	9,032,976
Sustainability & Resiliency	222,146	29,237	13.2%	222,146	192,909	59,036	133,873
Community Development	15,219,256	2,812,961	18.5%	15,219,256	12,406,295	401,489	12,004,806
Non-Departmental	26,074,927	7,573,940	29.0%	26,074,927	18,500,987	0	18,500,987
Total	\$191,907,700	\$42,159,349	22.0%	\$191,907,700	\$149,748,351	\$4,730,328	\$145,018,023
% of Annual Budget		22.0%		78.0%		2.5%	75.6%

Expenditure Analysis by General Fund

The General Fund Expenditure Budget for FY2023 was adopted at \$187.3 Million, with an additional \$7.9 Million added as a result of carried over budget from FY2022 and any other Council-approved adjustments. 45.6% 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 City's Parks and Recreation and Library Departments and comprises 15.3% of the total budget. General Government makes up 11.6% 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 \$1 Million for all departments through FY2023. With continued uncertainty in how the economic impact of the

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

pandemic will be felt by the City, staff has confidence that expenditures will end the year at or below budget and meet expenditure reduction targets.

General Fund expenditures were \$42.2 Million at September 30, 2022, representing 22% of the revised budget, with an additional \$4.7 Million (2.5%) encumbered.

General Government actual spending of \$4.4 Million, represents 19.8% of the annual budget. This includes salary savings from holding several positions vacant through First Quarter of Fiscal Year 2023.

Public Safety has expenditures of \$18.8 Million, representing 21.5% of the annual budget, with savings achieved from keeping a number of positions vacant.

The Police Department (PD) expended \$10.8 Million (20.6%) of its budget. The department continues to incur overtime due to impacts of COVID-19 on staffing levels with 25 open sworn positions and 21 professional service staff positions open. Staff continues to manage schedule and staffing needs to ensure appropriate law enforcement coverage for the City.

The ongoing officer staffing shortage has necessitated staffing reassignments and suspension of some programs until minimum staffing levels can be met. Two open officer positions will cover COVID-19 reduction targets. Additional salary and benefit savings will be used for supplies and services. 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 \$8 Million, using 22.8% of its budget. Most operational costs are tracking at or below expected, with additional decreases due to reimbursements from the American Medical Response company for emergency incident response. Unfavorable variances in overtime offset this savings.

At First Quarter, overtime is tracking unfavorably at 31% expended. This is mostly due to personnel use of paid-time-off (sick, vacation, holiday) and covering for firefighters off duty due to injury. Fire will continue monitoring these costs and provide an update for Second Quarter.

Required COVID-19 reductions have been met via reductions to operating costs included in the adopted budget and holding the Fire Inspector II position vacant.

Community Services had actual expenditures of \$6.5 Million, or 22.1% of budget. This performance is ahead of expectations.

The Library Department spent \$1.5 Million, or 19.5% of its annual budget, through First Quarter 2023. The Library continues to be open at reduced hours post-COVID and has limited access to the public at Central Library due to construction. Despite this, hours have been increased at the Eastside Library, and the Library has continued to deliver materials and robust services in-person, virtually, and through offsite outreach with the Library on the Go Van. Savings in the General Fund for First Quarter are largely due to multiple vacancies, which are expected to be filled by year end. Required COVID-19 reductions have been met at First Quarter with Salaries & Benefits savings from these open positions.

The Parks and Recreation Department (P&R) had expenditures of \$5 Million (23% of annual budget). In the absence of COVID-19 restrictions, facility rentals and other activities increased. Several expenditure categories came in higher than First Quarter of Fiscal Year 2022 due to filled

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

vacancies and increased water and fuel costs. Should warm weather and drought conditions persist, water costs are expected to have a considerable impact on the operating budget. Fuel costs increases may also negatively impact budget performance through the year. Increased Revenue performance may offset these additional expenditures. Required COVID-19 savings targets have been met with Salaries & Benefits savings from several vacancies through First Quarter of Fiscal Year 2023.

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 should COVID-19 restrictions recur. At the same time, they continue to advance key capital infrastructure planning, design, and construction for operations post pandemic.

