

City of Beverly Hills



Fiscal Year 2003/2004 Budget

Thomas S. Levyn
Mayor

Mark Egerman
Vice Mayor

Linda J. Briskman
Councilmember

Stephen P. Webb
Councilmember

Jimmy Delshad
Councilmember

Frank M. Fenton
City Treasurer

Mark Scott
City Manager

Donald J. Oblander
Chief Financial Officer

Profile of Beverly Hills

The City of Beverly Hills, a long-established residential city and commercial center is located within Los Angeles County in Southern California. The City, incorporated in 1914, has an estimated 2003 population of 34,052. From the beginning, when it was planned as a subdivision in 1906, Beverly Hills was designed as a special place. In subsequent years, much has changed, but not the desire to keep it special. As a result, the City of Beverly Hills has established a tradition of providing residents, businesses and visitors with a superior level of public safety services, premium life enrichment opportunities, and a renowned physical environment. From rolling hillside estate homes through a world renowned business community to charming family bungalows and apartments, Beverly Hills provides its residents, visitors and business partners a community often sought but rarely found in modern urban centers.

Beverly Hills is blessed by a healthy business community. Revenues generated from the business sector represent about 80% of total General Fund revenues. This allows the City to provide residents with the finest of residential living environments - clearly the City Council's first objective. Over the last few years, Beverly Hills has become the home of many entertainment industry headquarters, especially in the music recording field. The City has also attracted the most prestigious art galleries in the country, and all of the major talent agencies. In the retail field, Beverly Hills has enjoyed remarkable reinvestment in all geographical and market areas.

City of Beverly Hills

DEPARTMENT OF FINANCE ADMINISTRATION

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Printed October, 2003

City of Beverly Hills
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October 22, 2003

Honorable Mayor, City Council and Citizens of Beverly Hills:

Adoption of the annual budget represents the end of a six-month journey for the City Council and City Staff. Once adopted, staff begins the effort to implement the projects and programs which have been funded by the City Council. Throughout the year, we also monitor our revenue receipts and expenditures. This is essentially the task of any business, but it differs somewhat for a government agency. First, ours is the people's business. As such, decision-making can be slower and more highly scrutinized. The budget process is intended to enhance the public's access to the process.

Secondly, a local government differs on the broad range of our enterprise. In what private business, for instance, would one ever find business subsidiaries that are as disparate:

Crime Prevention	and	Library Services
Cable TV Broadcasting	and	Sewer Maintenance
Paramedic Services	and	Literacy Programs
Zoning Regulation	and	Recycling
Day Care Programs	and	Building Inspection
Street Tree Maintenance	and	Public Parking Operations
Farmers' Market	and	Water Treatment

The list goes on. Governments tend to provide those community services that the private sector either will not or can not provide profitably. No level of government accumulates more varied services than a city. As a result, a municipal budget is necessarily lengthy and complicated for the reader. To determine the health of the total agency, one must evaluate each and every fund and enterprise. We apologize for that complexity, but it is the nature of our business.

Finally, public sector businesses vary from our private counterpart in how one measures performance. Profitability is the key measure of a private business. Public businesses can be evaluated to determine "break-even" status, but that is not the sole criterion. We evaluate our performance on a variety of measures, including among others:

- Contribution to the Quality of Living (sort of our "bottom line")
- Social Equity and Consistency with Community Values
- Investment toward Future Generations (including support for economy, environment and infrastructure)

It can be very difficult to gauge local government's outcomes, and we rely a great deal on feedback from the public. For that reason, a sizeable portion of Beverly Hills' budget supports an active public participation program - eight City Commissions, Team Beverly Hills, a broad General Plan Update outreach, special citizen committees, Friends of the Library, Friends of Greystone, CPR, CERT, DCS, Neighborhood Watch and many other volunteer programs. These provide our most significant link to the public and our best feedback concerning our performance.

Letter of transmittal (continued)

I am happy to report that the Beverly Hills municipal budget is solid and our financial condition is sound. We have a strong Balance Sheet. Beverly Hills is in an envious position compared to the vast majority of cities in the country. Thanks to our favorable financial condition, we are able to offer perhaps the state's best governmental services, including those of the BH Unified School District. Our economy is supported by a wide range of industries - tourism, hospitality, retail, entertainment, luxury auto sales, financial services and real estate.

Beverly Hills is fortunate. However, there are potential clouds in our future, caused largely by a dangerously under funded State government. The State situation threatens our stability and the risks cannot be overstated. When the State legislature "balanced" its budget this summer, they did so by borrowing money and taking money from local governments. As did other cities, we will lose one-half of our sales tax next year in return for a very uncertain State "backfill" using other unidentified State revenues. This will cause a potential loss of \$9.5 million in sales tax, which is almost 9% of our General Fund (i.e., discretionary, non-utility) revenues. The General Fund is the source of funding for Police, Fire, Library, Recreation & Parks and street maintenance services among others. This would be a potentially devastating loss.

The sales tax concern must be considered in the context of other funding challenges: poor retail economy, increasing pension costs for public safety personnel, escalating medical insurance premiums for all employees, troubling litigation costs and ongoing increases in local security and emergency preparedness spending.

Thus, when I note Beverly Hills' favorable economic condition, I do so advisedly. We may be forced to look beyond normal methods to fund our services, or we may be forced to rethink the level or variety of service programs we deliver.

In adopting the 2003/04 budget, the City Council studied the City's 5-year planning horizon. Anticipating shortfalls in future years, they directed the staff to evaluate a variety of options, including:

- Aggressive cost control ("belt tightening")
- Reductions in staffing or service levels
- Elimination of lower priority programs or projects
- Increases in fees or fines
- Possible new revenue sources
 - Converting "two-hour free parking" to "two-hour free with validation"
 - Consideration of a limited-duration utility tax
 - Fundraising or sponsorship opportunities
 - Government or foundation grants
 - Entrepreneurial opportunities

Of the above, the most preferred method would be cost-control or phasing out lower priority programs. It is virtually impossible, however, to meet the anticipated shortfall without some mix of several options on the above list. Over the next 6-12 months, our challenge will be to establish a plan that keeps Beverly Hills viable and to do so without sacrificing those characteristics that make Beverly Hills such a special place.

Letter of transmittal (continued)

As I write this message, I am preparing to retire as Beverly Hills' City Manager, a job I have literally loved for the last 13+ years. Over my 20 years with the City, I have worked on budgets which ranged from impossibly tight to those that were very comfortable. Good times come and go, and so do the reputations of communities. Beverly Hills enjoys one of the best reputations in the world, and I think I understand why. This is a world-class "community" – a place where people care as much for the whole as for the individual parts. Our greatness is collective. I have been blessed by the opportunity to ride the coattails of so many people who demonstrate that caring. It has been my privilege to follow the leadership of extraordinary Mayors and City Councilmembers. I am convinced that no community in California has had such a long and effective run of high integrity and talented elected officials. Add to that mix, the guardianship of City Treasurer Frank Fenton, our City Commissioners and civic volunteers. Our public is smart, informed and unafraid to speak up. In other words, they are devoted members of our civic infrastructure.

My final words of praise go to my peers – my co-workers on the entire City staff. My job has been simple and pleasant because our dedicated and caring staff requires virtually no direction from the City Manager. They do their "jobs" as a matter of pride and passion. I've never seen anything like it. They have taught me and given me the gift of friendship at the same time. No city workforce accepts "ownership" better than ours. They are the best and no City Manager will ever owe more to his co-workers than I do. From the depths of my heart and soul, I thank them.

I must also acknowledge those dedicated staff who contributed so much to the preparation of this budget document. The team is led by Don Oblander, a near-legend in municipal finance, and by Noel Marquis, a magician who can make good sense out of the most confusing raw data. They are ably assisted by Budget Manager Alberto Zelaya, Accounting Manager Bill Osumi, Director of Audits Scott Smith and their staff. My personal thanks also go to my longtime colleagues Fred, Maria, Cindy, Dan, Nina, Robin, April, Marv, Steve, Michael, Ron, Dave, Pat, Alan, Mary and also to an upcoming generation named David, Tony, Larry, Mahdi, Pete, George, Peter, Pamela, Keone, Rob, Chris, Mary, Aaron and Katie. Very special debt is owed to Gisele Grable who I long ago acknowledged as the one who truly runs the City from day to day.

I leave Beverly Hills feeling a mixture of pride and sorrow, but knowing that the community is in good hands. I wish I could offer a better budgetary picture, but I know that this team can and will balance all interests and make good decisions. I welcome my successor City Manager and wish that he or she receives the same support and nurturing that I have. In my case, I recognize that "the community made the manager" and not the reverse. I am forever grateful.

SUMMARY OF THE BUDGET AND ACCOUNTING STRUCTURE OF THE CITY

Cities use "fund accounting" to record their financial transactions. Beverly Hills uses several different types of funds, such as:

General Fund These are unrestricted funds generated from Business, Sales, Property and Transient Occupancy taxes and other general revenues available for discretionary spending. The General Fund is used to record only current revenues and current expenses; it does not recognize either long-term assets or liabilities. It is the fund that provides traditional governmental services such as public safety, library and recreational services.

Infrastructure Funds Primarily a subset of the General Fund used to recognize and fund long-term capital or property expenditures (primarily roadways, sidewalks and other infrastructure items) for assets which belong to the General Fund.

Special Revenue Funds Restricted funds with dedicated funding sources, such as:

Letter of transmittal (continued)

Park & Recreation Tax Fund -- fees from new development. May be used only for park related expenses.

Propositions A & C Transportation Funds derived from sales tax entitlements and administered by the Los Angeles County Metropolitan Transportation Authority (MTA). May be used only for transportation or transportation related programs and expenses.

Fine Art Fund -- fees from new development. May be used only to provide public art and art related exhibitions.

Enterprise Funds

Restricted funds, largely from user fees, dedicated to specific “cost center” functions, such as:

Water Enterprise Fund

Wastewater Enterprise Fund

Stormwater Enterprise Fund

Solid Waste Fund

Parking Enterprise Fund

Internal Service Funds

These are funds established to provide centralized support for internal operations. Revenues come from charges to the various departments or enterprise funds. Internal Service Funds include:

Capital Assets (Vehicle and Facilities Maintenance) Fund

Information Technology Fund

Cable Television Fund

Litigation & Liability Fund

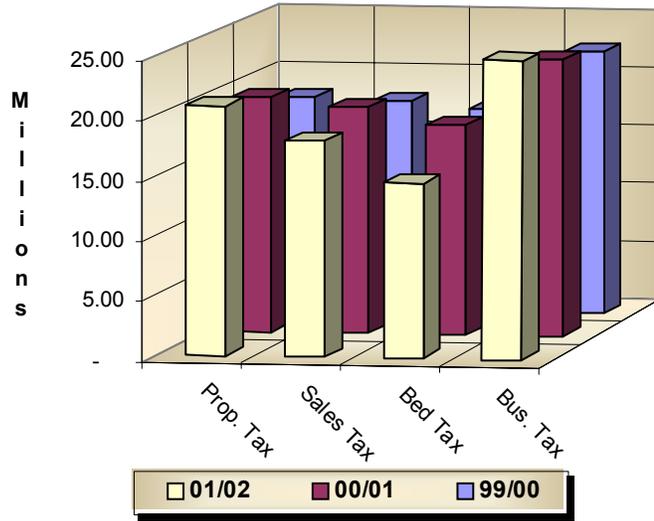
Workers Compensation Fund

SUMMARY BY FUND CATEGORY - BUDGETED REVENUES AND EXPENDITURES

	General Fund	Infrastructure Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds
Revenues					
Taxes	83,749,248	-	2,069,629	-	-
Subventions & Grants	830,292	-	2,799,002	-	-
Licenses and Permits	6,518,173	-	-	-	-
Fines and Penalties	5,587,600	-	-	-	-
Use of Money	6,408,558	750,000	803,978	9,036,591	1,082,069
Charges for Service	10,988,699	-	102,500	40,389,460	33,570,749
Miscellaneous	1,100,084	-	-	807,669	44,202
Transfers In	6,000	1,766,075	-	-	425,834
Total Revenues	115,188,654	2,516,075	5,775,109	50,233,720	35,122,854
Expenditures					
Salary and Benefits	64,520,209	-	110,855	7,319,365	4,567,416
Materials & Supplies	3,000,129	-	3,829	643,098	1,233,352
Contractural Services	11,551,692	-	1,491,594	17,986,400	7,322,606
Capital Outlay	147,050	-	4,126,999	-	-
Capital Projects	-	2,410,000	4,126,999	6,550,002	7,395,999
Internal Service Charges	24,088,297	-	12,365	9,357,696	2,682,821
Claims	-	-	-	-	3,435,000
Depreciation	-	1,824,747	-	6,190,645	7,626,581
Debt Service	-	1,766,075	-	8,962,168	425,834
Miscellaneous Charges	(617,627)	8,640	-	188,515	178,354
Transfers Out	-	-	6,000	-	-
Total Expenditures	102,689,750	6,009,462	9,878,641	57,197,889	34,867,963

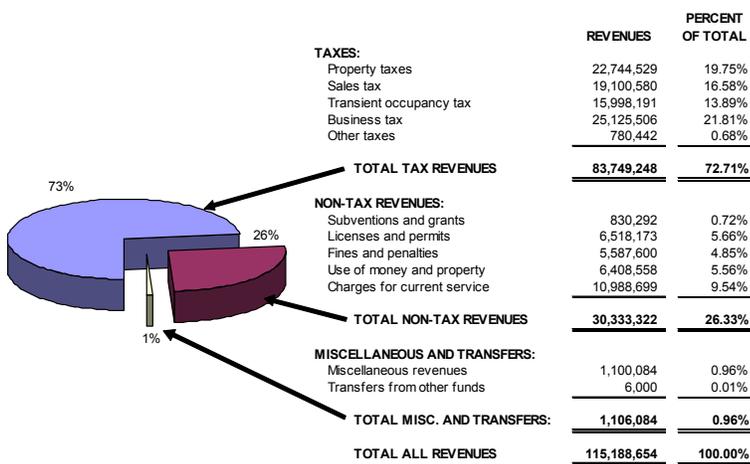
GENERAL FUND REVENUE PROJECTIONS

General Fund revenues for FY 2003/2004 are conservatively projected, as a result of current economic trends, to total \$115.2 million compared to projected revenues of \$114.2 million for FY 2002/2003, representing a decrease year-over-year. Shown in the accompanying graph are the City's four largest tax revenues; Property, Sales, Transient Occupancy (often referred to as a Bed Tax) and Business Tax.



Most people are surprised to learn that the City's biggest tax generator is Business Tax, generating roughly \$25.4 million for fiscal year 2002/2003. More than half of this comes from property rental income. The City implemented this tax on the eve of Prop. 13's passage, recognizing the windfall gain that high income property was about to receive. Because the tax on income property is often passed along to tenants, we are frequently told that this tax is "unfriendly" to Beverly Hills businesses. Our counterargument is that we have no utility tax, no parking tax, no mall charges, and no assessment fees. In any case, the Business Tax carried us through the slow years of the 90's. For 2003/2004 we are budgeting a slight decrease from our current projection to a conservative \$25.1 million.

Sales Tax continues to show the impacts of 9-11 and the general economic climate with current projections at \$18.2 million for 2002/2003. Budget for 2003/2004 is a little on the optimistic side at \$19.1 million. Don Oblander and his staff and consultants should be credited with aggressive tax auditing for both Sales and Business Taxes in recent years. The audit program has generated several million dollars of additional revenue to the City.



This chart shows the relationship between the various General Fund revenue sources.

Property Tax has continues to show the strength of the California real estate market. We should keep in mind that in past economic cycles property tax was slower to respond to the downward trend and even slower to recover. We have been hurt both by declining property values (with lowering assessments) and by State "takeaways" of Property Tax in the past. For the fiscal year 2003/2004 budget we expect Property Tax Revenues of about 22.7 million, an increase of about a million dollars over our projected fiscal year 2002/2003 revenue. We have excellent prospects for increases in the next few years. Even with all this encouraging news, I am quick to point

Letter of transmittal (continued)

out that all of our Property Tax does not even pay for the operations of the Police Department alone (\$31.7 million). In a post-Prop. 13 world, Property Tax does not even remotely cover the costs of non-fee based services.

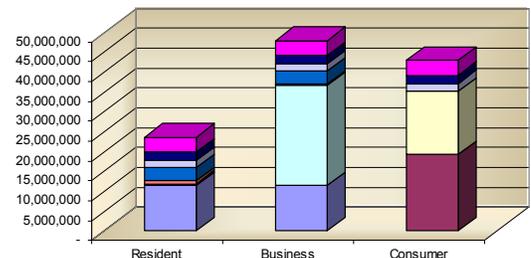
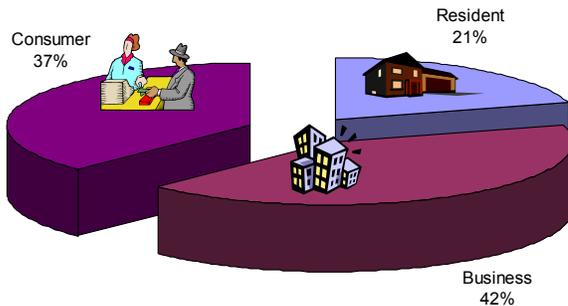
The City's Transient Occupancy Tax (hotel bed tax) has been the most severely impacted of all our revenues by the 9-11 tragedy, the SARS epidemic in the Pacific Rim and war in the gulf. We project \$15.9 million in 2003/2004, down almost \$2 million from fiscal year 2000/2001 high of \$17.8 million. Occupancy at the major hotels is down considerable. We are however, fortunate to have such stellar hotel operators in Beverly Hills, and we benefit from the City's reputation as a safe, pleasant environment even in this tough economic climate.

Revenue from Fines & Penalties (mostly parking fines) is substantial (approx. \$5 million), but it tends to grow only slightly. We do not look at this area as a future revenue enhancement source. For the most part, we issue parking tickets to keep parking spaces open for businesses (in commercial areas) or for resident parking (in residential areas). We are aggressive, but we issue fewer tickets, at slightly lower fine levels, than Culver City, Los Angeles, Santa Monica and West Hollywood.

Many years ago, when the City first established the Parking Enterprise Fund, the revenues from parking meters were contributed to this new fund to assure its successful initiation. Now that the Parking Enterprise Fund is close to build out of its surface parking lots and has adequate funds from retail space rental and parking income, a decision was made to transfer the parking meter operation back to the General Fund. For that reason we see a relatively large revenue increase of about \$2.5 million in the category Charges for Services, Licenses & Permits, especially in the Building, Planning and Engineering Departments, are budgeted relatively flat due primarily to a lessening of development activity.

One question that always arises when we discuss General Fund revenues is "How much of the City's General Fund Revenues are contributed by local businesses?" When analyzing the City's General Fund revenues we divide the revenue contributors into three categories; 1). Residents; 2) Businesses; and, 3) Consumers. The Charts and spreadsheet show this relationship both graphically and numerically and illustrate that business and its consumers generate about 80% of the City's General Fund Revenues.

	Resident	Business	Consumer	Total
TAXES:				
Property taxes	11,372,265	11,372,265	-	22,744,529
Sales tax	-	-	19,100,580	19,100,580
Transient occupancy tax	-	-	15,998,191	15,998,191
Business tax	-	25,125,506	-	25,125,506
Other taxes	390,221	390,221	-	780,442
TOTAL TAX REVENUES	11,762,486	36,887,992	35,098,771	83,749,248
NON-TAX REVENUES:				
Subventions and grants	830,292	-	-	830,292
Licenses and permits	3,259,087	3,259,087	-	6,518,173
Fines and penalties	1,862,347	1,862,347	1,862,906	5,587,600
Use of money and property	2,135,972	2,136,613	2,135,972	6,408,557
Charges for current service	3,663,632	3,662,533	3,662,533	10,988,698
TOTAL NON-TAX REVENUES	11,751,330	10,920,580	7,661,412	30,333,322
Grand Taxes and Non-Taxes	23,513,816	47,808,572	42,760,183	114,082,570

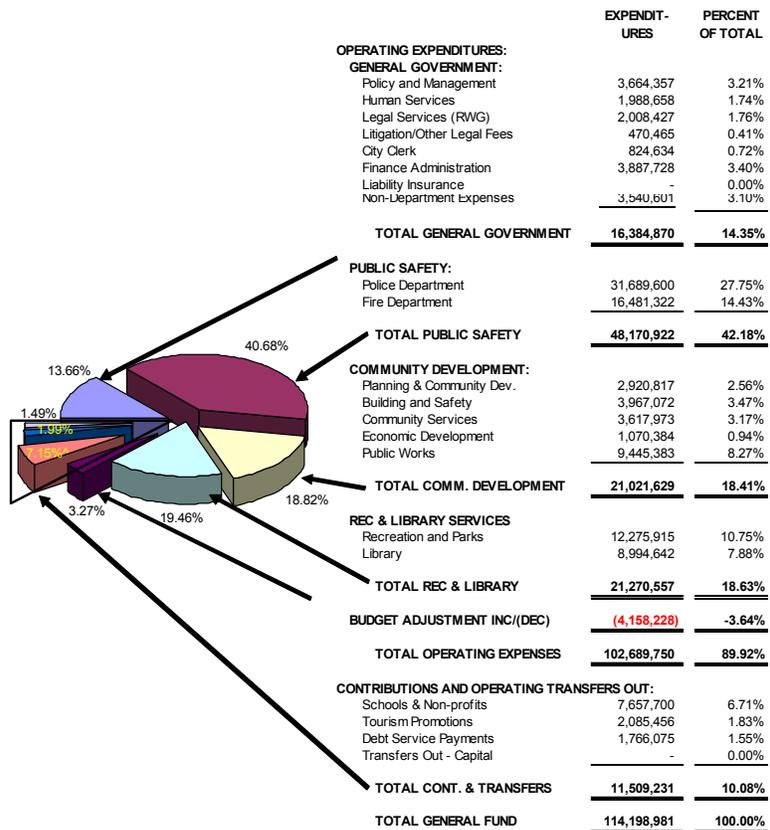


Property taxes	Sales tax	Transient occupancy tax
Business tax	Other taxes	Subventions and grants
Licenses and permits	Fines and penalties	Use of money and property
Charges for current service		

GENERAL FUND EXPENDITURE PROJECTIONS

General Fund *Expenditures* fall into several major categories: Departmental Expenses, BHUSD Support and Community Group Support, Tourism Promotion and Debt Service. Within Departmental Expenses the City includes about \$3 million a year for maintenance of our infrastructure as facilities user charges.

Departmental Expenses have either grown or contracted in recent years depending on our revenue situation. Obviously, personnel costs make up a big part of this category. In the early 90's, we had to reduce costs in these budgets due to the economic downturn. During those years, we had to do layoffs and a few service reductions (alley and sidewalk maintenance, turf mowing, public information programs, etc.). When the workload picked up and the economy improved, we added some staff -- mostly in development-related departments and in the Library and Recreation & Parks. The current economic circumstances will require the City to once again review service and staffing levels.



This chart shows the relationship between the various General Fund expenditure categories.

Support for BHUSD has grown over the years from less than \$2 million to more than \$6.6 million per year. We spend roughly 7% of our General Fund budget on the School District. I doubt that another city in the State spends more than 1%. Beverly Hills has fostered a unique relationship among the City, the School District, and the community.

Community Group Support has grown somewhat in recent years, but not dramatically. For the most part, the School District has received any extra discretionary funds. The City also contributes to a number of health, social service and cultural arts groups, including the Maple Counseling Center, the Westside Foodbank, People Assisting the Homeless, LA Free Clinic, the BH Ministerial Association (meals program), the Beverly Hills Symphony, the Beverly Hills Theater Guild, and others. We also allocate as much of our federal Community Development Block Grant funds to social service programs as we are allowed by law. We have funded handyman programs, peer counseling, family counseling, etc., for seniors or other income eligible households.

In the area of Tourism Promotion, the City has made annual grants of \$660,000 to the Visitors Bureau, plus \$50,000 each to the Chamber of Commerce's Retail Council and Economic Development Council. In addition to the above, the City continues to allocate 2% of our 14% Transient Occupancy Tax for tourism/visitor advertising and promotion. In 2003/2004, the 2% equates to roughly \$2 million, which is allocated \$1.2 million for hotel/visitor advertising, \$300,000 for economic development activity through the Chamber of Commerce and \$454,000 for holiday decorations (including \$154,000 for the holiday skating rink event), \$100,000 for the Walk of Style and \$100,000 for Art & Culture programs.

Letter of transmittal (continued)

Debt Service costs increased dramatically in the late 1980's due to the Civic Center project. They will remain fairly constant (roughly 10% of General Fund) for the next few years. After that, the percentage starts to decline very gradually until the debt is retired in roughly 30 years. Beverly Hills bonds and securities continue to be rated well by the financial markets.

The final component of the General Fund is the unallocated **Fund Reserve**. As recently as fiscal year 1994/1995 we had essentially no Fund Reserve. Ideally, a city our size should have a reserve of between 25%-50% of annual operating budget. Most cities do not achieve this. We have, however, accumulated a Fund Reserve of \$30 million over the last several years. Much of this reserve has been attained through one-time credits from CALPERS (from surplus retirement funding). The rest was saved through better-than-expected operating results both in revenues and expenditures. We, and our auditors, are pleased that we have been able to reach this level of General Fund Reserves. We would like to do even better. More immediately critical, however, is our need to bolster the City's Capital Improvement Fund.

CAPITAL PROJECTS

The City's major challenge is to find money to complete all of our high priority capital projects. Having reviewed each of the projects in our 5-Year capital program, the City Council now faces the task of prioritizing and/or making decisions to seek additional funding for important projects.

Almost all of the funding in the Capital Assets Funds comes from user charges to General Fund departments.

Listing of CIP Projects for FY 2003/2004

	2003/2004
INFRASTRUCTURE FUND	
STREET RESURFACING 0195	550,000
ALLEY RESURFACING 0305	500,000
INSTALL TRAFFIC SIGNALS 0367	260,000
ARRESTOR BED 0578	200,000
MINOR ASPHALT REPAIRS 0633	300,000
COMMUNITY TELECOMMUNICATIONS SYSTEM 0836	100,000
SIGN REPLACEMENT PROGRAM 0863	500,000
TOTAL CAPITAL IMPROVEMENT FUND	2,410,000

SPECIAL REVENUE FUNDS

I will mention only two of the many "Special Revenue Funds." The Park & Recreation Tax Fund collects revenue from new development projects. In the mid-80's, the City used to collect up to \$5 million in a single year. Over the 90's, we have averaged only \$1 million per year. As a result, the balance in this fund is now very low. If we do have a surge in new development, one silver lining will be collection of more taxes in this fund.

	2003/2004
CAPITAL ASSETS FUND	
CONTAMINATION CLEANUP 0571	100,000
IMPROVEMENT OF CITY GATEWAYS 0701	150,000
REPAINT CITY BUILDINGS 0713	100,000
ADA UPGRADES 0723	9,999
HVAC IMPROVEMENTS 0792	50,000
CONSTRUCT MUNICIPAL SERVICES CENTER 0797	3,336,000
MISCELLANEOUS SMALL CONSTRUCTION PROJECTS 0823	100,000
FACILITY ROOF REHABILITATION PROGRAM 0833	50,000
CARPET REPLACEMENT PROGRAM 0834	30,000
CITY HALL MASTER PLANNING 0851	25,000
CIVIC CENTER PLAZA IMPROVEMENTS 0852	600,000
RADIO INFRASTRUCTURE IMPROVEMENTS 0859	25,000
COMMUNITY SPORTS CENTER 0881	60,000
SCHEDULED VEHICLE REPLACEMENT	1,500,000
TOTAL MAINTENANCE SERVICES FUND	6,135,999

The Fine Art Fund also collects fees (not taxes) from new development -- in this case commercial development. The fees are used, upon recommendation of the Fine Arts Commission, to acquire public art for the City. When the owner of a new project chooses not to install their own equal-value artwork, the City collects an amount equal to 1% of the permit valuation. We have recently increased the fee potential by removing a \$100,000 cap per project. We are also talking about applying the fee to substantial remodels (not just new development).

ENTERPRISE FUNDS

Our Enterprise Funds are in good condition. Some are healthier than others, but all of them have positive fund balances. We require user fee rate increases from time to time, but we are generally pleased with the condition of the Enterprise Funds.

Letter of transmittal (continued)

The Water Enterprise Fund is strong, but we have much left to do in capital upgrades. We have completed construction of three new water wells and a water treatment plant that will produce approximately 25% of the City's water needs. We have much more work to do in the upgrading of water mains and reservoirs. The City Council will be reviewing an increase of 3% in water rates this year.