The Public Works Department (PW) had expenditures of \$2.1 Million, or 18.2% of annual budget for FY2023. reflecting a savings of \$1.3 Million. Engineering and Land Development vacancies contribute to the large expenditure shortfall in First Quarter. Additional savings occurred with Administration's overall expenditures coming in at 2% below budgeted expectations. The Engineering Division continues to maintain productivity targets and anticipates ending the year at or very near target for General Fund subsidy by relying on internal staff for outreach needs and careful management of Supplies and Services spending.

The Sustainability & Resilience Department (S&R) had expenditures of \$29,237 (13.2% of annual budget). The General Fund currently contains spending related to a CalRecycle grant, as well as compensation of an Analyst position and part of the Director position. The two positions will be reclassified to the Energy Management Fund, which generates its own revenue. Activity related to the CalRecycle grant will be funded by that grant.

The Community Development Department (CD) had expenditures of \$2.8 Million or 18.5% of annual budget. If you include encumbrances of \$401,489 the total percentage of funds used is 21.1%. Salaries & Benefits expenditures are significantly below budget due to a departmental vacancy rate of approximately 15% and other required attrition savings measures. The Department expects to use a portion of this savings in MOU agreements that exceeded the budgeted staff increases and changes to the vacation cash-out and maximum hours policy. Targeted reductions were incorporated at the line-item level during budget development to meet required reductions.

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 FY2023 budget.

General Fund Reserves Projection

The table below summarizes the reserves projected in the General Fund by the end of FY2023, compared to 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

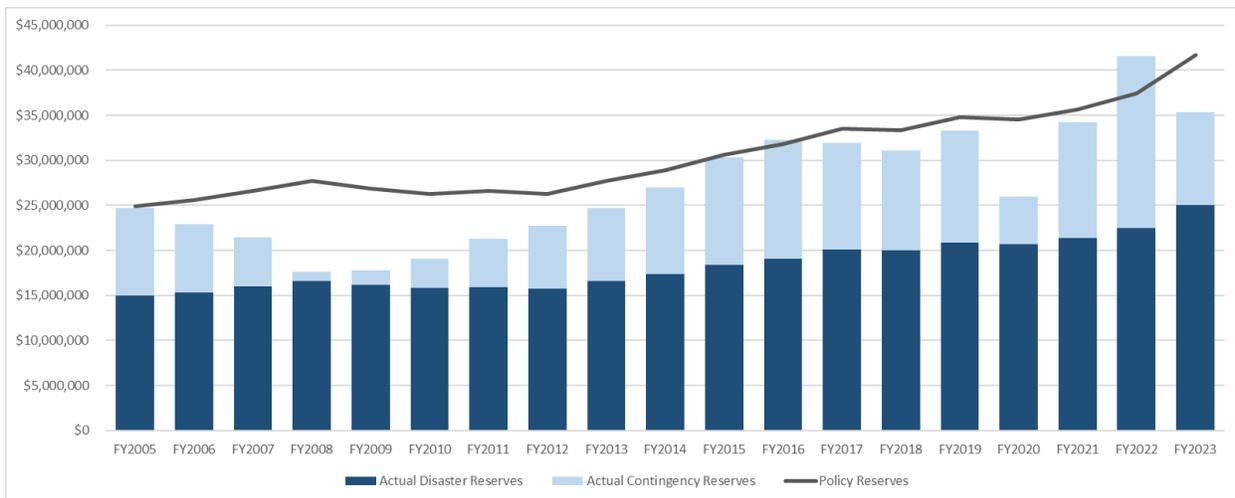
*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

revenue and expenditure projections included in future reports during quarterly reports to the City Council.