The Wastewater Fund has benefited by the extraordinary multi-agency Hyperion effort. Through hard-fought renegotiation of our Hyperion Sewage Treatment contract with Los Angeles, we estimate that the City saved more than \$10 million in charges for capital costs. In the early 1990's, we were in a costly legal battle over these disputed costs. Today, we have signed a new contract that gives Beverly Hills (and other contracting agencies) a much lower cost structure than had been assumed in previous projections. To meet debt service coverage requirements and provide for adequate infrastructure maintenance, the City Council will be reviewing a requested 12% increase in residential rates and a 8% increase in commercial industrial rates for fiscal year 2003/2004.

Solid Waste Fund is our biggest challenge because there are several unknowns on the horizon. We do not have control of the landfills we use, and State-mandated waste flow reductions deadlines are imminent. We franchised out our commercial solid waste service because of the unknowns and the risks of competing with major private sector providers. Rates immediately went up among the private haulers. By providing the residential service directly, we hope to avoid this fate for residential solid waste collection. We still feel we serve the Beverly Hills community best by providing this service as a sole source provider. Among other benefits, this avoids having multiple companies collecting each week in our residential alleys. Staff is recommending a 10% increase in both residential and commercial/industrial rates.

The Parking Enterprise Fund breaks even, despite the fact that since its inception we have essentially "given away" most of our product through the 2-hour free parking policy. We were able to break even thanks to \$2.8 million in parking meter revenue and because we generate more than \$4.7 million each year in retail rents in our Parking Facilities. However, with this budget year a decision was made to return the parking meter revenue to the General Fund. Staff will be making recommendations over the next several weeks to the City Council on how to more effectively use our parking resources, including recommendations for eliminating the free parking program through use of validation programs. These new programs should reduce misuse of this valuable City resource. We should be grateful to the previous City leaders who bought property in the Business Triangle, and to more recent leaders who figured out how to use it so successfully.

By mid fiscal year 2003/2004 the D-Lot project will be completed. This project will replace the current surface parking lot with a combination parking structure and retail facility. Current development plans will provide a site with more than 405 parking spaces and 86,000 square feet of prime retail space. The positive cashflow from such a project could be significant, while providing both parking and retail enhancements.

SUMMARY OF ENTERPRISE FUNDS BUDGETED REVENUES AND EXPENDITURES

	Water Enterprise Fund	Waste- water Enterprise Fund	Solid Waste Enterprise Fund	Storm- water Enterprise Fund	Parking Enterprise Fund
Projected Revenues:					
Service Charges	16,115,281	7,092,314	9,035,309	1,759,993	6,386,563
Interest Earnings	1,435,681	334,729	155,122	84,934	743,641
Lease of Property	794,318	-	-	-	5,488,166
Miscellaneous	<u>27,058</u>	<u>568,318</u>	<u>174,787</u>	<u>-</u>	<u>37,506</u>
Operating Revenues	<u>18,372,338</u>	<u>7,995,361</u>	<u>9,365,218</u>	<u>1,844,927</u>	<u>12,655,876</u>
Projected Expenses:					
Personnel Services	2,014,252	637,148	2,072,288	743,573	1,852,104
Materials and Supplies	396,363	44,147	117,006	63,155	22,427
Contractual Services					
BH Operations	1,758,315	300,692	441,033	167,149	-
Outside Service Provider	7,731,499	1,434,377	4,872,453	123,504	1,157,378
Internal Services	2,534,416	668,296	2,482,978	594,663	3,077,343
Depreciation/Amrtzn	1,819,882	953,263	7,500	200,000	3,210,000
Debt Service Interest	721,968	960,521	-	-	2,881,363
Other Misc.	<u>58,515</u>	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>10,000</u>
Operating Expense	<u>17,035,210</u>	<u>5,008,444</u>	<u>10,093,258</u>	<u>1,902,044</u>	<u>12,210,615</u>
Net from Operations	1,337,128	2,986,917	(728,040)	(57,117)	445,261
Plus Capital & Unrestricted	22,369,807	9,251,471	1,728,053	2,742,837	15,755,676
Plus Bond or Other Financing	-	-	-	-	-
Plus Depreciation	<u>1,819,882</u>	<u>953,263</u>	<u>7,500</u>	<u>200,000</u>	<u>3,210,000</u>
Cash Available	25,526,817	13,191,651	1,007,513	2,885,720	19,410,936
Capital Projects					
Debt Service Principal	<u>833,690</u>	<u>745,000</u>	<u>-</u>	<u>-</u>	<u>2,819,626</u>
Cash available for OM & CIP	<u>22,068,127</u>	<u>9,606,651</u>	<u>757,513</u>	<u>2,785,720</u>	<u>15,856,308</u>

INTERNAL SERVICE FUNDS

Our Internal Service Funds are all very healthy. The primary Internal Service Funds include:

- Capital Assets Fund (Building & Vehicle Maintenance Fund)
- Information Technology Fund
- Liability Self-Insurance Fund
- Workers Compensation Self-Insurance Fund

The Capital Assets Fund represents one of the busiest activity areas in the City, responsible for all of the City's equipment and facility maintenance and replacement. This staff unit manages every City building construction/rehab effort, of which there are always many. This is also one of the areas which offers us the most potential savings from cost efficiency analysis.

The Information Technology Fund has been one of our fastest growing budget areas, reflecting our need to upgrade operations for the future. With much help from the Technology Committee, we have been building our internal network and adding vital user functions, such as the Computer Aided Dispatch/Records Management System and Geographic Information System. CAD/RMS is a Public Safety system that will mesh with upgrades to our internal radio, TV, telephone, satellite, and communications equipment. The GIS software will allow us to perform remarkable new functions, including crime analysis, risk management analysis, civil engineering design, water system control, infrastructure inventory, satellite-based planning for hillsides, etc. It is one of the most powerful changes I have seen in my years in local government management. We are also built out new facility space for the IT staff.

The Litigation/Liability Fund is actually a self-insurance fund. Over the last ten years, our annual cost to defend claims and lawsuits has probably doubled. As such, we spend much more time studying our trends and trying to manage our risk. While many claims are legitimate, it is an unfortunate fact of life that governments, and especially Beverly Hills, are targets for claims. Our primary risks tend to involve vehicle accidents, trip/falls, street design, street trees, and sewer backups. We have very few claims of employee misbehavior or negligence.

Our Workers Compensation Fund is also a self-insurance fund. We have far lower Workers Comp claims than in the average city.

SUMMARY OF INTERNAL SERVICE FUND BUDGETED REVENUES AND EXPENDITURES

	Capital Assets Fund	Information Technology Fund	Print Shop	Cable TV	Self- Insurance Funds
Revenues:					
Fund Charges	19,521,676	5,845,236	1,155,756	533,881	6,514,200
Use of Money or Property	682,069	-	-	400,000	-
Miscellaneous	44,202	-	-	-	-
IT Loan Repayment	425,834	-	-	-	-
Other Resources	-	-	-	-	-
Total Revenues	<u>20,673,781</u>	<u>5,845,236</u>	<u>1,155,756</u>	<u>933,881</u>	<u>6,514,200</u>
Operating Expenses:					
Personnel services	2,066,831	1,701,008	384,535	415,042	-
Materials and supplies	943,911	124,641	110,639	54,161	-
Contractual services	2,494,507	1,517,540	400,690	147,980	2,761,889
Internal services	1,840,233	626,023	108,711	107,854	-
Claims	-	-	-	-	3,435,000
Depreciation	5,741,681	1,829,500	5,400	50,000	-
Loan repayment	-	425,834	-	-	-
Debt Service Interest	5,745,420	-	-	-	-
Other Miscellaneous	177,693	-	-	-	661
Operating Expenses	<u>19,010,276</u>	<u>6,224,546</u>	<u>1,009,975</u>	<u>775,037</u>	<u>6,197,550</u>
Net from operations	1,663,505	(379,310)	145,781	158,844	316,650
Plus Beginning Cash	20,398,667	3,140,244	624,843	1,707,755	16,230,851
Plus Depreciation	<u>5,741,681</u>	<u>1,829,500</u>	<u>5,400</u>	<u>50,000</u>	<u>-</u>
Cash Available	27,803,853	4,590,434	776,024	1,916,599	16,547,501
Capital Outlay & Projects	6,135,999	1,060,000	-	-	200,000
Debt Service Principal	4,044,608	-	-	-	-
Transfer Out	-	-	-	-	-
Ending Cash	<u>17,623,246</u>	<u>3,530,434</u>	<u>776,024</u>	<u>1,916,599</u>	<u>16,347,501</u>

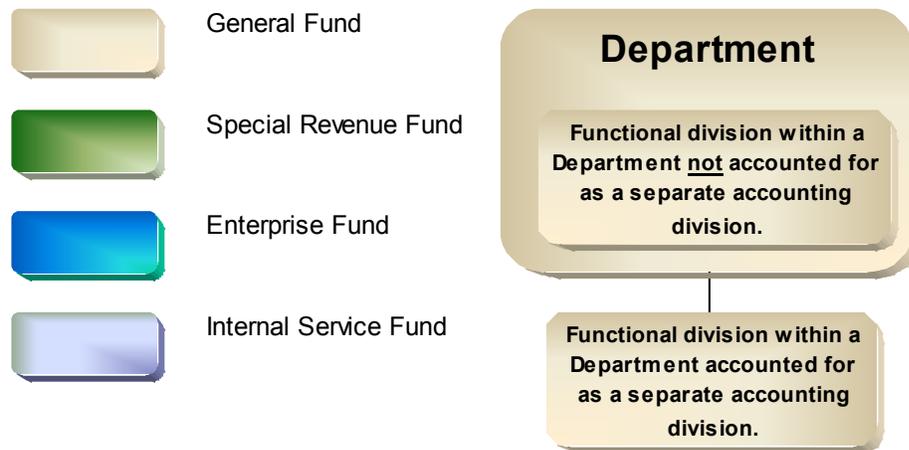
As always, it is a privilege to work with the Mayor and City Council in Beverly Hills. The City staff appreciates the conscientious manner in which you address your responsibilities and we acknowledge your dedication to the community's best interests.

Sincerely,

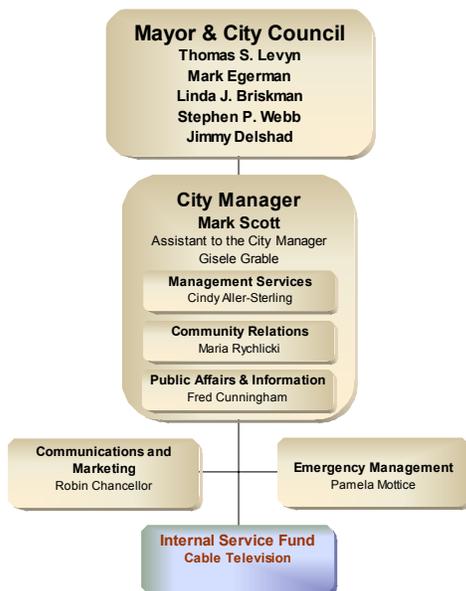
Mark Scott and the
City's Executive Team

CONVENTIONS USED IN ORGANIZATION CHARTS

Throughout this document we have included organization charts depicting both functional and accounting/budgeting operations of the City. To assist the user in understanding the functional and budgeting dynamics of the City, we have color coded each chart to depict, within the functional management of the department, the resources that provide for the operation of the various divisions. The following chart organization is used.



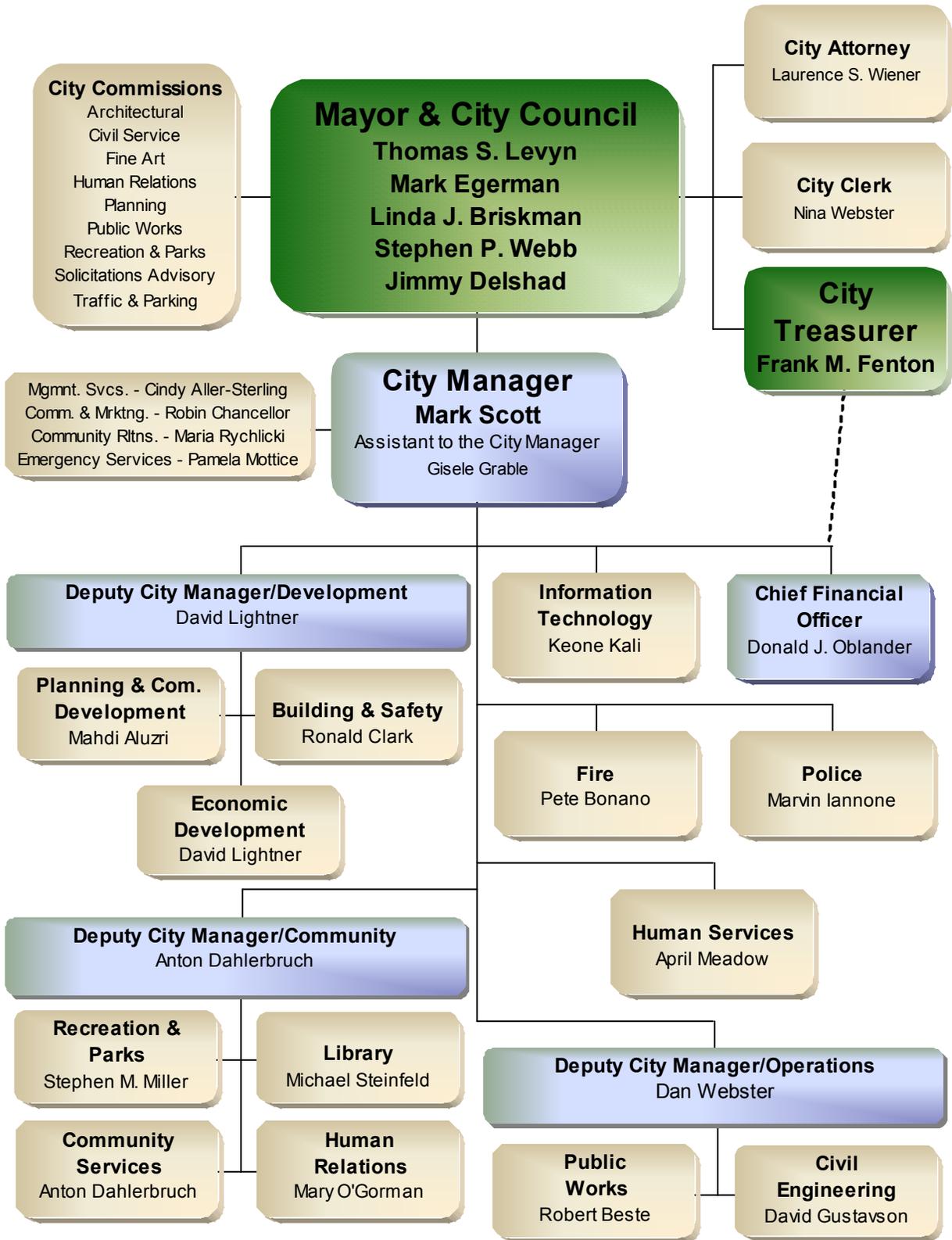
This organization is illustrated within the following chart of Policy and Management (the City Manager's Office).



Policy and Management (a functional Department of the City) has 8 divisions. Five of the divisions have separate divisional codes for accounting purposes (City Council, City Manager's Office, Communications & Marketing, Emergency Management and Cable Television) and three divisions that do not have separate accounting code (Management Services, Community Relations and Public Affairs & Information). While Management Services, Community Relations and Public Affairs and Information are not separate divisions from an accounting and budgeting standpoint, the Department treats them as separate functional division for management purposes.

The Chart also shows that this Department has two different funding sources for its operation: four accounting divisions are funded by the City's General Fund and one, Cable Television, is funded through an Internal Service Fund.

CITY OF BEVERLY HILLS Organization Chart



City of Beverly Hills

General Fund Adopted Budget

THE GENERAL FUND

ECONOMIC CONDITION AND OUTLOOK

As everyone is aware, the early and mid 1990s were a time of economic turmoil and rebuilding for local, national and international economies. The nation and, more specifically, California suffered severe downturns in employment and economic growth. Property values plummeted in many areas and tourism fell to unprecedented lows. States, counties and cities had to learn to do more with less and in many cases develop new resources that would carry them into future decades.

As California and its various political subdivisions (counties and cities) entered the late 1990s, economic growth was gaining strength and showing signs this would continue well into the 21st century. Beverly Hills has learned an important lesson from the past two decades: that periods of strong economic growth such as those experienced in the 1980s can be followed by periods of economic readjustment as world economies and new technologies are applied. As a result of these hard lessons, we are stronger financially than at any time in our past. We are better prepared to weather future economic downturns and continue to provide the levels of service required to maintain our world-class reputation. We have learned to be more entrepreneurial and less dependent on tax revenues as evidenced by services such as the City's 4,210 attended parking spaces in thirteen parking facilities.

As a result of these hard lessons learned, the City reacted quickly to the financial impacts of the shocking terrorist attacks on the Pentagon and World Trade Center on September 11, 2001. All departments of the City worked with the Police Department, the Fire Department and the Office of Emergency Services to update evaluations of security and ability to respond to such emergency conditions. While additional security measures were taken, the City's ongoing commitment to regular evaluation of its ability to react swiftly and appropriately in all emergency conditions is considered by the City Council and staff to be one of its primary missions.

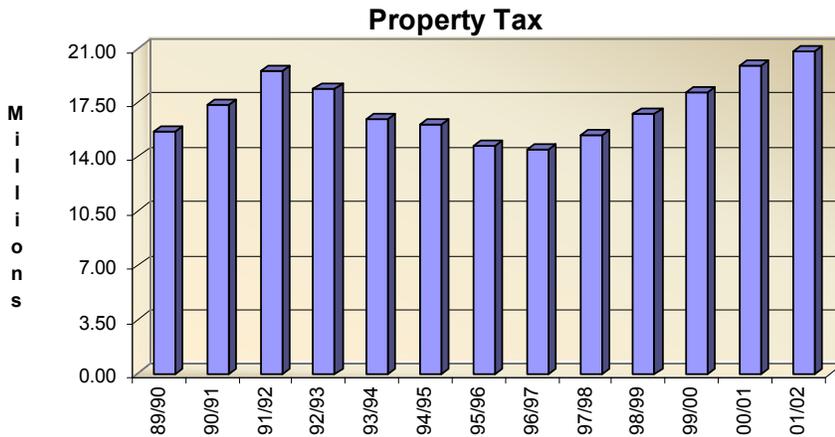
The City Council adopted a conservative budget for FY 2002/2003 that recognized negative impacts on revenues and its own ongoing requirement for adequate financial reserves. The budget reflected the continuing decline in the national economy and the stock markets, the impact of 9/11 on both tourism and business travel nationally and locally, and the impact of the state of California budget deficit and the resulting significant reductions in subventions and other local government reimbursements. For FY 2003/2004 the City continues this same conservative approach.

California cities and counties once again fear that further burdens will be placed on their budgets because of actions the State of California will take to balance its multi-billion dollar deficit. Cities within California, including Beverly Hills, lost major portions of State shared revenues such as vehicle licensing fees, cigarette tax revenues, California Vehicle Code violations and fees for local municipal code violations during the last economic downturn. The States failure to reach consensus on how to deal with the economic realities of the new millennium leave cities and counties waiting for the other shoe to drop as California legislatures try to come to grips with the enormity of their problem and the economic future of the State.

The General Fund

REVENUES

The four major sources of General Fund revenue include Property Tax, Sales Tax, Business Tax and Transient Occupancy Tax (TOT).

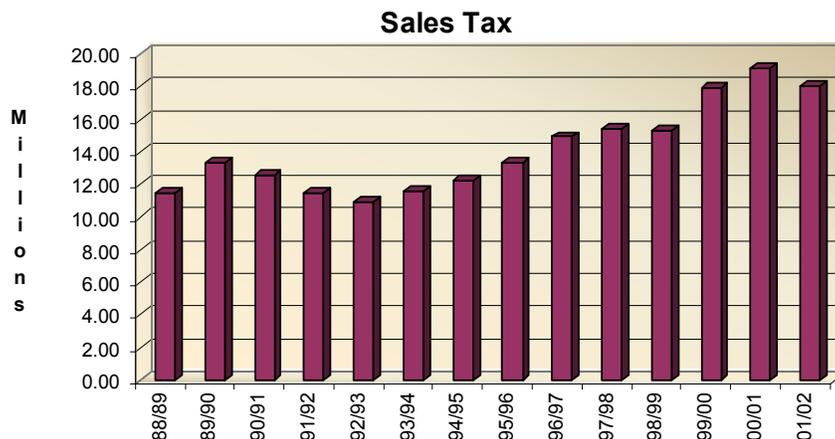


Property taxes, provided the City with steady revenue growth consistent with increasing operational needs, as local commercial, industrial and residential properties were sold or rehabilitated. After an average growth rate of 11.6% from the mid 1980s through the early 1990s, the effects of the general economic conditions on the real estate market began to take their toll on property tax revenues with

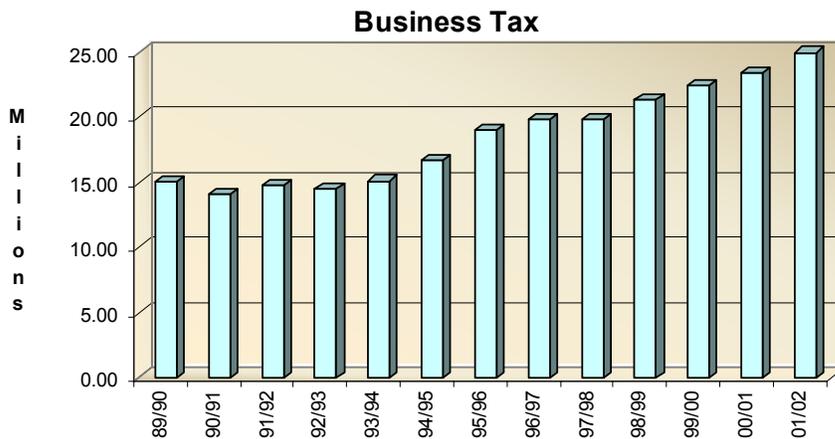
declines through FY1996/1997. Despite potential impacts of the faltering economy, property sales and property tax revenues are strong and have continued the growth started in FY1997/1998. Because property tax revenues can take as long as two years to respond to changes in economic conditions, the City now uses several services to monitor current real estate transactions as a forewarning of potential revenue reductions. Additionally, these services provide valuable information about other business trends in the community.

There is a common misconception that property tax pays for a majority of residential services. In fact, the property tax in a post-prop. 13 world does not even pay for the City's Police Department services – let alone Fire, Ambulance, Streets, Parks, Library, Recreation or other direct services. Property tax is an important revenue source, but pays for only 17.9% of General Fund expenditures.

Much like property taxes, sales tax revenue to the City showed consistent growth patterns, about 8% per year, until fiscal year 1989/1990. From fiscal year 1990/1991 through fiscal year 1992/1993 sales tax revenue declined at the rate of about 6.3% in each of the three years. In fiscal year 1993/1994 sales tax revenues began responding to local growth programs. In fiscal year 1995/1996 sales tax revenues matched their prior record of \$13.3 million achieved in fiscal year 1989/1990 and have continued their growth. Fiscal year 2002/2003 is projected to end the year at \$18.2 million.



The General Fund

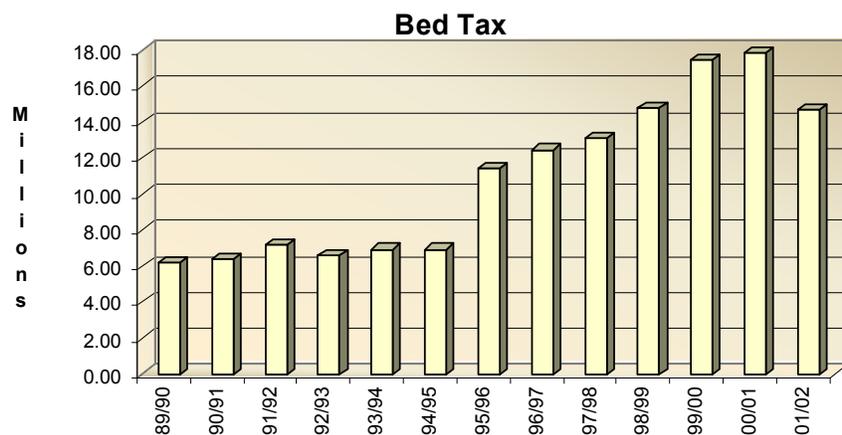


Business tax is paid by all local businesses. The tax rate varies depending on the type of business. Most Beverly Hills businesses pay Business Tax based on their gross receipts, which is a measure of the amount of business they do in the City. (Corporate offices, professionals and some service businesses pay the tax based on their number of employees.) The business tax, being based on all business

activity in the City rather than just retail sales like sales tax, is much broader based and as such may be a better indicator of overall economic activity in the City.

As the chart illustrates, business taxes have been a barometer of the economic climate in Beverly Hills, responding rapidly to the changing economic climate. Recognizing that significant portions of business tax revenues are based on gross receipts, we can see how downward trends in the economy impact City revenues. Vacant office and retail space - which reflect revenue from real estate rentals - and a reduction in retail sales negatively impacted business tax revenues. In fiscal year 1993/1994, the City began to experience an upward swing in the economy as commercial vacancies were reduced and new businesses entered the City. Some portion of the improvement since 1992/1993 reflects a more aggressive tax audit program by the City.

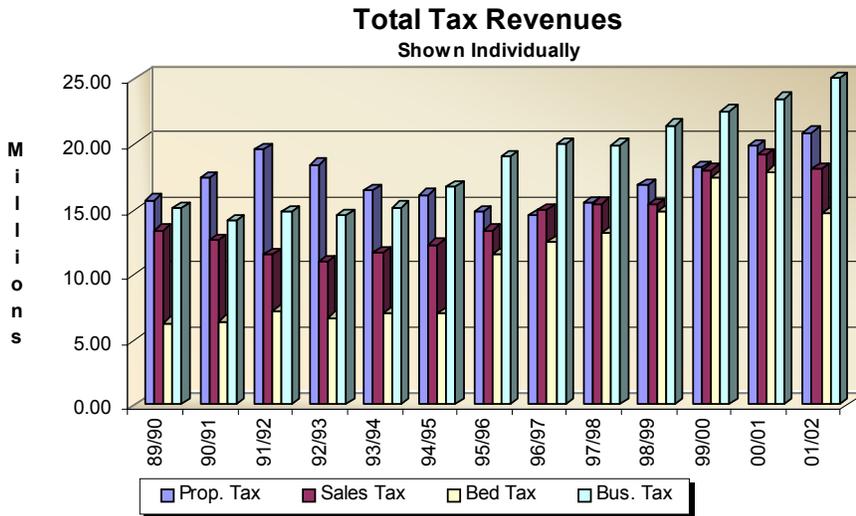
Through the early 90s, transient occupancy taxes tended to remain fairly constant. The variations beginning in FY 1992/1993 are due to hotel closures and tax rate changes. As example, two world class hotels, The Beverly Hills Hotel and the L'Ermitage were closed for refurbishment in fiscal year 1992/1993. The Beverly Hills Hotel had its reopening in June of fiscal year 1994/1995. The L'Ermitage had its grand opening in June, 1998. In 1991/1992, the City raised the transient occupancy tax rate from 11% to 12% to improve revenues and remain consistent with surrounding communities. In February 1994, the City Council, at the urging of the Chamber of Commerce and the City's hotel operators, voted to increase the transient occupancy tax rate from 12% to 14% to fund local advertising/promotion campaigns. From that point until the terrorist activities of September 11, 2001 transient occupancy taxes experienced steady growth. For FY 2001/2002 transient occupancy taxes fell about 18% and we are currently estimating that FY 2002/2003 will be relatively flat at \$14.5 million.



By reviewing the above charts one can see the effect of the economy on the City's revenues and how that might impact our ability to provide services. When necessary, the City acted promptly in reducing costs to

The General Fund

match reductions in activity. Concurrently, the City moved, in concert with the Chamber of Commerce and the business community, to promote and enhance the City's economic climate.