General Fund: Fund Balance	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Projected at Q1	FY2023 vs FY2022 Projected Change in Reserve
Contingency Reserve Target 10%	\$13,910,966	\$13,799,412	\$14,255,661	\$14,965,025	\$16,683,261	\$1,718,236
Disaster Reserve Target 15%	20,866,449	20,699,118	21,383,491	22,447,538	25,024,892	2,577,354
Total Policy Reserve Target	\$34,777,415	\$34,498,530	\$35,639,152	\$37,412,563	\$41,708,154	\$4,295,591
(Below) / Above Policy	(1,513,888)	(8,526,275)	(1,419,589)	4,110,358	(6,364,088)	(10,474,446)
Actual Reserves	\$33,263,527	\$25,972,255	\$34,219,563	\$41,522,921	\$35,344,066	(\$6,178,855)
Self-Insurance Fund Under-Reserve	(2,109,073)	(4,580,532)	(4,758,252)	(5,889,878)	(5,889,878)	0
Remaining Contingency Reserve	\$10,288,005	\$692,605	\$8,077,820	\$13,185,505	\$4,429,296	(\$8,756,209)

The FY2023 adopted budget required the strategic use of a small amount of reserves in order to balance the budget. Even though reserves were largely replenished by the end of FY2022, reserves are projected to be used in FY2023 to continue to balance the budget. 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 FY2023. The FY2023 adopted budget called for the use of \$1 Million of reserves to balance the budget, bringing reserves below policy targets in FY2023. FY2023 also includes the use of carryforward appropriation from FY2022, which is included in the revised budget.



*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

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 September 30, 2022, with a comparison to the current fiscal year budget and prior fiscal year expenses.

SUMMARY OF REVENUES & EXPENSES For the Three Months Ended September 30, 2022 Fiscal Year 2023 ENTERPRISE FUNDS							
	Current Year Analysis FY2023				Encumbered	Prior Year FY2022	
	Annual Budget	YTD Actual	Projected Year End	YTD Percent		YTD Actual	% Variance
Solid Waste Fund							
Revenues	\$34,140,749	\$8,431,160	\$34,140,749	24.7%	\$0	\$8,743,968	-3.6%
Expenses	34,402,810	6,219,736	34,402,810	18.1%	493,949	6,623,200	-6.1%
Add / (Use) Reserves	(\$262,061)	\$2,211,424	(\$262,061)		(\$493,949)	\$2,120,768	
Water Fund							
Revenues	70,492,814	18,491,656	70,492,814	26.2%	0	17,972,162	2.9%
Expenses	70,960,432	13,758,305	70,960,432	19.4%	7,499,669	18,816,906	-26.9%
Add / (Use) Reserves	(\$467,618)	\$4,733,351	(\$467,618)		(\$7,499,669)	(\$844,744)	
Wastewater Fund							
Revenues	27,441,554	6,780,995	27,441,554	24.7%	0	6,482,721	4.6%
Expenses	28,321,916	5,218,368	28,321,916	18.4%	2,134,277	5,224,887	-0.1%
Add / (Use) Reserves	(\$880,362)	\$1,562,627	(\$880,362)		(\$2,134,277)	\$1,257,834	
Downtown Parking Fund							
Revenues	10,266,997	2,408,266	10,266,997	23.5%	0	1,596,291	50.9%
Expenses	10,750,478	2,186,189	10,750,478	20.3%	1,509,400	1,895,066	15.4%
Add / (Use) Reserves	(\$483,481)	\$222,077	(\$483,481)		(\$1,509,400)	(\$298,775)	
Clean Energy Fund							
Revenues	34,000,000	5,647,233	34,000,000	16.6%	0	200,140	100.0%
Expenses	33,400,235	3,548,853	33,400,235	10.6%	1,548,661	63,851	5458.0%
Add / (Use) Reserves	\$599,765	\$2,098,380	\$599,765		(\$1,548,661)	\$136,289	
Airport Fund							
Revenues	27,185,151	6,332,773	27,185,151	23.3%	0	6,179,360	2.5%
Expenses	30,040,741	5,555,445	30,040,741	18.5%	3,572,728	6,070,352	-8.5%
Add / (Use) Reserves	(\$2,855,590)	\$777,328	(\$2,855,590)		(\$3,572,728)	\$109,008	
Golf Fund							
Revenues	3,837,489	1,247,974	3,837,489	32.5%	0	1,094,894	14.0%
Expenses	3,294,658	697,744	3,294,658	21.2%	2,170,709	603,387	15.6%
Add / (Use) Reserves	\$542,831	\$550,230	\$542,831		(\$2,170,709)	\$491,507	
Waterfront Fund							
Revenues	17,036,131	5,340,214	17,036,131	31.3%	0	5,017,279	6.4%
Expenses	19,027,445	4,490,943	19,027,445	23.6%	1,081,898	3,927,784	14.3%
Add / (Use) Reserves	(\$1,991,314)	\$849,271	(\$1,991,314)		(\$1,081,898)	\$1,089,495	

The expenses shown in the preceding table do not include outstanding encumbrances at September 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 \$8.4 Million at the end of First Quarter, which is on target to 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

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

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. Without this one-time payment, the Department is tracing well ahead of receipts last year and is on track to meeting this year's budgeted revenue.

Expenditures are \$6.2 Million (26.2% of the budget). Beginning in September, the City changed the way it is paying the County for tipping fees at the ReSource Recovery Center and landfill (paying the County directly rather than through the City's hauler). This change began in September, so there were some differences in timing of payments, which caused the expenditures to look lower than last year and lower than budget. By the end of Second Quarter, the timing of payments will catch up, and we will be back on track to budget. Staff expect to meet be on budget by year end.

Water Fund

Through the first three months of the Fiscal Year, Water Fund revenues have totaled approximately \$18.6 Million, or 26% of the adopted budget, which is on target with staff expectations, including anticipated seasonal variance in revenues, especially rate revenue. This is a common trend as the drier summer months tend to yield higher customer rate revenue. Staff expect this to slow over the winter months. Offsetting this positive variance are several other revenue sources which, due to the timing of payments, are behind budget. These include Water Supply Agreements. Staff expect all revenue lines to end the year at or above budget.

Expenditures ended First Quarter at 19.4% of annual budget, excluding incumbrances, or approximately \$28.3 Million. Encumbrances of \$7.5 Million bring expenditures up to 30% of annual budget, and include contracted services throughout the Fiscal Year. Although the Water Fund typically has budgetary savings at year end, staff anticipates final numbers will be closer to budget than they are at the end of First Quarter.

Wastewater Fund

First Quarter revenues are on target at \$6.8 Million (24.7% of annual budget). 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 \$5.2 Million (18.4% of annual budget). Encumbrances of \$2.1 Million bring expenditures up to 26.2% of annual budget. The timing of payments for services or obligations in Supplies and Services accounts for most large variances at First Quarter. Staff turnover and vacancies continue to drive savings, bringing Salaries and Benefits in at 22% of annual budget. Staff continues to cautiously spend financial resources and anticipates final numbers will be closer to budget than they are at the end of First Quarter.

Downtown Parking Fund

At First Quarter, actual revenues are at \$2.4 Million, or 23.5% of annual budget. Contributing factors include the PBIA assessment coming in at 29% of budget, exceeding expected budget to date by nearly \$39,000, due to stronger business activity Downtown. Conversely, Intergovernmental revenue had a shortfall of approximately \$11,000 not yet received for the Crossing Guard Program, but expected by year end. Continued difficulty staffing hourly lots for self-service in the mornings also affected Service Charges, which were down nearly \$205,000 from budget to date, or 2% short of target.

Overall expenditures for First Quarter are \$2.2 Million, or 20.3% of annual budget. Continued vacancies, including a Parking Supervisor, Marking Maintenance Coordinator, and Associate

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

Transportation Planner contribute approximately \$212,000 to this savings. Savings in Supplies and Services are mainly due to large unspent encumbrances of approximately \$1.1 Million for Facilities Maintenance of the plaza and downtown lots (\$992,000) such as landscaping, pest control, janitorial services, and alarm services; State Street Deep Cleaning & Lighting (\$66,000); and Equipment Repair (\$43,000), including elevator maintenance, Skidata revenue system maintenance, and other electronic equipment repair. These encumbrances are expected to be fully spent by year end. Additional unspent encumbrances for special projects total approximately \$356,000, and include the PBI Assessment Study, Downtown Marketing Contract, and New Beginnings and Safe Parking projects. Staff expects all of these to be fully spent by year end.

Clean Energy Fund

The Santa Barbara Clean Energy Fund began operation in October 2021 and started receiving revenue in Second Quarter Fiscal Year 2022. Revenues are typically recorded one-month in arrears, so while a First Quarter report would typically have three months worth of activity, this report only contains two month's worth of activity after June's revenues were accrued back to Fiscal Year 2022. Through two months, revenues are about \$5.6 Million, or 16.6% of budget, which is tracking slightly ahead of budget.