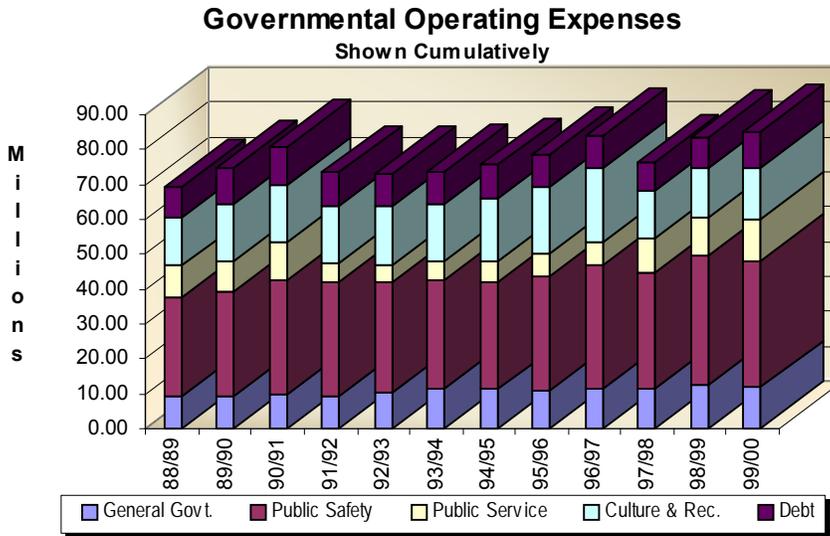
In this chart, we see that business and sales taxes responded almost immediately to the downturn of the economy. The slower response of property taxes provided some time for the City to respond to economic conditions in an educated and reasoned manner. As the graph shows, the City was able to control the process and avoid costly service cuts that could have further worsened the situation. The charts further illustrate that when

property taxes caught up with the economic cycle and started falling, the City had, through actions described earlier, made improvements that increased business, transient occupancy and sales taxes.

EXPENDITURES

The combined efforts of business and government to stabilize tax revenues in recent years was just one part of the story. In addition, the City implemented cost reduction measures to control operating expenses. To the greatest extent possible, the service levels have been maintained and even enhanced in certain areas.

This chart examines the City's expenditures over the past several years and illustrates how the cost control measures implemented were able to keep expenses within available resources.

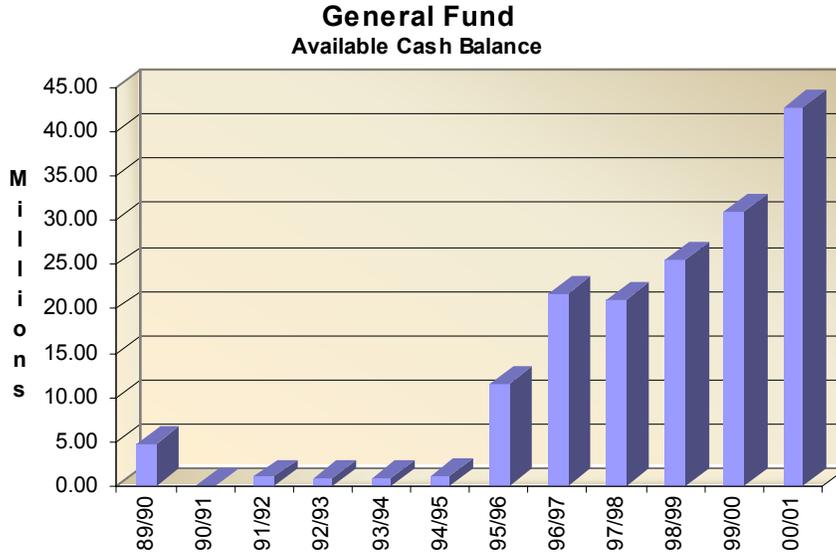


NOTE: A point of clarification for readers of this letter. The foregoing revenue graphs do not represent total City revenues for the periods evaluated. As noted, they represent only the City's four largest General Fund tax revenue sources. The graph representing expenditures is for the categories shown for the City's General Fund, Special Revenue Funds and Debt Service Funds. These graphs are intended to show the trends that

The General Fund

developed over the economic period discussed. They are not intended to show available resources or compare them to uses.

AVAILABLE CASH BALANCE



Perhaps the best measure of the City's effectiveness in weathering the recent economic downturn and building sustained growth for the future is its ability to build fund reserves. As a rule of thumb, a city should maintain sufficient cash reserves to weather the worst potential emergency scenarios. Most cities try to keep a reserve equal to one-quarter to one-half of an annual General Fund expenditure budget. For Beverly Hills, that would

call for a reserve of between \$27 and \$54 million. In the chart to the left, the change in the City's General Fund cash is presented. As this chart demonstrates, the actions taken by the City have effectively improved revenues, controlled expenditures and allowed us to increase our reserves for future needs. From this base, the City can confidently move into the 21st century.

THE FISCAL YEAR 2003/2004 BUDGET

Shown on the next two pages (Pages 6 and 7) is the Adopted budget for the General Fund for fiscal year 2003/2004. Included within this presentation are the actual results of operation for fiscal years 1999/2000 through 2001/2002, the original budget for fiscal year 2002/2003, staff's estimate of actual operations for fiscal year 2002/2003 and the difference between the original budget and staffs estimates. Also shown are estimates of the next four budget years subsequent to fiscal year 2003/2004.

Pages 8 and 9 show graphically the components of the General Fund's revenues and expenditures as Adopted for the fiscal year 2003/2004 budget.

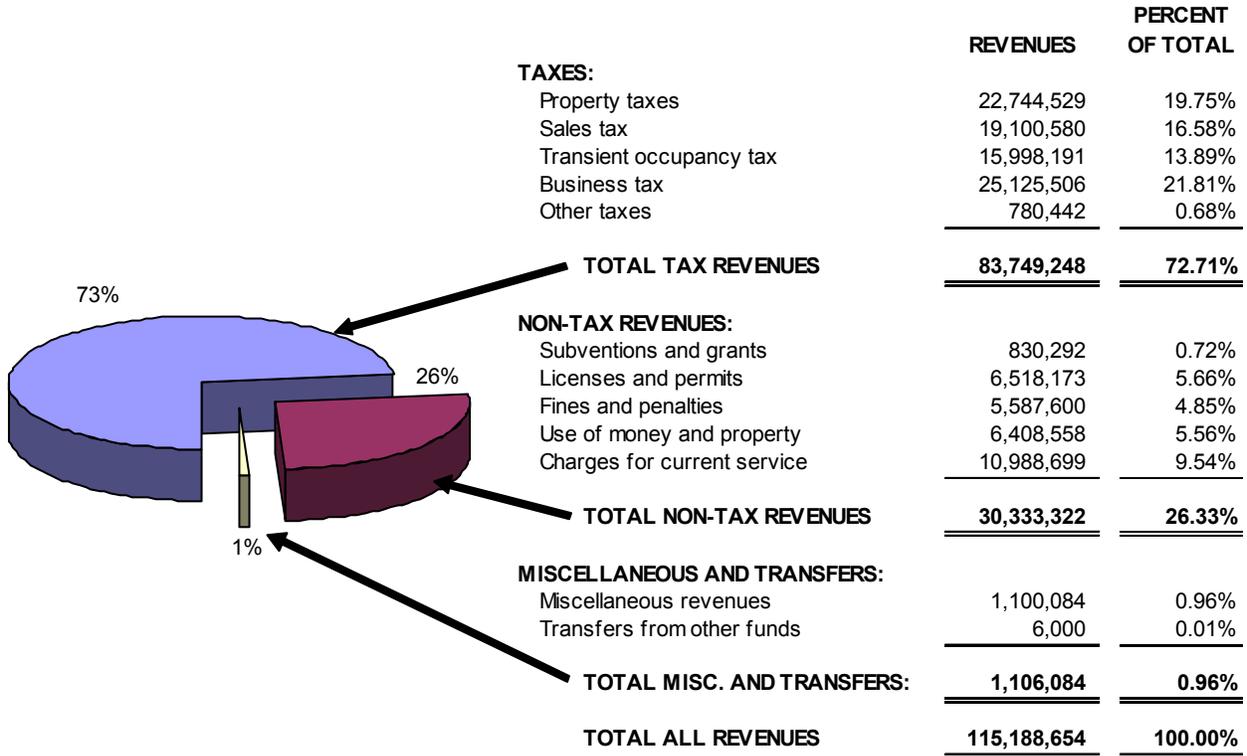
The General Fund

	HISTORICAL			BUDGET	PROJECTED	BETTER	ADOPTED
	1999/2000	2000/2001	2001/2002	2002/2003	2002/2003	(WORSE)	2003/2004
OPERATING REVENUES							
TAXES							
Property taxes	18,150,032	19,841,561	20,845,212	21,661,456	21,700,328	38,872	22,744,529
Sales tax	17,963,678	19,110,044	18,070,898	18,579,000	18,188,602	(390,398)	19,100,580
Transient occupancy tax	17,420,187	17,817,850	14,648,226	15,684,501	14,517,056	(1,167,444)	15,998,191
Business tax	22,487,762	23,412,688	24,976,171	24,632,849	25,443,234	810,385	25,125,506
Other taxes	563,241	708,654	614,716	780,442	1,038,142	257,700	780,442
Subventions and grants	2,616,585	2,785,824	2,590,658	876,524	3,083,363	2,206,839	830,292
Licenses and permits	6,192,298	6,321,690	5,443,584	6,518,174	6,388,465	(129,709)	6,518,173
Fines and penalties	4,836,307	5,097,418	5,012,130	5,087,600	4,984,173	(103,427)	5,587,600
Use of money and property	6,185,945	9,301,101	12,312,618	4,984,949	6,634,837	1,649,888	6,408,558
Charges for current service	4,078,560	4,242,925	8,477,614	8,427,174	9,066,518	639,345	10,988,699
Miscellaneous revenues	5,314,957	6,539,483	2,409,204	1,100,084	3,111,104	2,011,020	1,100,084
TOTAL OPERATING REVENUES	105,809,551	115,179,237	115,401,032	108,332,753	114,155,823	5,823,070	115,182,654
OPERATING TRANSFERS IN							
Transfers from other funds	6,000	10,136,773	-	6,000	8,627	2,627	6,000
Carry over for encumbrances	1,022,000	867,026	1,268,788	-	1,029,677	1,029,677	-
TOTAL REVENUES	106,837,551	126,183,036	116,669,820	108,338,753	115,194,127	6,855,375	115,188,654
OPERATING EXPENDITURES							
GENERAL GOVERNMENT							
Policy and Management	3,084,829	3,225,219	3,346,208	3,484,794	2,976,482	508,312	3,664,357
Human Services	1,293,457	1,307,055	1,622,964	1,813,228	1,618,234	194,994	1,988,658
Legal Services (RWG)	1,380,587	949,419	1,771,729	1,534,564	2,065,978	(531,414)	2,008,427
Litigation/Other Legal Fees	283,036	514,742	245,980	455,391	536,913	(81,522)	470,465
City Clerk	493,001	615,257	696,798	815,187	798,756	16,431	824,634
Finance Administration	2,471,484	3,500,171	4,007,540	3,912,413	3,908,468	3,945	3,887,728
Liability Insurance	2,494,727	2,652,850	2,383,193	-	-	-	-
Non-Department Expenses	236,171	2,081,778	2,721,046	2,968,910	2,968,910	(0)	3,540,601
PUBLIC SAFETY							
Police Department	23,338,534	23,663,445	29,193,752	29,451,463	30,621,377	(1,169,914)	31,689,600
Fire Department	12,973,538	13,741,830	15,816,853	15,476,503	15,616,777	(140,274)	16,481,322
COMMUNITY DEVELOPMENT							
Planning & Community Dev.	1,927,776	1,941,439	2,472,489	2,792,238	2,793,172	(934)	2,920,817
Building and Safety	2,773,327	2,888,587	2,899,048	3,782,688	3,708,179	74,509	3,967,072
Community Services	2,006,465	2,250,676	2,970,601	3,389,414	3,246,807	142,607	3,617,973
Economic Development	534,354	533,613	925,630	1,095,313	1,190,894	(95,581)	1,070,384
Public Works	4,464,943	4,855,821	8,259,860	8,285,488	8,199,517	85,971	9,445,383
REC & LIBRARY SERVICES							
Recreation and Parks	8,750,422	9,094,180	10,993,986	11,699,582	11,612,742	86,840	12,275,915
Library	5,969,754	6,149,080	8,130,793	9,065,623	8,494,208	571,415	8,994,642
BUDGET ADJUSTMENT inc/(dec)	-	-	-	(4,025,000)	-	(4,025,000)	(4,158,228)
OPERATING EXPENDITURES	74,476,403	79,965,162	98,458,470	95,997,799	100,357,414	(4,359,615)	102,689,750
CONTRIBUTIONS AND OPERATING TRANSFERS							
Schools & Non-profits	7,330,302	7,470,418	8,347,256	8,083,335	8,083,335	-	7,657,700
Tourism Promotions	2,418,332	2,193,360	1,386,042	2,040,643	1,873,865	166,778	2,085,456
Debt Service Payments	10,797,364	8,998,506	1,701,850	1,680,674	1,680,674	-	1,766,075
Transfers Out - Capital	3,007,406	3,000,000	-	-	-	-	-
TOTAL EXPENDITURES	98,029,807	101,627,446	109,893,618	107,802,451	111,995,288	(4,192,837)	114,198,981
NET INCOME (REV-EXP)	8,807,743	24,555,590	6,776,201	536,302	3,198,839	2,662,537	989,674
PLUS - BEGINNING CASH	15,874,842	20,763,441	42,802,050	34,599,039	34,599,039	-	33,016,128
PLUS - BALANCE SHEET ADJUSTMENTS	(3,052,118)	(1,248,193)	(13,949,536)	-	-	-	-
LESS - TRANSFERS TO CIP	-	-	-	4,781,750	4,781,750	-	-
LESS - RESERVE FOR ENCUMBRANCES	867,026	1,268,788	1,029,677	-	-	-	-
AVAILABLE CASH	20,763,441	42,802,050	34,599,039	30,353,590	33,016,128	2,662,537	34,005,801

The General Fund

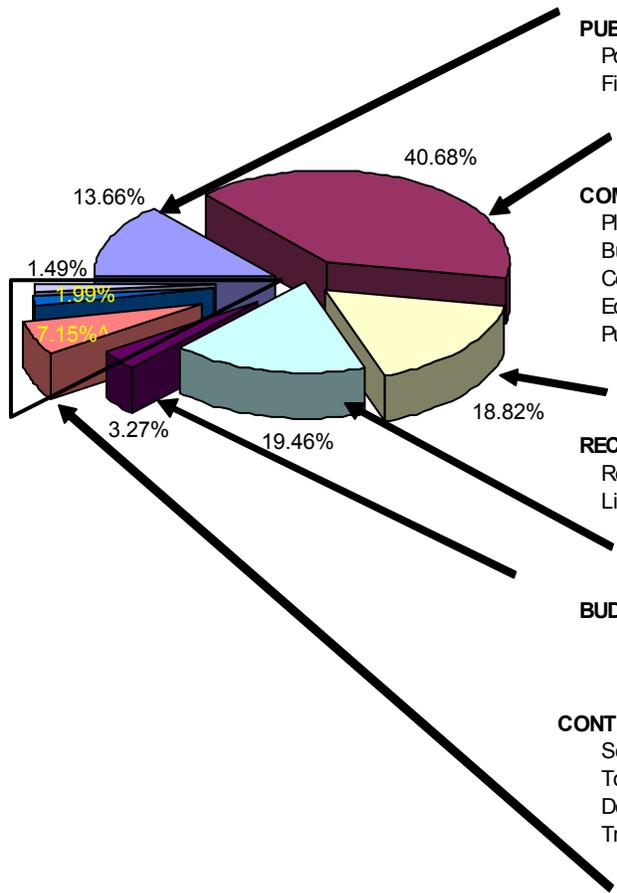
	ADOPTED	PROJECTED				FIVE YEAR TOTAL
	2003/2004	2nd Year	3rd Year	4th Year	5th Year	
OPERATING REVENUES						
TAXES						
Property taxes	22,744,529	23,881,755	24,359,391	24,846,578	25,343,510	121,175,763
Sales tax	19,100,580	19,632,592	20,417,895	21,234,611	22,083,996	102,469,673
Transient occupancy tax	15,998,191	17,068,155	18,000,881	19,220,916	19,989,753	90,277,896
Business tax	25,125,506	25,628,016	26,653,137	27,719,262	28,828,033	133,953,954
Other taxes	780,442	780,442	780,442	780,442	780,442	3,902,210
Subventions and grants	830,292	830,292	830,292	830,292	830,292	4,151,460
Licenses and permits	6,518,173	6,518,173	6,778,900	7,050,056	7,332,058	34,197,360
Fines and penalties	5,587,600	5,687,600	5,915,104	6,151,708	6,397,776	29,739,789
Use of money and property	6,408,558	5,888,558	5,888,558	5,888,558	5,888,558	29,962,790
Charges for current service	10,988,699	10,988,699	11,318,360	11,657,911	12,007,648	56,961,317
Miscellaneous revenues	1,100,084	1,100,084	1,133,087	1,167,080	1,202,092	5,702,427
TOTAL OPERATING REVENUES	115,182,654	118,004,366	122,076,046	126,547,414	130,684,158	612,494,639
OPERATING TRANSFERS IN						
Transfers from other funds	6,000	-	-	-	-	6,000
Carry over for encumbrances	-	-	-	-	-	-
TOTAL REVENUES	115,188,654	118,004,366	122,076,046	126,547,414	130,684,158	612,500,639
OPERATING EXPENDITURES						
GENERAL GOVERNMENT						
Policy and Management	3,664,357	3,737,644	3,849,773	3,965,267	4,084,225	19,301,266
Human Services	1,988,658	2,028,431	2,089,284	2,151,963	2,216,521	10,474,857
Legal Services (RWG)	2,008,427	2,048,596	2,110,053	2,173,355	2,238,556	10,578,987
Litigation/Other Legal Fees	470,465	479,874	494,271	509,099	524,372	2,478,080
City Clerk	824,634	841,127	866,360	892,351	919,122	4,343,594
Finance Administration	3,887,728	3,965,483	4,084,447	4,206,980	4,333,190	20,477,828
Liability Insurance	-	-	-	-	-	-
Non-Department Expenses	3,540,601	3,611,413	3,719,755	3,831,348	3,946,289	18,649,406
PUBLIC SAFETY						
Police Department	31,689,600	33,348,716	34,349,178	35,379,653	36,441,043	171,208,190
Fire Department	16,481,322	17,334,917	17,854,964	18,390,613	18,942,332	89,004,148
TRANSPORTATION						
Planning & Community Dev.	2,920,817	2,979,233	3,068,610	3,160,669	3,255,489	15,384,818
Building and Safety	3,967,072	4,046,413	4,167,806	4,292,840	4,421,625	20,895,757
Community Services	3,617,973	3,690,332	3,801,042	3,915,074	4,032,526	19,056,948
Economic Development	1,070,384	1,091,792	1,124,545	1,158,282	1,193,030	5,638,033
Public Works	9,445,383	9,634,291	9,923,319	10,221,019	10,527,650	49,751,662
REC & LIBRARY SERVICES						
Recreation and Parks	12,275,915	12,521,433	12,897,076	13,283,989	13,682,508	64,660,921
Library	8,994,642	9,174,535	9,449,771	9,733,264	10,025,262	47,377,474
BUDGET ADJUSTMENT inc/(dec)	(4,158,228)	(3,311,452)	(3,353,796)	(2,397,409)	(2,442,332)	(15,663,217)
OPERATING EXPENDITURES	102,689,750	107,222,779	110,496,461	114,868,356	118,341,406	553,618,751
CONTRIBUTIONS AND OPERATING TRANSFERS						
Schools & Non-profits	7,657,700	7,657,700	7,657,700	7,657,700	7,657,700	38,288,500
Tourism Promotions	2,085,456	2,127,165	2,212,252	2,300,742	2,392,771	11,118,385
Debt Service Payments	1,766,075	1,766,075	1,766,075	1,766,075	1,766,075	8,830,375
Transfers Out - Capital	-	-	-	-	-	-
TOTAL EXPENDITURES	114,198,981	118,773,719	122,132,488	126,592,873	130,157,952	611,856,012
NET INCOME (REV-EXP)	989,674	(769,352)	(56,441)	(45,458)	526,206	644,628
PLUS - BEGINNING CASH	33,016,128	34,005,801	33,236,449	33,180,008	33,134,550	33,016,128
PLUS - BALANCE SHEET ADJUSTMENTS	-	-	-	-	-	-
LESS - TRANSFERS TO CIP	-	-	-	-	-	-
LESS - RESERVE FOR ENCUMBRANCES	-	-	-	-	-	-
AVAILABLE CASH	34,005,801	33,236,449	33,180,008	33,134,550	33,660,755	33,660,755

The General Fund
CITY OF BEVERLY HILLS
GENERAL FUND
COMPONENTS OF REVENUE
Adopted Budget – Fiscal Year 2003/2004



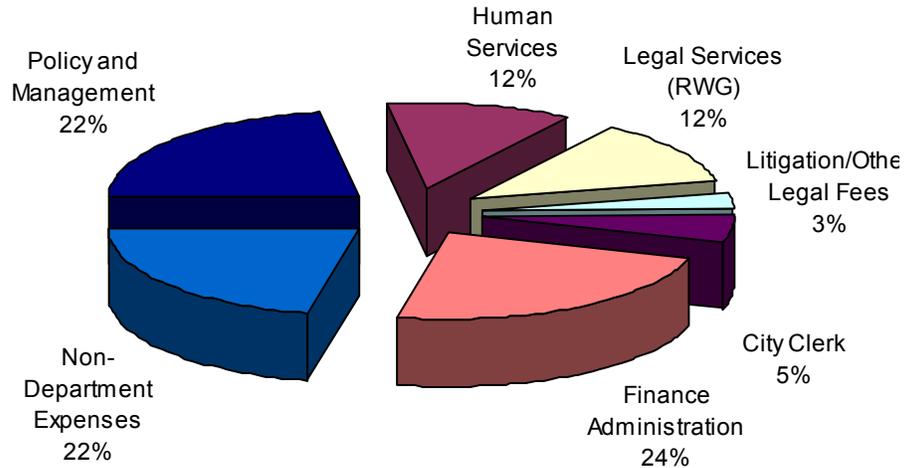
The General Fund
CITY OF BEVERLY HILLS
GENERAL FUND
COMPONENTS OF GENERAL FUND EXPENDITURES
Adopted Budget – Fiscal Year 2003/2004

	EXPENDITURES	PERCENT OF TOTAL
OPERATING EXPENDITURES:		
GENERAL GOVERNMENT:		
Policy and Management	3,664,357	3.21%
Human Services	1,988,658	1.74%
Legal Services (RWG)	2,008,427	1.76%
Litigation/Other Legal Fees	470,465	0.41%
City Clerk	824,634	0.72%
Finance Administration	3,887,728	3.40%
Liability Insurance	-	0.00%
Non-Department Expenses	<u>3,540,601</u>	<u>3.10%</u>
TOTAL GENERAL GOVERNMENT	<u>16,384,870</u>	<u>14.35%</u>
PUBLIC SAFETY:		
Police Department	31,689,600	27.75%
Fire Department	16,481,322	14.43%
TOTAL PUBLIC SAFETY	<u>48,170,922</u>	<u>42.18%</u>
COMMUNITY DEVELOPMENT:		
Planning & Community Dev.	2,920,817	2.56%
Building and Safety	3,967,072	3.47%
Community Services	3,617,973	3.17%
Economic Development	1,070,384	0.94%
Public Works	9,445,383	8.27%
TOTAL COMM. DEVELOPMENT	<u>21,021,629</u>	<u>18.41%</u>
REC & LIBRARY SERVICES		
Recreation and Parks	12,275,915	10.75%
Library	8,994,642	7.88%
TOTAL REC & LIBRARY	<u>21,270,557</u>	<u>18.63%</u>
BUDGET ADJUSTMENT INC/(DEC)	<u>(4,158,228)</u>	<u>-3.64%</u>
TOTAL OPERATING EXPENSES	<u>102,689,750</u>	<u>89.92%</u>
CONTRIBUTIONS AND OPERATING TRANSFERS OUT:		
Schools & Non-profits	7,657,700	6.71%
Tourism Promotions	2,085,456	1.83%
Debt Service Payments	1,766,075	1.55%
Transfers Out - Capital	-	0.00%
TOTAL CONT. & TRANSFERS	<u>11,509,231</u>	<u>10.08%</u>
TOTAL GENERAL FUND	<u>114,198,981</u>	<u>100.00%</u>



City of Beverly Hills

COMPONENTS OF GENERAL GOVERNMENT EXPENDITURES



This section describes each of the departments that comprise the City's General Government function. Included is a statement about the department's charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current year and the department's major initiatives. For the most part, General Governmental departments provide for the administrative, accounting and legal services of the City. Non-Departmental and Liability Insurance expense for the General Fund is included within the General Government function for budgeting convenience.

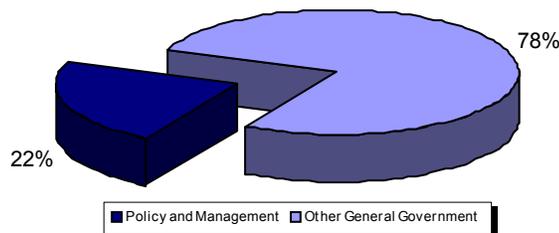
GENERAL GOVERNMENT:	Budget	Percent
Policy and Management	3,664,357	3.21%
Human Services	1,988,658	1.74%
Legal Services (RWG)	2,008,427	1.76%
Litigation/Other Legal Fees	470,465	0.41%
City Clerk	824,634	0.72%
Finance Administration	3,887,728	3.40%
Liability Insurance	0	0.00%
Non-Department Expenses	3,540,601	3.10%
TOTAL GENERAL GOVERNMENT	16,384,870	14.35%

City of Beverly Hills

POLICY AND MANAGEMENT



Policy & Management
as a Percent of General Government Expenditures



DEPARTMENT CHARGE

Policy and Management provides overall policy direction and support for the implementation of City Council policy. The Department includes the divisions of City Council, City Manager's Office, Emergency Management, Communications and Marketing, Public Affairs and Information and Cable Television (under a separate Internal Service Fund).

City Council

The City Council acts as the governing body of the City and considers matters of policy relating to community services, finances, public safety and community development. The City Council formulates policy guidelines through adoption of ordinances, resolutions or motions and, through the City Manager, directs the use of City resources for the attainment of established goals. The City Council also acts as the board of directors for the City of Beverly Hills Parking Authority and the City of Beverly Hills Public Financing Authority.

City Manager

The purpose of the City Manager's Office is to develop, coordinate and implement municipal programs in accordance with City Council policies and promote efficient and cost-effective operations to meet the short and long-term needs of the community. This Division manages the City Council meeting agenda, implementation of capital and major development projects, oversees at least 30 City tenants leasing City property, coordinates emergency preparedness, monitors federal and state legislative issues, coordinates arts and cultural programs and consults on special projects.

Communications and Marketing

The Communication and Marketing Division provides direction, management and coordination of all City-wide special events, filming, press, radio and media relations. The Division is also responsible for the development and preparation of various marketing and public information publications, oversight of the City's website and related materials.

Emergency Management

The office of Emergency Services continues to promote and ensure, internally and externally, that the City prepares for, mitigates against and is able to respond and recover during and after a disaster. This includes community and employee preparedness as well as individual departments' ability to respond and recover.

Public Affairs and Information

The Public Affairs and Information function of the City Manager's Office is responsible for providing public information through the City's telecommunications system. In addition, this function serves as staff liaison to the School District, the Chamber of Commerce, Youth in Government Day and other community organizations.

DEPARTMENT BUDGET

DEPARTMENT BUDGET			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	1,939,915	1,672,354	1,842,079
Materials and Supplies	75,769	64,124	64,124
Contractual Services	518,979	483,869	484,862
Capital Outlay	-	15,000	15,000
Internal Service Fund Charges	909,631	1,199,099	1,209,094
Other Contractual Services	49,361	50,348	49,198
Total	3,493,655	3,484,794	3,664,357

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
City Council	6	6	-
City Manager	8	8	-
Emergency Management	2	1	(1)
Communications & Marketing	5	5	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
City Council	-	-	-
City Manager	-	-	-
Emergency Management	-	-	-
Communications & Marketing	-	-	-

DEPARTMENT INITIATIVES FOR 2003/2004

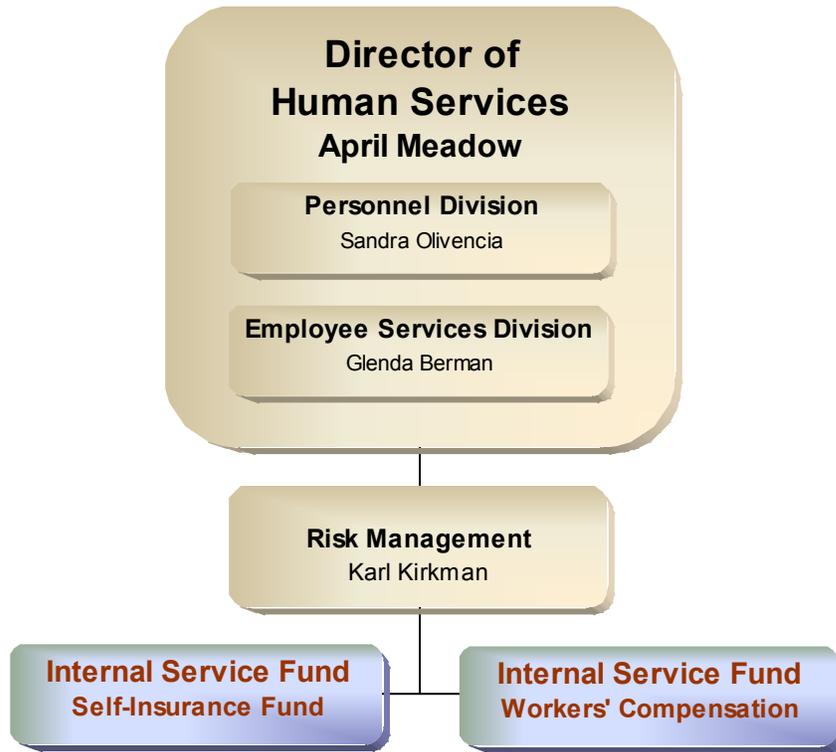
- Coordinate the potential development of the City's T-Lot.
- Coordinate development opportunities for a community sports facility.
- Hold citywide tabletop and field disaster exercise.
- Hold the 6th Annual Safety Week and related activities.
- Assist in the deployment of web casting City Council meeting coverage on the City's website.

Policy and Management

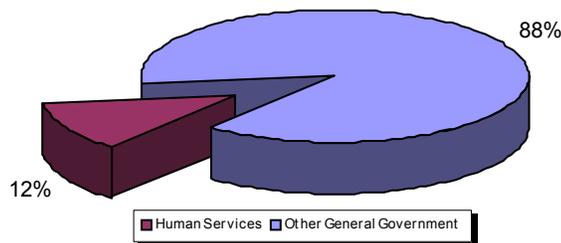
- Submit the City's Multi Hazard Functional Disaster Plan to the City's Council for approval, and then to the State Office of Emergency Services.
- Continue with efforts recently initiated to develop phase two of the City's website upgrade, which will include the ability to conduct interactive services and financial transactions online. Development of comprehensive intranet for City employees is also planned.
- Upgrade the technical abilities of the Emergency Operations Center (EOC).
- Continue negotiations with current cable television franchise operator regarding renewal of the franchise agreement based upon the evaluation of the community needs assessment.

City of Beverly Hills

HUMAN SERVICES



Human Services
as a Percent of General Government Expenditures



Human Services

DEPARTMENT CHARGE

Human Services Department is comprised of two divisions, Personnel and Risk Management.

Personnel

The Personnel Division is responsible for City-wide recruitment, salary and benefit administration, labor and employee relations, staff development and training, and employee enrichment programs.

Risk Management

The Risk Management Division is responsible for the purchase of insurance and the administration of self-insurance programs, claim management for liability and workers' compensation, and the administration of all employee health insurance programs.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	874,698	937,782	998,321
Materials and Supplies	38,356	35,705	35,705
Contractual Services	452,167	469,059	549,059
Capital Outlay	-	-	-
Internal Service Fund Charges	213,747	352,340	387,670
Other Contractual Services	17,983	18,342	17,903
Total	1,596,951	1,813,228	1,988,658

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Personnel	9	9	-
Risk Management	2	2	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Personnel	-	-	-
Risk Management	-	-	-

DEPARTMENT INITIATIVES FOR 2003/2004

- For fiscal year 2003/2004, Human Services would like to focus its time and resources on employee recruitment and retention. As such we will be evaluating our recruitment methods, advertising efforts, interviewing and hiring practices, employee orientation activities, and education & training programs. We believe this initiative will positively promote the City, increase its competitiveness in the job market, and more actively involve departments in the recruitment process. The reward will be more talented job applicants, smarter hiring decisions, and the retention of valuable employees.

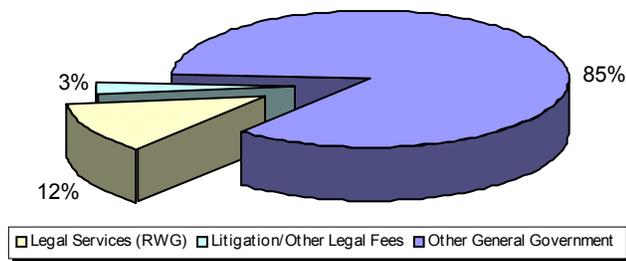
City of Beverly Hills

CITY ATTORNEY

Contract City Attorney
Richards, Watson & Gershon
City Attorney
Laurence S. Wiener

Contract City Prosecutor
Dapeer, Rosenblit & Litvak

Legal & Litigation Services
as a Percent of General Government Expenditures



DEPARTMENT CHARGE

Legal and litigation services are provided to the City through a contract with Richards, Watson & Gershon as City Attorney, and Dapeer, Rosenblit & Litvack as City Prosecutors.

Through the City Attorney and legal staff, this Department serves as the legal advisor to the City Council and all Departments, Boards, Commissions and Officers of the City. The Department is also responsible for both the preparation of legal documents, ordinances, resolutions and the prosecution of violations to the City's Municipal Code.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	-	-	-
Materials and Supplies	15,514	15,670	15,670
Contractual Services	1,881,030	1,899,840	2,399,840
Capital Outlay	-	-	-
Internal Service Fund Charges	47,133	57,172	46,749
Other Contractual Services	16,935	17,273	16,633
Total	1,960,612	1,989,955	2,478,892

DEPARTMENT STAFFING

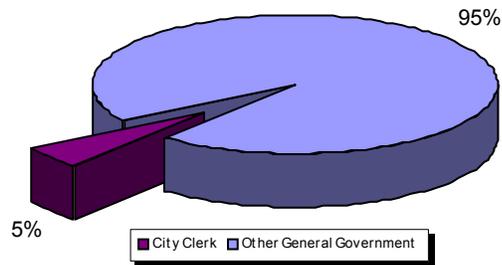
Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
City Attorney	7	7	-
City Prosecutor	2	2	-

City of Beverly Hills

CITY CLERK

City Clerk
Nina Webster
Deputy City Clerk
Patty Ogden

City Clerk
as a Percent of General Government Expenditures



City Clerk

DEPARTMENT CHARGE

The City Clerk's office provides support to the Mayor and City Council; service to the community and City departments; conducts all municipal elections, administers the City's Records Program; codifies and maintains the Beverly Hills Municipal Code; maintains custody of the City seal; acts as Filing Officer for all reports under the state's Political Reform Act; and provides a variety of services relating to information and records.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	390,632	422,003	422,220
Materials and Supplies	7,470	7,717	7,717
Contractual Services	76,058	136,900	136,900
Capital Outlay	412	450	450
Internal Service Fund Charges	180,162	234,810	244,545
Other Contractual Services	13,046	13,307	12,802
Total	667,780	815,187	824,634

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
City Clerk	5	5	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
City Clerk	1	1	-

DEPARTMENT INITIATIVES FOR 2003/2004

◆ Outsource Municipal Code Maintenance

Solicit proposals to:

- Stylize/reformat existing code.
- Provide supplement services for future ordinances.
- Host code online with link from City's website.
- Provide on-site training to City employees on Internet search program and notation features.

◆ Automate Tickler/Reminder System

Utilize newly acquired contract management software system to:

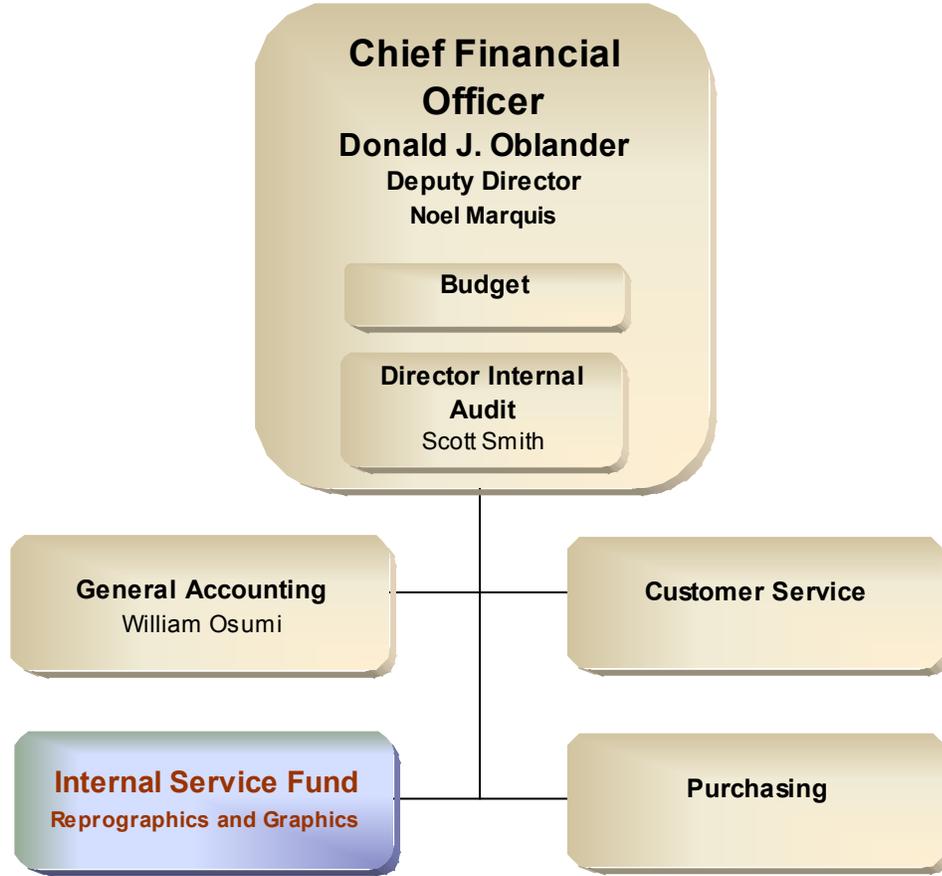
- Send electronic reminders to City departments re contractual deadlines.
- Create contractual database for research purposes.
- Maintain copies of signed contracts for access by City departments.
- Reduce volume of photocopying and interoffice mail.
- Replace current index card file system.

◆ Install Computer Terminal at Public Counter

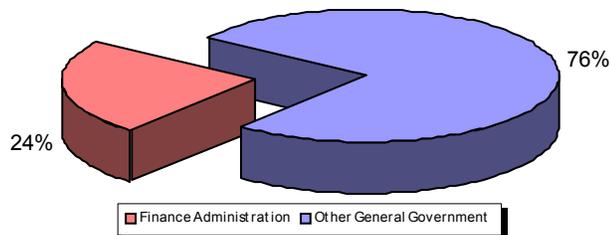
- Enable City staff and public to perform computer search of public documents.
- Reduce staff time assisting in manual searches of records.

City of Beverly Hills

FINANCE ADMINISTRATION



Finance Administration
as a Percent of General Government Expenditures



DEPARTMENT CHARGE

The Finance Administration Department is responsible for the management and oversight of the City's budget, purchasing, accounts receivable and payable, investments, business tax collection, audits, business and transient occupancy tax collections, cashiering functions, utility billing and accounting activities.

Administration

The Administration Division is responsible for oversight of all Departmental activities and staff. The Division manages the City's investments, budget and fiscal reporting, auditing and is also responsible for business tax and transient occupancy tax collections.

General Accounting

The General Accounting Division is responsible for the accurate, fair presentation, and full disclosure of the City's financial transactions in conformance with generally accepted accounting principals. The Division is also responsible for the issuance of City checks, the maintenance of City payroll records, payment of all state and federal taxes, and safeguarding of the City's financial assets.

Customer Service

The Customer Service Division is responsible for the Accounts Receivable and Cashiering functions of the City.

The Accounts Receivable functions include all phases of customer billing, including file maintenance, transaction recordation, account billing, late and penalty notices, account collection and payment processing for the following accounts receivable systems:

- Utilities, which include water, wastewater, solid waste and stormwater.
- Monthly parking programs at City owned parking facilities.
- Preferential parking permits.
- Ambulance.
- False alarm annual alarm permit renewal.
- Annual renewal of business permits.
- Miscellaneous City programs including special events.

For the Cashiering function the Division is responsible for the daily receipt and deposit of funds from various City departments, such as parking meter collections, Park and Recreation programs etc. Additionally, the Division receives counter payments for all of the accounts receivable, parking citation payments, business tax payments and senior bus and taxi programs. The Division also responds to customer requests for information about their accounts, business tax questions and a multitude of other information items, both over the counter and through telephone contacts.

Purchasing

The Purchasing Division is the central control point of the City's decentralized purchasing system. Unlike a traditional centralized purchasing system with several layers of buyers and assistants, much of the City's purchasing function is accomplished at the user level. The Purchasing Division acts as the control mechanism, making certain that the City's policies, procedures and codes have been adhered to.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	2,033,913	2,163,712	2,220,155
Materials and Supplies	11,243	11,355	11,355
Contractual Services	785,879	793,737	651,408
Capital Outlay	-	-	-
Internal Service Fund Charges	534,254	902,912	965,400
Other Contractual Services	39,899	40,697	39,410
Total	3,405,188	3,912,413	3,887,728

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration	9	9	-
General Accounting	9	9	-
Customer Service	7	7	-
Purchasing	2	2	-

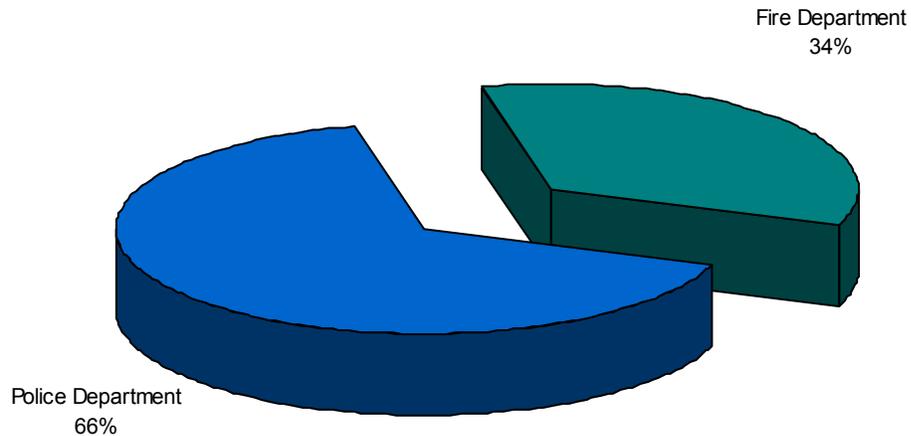
Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration	-	-	-
General Accounting	-	-	-
Customer Service	-	-	-
Purchasing	-	-	-

DEPARTMENT INITIATIVES FOR 2003/2004

- Continue efforts to move all financial systems to a common database, to eliminate manual steps that have been necessary to transfer data between systems, through the completion of interfaces and the installation of report writer software.
- Complete implementation of Internal Audit program.
- Administer Capital Improvements Program.

City of Beverly Hills

COMPONENTS OF PUBLIC SAFETY EXPENDITURES

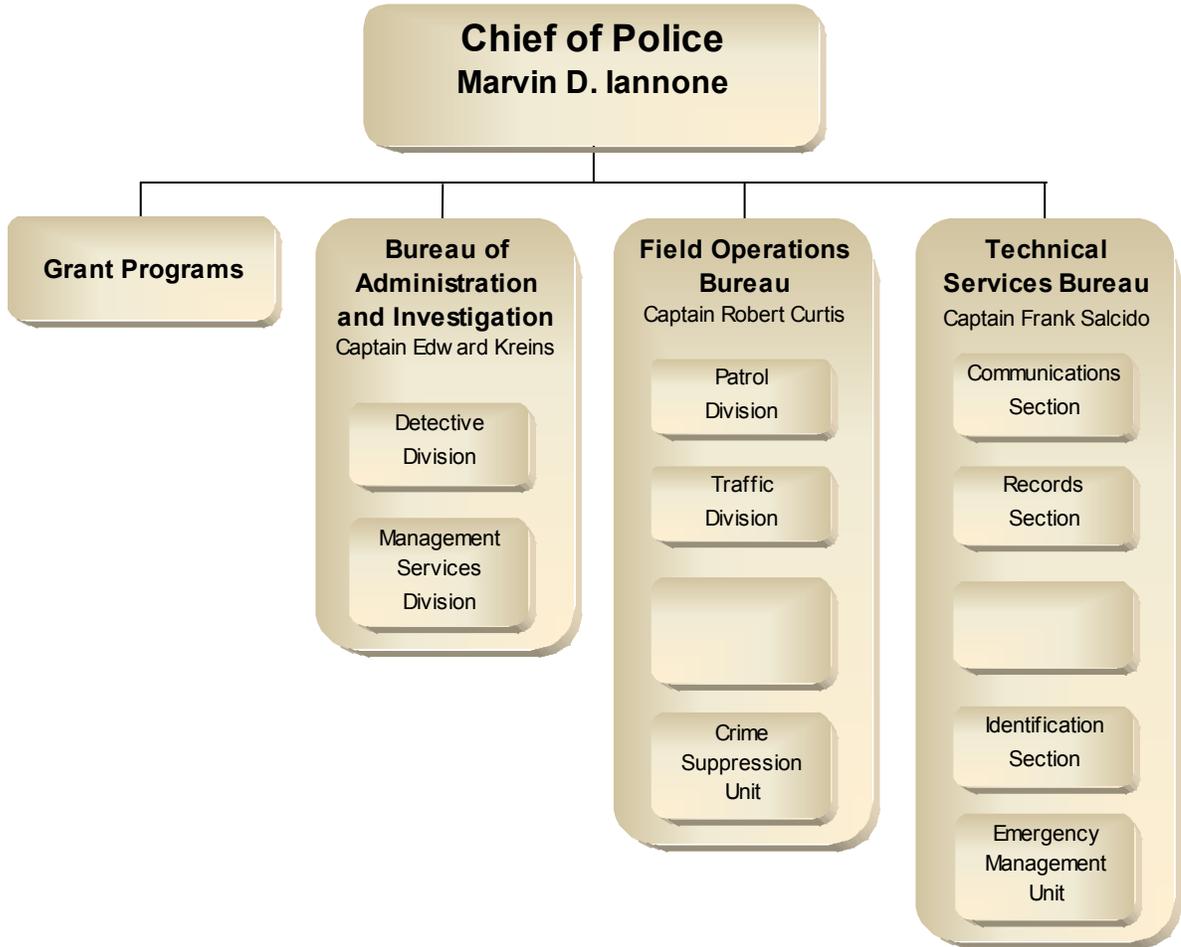


This section describes each of the departments that comprise the City's Public Safety function. Included is a statement about the department's charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current year and the department's major initiatives for the upcoming year.

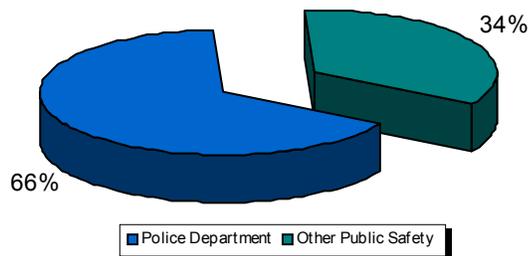
PUBLIC SAFETY:	Budget	Percent
Police Department	31,689,600	27.75%
Fire Department	16,481,322	14.43%
TOTAL PUBLIC SAFETY	48,170,922	42.18%

City of Beverly Hills

POLICE



Police Department
as a Percent of Public Safety Expenditures



DEPARTMENT CHARGE

The Police Department is responsible for the protection of life and property and the enforcement of the law, thereby enhancing the quality of life throughout the community.

The Police Department is composed of 4 divisions and several special grant programs as follows:

Office of the Chief

The Police administrative office is responsible for directing the overall operation and activity of the Police Department; plans, organizes and administers a broad program of police services and is responsible for an effective law enforcement program; develops work programs for the various activities within the Department; and administers the Department budget; special reports and projects.

Bureau of Administration and Investigation

This bureau consists of the Detective Division and Management Services Division (which includes of the Personnel & Training Section and Crime Prevention Section).

The primary function of the Detective Division is to investigate all felonies, misdemeanors and non-criminal matters as assigned; to apprehend suspects; interview witnesses, prosecute offenders, effect the recovery of stolen property and the service of most warrants held by this Department.

The Personnel and Training Section is responsible for the induction, training and placement of all Department employees.

The Crime Prevention Section is responsible for the maintenance of all crime prevention and community awareness programs, including the School Resource Officer program, conducted by the Department.

Field Operations Bureau

The Field Operations Bureau consists of the Patrol Division, Traffic Division, Special Tactics Unit, Crime Suppression Unit and Canine Unit.

The Patrol Division is responsible for enforcing all laws and providing routine patrol of the City, including foot beats and bicycle patrol. The Patrol Division also provides staffing for the information desk, Canine and Crime Suppression Units.

The Traffic Division is responsible for the specialized enforcement of state and local traffic laws through motorcycle patrol, accident investigations, the driving under the influence team (DUI), and traffic control.

The Special Tactics Unit assists detectives with warrant service, conducts surveillance, assists with training of personnel, provides crowd control and acts as liaison with federal agencies for dignitary protection assignments, maintains special weapons capability for high risk warrant services and as a contingency in the event the Los Angeles County Sheriff's Department SWAT team is unavailable.

Technical Services Bureau

The Technical Services Bureau is responsible for support operations for the Police Department and consists of the Communications, Records, Identification, Jail Sections and the Emergency Management and Facilities Units.

The Communications Section handles radio, telephone and digital communications for all Police and Fire operations in the City.

The Records Section manages written and digital information compiled by other bureaus, collects statistical information for mandatory reporting, researches state data bases for information on suspects under investigation, coordinates the release of prisoners and processes applicants for City permits.

Police Department

The Identification Section conducts forensic investigations of crime scenes, lab analysis of collected evidence, inputs fingerprints to the state data base, prepares fingerprint and photographic evidence for court, and the storage of property.

The Jail Section operates a Type I facility, which accepts and houses inmates in accordance with regulations established by the State Board of Corrections.

The Emergency Management Unit is responsible for updating Department disaster plans, training Department employees concerning their response to major emergencies and maintaining the Department's emergency operations equipment.

The Facilities Unit aids in the maintenance of the police building, vehicles, related equipment and associated purchases.

Grant Programs

The Police Department is the beneficiary of several state and federal grant programs and state and federal seized asset programs.

In April 2002, the Police Department was awarded a 2001 COPS in School Grant to partially fund two officers at the Beverly Hills elementary schools. Although these positions are part of the Bureau of Administration and Investigation, a separate subprogram was created to facilitate financial reporting requirements of the Department of Justice. With these additional positions, each of the Beverly Hills schools has an officer assigned full time on campus to serve as instructors and as the first responder in the event of an emergency.

The Police Department was awarded a COPS Allocation grant, which funds a civilian rangemaster position. A separate subprogram was established to meet the funding requirements for the Citizens Option for Public Safety (COPS) allocation, appropriated by the California State Legislature each year.

As designated by the California State Legislature, the Police Department qualifies for several single-purpose grant opportunities. Funding for these programs is linked to State budget appropriations.



Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	20,411,934	22,167,934	23,494,718
Materials and Supplies	333,045	336,375	336,375
Contractual Services	355,469	359,023	359,023
Capital Outlay	46,600	13,150	13,150
Internal Service Fund Charges	3,950,880	6,192,088	7,114,322
Other Contractual Services	375,385	382,893	372,012
Total	25,473,313	29,451,463	31,689,600

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Office of the Chief	8	8	-
Bureau of Admin/Investigation	33	36	3
Field Operations Bureau	110	109	(1)
Technical Services Bureau	54	53	(1)
COPS FAST	4	3	(1)

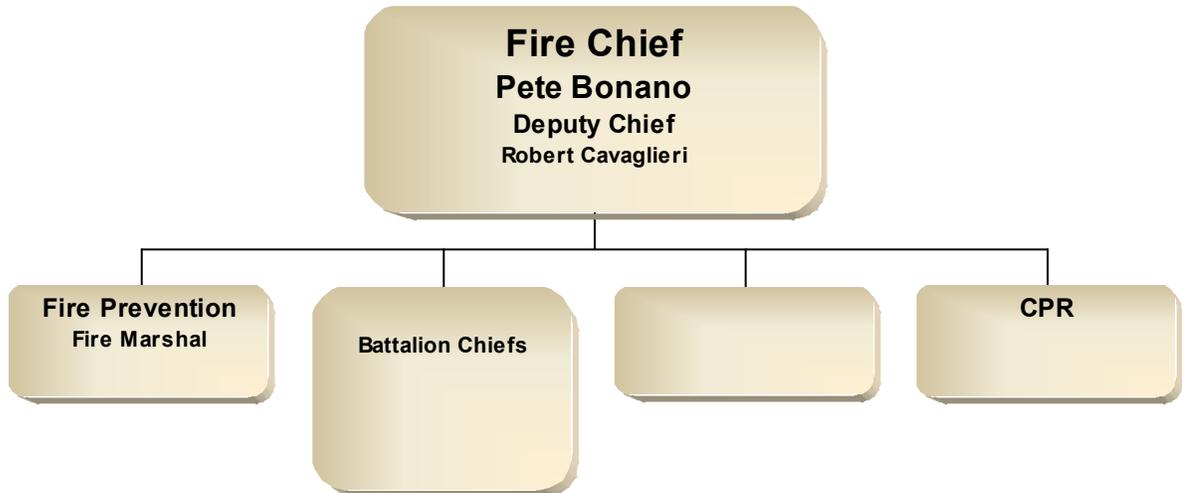
Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Office of the Chief	-	-	-
Bureau of Admin/Investigation	2	2	-
Field Operations Bureau	-	-	-
Technical Services Bureau	-	-	-
COPS FAST	-	-	-

DEPARTMENT INITIATIVES FOR 2003/2004

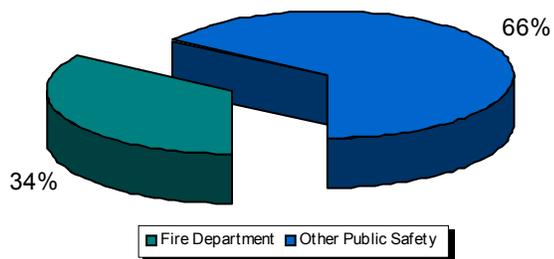
- In cooperation with Information Technology and the Fire Department, successfully implement the Computer Aided Dispatch/Records Management System (CAD/RMS).
- Attempt to achieve full staffing in the Jail, Records, Communications and Crime Lab, thereby reducing overtime requirements.
- Upgrade the jail security system.
- Do everything possible to ensure a reduction in crime and educate the community regarding public safety.
- Significantly impact speed and pedestrian-related collisions through selective enforcement actions funded by state traffic grant.
- Increase the clearance rate of all criminal investigations.
- Identify illicit narcotic and vice-related activity within the City and eliminate it, using all federal, state and local resources available.

City of Beverly Hills

FIRE



Fire Department
as a Percent of Public Safety Expenditures



Fire Department

DEPARTMENT CHARGE

The Fire Department is responsible for the protection of lives and property from the hazards of fire and natural disaster. This includes providing emergency medical aid and assistance. The Fire Department has 5 divisions as follows;

Administration

The Fire Administrative Office is responsible for directing the overall operation and activity of the Fire Department; plans, organizes and administers a broad program of fire services and is responsible for an effective fire prevention program; develops work programs for the various activities within the Department; and administers the Department budget, special reports and projects.

Fire Prevention and Training

The Fire Prevention Bureau is charged with the responsibility of the enforcement of all local, state, and federal codes related to the safe occupancy of buildings or premises. The charge further extends to the safeguarding of life and property from the hazards of fire and explosion arising from the storage, handling, and use of hazardous substances, materials and devices as well as conditions hazardous due to the use or occupancy of buildings or premises. The Bureau is also responsible for the investigation of all fires for cause and origin.

The Training Division is charged with the maintenance of existing skills, the investigation of and training in new skills, and the coordination of training between different divisions, departments, and agencies. An additional responsibility is to insure that all mandatory state and federal training is completed and that the required records are maintained.

Fire Suppression

The Fire Suppression Division is charged with the rapid and timely delivery of Emergency Service to any incident which threatens or has the potential to threaten life or property. The equipment responding must be appropriate and properly conditioned and maintained. The personnel responding must be knowledgeable, creative, and flexible.

Ambulance Service

The Ambulance Service (EMS) Division is charged with the responsibility of rapid delivery of advanced medical care that exceeds the recognized community standard. The delivery of this care is to be done, equally, professionally, compassionately and efficiently. The EMS Division is also charged with the monitoring of its performance so as to assure quality and improvement when necessary.

CPR Program

The CPR program is charged with the responsibility to train and educate the citizens, businesses, employees, and visitors of the community in skills that will protect them and their families.