Expenditures for the Fund were \$3.5 Million (10.6% of annual budget) for FY2023. Expenditures are tracking slightly behind budget at this time. Staff expect to meet budget by year end.

Airport Fund

Total revenue collected through First Quarter is \$6.3 Million, or 23.3% of annual budget. Commercial/Industrial lease revenue is behind projections at 21.3% due to unfilled vacancies of about 8% of leasable spaces. Vacancies are expected to improve as staffing level increases to meet the necessary workload. Commercial aviation revenue is at 24.4% of annual budget. Due to timing of Fuel Flowage and Freight and Charger landing revenues being billed a month in arrears, this category is currently slightly behind projections when it should be trending above budget. Non-commercial aviation revenue is ahead of projections at 26.8% of annual budget. Terminal revenues are comprised of concessions, ground transportation, parking revenues, and other, smaller revenue categories. These are slightly behind budget at 23%, mostly due to timing of billing and delays in reporting. These issues should be resolved before the end of Second Quarter reporting.

At First Quarter, actual expenditures are at \$5.5 Million, or 18.5% of annual budget. Encumbrances of \$3.6 Million bring this up to 30.4%. Much of this is earmarked to cover Debt Service expenditures. Staff expect all encumbered funds to be fully spent by year end.

Golf Fund

At First Quarter, actual revenues are \$1.2 Million, or 32.5% of annual budget. This revenue figure is 13% ahead of First Quarter revenues in Fiscal Year 2022. Paid rounds remain strong due to favorable weather conditions and the ongoing popularity of the sport. By September 30, 2022, 32% of the projected 60,000 rounds have been met, and current trend indicate this number may be expected by 25-30% by year end (15,000-19,000 rounds).

Expenditures at First Quarter are \$697,744 (21.2% of annual budget), which is consistent with projected levels. Encumbrances of \$2.1 Million bring committed expenditures to 87.1%, and are due mostly to contracted services which will be spent by the end of the Fiscal Year.

Waterfront Fund

The aftermath of the global pandemic continues to negatively impact Waterfront Department revenues through First Quarter of Fiscal Year 2023, but the Department is seeing signs of

*Fiscal Year 2023 Interim Financial Statements
For the Three Months Ended September 30, 2022 (25% of Year Elapsed)*

economic recovery. We continue to closely monitor revenues with the growing concern that we could be headed into some form of economic recession.

Revenues for First Quarter of Fiscal Year 2023 are \$5.3 Million, or 31.3% of annual budget. Although Commercial Leases are down 2.4% (\$18,641) and Slip Permit Transfer Fees are down 27% (\$124,800) versus last year at this time, Food Service Leases are up nearly 8% (\$83,917) and Parking Revenue is up over 30% (306,043) over prior year. Although early in the Fiscal Year, staff project year-end revenues to come in above budgeted estimates.

Actual expenditures for First Quarter are \$4.5 Million (23.6% of annual budget). Encumbrances of \$1.1 Million bring that to 29.3% of annual budget. Numerous vacancies, including Maintenance Workers, Waterfront Business Manager, and several hourly positions drove savings in Salaries and Benefits, which finished slightly below budget for the first three months of the Fiscal Year. Supplies and Services also came in below budget. Combined savings for the Department are anticipated at nearly \$1 Million by year end.

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 FY2023 compared to policy reserve targets.

Enterprise Operating Funds	FY2022 Policy Reserves	FY2022 Available Reserves	FY2023 Projected Add (Use) of Reserves	FY2023 Projected Available Reserves
Solid Waste	3,891,700	(195,791)	2,211,424	2,015,633
Water	31,423,570	4,220,266	4,733,351	8,953,617
Wastewater	10,203,876	1,125,749	1,562,627	2,688,376
Downtown Parking	2,391,028	503,670	222,077	725,747
Clean Energy	TBD	(2,789,132)	2,098,380	(690,752)
Airport	6,729,550	3,664,829	777,328	4,442,157
Golf	932,147	619,710	550,230	1,169,940
Waterfront	3,586,785	1,375,070	849,271	2,224,341

All enterprises ended FY2022 in a favorable reserve position with funds that will be used for much needed capital improvements for many enterprise funds. 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 FY2023 budget assumed an ending fund balance of \$6.5 Million in the SIF.

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 2023 Financial Statements for the Three Months Ending September 30, 2022
 Schedule of Proposed First Quarter Budget Adjustments

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
GENERAL FUND (Fund 1000)			
Increase appropriations for civil litigation and code enforcement/prosecution costs and reduce appropriations for facilities cost.	\$ 10,000.00	\$ -	\$ (10,000)
	\$ (10,000.00)	\$ -	\$ 10,000
Increase estimated revenues and appropriations for a transfer of \$30,000 from the Technology Fee Reserve (3000-331020) to provide funding required to upgrade Building & Safety inspectors to laptops for use in the field, add tablets for use by board and commission members to facilitate an improved digital plan viewing experience, and add improved plan review software to create a more efficient plan review process. The Technology Fee reserve has \$724K available at the end of FY22.	\$ 30,000	\$ 30,000	\$ -
Increase estimated revenues and appropriations in the amount of \$22,000 to replace a damaged and outdated overhead door at Airport Fire Station 8. The Airport is reimbursing the Fire Department for the replacement costs. Public Works Facilities Management is overseeing the replacement.	\$ 22,000	\$ 22,000	\$ -
Total General Fund (1000)	\$ 52,000	\$ 52,000	\$ -
SPECIAL REVENUE FUNDS			
Comm.Development Block Grant Fund (2130)			
Reduce estimated revenues and appropriations to adjust to actual award amount. The FY23 budget for the CDBG Fund was developed using the prior year's award amount as the official FY23 CDBG award notification had not yet been received. The actual FY23 CDBG award amount is \$29,389 less than the amount that was used for budget development. This entry adjusts the FY23 budget to the actual FY23 award amount.	\$ (29,389)	\$ (29,389)	\$ -
Total Comm.Development Block Grant Fund (2130)	\$ (29,389)	\$ (29,389)	\$ -
Federal Home Loan Program Fund (2140)			
Increase revenue and expenditure appropriations in the HOME program by \$62,618 to adjust to actual award amount. The FY23 budget for the HOME Fund was developed using the prior year's award amount as the official FY23 HOME award notification had not yet been received. The actual FY23 HOME award amount is \$62,618 more than the amount that was used for budget development. This entry adjusts the FY23 budget to the actual FY23 award amount.	\$ 62,618	\$ 62,618	\$ -
Increase estimated revenues and appropriations by \$3,767 in the HOME Fund. Each year there is a requirement to award the program income received during the prior fiscal year. This adjustment is necessary to have sufficient appropriations to fund the required award.	\$ 3,767	\$ 3,767	\$ -
Increase appropriations by \$2,238 in the HOME Fund. On an annual basis, the HOME Fund budget should be balanced. Total revenues should equal total expenditures. Due to position allocation changes and other moving costs, the final FY23 HOME Fund budget was not in balance. This entry adjusts the budget to bring it in to balance.	\$ 2,238	\$ -	\$ (2,238)
Total Federal Home Loan Program Fund (2140)	\$ 68,623	\$ 66,385	\$ (2,238)
Perm Local Housing Alloc Fund (2150)			
Increase revenue and expenditure appropriations in the PLHA Fund to adjust budgets to actual award amounts. Budget development for the PLHA Fund is based on an estimate prior to receiving the actual award amount from the State. This entry adjusts revenue and expenditures to accurately reflect the actual award amounts received for Fiscal Years 2023 and 2022. While this entry creates expenditure appropriations, all programming of activity in the PLHA Fund will return to Council as needed for contract approval.	\$ 599,302	\$ 599,302	\$ -
Total Perm Local Housing Alloc Fund (2150)	\$ 599,302	\$ 599,302	\$ -
Community Development Miscellaneous Grants Fund (2810)			
Increase estimated revenue and appropriations in the Community Development Miscellaneous Grants Fund by \$10,000. This entry programs an additional \$10,000 in REAP Grant Funds. The City received a REAP in the amount of \$499K with a period of activity from 1/1/21 through 9/30/23. The remaining balance in the grant is set aside for Grant Administration and reimbursement of staff time spent on grant activities. The Grant Administration is not going to be fully spent and there is a need for additional support from interns. This entry allocates \$10,000 that was previously set aside for Grant Administration to hourly salaries for interns.	\$ 10,000	\$ 10,000	\$ -
Total Community Development Miscellaneous Grants Fund (2810)	\$ 10,000	\$ 10,000	\$ -