Fire Department

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	11,918,079	12,045,793	12,875,082
Materials and Supplies	368,780	372,374	372,374
Contractual Services	285,562	288,418	288,418
Capital Outlay	241,200	106,250	106,250
Internal Service Fund Charges	1,584,270	2,454,402	2,637,332
Other Contractual Services	205,163	209,266	201,866
Total	14,603,054	15,476,503	16,481,322

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration and Training	7	6	(1)
Fire Prevention	7	6	(1)
Fire Suppression	58	58	-
Emergency Medical Services	18	18	-
CPR Program	1	1	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration and Training	-	-	-
Fire Prevention	-	-	-
Fire Suppression	-	-	-
Emergency Medical Services	-	-	-
CPR Program	-	-	-

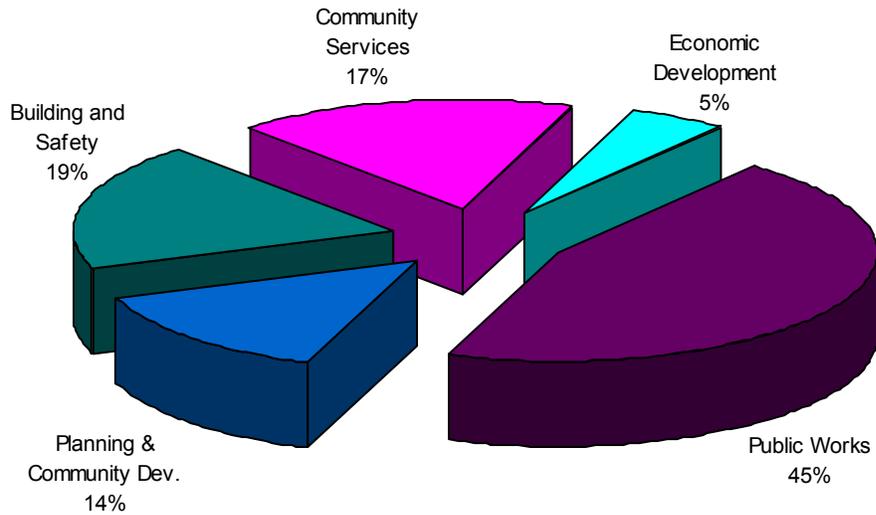
DEPARTMENT INITIATIVES FOR 2003/2004

The Fire Department expects the year to be the continuation of a more aggressive plan to insure the optimum level of safety for the community. Each division will be responsible for additional innovative programs to enhance the overall commitment to protect the community as well as possible from all hazards and emergencies.

- Continue providing the community with the provisions of a "Class One" Fire Department.
- Increase the Fire Department's ability to respond to natural disasters with the finalization (Part III – Vehicle Acquisition) of the department's US&R Program.
- Prepare staff to respond to incidents involving Weapons of Mass Destruction (WMD) with additional WMD training and the purchase of specialized equipment.
- Increase community education and preparedness with aggressive marketing of the Community Emergency Response Team (CERT) and CPR programs.
- Refine and upgrade fire prevention programs in the Fire Prevention Bureau.
- Specification development and purchase of three new pumpers.
- Specification development and purchase of a new rescue ambulance.
- Specification development and purchase of a new Battalion vehicle.
- Specification development and purchase of a new FPB sedan.
- Continued training and recertification of the Urban Search and Rescue (US&R) team which includes confined space, trench rescue certification, as well as, base training for new team members.
- Streamline Fire Prevention Bureau operations by computerizing the inspection program.
- Finalize an image recognition system with a high-end computer server that has the ability to measure several performance features, e.g. protocol compliance, timed-trend data, develop performance indicators and automated billing information.
- Expansion of the scanning project for Fire Prevention Inspections and Vehicle maintenance.

City of Beverly Hills

COMPONENTS OF COMMUNITY DEVELOPMENT EXPENDITURES



This section describes each of the departments that comprise the City's Community Development function. Included is a statement about the department's charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current year and the department's major initiatives for the upcoming year.

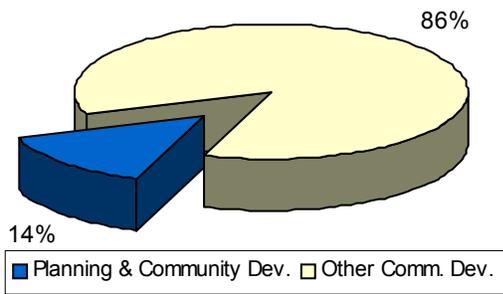
COMMUNITY DEVELOPMENT:	Budget	Percent
Planning & Community Dev.	2,920,817	2.56%
Building and Safety	3,967,072	3.47%
Community Services	3,617,973	3.17%
Economic Development	1,070,384	0.94%
Public Works	9,445,383	8.27%
TOTAL COMM. DEVELOPMENT	21,021,629	18.41%

City of Beverly Hills

PLANNING AND COMMUNITY DEVELOPMENT



Planning & Community Development
as a Percent of Community Development Expenditures



Planning and Community Development

DEPARTMENT CHARGE

The Planning Department is responsible for land-use planning, community development, project review, Code analysis, environmental review, administration of the City's Community Development Block Grant (CDBG), and administration of the City's traffic consultant contract. In addition to providing staff support to the Planning and Architectural Commissions, the Department also provides staff assistance to the City Council, City Manager and other City departments on planning and environmental issues.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	1,618,314	1,649,242	1,760,361
Materials and Supplies	12,675	47,802	48,381
Contractual Services	459,288	467,680	468,425
Capital Outlay	12,609	-	-
Internal Service Fund Charges	327,839	596,309	613,492
Other Contractual Services	30,593	31,205	30,158
Total	2,461,318	2,792,238	2,920,817

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Planning & Community Development	20	20	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Planning & Community Development	1	-	(1)

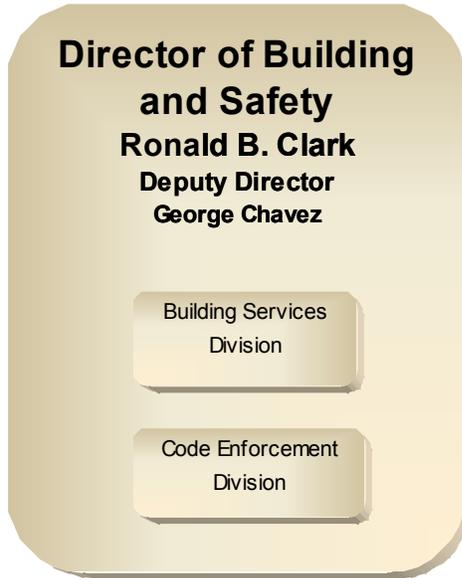
DEPARTMENT INITIATIVES FOR 2003/2004

- ◆ Planning Division
 - Continue the General Plan Update Project, focusing on development of General Plan Topic Committee Recommendations to be presented to the City Council and Planning Commission and the subsequent elements of the General Plan.
 - Complete EIRs for the Athens/T Lot and Cultural Center projects.
 - Prepare recommendations for modification to the Zoning Code for loading dock requirements, pursuant to completion of study.
 - Implement the department component of the Online Business Center.
 - Explore opportunities to enhance customer service response in coordination with other City service oriented departments.
 - Work with Information Technology department on the development of downloadable application forms to allow for greater access to the Department via the Internet.

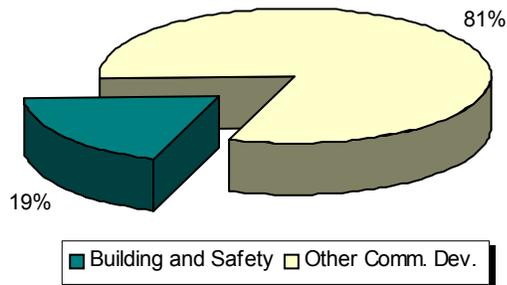
- ◆ Community Development Block Grant Division (CDBG)
 - Continue to provide the Handyworker Program and public services benefiting senior citizens to the extent that funding allows.
 - Work with other City departments to identify additional eligible construction projects utilizing CDBG funds.
 - Qualify the City's CDBG program for an Award of Merit from Los Angeles County in 2003/2004.
 - Explore opportunities for exchanging funds with other cities for unrestricted monies.

City of Beverly Hills

BUILDING AND SAFETY



Building & Safety
as a Percent of Community Development Expenditures



Building and Safety

DEPARTMENT CHARGE

The primary charge of the Building and Safety Department is to safeguard life, health, and property in the built environment through the administration and enforcement of federal, state, and local codes, including the City's zoning codes, for building placement, design, construction, maintenance and use. Ancillary to its primary charge is environmental protection and preservation as these relate to building energy conservation, disabled access, noise control, asbestos abatement, and property maintenance. The Department also administers the City's Rent Control and Animal Control regulations.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	2,558,383	2,815,236	2,938,993
Materials and Supplies	23,158	23,389	23,389
Contractual Services	131,482	130,925	130,925
Capital Outlay	10,570	-	-
Internal Service Fund Charges	486,882	775,113	836,673
Other Contractual Services	37,280	38,025	37,092
Total	3,247,755	3,782,688	3,967,072

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Building and Safety	31	31	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Building and Safety	1	1	-

DEPARTMENT INITIATIVES FOR 2003/2004

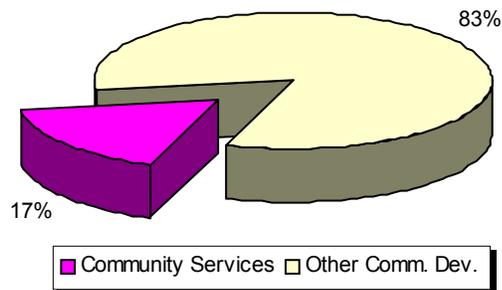
- Work with the Beverly Hills Unified School District (BHUSD) and the Division of the State Architect (DSA) to develop and implement the first local government plan review program for school construction projects.
- Work with the BHUSD and the DSA to expand the existing school construction inspection program.
- Continue to develop and expand the Online Business Center.
- Develop and implement an ongoing monitoring program for the maintenance and retention of public art.
- Implement a mini-Business Center with at least three departments –Planning and Community Development, Civil Engineering, and Building and Safety.

City of Beverly Hills

COMMUNITY SERVICES



Community Services
as a Percent of Community Development Expenditures



Community Services

DEPARTMENT CHARGE

The Department of Community Services manages the City's Office of Human Relations, on street residential parking permit programs, and is responsible for parking enforcement and adjudication of citations. Community Services also manages the City's transit services, oversees valet and taxi operations and monitors and provides timely reports on regional transportation and air quality issues.

Human Relations

The Office of Human Relations provides administrative support to the Human Relations Commission. The Office also provides information and resources to the Beverly Hills Unified School District, community, and City staff on issues of diversity, discrimination and tolerance.

Transportation Services

The administrative division of the Department, is responsible for monitoring the Los Angeles County Metropolitan Transportation Authority (MTA) and Southern California Air Quality Management District (SCQMD), managing the City's transit services, and ensuring City compliance with regional transportation and air quality requirements.

Parking Enforcement

Parking Enforcement is responsible for the enforcement of parking restrictions in the City. The Division manages the contract for the data processing of citations, conducts written administrative investigations, manages the contract for citation hearings and enforces parking permits, valet and taxi services and issues daytime and overnight parking permits and exemptions.

Customer Service

This Division is responsible for all customer service related functions such as the issuance of regulatory and residential parking permits and collection of parking related fees and penalties.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	1,981,917	2,349,329	2,478,029
Materials and Supplies	28,507	37,792	37,792
Contractual Services	86,149	115,011	115,011
Capital Outlay	-	-	-
Internal Service Fund Charges	462,329	869,006	969,486
Other Contractual Services	17,917	18,276	17,655
Total	2,576,819	3,389,414	3,617,973

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Parking Enforcement	23	23	-
Transportation Services	5	5	-
Office of Human Relations	2	2	-
Customer Service	6	6	-

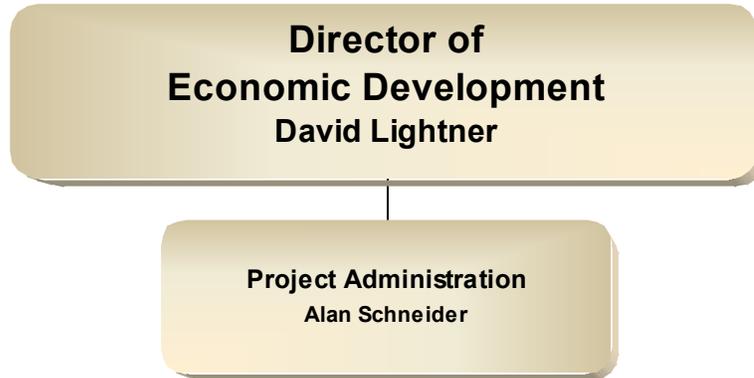
Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Parking Enforcement	1	-	(1)
Transportation Services	1	-	(1)
Office of Human Relations	-	-	-
Customer Service	2	1	(1)

DEPARTMENT INITIATIVES FOR 2003/2004

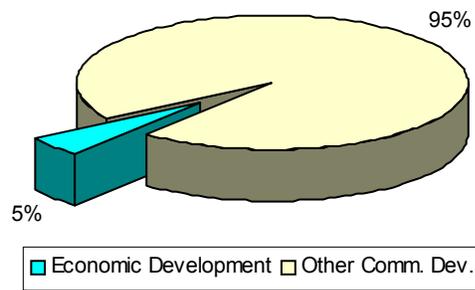
- Continue consolidation of permit parking zones with similar characteristics into larger districts.
- Develop improved valet parking guidelines to maximize efficiency, minimize traffic impacts to residential areas and strengthen enforcement.
- Refine tour bus and limousine programs, implement safe locations for limousine loading in commercial areas, create uniform loading zone locations and time restrictions in the Business Triangle, and implement appropriate parking modifications following the completion of the Urban Design enhancements in the Business Triangle.
- Continue development and implementation of the Street Sign Master Plan.
- Streamline and improve operational process to enhance customer service and reduce costs through
 - Implementation of new computer system for issuing permits
 - Deployment of updated and enhanced hand held citation-writing equipment.
 - Execution of a new contract for improved citation processing and customer service capabilities.
 - Remodel of the public counter.
 - Introduction of new model for overnight and daytime permits.

City of Beverly Hills

ECONOMIC DEVELOPMENT



**Economic Development
as a Percent of Community Development Expenditures**



Economic Development

DEPARTMENT CHARGE

Economic Development provides asset value enhancement through projects such as development of the City's D and T surface parking lots, the Urban Design Program and other development projects. The Division develops and implements business recruitment and retention programs, and coordinates economic development activities with other entities in the City. The Division's marketing efforts include coordinating Transient Occupancy Tax (T.O.T) funded advertising and promotional programs. Economic Development contains 1 division, Project Administration.

Project Administration

Project Administration is responsible for the accomplishment of assigned capital projects in the most effective, prudent and economical manner and the development and redevelopment of major elements of the City's plant and property. The Division provides administration and coordination of the various components of project planning and implementation, including facilitation of program and design development, refinement and production of construction and contract documents, project documentation, and liaison between the various contractors, consultants and agencies involved in the projects.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	464,103	725,960	690,960
Materials and Supplies	5,751	5,260	5,260
Contractual Services	160,100	160,328	160,328
Capital Outlay	-	-	-
Internal Service Fund Charges	150,991	196,698	206,940
Other Contractual Services	6,928	7,067	6,896
Total	787,873	1,095,313	1,070,384

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Economic Development	-	-	-
Project Administration	7	6	(1)

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Economic Development	-	-	-
Project Administration	-	-	-

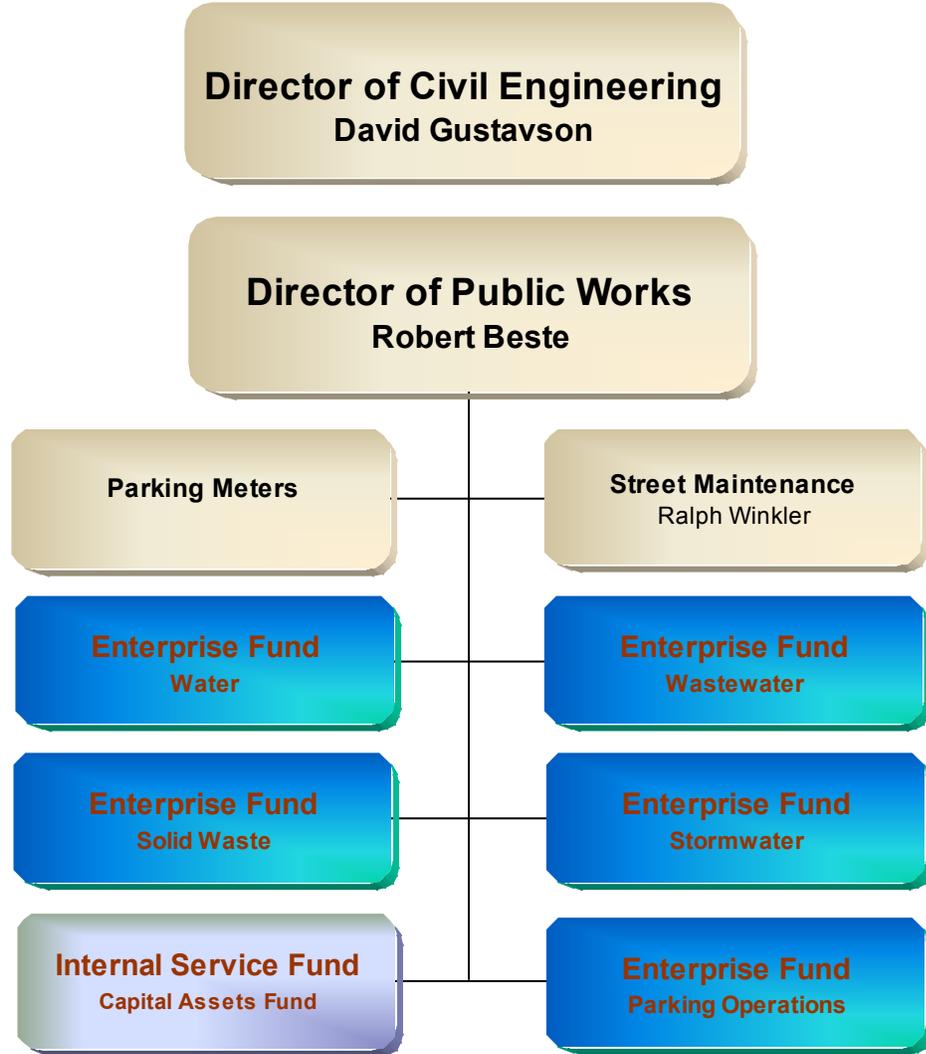
DEPARTMENT INITIATIVES FOR 2003/2004

The main focus of the Economic Development Department will include staff development, implementing operational improvements and enhancing communications. The department's major initiatives are as follows:

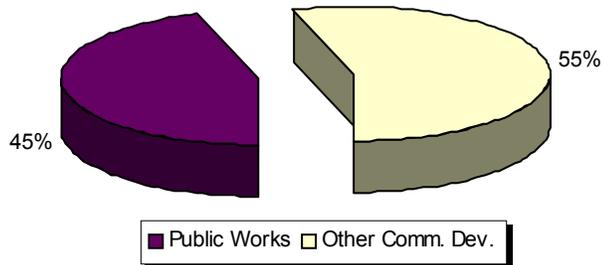
- Complete Urban Design program.
- Secure final D-lot tenant commitments.
- Complete development process for T-lot and adjacent private properties.
- Coordinate development opportunity for Community Sports Facility.
- Continue preventive maintenance and preservation of Greystone estate.
- Complete and implement approved Capital Improvement Projects. Major facility-related projects for fiscal year 2003/2004 include Civic Center Plaza restroom facilities and level A tenant improvement under the Library.
- Implementation of additional energy conservation strategies.
- Assist City departments in contract administration and management of small projects.

City of Beverly Hills

PUBLIC WORKS



Public Works
as a Percent of Community Development Expenditures



Public Works

DEPARTMENT CHARGE

Public Works is responsible for the development, construction, improvement inspection and maintenance of the City's infrastructure and improvement in public right-of-way. The 4 divisions operating within the General Fund include Administration, Engineering, Parking Meters and Street Maintenance. The Department is also responsible for the administration of other 5 Enterprise Fund operations, Water, Solid Waste, Wastewater, Stormwater and Parking, and 1 Internal Service Fund, Vehicle and Facilities Maintenance.

Administration

The Administration Division provides customer service, public relations, personnel management, department accounting, budget development, project tracking, clerical support and Public Works Commission liaison and packet preparation.

Civil Engineering

The Civil Engineering Division is under the oversight of Deputy City Manager of Operations. It provides design, planning specifications, and inspection of Capital Improvement Projects. It also provides technical support to other Public Works Divisions and issues public right-of-way permits, including street use, excavation, utility and heavy hauling permits.

Parking Meters

Street Maintenance

The Streets Maintenance Division is responsible for the maintenance of City streets, alleys and sidewalks. Other responsibilities include the installation, maintenance and repair of traffic signals, street lights, painted roadway, curb markings, traffic control, sign maintenance and graffiti abatement.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	3,684,697	3,910,945	4,260,313
Materials and Supplies	322,819	306,632	335,586
Contractual Services	122,394	143,031	153,305
Capital Outlay	-	-	-
Internal Service Fund Charges	669,813	2,974,123	3,793,030
Other Contractual Services	932,115	950,757	903,149
Total	5,731,838	8,285,488	9,445,383

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration	10	9	(1)
Civil Engineering	16	13	(3)
Street Maintenance	24	23	(1)
Parking Meters	5	5	-

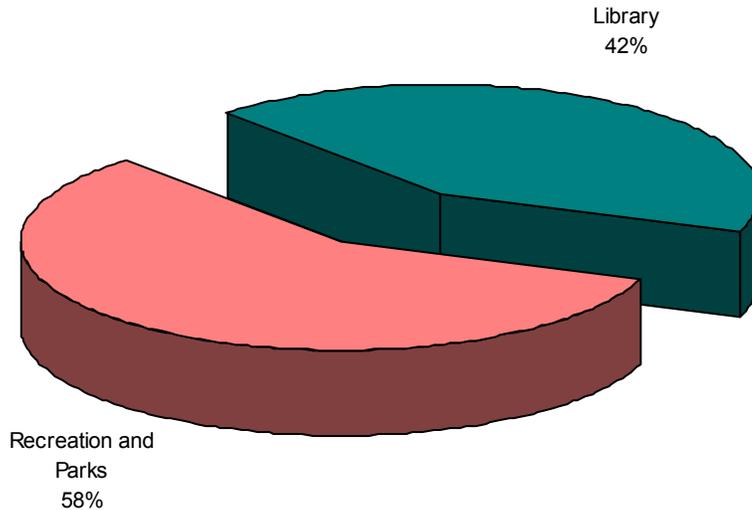
Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration	-	-	-
Civil Engineering	1	-	(1)
Street Maintenance	-	-	-
Parking Meters	-	-	-

DEPARTMENT INITIATIVES FOR 2003/2004

- Initiate program planning and design of a new Operation Services Center, which will provide a new Facilities Maintenance facility, a new Vehicle Service facility and office space for Public Works and other department staff.
- Complete evaluation of options for solid waste transfer/disposal. Request for Proposal for Transfer Station Services for a minimum of 5 years will be sent to the qualified agencies/companies in the new year.
- Street Light System, a 2-year project, will continue this year. The new system is designed for multiple-circuit.
- Installation of 1000 traffic and parking control signs (phase II of sign inventory project) by City crews will begin in the new year.
- Automate department work order systems (Vehicle Maintenance and Facilities Maintenance).
- Operation of the Beverly/Canon retailing and parking facility will commence in October 2003.
- Construction of the supplementary reservoir at Booster Station # 2 is already underway; Coldwater Canyon reservoir will follow.

City of Beverly Hills

COMPONENTS OF RECREATION AND LIBRARY SERVICES EXPENDITURES

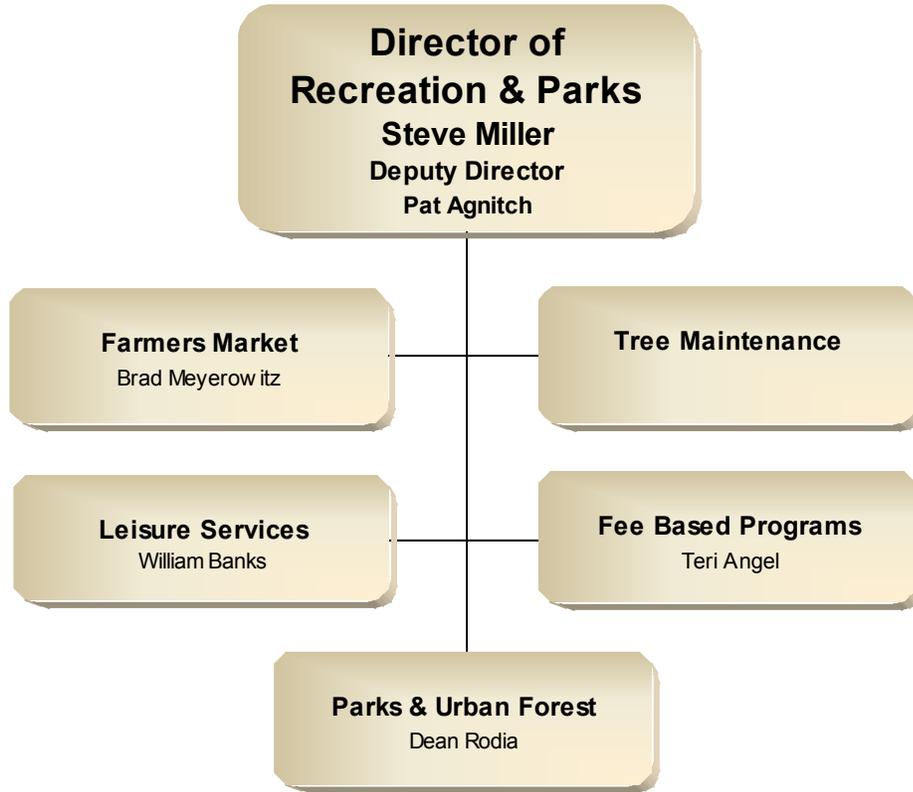


This section describes each of the departments that comprise the City's Leisure Services function. Included is a statement about the department's charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current year and the department's major initiatives for the upcoming year.

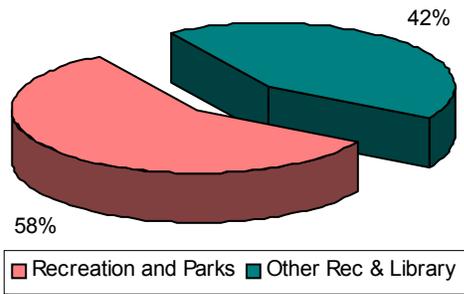
REC & LIBRARY SERVICES:	Budget	Percent
Recreation and Parks	12,275,915	10.75%
Library	8,994,642	7.88%
TOTAL REC & LIBRARY	21,270,557	18.63%

City of Beverly Hills

RECREATION AND PARKS



Recreation and Parks
as a Percent of Rec & Library Expenditures



DEPARTMENT CHARGE

Recreation and Parks is responsible for providing park maintenance for approximately 100 acres of open park space, medians and Civic Center complex. The Department also has the responsibility of providing maintenance for the City's Urban Forest, which has an inventory of about 25,000 street and park trees. The Recreation and Parks Department provides leisure time recreational program opportunities for the community with services and programs geared for all ages. The Department consists of 6 divisions, Administration, Farmers Market, Tree Maintenance, Leisure Services, Fee Based Services and Parks and Urban Forest.

Administration, Leisure Services and Fee Based Programs

The 3 Divisions of Administration, Leisure Services and Fee Based Programs provide leisure and cultural opportunities through a variety of programs and facilities where youths, teens, adults and senior adults can improve their quality of life.

Farmers Market

The Farmers' Market is a weekly, outdoor market for farmers to sell their fresh products directly to consumers. Working in cooperation with County Agricultural Commissioners around the state, each participating grower must be certified as the actual producer of the products available at the market. The market is held in the 200 block of North Canon Drive, between Clifton Way and Dayton Way, every Sunday.

Tree Maintenance

The Tree Maintenance Division is responsible for the care and maintenance of over 25,000 trees located within the parkways, parks, median strips, water reservoirs and parking structures of the City. The Division administers the contracts for trimming, removal, replacement and insect control of all City trees. The Division also conducts an alley and right-of-way clearance program to clear trees and shrubs overhanging into the public domain.

Parks and Urban Forest

The Parks and Urban Forest Division provides landscape maintenance for all the parks, Civic Center, traffic islands, and medians within the City limits, in addition to administering the contract maintenance of parking structures, water reservoirs and mowing of turf areas throughout the park system.