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
SPECIAL REVENUE FUNDS (Continued)			
Library Miscellaneous Grants Fund (2850)			
Increase estimated revenue and appropriations as the Santa Barbara Public Library was awarded a \$20,000 grant by SB ACT to support outreach and resource navigation at Community Connections programs.	\$ 20,000	\$ 20,000	\$ -
Increase estimated revenue and appropriations as the Friends of the Eastside Library gave the Eastside Branch Library an additional \$20,267.60 contribution to support Library collections and supplies.	\$ 20,268	\$ 20,268	\$ -
Increase estimated revenue and appropriations as the Packard Foundation awarded the Library Department \$4,000 for Stay and Play programming which supports families and caregivers.	\$ 4,000	\$ 4,000	\$ -
Total Library Miscellaneous Grants Fund (2850)	\$ 44,268	\$ 44,268	\$ -
Parks and Recreation Miscellaneous Grants Fund (2860)			
Increase estimated revenue and appropriations to receive a final disbursement/donation from the Elizabeth Firth Wade Endowment Foundation for A.C. Postel Memorial Rose Garden.	\$ 25,000	\$ 25,000	\$ -
Total Parks and Recreation Miscellaneous Grants Fund (2860)	\$ 25,000	\$ 25,000	\$ -
Capital Outlay Fund (3000)			
Increase appropriations to transfer out \$30,000 from the Technology Fee Reserve (3000-331020) to provide General Fund (1000) funding required to upgrade Building & Safety inspectors to laptops for use in the field, add tablets for use by board and commission members to facilitate an improved digital plan viewing experience, and add improved plan review software to create a more efficient plan review process. The Technology Fee reserve has \$724K available at the end of FY22.	\$ 30,000	\$ -	\$ (30,000)
Total Capital Outlay Fund (3000)	\$ 30,000	\$ -	\$ (30,000)
ENTERPRISE FUNDS			
Airport Operating Fund (5700)			
Increase appropriations by \$250,000 from Airport Operating Reserves for TSA Queuing Support - Due to record levels of enplanements and new requirements, the TSA queuing is often spilling downstairs requiring additional Security Aide support; due to difficulty in recruitment, the need to contract this service out has become a necessity.	\$ 250,000	\$ -	\$ (250,000)
Increase appropriations by \$33,000 from Airport Operating Reserves for Airport Terminal Passenger Profile and Economic Impact Study with Visit Santa Barbara and conducted by Destination Analytics.	\$ 33,000	\$ -	\$ (33,000)
Increase appropriations by \$22,000 from Airport Operating Reserves to replace a damaged and outdated overhead door at Airport Fire Station 8. The Airport is reimbursing the Fire Department for the replacement costs. Public Works Facilities Management is overseeing the replacement.	\$ 22,000	\$ -	\$ (22,000)
Total Airport Operating Fund (5700)	\$ 305,000	\$ -	\$ (305,000)
Waterfront Operating Fund (5800)			
Increase appropriations to transfer out \$250,000 from the Waterfront Operating Fund to Waterfront Capital Fund for interior dredging.	\$ 250,000	\$ -	\$ (250,000)
Total Waterfront Operating Fund (5800)	\$ 250,000	\$ -	\$ (250,000)
Waterfront Capital Fund (5810)			
Increase appropriations by \$425,498 from the Waterfront Capital Fund reserves for various capital projects in FY 2023.	\$ 425,498	\$ -	\$ (425,498)
Increase estimated revenues to transfer in \$250,000 from the Waterfront Operating Fund to Waterfront Capital Fund for interior dredging.	\$ -	\$ 250,000	\$ 250,000
Total Waterfront Capital Fund (5810)	\$ 425,498	\$ 250,000	\$ (175,498)