Recreation and Parks

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	5,672,710	5,525,207	5,792,854
Materials and Supplies	375,105	378,856	378,856
Contractual Services	2,377,713	2,405,990	2,521,990
Capital Outlay	43,750	12,200	12,200
Internal Service Fund Charges	1,139,398	2,441,618	2,678,888
Other Contractual Services	917,364	935,711	891,127
Total	10,526,040	11,699,582	12,275,915

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration	5	5	-
Farmers Market	1	1	-
Tree Maintenance	3	3	-
Leisure Services	14	14	-
Fee Based Programs	2	2	-
Parks & Urban Forest	28	28	-

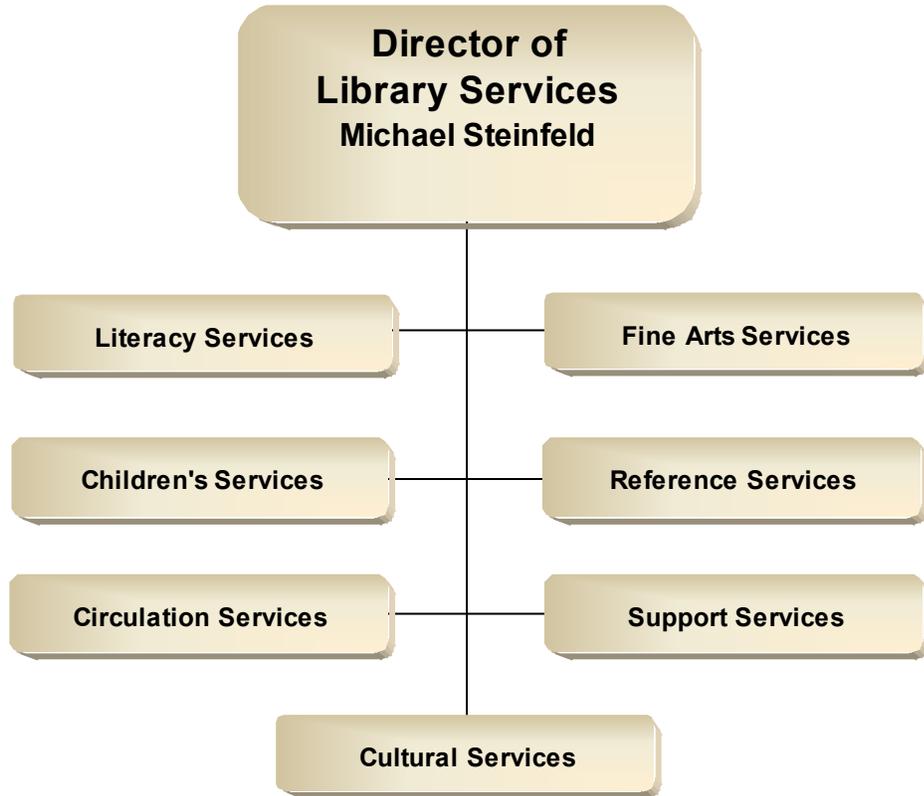
Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administration	-	-	-
Farmers Market	-	-	-
Tree Maintenance	-	-	-
Leisure Services	7	8	1
Fee Based Programs	48	48	-
Parks & Urban Forest	-	-	-

DEPARTMENT INITIATIVES FOR 2003/2004

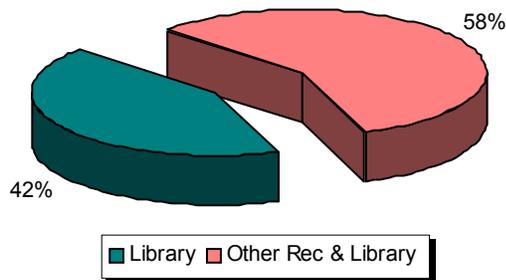
- ◆ Leisure Services Division
 - Present 2nd annual Flower Garden Festival at Greystone Park.
 - Present a Winter Special Event at the Farmers' Market (Cookie Baking).
 - Present a Murder Mystery/Dinner Theatre program at Greystone Mansion.
 - Present 4th annual Plaza Sweets concert series.
 - Present Community Ice Rink program during Holiday Season.
 - Revise/upgrade park rules/regulations signage.
 - Expansion of Summer Camp programs (Fee Based).
 - Coordination of American Society of Interior Designers (A.S.I.D.) spring event.
- ◆ Parks and Urban Forest Division
 - Complete Phase III landscape renovation of Beverly Gardens Park and Doheny Fountain restoration.
 - Complete Phase II of Greystone Park grounds renovation.
 - Continue implementation of Street Tree Master Plan coordination/Urban Design efforts.
 - Apply for Prop A Grant Maintenance Reimbursement Funds for Beverly Gardens/Reeves Parks.
 - Begin 1/3 replacement of ficus street trees along Olympic Blvd.
 - Amend to extend term date of landscape maintenance contract with Trugreen with option to RFP (Request For a Proposal) go out to bid during Fiscal Year 03/04.
 - Begin maintenance renovation program for park athletic fields.

City of Beverly Hills

LIBRARY SERVICES



Library Services
as a Percent of Rec & Library Expenditures



DEPARTMENT CHARGE

The Library and Community Services Department is responsible for providing the community with the books and information it needs for its educational, recreational, and professional pursuits. In addition, library staff provide liaison services to the Fine Arts Commission, which administers the City's public art projects, and to the Friends of the Beverly Hills Public Library, a 501(c)3 organization that operates two bookstores in the library, and raises funds to support the library's collections and programs.

Administrative Services

The Administrative Services Division is responsible for management, budget control, and planning for the library.

Children's Services

The Children's Services Division is responsible for children's book collection development, story and reading programs, homework assistance (through 8th grade), class visits and library instruction, readers' advisory and reference services, and a summer reading club.

Circulation Services

The Circulation Services Division is responsible for patron registration, the check-in and check-out of materials, reserved books, the collection of fines and fees, shelving and shelf maintenance, collections from outside book returns, the Roxbury Senior Library, and book delivery to shut-ins.

Cultural Services

The Cultural Services Division is responsible for cultural events, displays, library security, special administrative projects, liaison with BHUSD, Meals on Wheels, and other outside organizations (educational, service, literary, performing and visual arts), and the production of In Print, a cable program featuring interviews with authors.

Fine Arts Services

The Fine Arts Division is responsible for collection development in fine art and music, audiovisual collection development including compact discs, cassettes, books on tape, and videos, and on-site and phone reference in the fine arts.

Literacy Services

The Literacy Services Division is responsible for offering instruction in reading and writing to adults in the community and the workplace, providing referral services to adult learners, and offering family education to adult learners with children under five.

Reference Services

The Reference Services Division is responsible for reference and adult circulating book collection development, the selection of periodicals and newspapers, the maintenance of periodical back files and indexes, on-site and phone reference, readers' advisory, homework assistance (high school), and new information technologies.

Support Services

The Support Services Division is responsible for ordering, cataloging, classifying, processing, binding, and repairing library materials and is also responsible for the Roxbury Senior Library, interlibrary loans, and maintaining the public access computer catalog.

DEPARTMENT BUDGET

Department Budget			
Expense Category	Fiscal Year 2001/2002 Budget	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget
Salaries and Benefits	4,281,771	4,712,068	4,746,124
Materials and Supplies	1,313,011	1,327,545	1,327,545
Contractual Services	119,858	295,628	295,628
Capital Outlay	2,500	-	-
Internal Service Fund Charges	1,226,439	2,478,343	2,384,676
Other Contractual Services	247,097	252,039	240,669
Total	7,190,676	9,065,623	8,994,642

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administrative Services	6	7	1
Literacy Services	2	2	-
Fine Arts Services	5	6	1
Children's Services	7	8	1
Reference Services	8	8	-
Circulation Services	8	10	2
Support Services	9	9	-
Cultural Services	1	1	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Administrative Services	1	-	(1)
Literacy Services	-	-	-
Fine Arts Services	3	2	(1)
Children's Services	11	5	(6)
Reference Services	5	4	(1)
Circulation Services	9	5	(4)
Support Services	6	6	-
Cultural Services	-	-	-

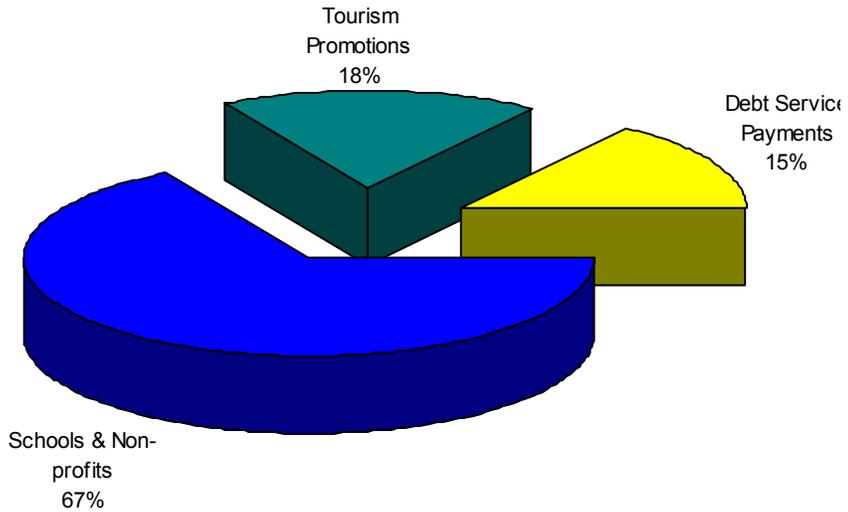
DEPARTMENT INITIATIVES FOR 2003/2004

The Library's major initiative for FY 2003/2004 is to complete work on the Library auditorium. Major components of the project are:

1. Remove the projection booth that divides the room.
2. Relocate and expand the performance/stage area.
3. Improve sound, lighting and sight lines.

City of Beverly Hills

COMPONENTS OF CONTRIBUTIONS AND DEBT SERVICE



This section illustrates each of the components that comprise the City's Contributions and Transfers Out. Included is a chart detailing the City's contributions to the Beverly Hills Unified School District and local charitable organizations over the last 5 years. In addition, a comprehensive 5 year debt schedule for General Fund debt service payments is provided.

CONTRIBUTIONS AND OPERATING TRANSFERS OUT:

	Budget	Percent
Schools & Non-profits	7,657,700	6.71%
Tourism Promotions	2,085,456	1.83%
Debt Service Payments	1,766,075	1.55%
TOTAL CONT. & TRANSFERS	11,509,231	10.08%

City of Beverly Hills

COMMUNITY ASSISTANCE FUNDING

Expenditure	Actual Fiscal Year 1999/2000	Actual Fiscal Year 2000/2001	Actual Fiscal Year 2001/2002	Budgeted Fiscal Year 2002/2003	ADOPTED Fiscal Year 2003/2004
Education:					
School District	6,000,000	6,000,000	6,600,000	6,600,000	6,600,000
Crossing Guards	198,702	154,240	213,756	130,000	130,000
Education Foundation	5,000	5,000	5,000	5,000	5,000
Total Education:	<u>6,203,702</u>	<u>6,159,240</u>	<u>6,818,756</u>	<u>6,735,000</u>	<u>6,735,000</u>
Economic Development					
Visitors Bureau	600,000	660,000	660,000	660,000	300,000
Economic Development	50,000	50,000	50,000	50,000	50,000
Retail Council	50,000	50,000	50,000	50,000	50,000
Holiday Programs	115,000	115,000	165,000	100,000	100,000
Total Economic Development:	<u>815,000</u>	<u>875,000</u>	<u>925,000</u>	<u>860,000</u>	<u>500,000</u>
Community Social Services:					
Allied Legal Services	-	-	-	-	20,000
All Saints Homeless Ministry	-	-	-	-	1,200
Beverly Hills Active Adults	8,000	8,000	8,000	8,000	8,000
Community Sports Center	50,000	100,000	100,000	100,000	-
LA Free Clinic	35,000	35,000	35,000	35,000	40,000
Maple Counseling Center	150,000	150,000	150,000	150,000	165,000
Meals on Wheels	2,000	2,000	1,959	2,000	2,000
Mount Calvary Lutheran	4,235	4,235	4,235	4,235	-
Now Ruz	-	10,000	-	-	-
P.A.T.H.	35,000	35,000	35,000	35,000	40,000
Westside Food Bank	60,000	60,000	60,000	60,000	60,000
Replacing CDBG Community					
Alternative Living for the Aging	23,600	23,600	23,600	23,600	12,000
Jewish Family Service	23,315	23,315	-	-	-
Maple Counseling Center	28,000	28,000	28,000	28,000	28,000
Total Comm. Social Services:	<u>419,150</u>	<u>479,150</u>	<u>445,794</u>	<u>445,835</u>	<u>376,200</u>
Arts and Culture:					
Beverly Hills Community Theatre	-	4,000	-	-	4,000
Beverly Hills Symphony	25,000	25,000	25,000	25,000	25,000
Beverly Hills Theater Guild	17,500	17,500	17,500	17,500	17,500
Total Arts and Culture:	<u>42,500</u>	<u>46,500</u>	<u>42,500</u>	<u>42,500</u>	<u>46,500</u>
Total Community Assistance	<u>7,480,352</u>	<u>7,559,890</u>	<u>8,232,050</u>	<u>8,083,335</u>	<u>7,657,700</u>

City of Beverly Hills

TOURISM PROMOTION

	Actual Fiscal Year 1999/2000	Actual Fiscal Year 2000/2001	Actual Fiscal Year 2001/2002	Budgeted Fiscal Year 2002/2003	ADOPTED Fiscal Year 2003/2004
Beginning Available	\$ <u>182,949</u>	\$ <u>229,282</u>	\$ <u>254,051</u>	\$ <u>797,530</u>	\$ <u>744,895</u>
Current Revenue					
2% TOT Revenue	\$ 2,488,598	\$ 2,545,407	\$ 2,092,604	\$ 1,873,865	\$ 2,085,456
Community Support					
Holiday Decorations	<u>115,000</u>	<u>115,000</u>	<u>165,000</u>	<u>100,000</u>	<u>100,000</u>
Total Available	\$ <u>2,786,547</u>	\$ <u>2,889,690</u>	\$ <u>2,511,655</u>	\$ <u>2,771,395</u>	\$ <u>2,930,351</u>
Current Expenditures					
Promotion/Advertising	\$ 1,572,501	\$ 1,788,589	\$ 35,097	\$ 1,090,000	\$ 15,456
Beverly Hills Marketing Committee	-	-	-	-	1,000,000
CVB	-	-	737,162	47,000	50,000
Internet/Fulfillment	-	-	-	39,000	40,000
Holiday Decorations	291,344	266,297	307,381	200,000	320,000
Beverly Hills on Ice	-	-	-	-	-
Community Ice Rink	-	66,594	139,420	102,000	-
Other Holiday Elements	-	100,000	100,000	48,500	-
Parade of Lights	60,000	-	-	-	-
Economic Development	300,000	300,000	300,000	300,000	660,000
Walk of Style	-	-	-	100,000	100,000
Arts and Edibles	-	-	15,264	-	-
Millennium Event	333,420	14,158	-	-	-
Art & Culture	-	100,000	79,800	100,000	-
Total Expenditures	\$ <u>2,557,265</u>	\$ <u>2,635,639</u>	\$ <u>1,714,125</u>	\$ <u>2,026,500</u>	\$ <u>2,185,456</u>
Ending Available	\$ <u>229,282</u>	\$ <u>254,051</u>	\$ <u>797,530</u>	\$ <u>744,895</u>	\$ <u>744,895</u>

City of Beverly Hills

DEBT SERVICE

Year Ending Jun-30	Capital Assets Fund			Infrastructure Fund		
	Principal	Interest	Total	Principal	Interest	Total
2004	4,044,608	5,745,420	9,790,028	-	1,766,075	1,766,075
2005	4,472,298	5,604,769	10,077,066	-	1,766,075	1,766,075
2006	4,654,193	5,425,877	10,080,069	-	1,766,075	1,766,075
2007	4,820,861	5,229,132	10,049,993	-	1,766,075	1,766,075
2008	5,715,779	5,036,298	10,752,077	-	1,766,075	1,766,075
2009	6,037,335	4,807,667	10,845,002	-	1,766,075	1,766,075
2010	6,321,180	4,499,966	10,821,146	-	1,766,075	1,766,075
2011	5,326,031	4,185,335	9,511,365	-	1,766,075	1,766,075
2012	5,829,904	3,968,321	9,798,224	-	1,766,075	1,766,075
2013	6,035,539	3,696,023	9,731,562	-	1,766,075	1,766,075
2014	6,275,748	3,381,710	9,657,458	-	1,766,075	1,766,075
2015	6,148,661	3,054,564	9,203,225	-	1,766,075	1,766,075
2016	9,629,259	2,733,808	12,363,067	-	1,766,075	1,766,075
2017	10,125,897	2,240,309	12,366,206	-	1,766,075	1,766,075
2018	10,640,929	1,721,357	12,362,286	-	1,766,075	1,766,075
2019	11,188,151	1,176,009	12,364,159	-	1,766,075	1,766,075
2020	11,758,365	602,616	12,360,981	-	1,766,075	1,766,075
2021	-	-	-	3,565,000	1,766,075	5,331,075
2022	-	-	-	3,745,000	1,587,825	5,332,825
2023	-	-	-	3,935,000	1,400,575	5,335,575
2024	-	-	-	4,130,000	1,203,825	5,333,825
2025	-	-	-	4,345,000	987,000	5,332,000
2026	-	-	-	4,575,000	758,888	5,333,888
2027	-	-	-	4,815,000	518,700	5,333,700
2028	-	-	-	5,065,000	265,913	5,330,913
Totals	\$ 119,024,734	\$ 63,109,180	\$ 182,133,914	\$ 34,175,000	\$ 38,512,075	\$ 72,687,075

City of Beverly Hills



Capital Project Fund Adopted Budget

Capital Projects Funding

The City, like all entities, must provide for the maintenance and preservation of its physical assets. This task is complicated by the fact that the City is many different entities serving the needs of different service users. The City is a government, a utility provider, and a specialized service provider.

Consequently, the City has several different types of capital projects funds or funding sources. Capital projects related to enterprise or internal service funds are accounted for within the specific fund they benefit. (See the section titled “Enterprise Funds” for information related to specific Enterprise Fund capital projects.) Capital projects benefiting general governmental activities are accounted for within Capital Projects Funds, discussed within this section, or Special Revenue Funds, discussed in the next section.

INFRASTRUCTURE FUND

One of the most difficult tasks in managing the financial resources of the City is balancing the use of current assets against the need to build projects that will last far into the future. In other words, is it fair to ask citizens to give up a service today to pay for a project that will be used by others far into the future? Conversely, is it fair to mortgage future generations to pay for current services?

To address these questions, the City separates current operating expenses for governmental operations from long-term capital needs by using separate funds. For current operations, the City uses the General Fund, shown in the prior section, and a Capital Projects Fund, discussed and presented in this section. While the General Fund has specific revenue sources through the receipt of taxes, fees and pass through funds received from state and federal agencies, the Capital Projects Fund is dependent upon contributions from the General Fund and other financing mechanisms.

Each year, through the budget process, the City Council decides how much of current revenues to transfer to the Capital Projects Fund in support of current capital needs. This is a difficult decision, for each dollar transferred in support of capital projects means one less dollar to pay for current services while each decision to put off a capital expenditure can cost hundreds more through further deterioration of infrastructure.

To balance this service versus capital need, the City Council has set the following policy direction for staff’s use when proposing capital projects and their financing sources;

- Current and ongoing maintenance type capital expenditures, such as street and sidewalk repair, should be paid for with current revenues, and
- Capital Projects that will provide long-term use, such as a new building or facility, should be paid for as the benefit of the buildings or facilities use is received.

Infrastructure Fund

	Current Trends						
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 99/00	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 02/03	Bud/Pjt Better/ (Worse)	Fiscal Year 03/04
Projected Revenues:							
Financing To Be Provided	-	-	-	-	-	-	-
Interest Earned	-	2,069,223	848,575	1,034,495	558,142	(476,353)	750,000
Recoverable Expenses	-	-	-	-	-	-	-
Transfers In	-	1,590,011	1,695,642	1,680,674	1,680,674	-	1,766,075
Miscellaneous Revenues	-	-	-	-	-	-	-
FEMA Grant	-	-	-	-	-	-	-
Net from Operations	-	3,659,234	2,544,217	2,715,169	2,238,816	(476,353)	2,516,075
Operating Expenses:							
Depreciation	-	1,610,084	1,847,214	1,824,747	1,824,747	0	1,824,747
Debt Service Interest	-	1,766,075	1,766,075	1,680,674	1,766,075	(85,401)	1,766,075
Miscellaneous	-	4,000	3,850	8,363	6,333	2,030	8,640
Operating Expenses	-	3,380,159	3,617,139	3,513,784	3,597,155	(83,371)	3,599,462
Net from operations	-	279,075	(1,072,922)	(798,615)	(1,358,339)	(392,982)	(1,083,387)
Plus Beginning Cash	-	33,232,556	35,065,767	29,458,061	29,458,061	-	12,675,653
Plus Depreciation	-	1,610,084	1,847,214	1,824,747	1,824,747	0	1,824,747
Cash Available	-	35,121,715	35,840,059	30,484,193	29,924,469	(392,982)	13,417,013
Capital Projects	-	-	7,753,607	17,248,816	17,248,816	-	2,410,000
Debt Service Principal	-	-	-	-	-	-	-
Transfers Out	-	-	2,679,059	-	-	-	-
Balance Sheet Adj. inc/(dec)	-	-	4,050,668	-	-	-	-
Cash available for OM & CIP	-	35,065,767	29,458,061	13,235,377	12,675,653	476,353	11,007,013
Restricted (Debt Reserve)	-	3,382,277	3,472,105	3,382,276	3,382,276	-	3,382,276
Restricted (Capital Projects)	-	35,065,767	29,458,061	13,235,377	12,675,653	(559,724)	11,007,013
Unrestricted Cash	-	-	-	-	-	-	-
TOTAL	-	38,448,045	32,930,166	16,617,653	16,057,929	(559,724)	14,389,289

	2003/2004	2004/2005	2005/2006
INFRASTRUCURE FUND			
STREET RESURFACING 0195	550,000	1,550,000	1,550,000
ALLEY RESURFACING 0305	500,000	500,000	500,000
INSTALL TRAFFIC SIGNALS 0367	260,000	260,000	260,000
ARRESTOR BED 0578	200,000	-	-
MINOR ASPHALT REPAIRS 0633	300,000	300,000	300,000
COMMUNITY TELECOMMUNICATIONS SYSTEM 0836	100,000	100,000	100,000
SIGN REPLACEMENT PROGRAM 0863	500,000	-	-
TOTAL CAPITAL IMPROVEMENT FUND	2,410,000	2,710,000	2,710,000

Infrastructure Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Projected Revenues:						
Financing To Be Provided	-	-	-	-	-	-
Interest Earned	750,000	550,351	441,936	328,101	208,574	2,278,962
Recoverable Expenses	-	-	-	-	-	-
Transfers In	1,766,075	1,766,075	1,766,075	1,766,075	1,766,075	8,830,375
Miscellaneous Revenues	-	-	-	-	-	-
FEMA Grant	-	-	-	-	-	-
Net from Operations	<u>2,516,075</u>	<u>2,316,426</u>	<u>2,208,011</u>	<u>2,094,176</u>	<u>1,974,649</u>	<u>11,109,337</u>
Operating Expenses:						
Depreciation	1,824,747	1,824,747	1,824,747	1,824,747	1,824,747	9,123,735
Debt Service Interest	1,766,075	1,766,075	1,766,075	1,766,075	1,766,075	8,830,375
Miscellaneous	8,640	8,640	8,640	8,640	8,640	43,200
Operating Expenses	<u>3,599,462</u>	<u>3,599,462</u>	<u>3,599,462</u>	<u>3,599,462</u>	<u>3,599,462</u>	<u>17,997,310</u>
Net from operations	(1,083,387)	(1,283,036)	(1,391,451)	(1,505,286)	(1,624,813)	(6,887,973)
Plus Beginning Cash	12,675,653	11,007,013	8,838,723	6,562,020	4,171,481	12,675,653
Plus Depreciation	1,824,747	1,824,747	1,824,747	1,824,747	1,824,747	9,123,735
Cash Available	<u>13,417,013</u>	<u>11,548,723</u>	<u>9,272,020</u>	<u>6,881,481</u>	<u>4,371,415</u>	<u>14,911,415</u>
Capital Projects	2,410,000	2,710,000	2,710,000	2,710,000	2,710,000	13,250,000
Debt Service Principal	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Balance Sheet Adj. inc/(dec)	-	-	-	-	-	-
Cash available for OM & CIP	<u>11,007,013</u>	<u>8,838,723</u>	<u>6,562,020</u>	<u>4,171,481</u>	<u>1,661,415</u>	<u>1,661,415</u>
Restricted (Debt Reserve)	3,382,276	3,382,276	3,382,276	3,382,276	3,382,276	3,382,276
Restricted (Capital Projects)	11,007,013	8,838,723	6,562,020	4,171,481	1,661,415	1,661,415
Unrestricted Cash	-	-	-	-	-	-
TOTAL	<u>14,389,289</u>	<u>12,220,999</u>	<u>9,944,296</u>	<u>7,553,757</u>	<u>5,043,691</u>	<u>5,043,691</u>

2006/2007	2007/2008	TOTAL	
1,550,000	1,550,000	6,750,000	INFRASTRUCTURE FUND
500,000	500,000	2,500,000	STREET RESURFACING 0195
260,000	260,000	1,300,000	ALLEY RESURFACING 0305
-	-	200,000	INSTALL TRAFFIC SIGNALS 0367
300,000	300,000	1,500,000	ARRESTOR BED 0578
100,000	100,000	500,000	MINOR ASPHALT REPAIRS 0633
-	-	500,000	COMMUNITY TELECOMMUNICATIONS SYSTEM 0836
-	-	500,000	SIGN REPLACEMENT PROGRAM 0863
<u>2,710,000</u>	<u>2,710,000</u>	<u>13,250,000</u>	TOTAL CAPITAL IMPROVEMENT FUND

City of Beverly Hills



Special Revenue Funds Adopted Budget

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Streets and Highways State Gas Tax Fund

This fund accounts for gas tax revenues and their restricted uses as specified by the California Streets and Highways Code. The City has used these funds primarily for street resurfacing.

Parks and Recreation Facilities Fund

Created by Council action, this fund accounts for construction assessments to be used for acquisition and development of parks and recreational facilities as authorized by the State Quimby Act.

Housing and Community Development Fund

Created by a reimbursable contract between the City and the County of Los Angeles under the provision of the Housing and Community Development Act, this fund accounts for certain expenditures to meet the housing and public service needs of the City's low and moderate income households.

Proposition A Local Transit Assistance Fund

The State electorate approved a one-half cent sales tax to be used for local transit purposes. This fund accounts for the receipt of this tax and its restricted uses. These monies presently are used to provide a "free ride" mini-bus service in the City's central business district, a senior citizen bus shuttle, and bus pass and taxi coupons programs for the elderly.

Proposition C Local Transit Assistance Fund

Similar to Proposition A (see above), this fund is also funded by a voter-approved one-half cent sales tax. Scope of use of funds is wider than Proposition A and includes, in addition to transit services, efforts to reduce traffic congestion, improve air quality, improve the condition of streets and freeways, and reduce foreign oil dependence.

In-Lieu Parking District Fund

Created by action of the City Council, this fund accounts for fees received in-lieu of providing certain parking areas within the district by certain commercial users. Such funds received are to be used exclusively for the purpose of acquiring, developing, operating and maintaining off-street parking facilities to serve the In-Lieu Parking District.

Fine Art Fund

Created by action of the City Council, this fund accounts for payments received in-lieu of providing fine art ornamentation in the construction or reconstruction of commercial structures. The payments received are to be used solely for the acquisition, improvement and maintenance of fine art ornamentation in applicable structures as determined by the Fine Art Committee.

Law Enforcement Grant

As designated by the California State Legislature, the Police Department qualifies for several single-purpose grant programs and is the beneficiary of state and federal grant programs and state and federal seized asset programs. Such funds are used to augment the budget of the Police Department and cannot supplant operational expenditures.

Streets and Highways State Gas Tax Fund

	Historical			Current Trends				
	Actual	Actual	Actual	Budgeted	Projected	Difference		
	Fiscal Year	Fiscal Year	Fiscal Year			Fiscal Year	Fiscal Year	Bud/Pjt
99/00	99/00	01/02	02/03	02/03	(Better/ Worse)	Fiscal Year		
Capital Projects Funds								
Beginning Cash Equivalents	4,889,862	5,662,321	6,965,396	4,987,025	4,987,025	█	-	4,875,477
Projected Revenues:								
Intergovernmental	683,631	887,102	662,250	627,000	639,114		12,114	627,000
Interest Earned	267,767	468,559	372,470	257,309	237,384		(19,925)	257,309
Transfers In	-	-	-	-	-		-	-
Miscellaneous Revenues	-	-	-	-	-		-	-
Net from Operations	<u>951,398</u>	<u>1,355,660</u>	<u>1,034,720</u>	<u>884,309</u>	<u>876,498</u>	█	(7,811)	<u>884,309</u>
Total Cash Available	<u>5,841,260</u>	<u>7,017,981</u>	<u>8,000,116</u>	<u>5,871,334</u>	<u>5,863,524</u>	█	(7,811)	<u>5,759,786</u>
Projected Capital Expenditures:								
Acquisition	-	-	-	-	-		-	-
Planning	-	-	-	-	-		-	-
Design	95,397	46,103	54,065	25,000	25,000		-	-
Construction	-	131,990	2,666,442	1,462,000	957,047		504,953	2,012,000
Equipment	-	-	-	-	-		-	-
Other	-	-	-	-	-		-	-
Transfers Out	6,000	184,093	350,597	6,000	6,000		-	6,000
Total Capital Expenditures	<u>101,397</u>	<u>362,187</u>	<u>3,071,105</u>	<u>1,493,000</u>	<u>988,047</u>	█	504,953	<u>2,018,000</u>
Balance Sheet Adj. inc/(dec)	<u>(77,542)</u>	<u>309,602</u>	<u>58,014</u>	-	-		-	-
Ending Cash Equivalent	<u>5,662,321</u>	<u>6,965,396</u>	<u>4,987,025</u>	<u>4,378,334</u>	<u>4,875,477</u>	█	497,142	<u>3,741,786</u>

	2003/2004	2004/2005	2005/2006
STREETS AND HIGHWAYS STATE GAS TAX FUND 12			
STREET RESURFACING 0195	2,000,000	1,000,000	1,000,000
SIDEWALK RAMPS 0284	12,000	12,000	12,000
PAVEMENT MASTER PLAN 0554	-	25,000	-
TOTAL STREETS AND HIGHWAYS STATE GAS TAX FUND	<u>2,012,000</u>	<u>1,037,000</u>	<u>1,012,000</u>

Streets and Highways State Gas Tax Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Capital Projects Funds						
Beginning Cash Equivalents	4,875,477	3,741,786	3,531,685	3,355,453	3,165,366	4,875,477
Projected Revenues:						
Intergovernmental	627,000	645,810	665,184	685,140	705,694	3,328,828
Interest Earned	257,309	187,089	176,584	167,773	158,268	947,023
Transfers In	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-
Net from Operations	<u>884,309</u>	<u>832,899</u>	<u>841,769</u>	<u>852,912</u>	<u>863,962</u>	<u>4,275,852</u>
Total Cash Available	<u>5,759,786</u>	<u>4,574,685</u>	<u>4,373,453</u>	<u>4,208,366</u>	<u>4,029,328</u>	<u>9,151,328</u>
Projected Capital Expenditures:						
Acquisition	-	-	-	-	-	-
Planning	-	-	-	-	-	-
Design	-	25,000	-	25,000	-	50,000
Construction	2,012,000	1,012,000	1,012,000	1,012,000	1,012,000	6,060,000
Equipment	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers Out	6,000	6,000	6,000	6,000	6,000	30,000
Total Capital Expenditures	<u>2,018,000</u>	<u>1,043,000</u>	<u>1,018,000</u>	<u>1,043,000</u>	<u>1,018,000</u>	<u>6,140,000</u>
Balance Sheet Adj. inc/(dec)	-	-	-	-	-	-
Ending Cash Equivalent	<u>3,741,786</u>	<u>3,531,685</u>	<u>3,355,453</u>	<u>3,165,366</u>	<u>3,011,328</u>	<u>3,011,328</u>

2006/2			STREETS AND HIGHWAYS STATE GAS TAX FUND 12
1,000,000	1,000,000	6,000,000	STREET RESURFACING 0195
12,000	12,000	60,000	SIDEWALK RAMPS 0284
25			PLAN 0554
<u>1,037,000</u>	<u>1,012,000</u>	<u>6,110,000</u>	TOTAL STREETS AND HIGHWAYS STATE GAS TAX FUND

Parks and Recreation Facilities Tax Fund

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Capital Projects Funds							
Beginning Cash Equivalents	7,372,905	8,642,557	10,301,386	8,247,501	8,247,501	█ -	8,383,665
Projected Revenues:							
Construction Tax	2,462,039	2,500,897	1,618,541	1,344,629	1,791,951	447,322	1,344,629
LA County Bond Grant Fund	-	-	-	-	-	-	-
Interest Earned	398,511	684,231	523,567	281,246	347,333	66,087	281,246
Transfers In	-	-	-	-	-	-	-
Miscellaneous Revenues	-	11,000	25,000	-	17,500	17,500	-
Net from Operations	<u>2,860,550</u>	<u>3,196,128</u>	<u>2,167,109</u>	<u>1,625,875</u>	<u>2,156,784</u>	█ 530,909	<u>1,625,875</u>
Total Cash Available	<u>10,233,455</u>	<u>11,838,685</u>	<u>12,468,494</u>	<u>9,873,376</u>	<u>10,404,285</u>	█ 530,909	<u>10,009,540</u>
Projected Capital Expenditures:							
Acquisition	-	-	-	-	2,946	(2,946)	-
Planning	10,216	1,866	1,200	25,000	352	24,648	25,000
Design	52,420	171,307	84,407	-	71,045	(71,045)	-
Construction	1,500,109	1,261,450	4,638,160	2,126,499	1,939,410	187,089	1,989,999
Equipment	-	-	-	-	6,866	6,866	-
Other	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Capital Expenditures	<u>1,562,745</u>	<u>1,434,623</u>	<u>4,723,767</u>	<u>2,151,499</u>	<u>2,020,620</u>	█ 130,880	<u>2,014,999</u>
Balance Sheet Adj. inc/(dec)	<u>(28,153)</u>	<u>(102,676)</u>	<u>502,773</u>	-	-	-	-
Ending Cash Equivalent	<u>8,642,557</u>	<u>10,301,386</u>	<u>8,247,501</u>	<u>7,721,877</u>	<u>8,383,665</u>	█ 661,789	<u>7,994,541</u>

	2003/2004	2004/2005	2005/2006
PARKS AND RECREATION FACILITIES TAX FUND 16			
REPLACE STREET TREES 0089	675,000	675,000	675,000
GREY STONE PREVENTATIVE MAINTENANCE PROJECTS 0442	1,320,000	-	-
TENNIS COURTS AND SITE ENHANCEMENTS 0483	10,000	10,000	65,000
REPLACE COLDWATER CANON RESERVOIR 0576	-	-	800,000
ADA UPGRADES 0723	<u>9,999</u>	<u>9,999</u>	<u>9,999</u>
TOTAL PARKS & RECREATION FACILITIES TAX FUND	<u>2,014,999</u>	<u>694,999</u>	<u>1,549,999</u>

Parks and Recreation Facilities Tax Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Capital Projects Funds						
Beginning Cash Equivalents	8,383,665	7,994,541	9,159,237	10,368,717	11,503,132	8,383,665
Projected Revenues:						
Construction Tax	1,344,629	1,384,968	1,426,517	1,469,312	1,513,392	7,138,818
LA County Bond Grant Fund	-	-	-	-	-	-
Interest Earned	281,246	399,727	457,962	518,436	575,157	2,232,527
Transfers In	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-
Net from Operations	<u>1,625,875</u>	<u>1,784,695</u>	<u>1,884,479</u>	<u>1,987,748</u>	<u>2,088,548</u>	<u>9,371,345</u>
Total Cash Available	<u>10,009,540</u>	<u>9,779,236</u>	<u>11,043,716</u>	<u>12,356,465</u>	<u>13,591,681</u>	<u>17,755,011</u>
Projected Capital Expenditures:						
Acquisition	-	-	-	-	-	-
Planning	25,000	-	-	-	-	25,000
Design	-	-	-	-	-	-
Construction	1,989,999	619,999	674,999	853,333	918,333	5,056,663
Equipment	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Capital Expenditures	<u>2,014,999</u>	<u>619,999</u>	<u>674,999</u>	<u>853,333</u>	<u>918,333</u>	<u>5,081,663</u>
Balance Sheet Adj. inc/(dec)	-	-	-	-	-	-
Ending Cash Equivalent	<u>7,994,541</u>	<u>9,159,237</u>	<u>10,368,717</u>	<u>11,503,132</u>	<u>12,673,348</u>	<u>12,673,348</u>

2006/2007	2007/2008	TOTAL	
			PARKS AND RECREATION FACILITIES TAX FUND 16
675,000	675,000	3,375,000	REPLACE STREET TREES 0089
-	-	1,320,000	GREY STONE PREVENTATIVE MAINTENANCE PROJECTS 0442
10,000	75,000	170,000	TENNIS COURTS AND SITE ENHANCEMENTS 0483
-	-	800,000	REPLACE COLDWATER CANON RESERVOIR 0576
<u>168,333</u>	<u>168,333</u>	<u>366,663</u>	ADA UPGRADES 0723
<u>853,333</u>	<u>918,333</u>	<u>6,031,663</u>	TOTAL PARKS & RECREATION FACILITIES TAX FUND

Special Revenue Funds (continued)

HCDA GRANT FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Revenues:							
Grant Receipts	426,018	227,803	243,941	362,986	399,364	36,378	362,986
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	426,018	227,803	243,941	362,986	399,364	36,378	362,986
Operating Expenses:							
Personnel services	12,840	6,787	9,595	18,678	7,157	11,521	13,700
Materials and supplies	2,407	787	1,286	3,100	1,129	1,971	3,203
Contractual services	408,380	218,002	229,962	258,517	391,078	(132,561)	267,074
Internal services	2,393	2,228	3,152	836	-	836	-
Other Miscellaneous	-	-	-	-	-	-	-
Operating Expenses	426,019	227,804	243,995	281,131	399,364	(118,233)	283,977
Net from operations	(1)	(1)	(54)	81,855	-	(81,855)	79,009
Plus Beginning Cash	-	-	-	-	-	-	-
Cash Available	(1)	(1)	(54)	81,855	-	(81,855)	79,009
General ledger adjustment	1	1	54	-	-	-	-
Ending Cash	-	-	-	81,855	-	(81,855)	79,009

Special Revenue Funds (continued)

PROPOSITION A TRANSPORTATION FUNDS

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 99/00	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 02/03	Bud/Pjt Better/ (Worse)	Fiscal Year 03/04
Revenues:							
Transportation Grants	456,738	458,468	483,523	533,218	458,628	(74,590)	537,284
Interest	42,842	81,653	75,442	35,077	64,975	29,898	35,077
Purchased PALTA Funds	-	-	-	-	-	-	-
User Charges	74,859	88,744	62,676	78,000	69,040	(8,960)	78,000
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	<u>574,440</u>	<u>628,865</u>	<u>621,641</u>	<u>646,295</u>	<u>592,642</u>	<u>(53,653)</u>	<u>650,361</u>
Operating Expenses:							
Contractual services	341,310	347,110	317,541	704,503	827,290	(122,787)	728,519
Operating Expenses	<u>341,310</u>	<u>347,110</u>	<u>317,541</u>	<u>704,503</u>	<u>827,290</u>	<u>(122,787)</u>	<u>728,519</u>
Net from operations	233,130	281,755	304,101	(58,208)	(234,648) ▲	(176,440)	(78,158)
Plus Beginning Cash	779,393	941,640	1,231,552	1,517,537	1,517,537 ▲	-	1,282,889
Cash Available	1,012,523	1,223,395	1,535,652	1,459,329	1,282,889	(176,440)	1,204,731
General ledger adjustment	<u>(70,883)</u>	<u>8,156</u>	<u>(18,115)</u>	-	-	-	-
Ending Cash	<u>941,640</u>	<u>1,231,552</u>	<u>1,517,537</u>	<u>1,459,329</u>	<u>1,282,889</u> ▲	<u>(176,440)</u>	<u>1,204,731</u>

Special Revenue Funds (continued)

PROPOSITION C TRANSPORTATION FUNDS

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Revenues:							
Transportation Grants	344,649	403,256	335,936	398,679	343,149	(55,530)	395,295
Interest	16,884	33,744	34,341	15,852	28,335	12,483	15,852
User Charges	19,967	16,532	17,280	23,000	15,739	(7,261)	23,000
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	381,500	453,532	297,681	437,531	387,223	(50,308)	434,147
Operating Expenses:							
Contractual services	308,307	262,445	262,445	395,034	516,290	(121,256)	408,807
Operating Expenses	308,307	262,445	262,445	395,034	516,290	(121,256)	408,807
Net from operations	73,193	191,087	35,235	42,497	(129,067)	(171,564)	25,340
Plus Beginning Cash	309,879	375,014	563,142	649,317	649,317	-	520,250
Cash Available	383,072	566,101	598,378	691,814	520,250	(171,564)	545,590
General ledger adjustment	(8,058)	(2,959)	50,940	-	-	-	-
Ending Cash	375,014	563,142	649,317	691,814	520,250	(171,564)	545,590

Special Revenue Funds (continued)

IN-LIEU PARKING FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 99/00	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 02/03	Bud/Pjt Better/ (Worse)	Fiscal Year 03/04
Revenues:							
Parking In-Lieu Tax	936,293	245,365	239,101	675,000	80,133	(594,867)	675,000
Interest	139,741	271,972	222,541	94,747	180,121	85,374	94,747
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	<u>1,076,033</u>	<u>517,337</u>	<u>461,642</u>	<u>769,747</u>	<u>260,255</u>	<u>(509,492)</u>	<u>769,747</u>
Operating Expenses:							
Transfers Out	-	-	-	-	4,500,000	(4,500,000)	-
Operating Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500,000</u>	<u>(4,500,000)</u>	<u>-</u>
Net from operations	1,076,033	517,337	461,642	769,747	(4,239,745) [■]	(5,009,492)	769,747
Plus Beginning Cash	<u>2,347,981</u>	<u>3,408,234</u>	<u>3,927,837</u>	<u>4,398,685</u>	<u>4,398,685</u> [■]	-	<u>158,939</u>
Cash Available	3,424,014	3,925,571	4,389,478	5,168,432	158,939	(5,009,492)	928,686
General ledger adjustment	<u>(15,780)</u>	<u>2,266</u>	<u>9,206</u>	-	-	-	-
Ending Cash	<u>3,408,234</u>	<u>3,927,837</u>	<u>4,398,685</u>	<u>5,168,432</u>	<u>158,939</u> [■]	<u>(5,009,492)</u>	<u>928,686</u>

Special Revenue Funds (continued)

FINE ARTS FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Revenues:							
Fine Arts In-Lieu Tax	197,325	36,000	86,795	50,000	177,067	127,067	50,000
Interest	11,893	34,706	30,190	5,000	21,240	16,240	5,000
Fine Arts In-Lieu Deposits	-	-	-	-	-	-	-
Donations	-	82,500	-	-	-	-	-
Total Revenues	209,218	153,206	116,985	55,000	198,306	143,306	55,000
Fine Arts Purchases	2,273	82,500	220,083	100,000	17,113	82,887	100,000
Total Purchases	2,273	165,000	165,000	100,000	17,113	82,887	100,000
Net from operations	206,945	(11,794)	(48,015)	(45,000)	181,193	226,193	(45,000)
Plus Beginning Cash	107,580	385,797	378,023	472,216	472,216	-	653,410
Cash Available	314,525	374,003	330,008	427,216	653,410	226,193	608,410
General ledger adjustment	71,272	4,020	142,208	-	-	-	-
Ending Cash	385,797	378,023	472,216	427,216	653,410	226,193	608,410

Special Revenue Funds (continued)

LAW ENFORCEMENT GRANT

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	(Worse)	03/04	
Revenues:							
Intergovernmental	172,519	259,212	211,225	201,437	228,688	27,251	201,437
Interest	13,940	24,509	20,853	20,000	14,049	(5,951)	20,000
Miscellaneous	-	-	-	-	-	-	-
Transfers In	7,406	5,583	4,840	-	3,644	3,644	-
Total Revenues	193,865	289,305	236,918	221,437	246,381	24,944	221,437
Operating Expenses:							
Personnel services	64,447	64,795	80,751	92,367	124,081	(31,714)	97,155
Materials and supplies	10	9,029	112,260	-	-	-	-
Contractual services	240	-	-	-	117,935	(117,935)	87,194
Capital Outlay	19,029	80,836	26,970	84,400	98,073	(13,673)	-
Internal services	-	-	33,099	10,704	10,704	-	12,365
Miscellaneous	-	1,613	4,945	-	704	(704)	-
Transfers Out	-	79,481	-	-	-	-	-
Operating Expenses	83,726	235,753	258,025	187,471	351,497	(117,935)	196,714
Net from operations	110,139	53,551	(21,107)	33,966	(105,115)	(139,081)	24,723
Plus Beginning Cash	236,779	323,149	384,486	344,331	344,331	-	239,215
Cash Available	346,918	376,700	363,379	378,297	239,215	(139,081)	263,938
General ledger adjustment	(23,769)	7,786	(19,048)	-	-	-	-
Ending Cash	323,149	384,486	344,331	378,297	239,215	(139,081)	263,938

City of Beverly Hills

Enterprise Funds Adopted Budget

ENTERPRISE FUNDS

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the City Council has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Water Enterprise Fund

Funded by revenues from water service charges, this fund accounts for all financial aspects related to the City's water operations. The City obtains its water from the Metropolitan Water District of Southern California and distributes it throughout the City and portions of the City of West Hollywood.

Wastewater Enterprise Fund

Created by ordinance of the City Council, this fund accounts for the acquisition, operation and maintenance of facilities for the collection and disposal of wastewater. Support is derived from user charges as established by action of the City Council. The City is a contracting agency with the City of Los Angeles Hyperion treatment plant for treatment and disposal of transported wastewater.

Solid Waste Enterprise Fund

This fund was initially established by action of the City Council for the purpose of creating an independent accounting entity for the acquisition, operation and maintenance of facilities for the collection and disposal of solid waste generated by commercial users. During the year ended June 30, 1992, residential refuse operations were consolidated into this fund. Financial support of this fund is derived from user charges as established by action of the City Council.

Stormwater Enterprise Fund

In response to the Federal mandated program to "clean up the Bay," the City Council authorized the creation of this fund to account for activities to meet certain standards for street sweeping, storm drain maintenance and other environmental quality programs. Cost of this program is recovered through a Stormwater charge.

Parking Enterprise Fund

The City's self-supporting parking operations are accounted for in this fund. This includes the acquisition of parking facilities and the payments for any debt issued pertaining to such acquisition. Enterprise income includes parking fees charged to the public, lease payments from retail facilities located in the parking structures and revenues collected from parking meters.

City of Beverly Hills

WATER ENTERPRISE FUND

**Administered by
Public Works**

Water Enterprise
Ed Otsuka

STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Water Enterprise	28	25	(3)

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Water Enterprise	-	-	-

Initiatives for 2003/2004

- Construction of the supplementary reservoir at Booster Station # 2 is already underway; Coldwater Canyon reservoir will follow.

Water Enterprise Fund

	Historical			Current Trend			
	Actual	Actual	Actual	Budget	Projected	Difference	
	Fiscal Year	Fiscal Year	Fiscal Year			Fiscal Year	Fiscal Year
	99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	Fiscal Year
03/04							
Projected Revenues:							
Service Charges	15,510,497	14,946,231	15,074,379	15,645,904	15,514,543	(131,361)	16,115,281
Interest Earnings	1,467,155	2,316,899	1,703,856	1,435,681	1,223,101	(212,580)	1,435,681
Lease of Property	44,702	46,025	47,860	48,740	47,720	(1,020)	48,740
Rent - New Facility	-	-	-	-	-	-	745,578
Miscellaneous	51,274	110,357	53,464	27,058	90,113	63,055	27,058
Operating Revenues	<u>17,073,628</u>	<u>17,419,512</u>	<u>16,879,559</u>	<u>17,157,383</u>	<u>16,875,477</u>	<u>(281,906)</u>	<u>18,372,338</u>
Projected Expenses:							
Personnel Services	1,676,618	1,714,238	1,802,461	2,021,374	1,831,952	189,422	2,014,252
Materials and Supplies	256,459	261,505	227,064	383,663	404,348	(20,685)	396,363
Rent - New Facility	-	-	-	471,885	471,885	-	943,770
Contractual Services	221,302	145,145	210,426	788,448	409,697	378,751	814,545
Purchased Water	6,778,691	6,560,760	6,333,763	7,193,398	6,474,056	719,342	7,431,499
Brine Discharge Costs	-	-	-	-	-	-	300,000
Internal Services	2,154,786	2,216,454	2,373,724	2,452,513	2,452,513	-	2,534,416
Depreciation/Amrtzn	1,266,690	1,373,341	1,562,840	1,653,829	1,653,829	-	1,819,882
Debt Service Interest	975,093	904,207	846,032	804,264	804,264	-	721,968
Other Misc.	56,231	44,363	78,808	83,570	95,685	(12,115)	58,515
Operating Expense	<u>13,385,870</u>	<u>13,220,012</u>	<u>13,435,117</u>	<u>15,852,944</u>	<u>14,598,230</u>	<u>1,254,714</u>	<u>17,035,210</u>
Net from Operations	3,687,758	4,199,500	3,444,442	1,304,439	2,277,248	972,809	1,337,128
Plus Capital & Unrestricted	27,897,121	27,587,324	28,096,046	27,820,466	27,820,466	-	22,369,807
Plus Bond or Other Financing	-	-	-	-	-	-	-
Plus Depreciation	<u>1,266,690</u>	<u>1,373,341</u>	<u>1,562,840</u>	<u>1,653,829</u>	<u>1,653,829</u>	-	<u>1,819,882</u>
Cash Available	32,851,569	33,160,165	33,103,327	30,778,734	31,751,542	972,809	25,526,817
Capital Projects	4,807,475	3,873,172	6,400,226	5,210,000	5,210,000	-	1,975,000
Capital - New Facility	-	-	-	3,348,565	3,348,565	-	-
Capital Hyperion - Brine	-	-	-	-	-	-	650,000
Debt Service Principal	948,560	1,003,612	1,070,389	823,170	823,170	-	833,690
General Ledger Adjustment	<u>491,790</u>	<u>(187,335)</u>	<u>2,187,753</u>	-	-	-	-
Cash available for OM & CIP	<u>27,587,324</u>	<u>28,096,046</u>	<u>27,820,466</u>	<u>21,396,999</u>	<u>22,369,807</u>	<u>972,809</u>	<u>22,068,127</u>
Restricted (Debt Reserve)	1,491,941	1,526,114	1,547,978	-	-	-	-
Restricted (Capital Projects)	38,359	-	-	-	-	-	-
Unrestricted Cash	<u>27,548,965</u>	<u>28,096,046</u>	<u>27,820,466</u>	<u>21,396,999</u>	<u>22,369,807</u>	<u>972,809</u>	<u>22,068,127</u>
Total Cash on hand:	<u>29,079,265</u>	<u>29,622,160</u>	<u>29,368,444</u>	<u>21,396,999</u>	<u>22,369,807</u>	<u>972,809</u>	<u>22,068,127</u>

Water Enterprise Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Projected Revenues:						
Service Charges	16,115,281	16,115,281	16,115,281	16,115,281	16,115,281	80,576,406
Interest Earnings	1,435,681	1,103,406	890,524	571,726	440,417	4,441,754
Lease of Property	48,740	48,740	48,740	48,740	48,740	243,700
Rent - New Facility	745,578	745,578	745,578	745,578	745,578	3,727,890
Miscellaneous	27,058	27,058	27,058	27,058	27,058	135,290
Operating Revenues	<u>18,372,338</u>	<u>18,040,063</u>	<u>17,827,181</u>	<u>17,508,383</u>	<u>17,377,074</u>	<u>89,125,040</u>
Projected Expenses:						
Personnel Services	2,014,252	2,074,680	2,136,920	2,201,028	2,267,058	10,693,937
Materials and Supplies	396,363	408,254	420,502	433,117	446,110	2,104,345
Rent - New Facility	943,770	943,770	943,770	943,770	943,770	4,718,850
Contractual Services	814,545	838,981	864,151	890,075	916,778	4,324,530
Purchased Water	7,431,499	7,654,444	7,884,077	8,120,600	8,364,218	39,454,837
Brine Discharge Costs	300,000	300,000	300,000	300,000	300,000	1,500,000
Internal Services	2,534,416	2,610,448	2,688,762	2,769,425	2,852,508	13,455,559
Depreciation/Amrtzn	1,819,882	1,819,882	1,819,882	1,819,882	1,819,882	9,099,410
Debt Service Interest	721,968	693,757	668,233	641,847	613,517	3,339,322
Other Misc.	58,515	60,270	62,079	63,941	65,859	310,664
Operating Expense	<u>17,035,210</u>	<u>17,404,487</u>	<u>17,788,375</u>	<u>18,183,684</u>	<u>18,589,699</u>	<u>89,001,455</u>
Net from Operations	1,337,128	635,577	38,806	(675,301)	(1,212,625)	123,585
Plus Capital & Unrestricted	22,369,807	22,068,127	17,810,480	11,434,522	8,808,340	22,369,807
Plus Bond or Other Financing	-	-	-	-	-	-
Plus Depreciation	<u>1,819,882</u>	<u>1,819,882</u>	<u>1,819,882</u>	<u>1,819,882</u>	<u>1,819,882</u>	<u>9,099,410</u>
Cash Available	25,526,817	24,523,586	19,669,168	12,579,104	9,415,596	31,592,802
Capital Projects	1,975,000	6,075,000	7,575,000	3,075,000	3,075,000	21,775,000
Capital - New Facility	-	-	-	-	-	-
Capital Hyperion - Brine	650,000	-	-	-	-	650,000
Debt Service Principal	833,690	638,106	659,646	695,764	628,346	3,455,552
General Ledger Adjustment	-	-	-	-	-	-
Cash available for OM & CIP	<u>22,068,127</u>	<u>17,810,480</u>	<u>11,434,522</u>	<u>8,808,340</u>	<u>5,712,250</u>	<u>5,712,250</u>
Restricted (Debt Reserve)	-	-	-	-	-	-
Restricted (Capital Projects)	-	-	-	-	-	-
Unrestricted Cash	<u>22,068,127</u>	<u>17,810,480</u>	<u>11,434,522</u>	<u>8,808,340</u>	<u>5,712,250</u>	<u>5,712,250</u>
Total Cash on hand:	<u>22,068,127</u>	<u>17,810,480</u>	<u>11,434,522</u>	<u>8,808,340</u>	<u>5,712,250</u>	<u>5,712,250</u>

Water Enterprise Fund

Capital Projects

	2003/2004	2004/2005	2005/2006
WATER ENTERPRISE FUND 80			
REPLACE WATER MAINS AND HYDRANTS 0387	700,000	2,300,000	2,300,000
REPLACE COLDWATER CANON RESERVOIR 0576	500,000	3,000,000	4,500,000
MINOR ASPHALT REPAIRS 0633	175,000	175,000	175,000
REPLACE WATER METER BOXES 0669	100,000	100,000	100,000
RESERVOIR MAINTENANCE 0796	500,000	500,000	500,000
CAPITAL HYPERION - BRINE	650,000	-	-
TOTAL WATER ENTERPRISE FUND	<u>2,625,000</u>	<u>6,075,000</u>	<u>7,575,000</u>

Debt Service Coverage

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Total Debt Service	1,555,658	1,331,863	1,327,879	1,337,611	1,241,863	6,794,874
Rate Covenant	125.00%	125.00%	125.00%	125.00%	125.00%	125.00%
Rvnu Required for DS Cover	1,944,573	1,664,829	1,659,849	1,672,014	1,552,329	8,493,593
Revenue Required for Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total Revenue Requirement	2,944,573	2,664,829	2,659,849	2,672,014	2,552,329	13,493,593
Rvnu Availabe for Coverage	3,878,978	3,149,216	2,526,921	1,786,428	1,220,774	12,562,317
Calculated Coverage	131.73%	118.18%	95.00%	66.86%	47.83%	93.10%
Additional Revenue Required	NONE	NONE	(132,928)	(885,585)	(1,331,555)	(931,275)
Rate Increase Required	NONE	NONE	0.82%	5.50%	8.26%	1.16%

Water Enterprise Fund

2006/2007	2007/2008	TOTAL	
WATER ENTERPRISE FUND 80			
2,300,000	2,300,000	9,900,000	REPLACE WATER MAINS AND HYDRANTS 0387
-	-	8,000,000	REPLACE COLDWATER CANON RESERVOIR 0576
175,000	175,000	875,000	MINOR ASPHALT REPAIRS 0633
100,000	100,000	500,000	REPLACE WATER METER BOXES 0669
500,000	500,000	2,500,000	RESERVOIR MAINTENANCE 0796
-	-	650,000	CAPITAL HYPERION - BRINE
<u>3,075,000</u>	<u>3,075,000</u>	<u>22,425,000</u>	TOTAL WATER ENTERPRISE FUND

City of Beverly Hills

WASTEWATER ENTERPRISE FUND

Administered by
Public Works

Wastewater Enterprise
Ed Otsuka

STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Wastewater Enterprise	10	10	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Wastewater Enterprise	-	-	-

Initiatives for 2003/2004

- No major initiatives for fiscal year 2003/2004.

Wastewater Enterprise Fund

	Historical			Current Trend			
	Actual	Actual	Actual	Budget	Projected	Bud/Pjt	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Better/ Worse)	Fiscal Year
	99/00	99/00	01/02	02/03	02/03	(03/04
Projected Revenues:							
Service Charges							
Wastewater Sales	5,033,936	5,072,648	5,429,329	5,583,922	5,597,150	13,228	6,142,314
Brine Discharge Income	-	-	-	-	-	-	950,000
Interest Earnings	444,184	516,565	355,084	334,729	259,372	(75,357)	334,729
Miscellaneous	45	1,003,526	1,101,700	1,100,000	1,100,000	(0)	568,318
Operating Revenues	<u>5,478,165</u>	<u>6,592,740</u>	<u>6,886,113</u>	<u>7,018,651</u>	<u>6,956,522</u>	<u>(62,129)</u>	<u>7,995,361</u>
Projected Expenses:							
Personnel Services	514,411	547,703	510,120	601,763	535,506	66,257	637,148
Materials and Supplies	30,852	23,528	36,625	42,733	49,578	(6,845)	44,147
Rent - New Facility	-	-	-	-	-	-	94,377
Contractual Services							
BH Operations	73,904	91,168	99,177	291,058	210,750	80,308	300,692
Disposal Operations	3,339,333	2,834,704	1,466,307	1,301,509	1,301,509	-	1,040,000
Brine Discharge Costs	-	-	-	-	-	-	300,000
Internal Services	653,587	565,803	627,512	611,646	611,646	-	668,296
Depreciation/Amrtztn	775,001	768,182	911,195	823,263	823,263	-	953,263
Debt Service Interest	1,123,417	1,082,934	1,039,621	997,271	997,271	-	960,521
Other Misc.	711	-	33,322	50,000	50,000	-	10,000
Operating Expense	<u>6,511,216</u>	<u>5,914,021</u>	<u>4,723,880</u>	<u>4,719,243</u>	<u>4,579,524</u>	<u>139,719</u>	<u>5,008,444</u>
Net from Operations	(1,033,051)	678,719	2,162,233	2,299,408	2,376,998	77,590	2,986,917
Plus Capital & Unrestricted	7,518,772	6,353,385	6,679,374	10,053,086	10,053,086	-	9,251,471
Plus Bond or Other Financing	-	-	-	-	-	-	-
Plus Depreciation	<u>775,001</u>	<u>768,182</u>	<u>911,195</u>	<u>823,263</u>	<u>823,263</u>	-	<u>953,263</u>
Cash Available	7,260,721	7,800,285	9,752,802	13,175,757	13,253,347	77,590	13,191,651
Capital Projects	468,158	1,555,317	666,375	1,225,000	1,411,876	(186,876)	300,000
Capital - Hyperion	-	-	-	1,890,000	1,890,000	-	2,540,000
Debt Service Principal	575,000	615,000	660,000	700,000	700,000	-	745,000
General Ledger Adjustment	<u>135,822</u>	<u>1,049,406</u>	<u>1,626,659</u>	-	-	-	-
Cash available for OM & CIP	<u>6,353,385</u>	<u>6,679,374</u>	<u>10,053,086</u>	<u>9,360,757</u>	<u>9,251,471</u>	<u>(109,285)</u>	<u>9,606,651</u>
Restricted (Debt Reserve)	1,705,721	1,705,721	1,705,721	1,705,721	1,705,721	-	1,705,721
Restricted (Capital Projects)	4,704,241	4,731,187	4,691,770	3,466,770	3,279,894	(186,876)	2,979,894
Unrestricted Cash	<u>1,649,143</u>	<u>1,948,186</u>	<u>5,361,316</u>	<u>5,893,987</u>	<u>5,971,577</u>	<u>77,590</u>	<u>6,626,757</u>
Total Cash on hand:	<u>8,059,106</u>	<u>8,385,095</u>	<u>11,758,807</u>	<u>11,066,478</u>	<u>10,957,192</u>	<u>(109,285)</u>	<u>11,312,372</u>

Wastewater Enterprise Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Projected Revenues:						
Service Charges						
Wastewater Sales	6,142,314	6,142,314	6,142,314	6,142,314	6,142,314	30,711,571
Brine Discharge Income	950,000	300,000	300,000	300,000	300,000	2,150,000
Interest Earnings	334,729	480,333	458,725	432,176	399,888	2,105,850
Miscellaneous	568,318	535,387	503,473	471,080	442,518	2,520,776
Operating Revenues	<u>7,995,361</u>	<u>7,458,034</u>	<u>7,404,512</u>	<u>7,345,570</u>	<u>7,284,720</u>	<u>37,488,197</u>
Projected Expenses:						
Personnel Services	637,148	656,262	675,950	696,229	717,116	3,382,705
Materials and Supplies	44,147	45,471	46,836	48,241	49,688	234,382
Rent - New Facility	94,377	94,377	94,377	94,377	94,377	471,885
Contractual Services						
BH Operations	300,692	309,713	319,004	328,574	338,431	1,596,415
Disposal Operations	1,040,000	1,040,000	1,040,000	1,040,000	1,040,000	5,200,000
Brine Discharge Costs	300,000	300,000	300,000	300,000	300,000	1,500,000
Internal Services	668,296	688,345	708,995	730,265	752,173	3,548,074
Depreciation/Amrtztn	953,263	981,861	1,011,317	1,041,656	1,072,906	5,061,003
Debt Service Interest	960,521	930,721	899,721	867,721	833,486	4,492,170
Other Misc.	10,000	10,300	10,609	10,927	11,255	53,091
Operating Expense	<u>5,008,444</u>	<u>5,057,050</u>	<u>5,106,809</u>	<u>5,157,990</u>	<u>5,209,432</u>	<u>25,539,726</u>
Net from Operations	2,986,917	2,400,983	2,297,703	2,187,580	2,075,288	11,948,471
Plus Capital & Unrestricted	9,251,471	9,606,651	9,174,496	8,643,515	7,997,751	9,251,471
Plus Bond or Other Financing	-	-	-	-	-	-
Plus Depreciation	<u>953,263</u>	<u>981,861</u>	<u>1,011,317</u>	<u>1,041,656</u>	<u>1,072,906</u>	<u>5,061,003</u>
Cash Available	13,191,651	12,989,496	12,483,515	11,872,751	11,145,945	26,260,945
Capital Projects	300,000	1,150,000	1,150,000	1,150,000	1,150,000	4,900,000
Capital - Hyperion	2,540,000	1,890,000	1,890,000	1,890,000	1,890,000	10,100,000
Debt Service Principal	745,000	775,000	800,000	835,000	870,000	4,025,000
General Ledger Adjustment	-	-	-	-	-	-
Cash available for OM & CIP	<u>9,606,651</u>	<u>9,174,496</u>	<u>8,643,515</u>	<u>7,997,751</u>	<u>7,235,945</u>	<u>7,235,945</u>
Restricted (Debt Reserve)	1,705,721	1,705,721	1,705,721	1,705,721	1,705,721	1,705,721
Restricted (Capital Projects)	2,979,894	1,829,894	679,894	-	-	-
Unrestricted Cash	<u>6,626,757</u>	<u>7,344,601</u>	<u>7,963,621</u>	<u>7,997,751</u>	<u>7,235,945</u>	<u>7,235,945</u>
Total Cash on hand:	<u><u>11,312,372</u></u>	<u><u>10,880,217</u></u>	<u><u>10,349,236</u></u>	<u><u>9,703,472</u></u>	<u><u>8,941,666</u></u>	<u><u>8,941,666</u></u>

Wastewater Enterprise Fund

Capital Projects

	2003/2004	2004/2005	2005/2006
WASTEWATER ENTERPRISE FUND 84			
REPAIRS TO SEWER SYSTEM 0066	300,000	1,150,000	1,150,000
CAPITAL - HYPERION	<u>2,540,000</u>	<u>1,890,000</u>	<u>1,890,000</u>
TOTAL WASTEWATER ENTERPRISE FUND	<u>2,840,000</u>	<u>3,040,000</u>	<u>3,040,000</u>

Debt Service Coverage

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Total Debt Service	1,705,521	1,705,721	1,699,721	1,702,721	1,703,486	8,517,170
Rate Covenant	125.00%	125.00%	125.00%	125.00%	125.00%	125.00%
Rvnu Required for DS Cover	2,131,901	2,132,151	2,124,651	2,128,401	2,129,358	10,646,463
Rvnu Required for Hyperion	2,540,000	1,890,000	1,890,000	1,890,000	1,890,000	10,100,000
Total Revenue Requirement	4,671,901	4,022,151	4,014,651	4,018,401	4,019,358	20,746,463
Rvnu Availabe for Coverage	4,900,701	4,313,565	4,208,741	4,096,957	3,981,680	21,501,644
Calculated Coverage	104.90%	107.25%	104.83%	101.95%	99.06%	103.64%
Additional Revenue Required	NONE	NONE	NONE	NONE	(37,678)	NONE
Rate Increase Required	NONE	NONE	NONE	NONE	0.61%	NONE

Wastewater Enterprise Fund

2006/2007	2007/2008	TOTAL	
			WASTEWATER ENTERPRISE FUND 84
1,150,000	1,150,000	4,900,000	REPAIRS TO SEWER SYSTEM 0066
<u>1,890,000</u>	<u>1,890,000</u>	<u>10,100,000</u>	
<u><u>3,040,000</u></u>	<u><u>3,040,000</u></u>	<u><u>15,000,000</u></u>	TOTAL WASTEWATER ENTERPRISE FUND

City of Beverly Hills

SOLID WASTE ENTERPRISE FUND

**Administered by
Public Works**

Solid Waste Enterprise
Ralph Winkeler

STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Solid Waste Enterprise	30	29	(1)

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Solid Waste Enterprise	-	-	-

Initiatives for 2003/2004

- Begin commercial solid waste collection operation's first full year in fiscal year 2003/2004.
- Complete evaluation of options for solid waste transfer/disposal.
- Prepare request for proposal for transfer station services to qualified bidders.
- Restructure Citywide recycling program, and present new program for approval by City Council.

Solid Waste Enterprise Fund

	Historical			Current Trend			
	Actual	Actual	Actual	Budget	Projected	Difference	
	Fiscal Year	Fiscal Year	Fiscal Year			Fiscal Year	Fiscal Year
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	Fiscal Year	03/04
Projected Revenues:							
Service Charges							
Comm Refuse Collection	656,096	605,075	3,399,752	3,440,212	4,550,440	1,110,228	3,784,233
Residential Recycling	4,811,787	4,808,032	4,743,793	4,773,705	4,732,166	(41,539)	5,251,076
Transfers In	-	-	-	-	-	-	-
Interest	92,324	242,489	202,654	155,122	151,793	(3,329)	155,122
Miscellaneous	56,039	77,956	68,813	174,787	98,712	(76,075)	174,787
Operating Revenues	<u>5,616,246</u>	<u>5,733,551</u>	<u>8,415,012</u>	<u>8,543,826</u>	<u>9,533,111</u>	<u>989,285</u>	<u>9,365,218</u>
Projected Expenses:							
Personnel Services	1,431,533	1,469,992	1,664,862	1,978,727	1,858,402	120,325	2,072,288
Materials and Supplies	7,784	34,303	35,543	113,257	700,126	(586,869)	117,006
Rent - New Facility	-	-	-	-	-	-	188,754
Contractual Services							
BH Operations	262,469	264,593	500,195	426,903	615,659	(188,756)	441,033
Disposal Operations	846,505	831,179	3,921,355	4,533,635	5,697,775	(1,164,140)	4,683,699
Internal Services	1,902,217	1,800,909	2,121,048	2,363,052	2,363,052	-	2,482,978
Depreciation/Amrtztn	8,861	8,861	8,861	8,900	8,900	-	7,500
Debt Service Interest	-	-	-	-	-	-	-
Other Misc.	139,267	51,587	133,000	135,000	135,000	-	100,000
Operating Expense	<u>4,598,636</u>	<u>4,461,424</u>	<u>8,384,864</u>	<u>9,559,474</u>	<u>11,378,913</u>	<u>(1,819,439)</u>	<u>10,093,258</u>
Net from Operations	1,017,611	1,272,127	30,148	(1,015,648)	(1,845,802)	(830,154)	(728,040)
Plus Beginning Cash	679,620	2,429,668	3,698,587	3,564,955	3,564,955	-	1,728,053
Plus Depreciation	8,861	8,861	8,861	8,900	8,900	-	7,500
Cash Available	1,706,092	3,710,656	3,737,596	2,558,207	1,728,053	(830,154)	1,007,513
Capital Projects	-	-	-	-	-	-	250,000
General Ledger Adjustment	723,576	(12,069)	(172,641)	-	-	-	-
Ending Cash	<u>2,429,668</u>	<u>3,698,587</u>	<u>3,564,955</u>	<u>2,558,207</u>	<u>1,728,053</u>	<u>(830,154)</u>	<u>757,513</u>

Solid Waste Enterprise Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Projected Revenues:						
Service Charges						
Comm Refuse Collection	3,784,233	3,784,233	3,784,233	3,784,233	3,784,233	18,921,166
Residential Recycling	5,251,076	5,251,076	5,251,076	5,251,076	5,251,076	26,255,378
Transfers In	-	-	-	-	-	-
Interest	155,122	37,876	-	-	-	192,998
Miscellaneous	174,787	174,787	174,787	174,787	174,787	873,935
Operating Revenues	<u>9,365,218</u>	<u>9,247,971</u>	<u>9,210,096</u>	<u>9,210,096</u>	<u>9,210,096</u>	<u>46,243,476</u>
Projected Expenses:						
Personnel Services	2,072,288	2,134,457	2,198,490	2,264,445	2,332,378	11,002,058
Materials and Supplies	117,006	120,516	124,132	127,856	131,691	621,201
Rent - New Facility	188,754	188,754	188,754	188,754	188,754	943,770
Contractual Services						
BH Operations	441,033	454,264	467,892	481,929	496,387	2,341,504
Disposal Operations	4,683,699	4,824,210	4,968,936	5,118,004	5,271,544	24,866,394
Internal Services	2,482,978	2,557,467	2,634,191	2,713,217	2,794,614	13,182,467
Depreciation/Amrtztn	7,500	7,725	7,957	8,195	8,441	39,819
Debt Service Interest	-	-	-	-	-	-
Other Misc.	100,000	103,000	106,090	109,273	112,551	530,914
Operating Expense	<u>10,093,258</u>	<u>10,390,393</u>	<u>10,696,442</u>	<u>11,011,673</u>	<u>11,336,361</u>	<u>53,528,127</u>
Net from Operations	(728,040)	(1,142,422)	(1,486,347)	(1,801,577)	(2,126,265)	(7,284,651)
Plus Beginning Cash	1,728,053	757,513	(627,184)	(2,355,573)	(4,398,955)	1,728,053
Plus Depreciation	<u>7,500</u>	<u>7,725</u>	<u>7,957</u>	<u>8,195</u>	<u>8,441</u>	<u>39,819</u>
Cash Available	1,007,513	(377,184)	(2,105,573)	(4,148,955)	(6,516,779)	(5,516,779)
Capital Projects	250,000	250,000	250,000	250,000	250,000	1,250,000
General Ledger Adjustment	-	-	-	-	-	-
Ending Cash	<u>757,513</u>	<u>(627,184)</u>	<u>(2,355,573)</u>	<u>(4,398,955)</u>	<u>(6,766,779)</u>	<u>(6,766,779)</u>

City of Beverly Hills

STORMWATER ENTERPRISE FUND

**Administered by
Public Works**

Stormwater Enterprise
Norman Berezowsky

STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Stormwater Enterprise	10	12	2

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Stormwater Enterprise	-	-	-

Initiatives for 2003/2004

- Continue monitoring and prosecuting violators of the stormwater ordinance.
- Increase patrolling and inspection to ensure the fullest compliance of the re-authorized NPDES (National Pollutants Discharge Elimination System) permits.

Stormwater Enterprise Fund

	Historical			Current Trend			
	Actual	Actual	Actual	Adopted	Projected	Difference	
	Fiscal Year	Fiscal Year	Fiscal Year			Fiscal Year	Fiscal Year
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	Fiscal Year	03/04
Projected Revenues:							
Service Charges							
Stormwater Charges	1,734,029	1,761,193	1,762,776	1,759,993	1,814,379	54,386	1,759,993
Transfers In	-	-	-	-	-	-	-
Interest	67,989	158,726	141,597	84,934	115,530	30,596	84,934
Miscellaneous	-	36,083	33,568	-	60,394	60,394	-
Operating Revenues	<u>1,802,018</u>	<u>1,956,002</u>	<u>1,937,941</u>	<u>1,844,927</u>	<u>1,990,303</u>	<u>145,376</u>	<u>1,844,927</u>
Projected Expenses:							
Personnel Services	462,757	632,029	701,210	633,619	657,934	(24,315)	743,573
Materials and Supplies	4,728	7,377	8,019	61,131	25,663	35,468	63,155
Rent - New Facility	-	-	-	-	-	-	94,377
Contractual Services							
BH Operations	115,752	124,179	190,920	161,794	162,833	(1,039)	167,149
Disposal Operations	15,219	15,440	500	28,194	3,333	24,861	29,127
Internal Services	503,772	407,303	409,282	557,796	557,796	-	594,663
Depreciation/Amrtztn	768	175,625	179,169	180,000	180,000	-	200,000
Debt Service Interest	-	-	-	-	-	-	-
Other Misc.	329	10,000	2,900	15,000	15,000	-	10,000
Operating Expense	<u>1,103,325</u>	<u>1,371,953</u>	<u>1,491,999</u>	<u>1,637,534</u>	<u>1,602,559</u>	<u>34,975</u>	<u>1,902,044</u>
Net from Operations	698,693	584,048	445,942	207,393	387,745	180,352	(57,117)
Plus Beginning Cash	1,042,565	1,717,671	2,320,096	2,788,546	2,788,546	-	2,742,837
Plus Depreciation	768	175,625	179,169	180,000	180,000	-	200,000
Cash Available	1,742,026	2,477,345	2,945,206	3,175,939	3,356,290	180,352	2,885,720
Capital Projects	86,319	144,867	238,783	550,000	613,453	(63,453)	100,000
General Ledger Adjustment	61,964	(12,381)	82,123	-	-	-	-
Ending Cash	<u>1,717,671</u>	<u>2,320,096</u>	<u>2,788,546</u>	<u>2,625,939</u>	<u>2,742,837</u>	<u>116,899</u>	<u>2,785,720</u>

Capital Projects

	2003/2004	2004/2005	2005/2006
STORMWATER ENTERPRISE FUND 85			
CATCH BASINS REPLACEMENT AND/OR REFURBISHMENT 0404	50,000	50,000	50,000
REHABILITATE STORM DRAINS 0553	50,000	550,000	50,000
TOTAL STORMWATER ENTERPRISE FUND	<u>100,000</u>	<u>600,000</u>	<u>100,000</u>

Stormwater Enterprise Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Projected Revenues:						
Service Charges						
Stormwater Charges	1,759,993	1,759,993	1,759,993	1,759,993	1,759,993	8,799,965
Transfers In	-	-	-	-	-	-
Interest	84,934	139,286	116,736	115,575	86,798	543,329
Miscellaneous	-	-	-	-	-	-
Operating Revenues	<u>1,844,927</u>	<u>1,899,279</u>	<u>1,876,729</u>	<u>1,875,568</u>	<u>1,846,791</u>	<u>9,343,294</u>
Projected Expenses:						
Personnel Services	743,573	765,880	788,857	812,522	836,898	3,947,730
Materials and Supplies	63,155	65,050	67,001	69,011	71,082	335,298
Rent - New Facility	94,377	94,377	94,377	94,377	94,377	471,885
Contractual Services						
BH Operations	167,149	172,163	177,328	182,648	188,128	887,417
Disposal Operations	29,127	30,001	30,901	31,828	32,783	154,639
Internal Services	594,663	612,503	630,878	649,804	669,298	3,157,147
Depreciation/Amrtztn	200,000	206,000	212,180	218,545	225,102	1,061,827
Debt Service Interest	-	-	-	-	-	-
Other Misc.	10,000	10,300	10,609	10,927	11,255	53,091
Operating Expense	<u>1,902,044</u>	<u>1,956,274</u>	<u>2,012,131</u>	<u>2,069,664</u>	<u>2,128,922</u>	<u>10,069,035</u>
Net from Operations	(57,117)	(56,995)	(135,402)	(194,095)	(282,131)	(725,740)
Plus Beginning Cash	2,742,837	2,785,720	2,334,725	2,311,504	1,735,954	2,742,837
Plus Depreciation	<u>200,000</u>	<u>206,000</u>	<u>212,180</u>	<u>218,545</u>	<u>225,102</u>	<u>1,061,827</u>
Cash Available	2,885,720	2,934,725	2,411,504	2,335,954	1,678,924	3,078,924
Capital Projects	100,000	600,000	100,000	600,000	100,000	1,500,000
General Ledger Adjustment	-	-	-	-	-	-
Ending Cash	<u>2,785,720</u>	<u>2,334,725</u>	<u>2,311,504</u>	<u>1,735,954</u>	<u>1,578,924</u>	<u>1,578,924</u>

2006/2007	2007/2008	TOTAL	
			STORMWATER ENTERPRISE FUND 85
50,000	50,000	250,000	CATCH BASINS REPLACEMENT AND/OR REFURBISHMENT 0404
<u>550,000</u>	<u>50,000</u>	<u>1,250,000</u>	REHABILITATE STORM DRAINS 0553
<u>600,000</u>	<u>100,000</u>	<u>1,500,000</u>	TOTAL STORMWATER ENTERPRISE FUND

City of Beverly Hills

PARKING ENTERPRISE FUND



STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Parking Operations	6	7	1

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Parking Operations	51	50	(1)

Initiatives for 2003/2004

- Continue safe operation of City Parking facilities during Power Outages. Due to the large number of customers using these facilities, it is essential that they remain operational during unexpected power interruptions.
- Develop a uniform signage plan to improve the aesthetics of City Parking Facility signs to coordinate with directional “P” signs installed throughout the City during fiscal year 2000/2001.
- Convert attendant uniforms to coordinate with the color and style of the new directional “P” signs.
- Create and implement an automated attendant auditing program for revenue control and trend analysis.
- Opening of Beverly/Canon facility in October 2003.

Parking Enterprise Fund

	Historical			Current Trend			
	Actual	Actual	Actual	Budget	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Projected Revenues:							
Service Charges							
Parking Facilities	3,565,463	3,563,349	3,635,699	3,791,415	3,600,558	(190,857)	6,386,563
Meters	2,980,611	2,927,453	2,814,783	2,824,034	2,801,174	(22,860)	-
Rent of Property	4,621,562	4,785,924	4,844,951	4,766,679	4,853,204	86,525	4,988,166
D-Lot Income	-	-	-	-	-	-	500,000
Interest Earnings	618,328	1,649,550	1,365,211	743,641	922,355	178,714	743,641
Miscellaneous	102,769	309,621	112,640	97,506	124,536	27,030	37,506
Operating Revenues	<u>11,888,733</u>	<u>13,235,898</u>	<u>12,773,285</u>	<u>12,223,275</u>	<u>12,301,828</u>	<u>78,553</u>	<u>12,655,876</u>
Projected Expenses:							
Personnel Services	1,768,898	1,730,782	1,858,934	2,071,552	2,147,075	(75,523)	1,852,104
Materials and Supplies	25,817	19,483	19,036	49,736	39,485	10,251	22,427
Rent - New Facility	-	-	-	-	-	-	141,566
Contractual Services	769,386	853,283	1,414,826	993,212	1,376,069	(382,857)	1,015,812
Internal Services	2,346,771	2,331,952	2,326,189	3,065,773	3,065,773	-	3,077,343
Depreciation/Amrtztn	2,776,605	2,738,261	2,773,931	2,946,190	2,946,190	-	3,210,000
Debt Service General Fund	-	-	-	-	-	-	1,055,686
Debt Service Interest	2,825,100	2,664,726	2,168,727	2,472,496	2,472,496	-	1,825,677
Other Misc.	935	9,996	9,996	-	-	-	10,000
Operating Expense	<u>10,513,511</u>	<u>10,348,483</u>	<u>10,571,640</u>	<u>11,598,959</u>	<u>12,047,088</u>	<u>(448,129)</u>	<u>12,210,615</u>
Net from Operations	1,375,222	2,887,415	2,201,645	624,316	254,740	(369,576)	445,261
Plus Beginning Cash	8,980,670	11,251,455	14,267,269	16,370,524	16,370,524	-	15,755,676
Plus Loan from General Fund	-	-	16,455,250	-	4,781,750	4,781,750	-
Plus Transfer from In-Lieu	-	-	-	-	4,500,000	4,500,000	-
Plus Depreciation	<u>2,776,605</u>	<u>2,738,261</u>	<u>2,773,931</u>	<u>2,946,190</u>	<u>2,946,190</u>	-	<u>3,210,000</u>
Cash Available	13,132,497	16,877,131	35,698,095	19,941,030	28,853,203	8,912,174	19,410,936
Capital Projects	85,505	354,800	15,595,868	5,516,752	10,919,610	(5,402,858)	735,002
Debt Service Principal GF	-	-	-	-	-	-	547,923
Debt Service Principal	1,832,653	1,985,508	2,073,206	2,177,918	2,177,918	-	2,271,703
General Ledger Adjustment	<u>37,117</u>	<u>(269,555)</u>	<u>(1,658,496)</u>	-	-	-	-
Cash available for OM & CIP	<u>11,251,455</u>	<u>14,267,269</u>	<u>16,370,524</u>	<u>12,246,360</u>	<u>15,755,676</u>	<u>3,509,316</u>	<u>15,856,308</u>
Restricted (Debt Reserve)	5,045,611	5,374,840	5,300,271	5,300,271	5,300,271	-	5,300,271
Restricted (Capital Projects)	-	-	-	-	-	-	-
Unrestricted Cash	<u>11,251,455</u>	<u>14,267,269</u>	<u>16,370,524</u>	<u>12,246,360</u>	<u>15,755,676</u>	<u>3,509,316</u>	<u>15,856,308</u>
Total Cash on Hand:	<u>16,297,066</u>	<u>19,642,108</u>	<u>21,670,795</u>	<u>17,546,631</u>	<u>21,055,946</u>	<u>3,509,316</u>	<u>21,156,579</u>

Parking Enterprise Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Projected Revenues:						
Service Charges						
Parking Facilities	6,386,563	6,386,563	6,386,563	6,386,563	6,386,563	31,932,815
Meters	-	-	-	-	-	-
Rent of Property	4,988,166	4,988,166	4,988,166	4,988,166	4,988,166	24,940,830
D-Lot Income	500,000	1,760,000	1,760,000	2,760,000	2,760,000	9,540,000
Interest Earnings	743,641	792,815	877,134	956,397	1,071,019	4,441,007
Miscellaneous	37,506	37,506	37,506	37,506	37,506	187,530
Operating Revenues	<u>12,655,876</u>	<u>13,965,050</u>	<u>14,049,369</u>	<u>15,128,632</u>	<u>15,243,254</u>	<u>71,042,182</u>
Projected Expenses:						
Personnel Services	1,852,104	1,907,667	1,964,897	2,023,844	2,084,559	9,833,072
Materials and Supplies	22,427	23,100	23,793	24,507	25,242	119,068
Rent - New Facility	141,566	141,566	141,566	141,566	141,566	707,830
Contractual Services	1,015,812	1,046,286	1,077,675	1,110,005	1,143,305	5,393,084
Internal Services	3,077,343	3,106,663	3,199,863	3,295,859	3,394,735	16,074,463
Depreciation/Amrtztn	3,210,000	3,306,300	3,405,489	3,507,654	3,612,883	17,042,326
Debt Service General Fund	1,055,686	1,023,694	991,360	957,223	957,223	4,985,187
Debt Service Interest	1,825,677	1,909,885	1,803,677	1,689,607	1,570,072	8,798,918
Other Misc.	10,000	85,300	87,859	90,495	93,210	366,863
Operating Expense	<u>12,210,615</u>	<u>12,550,462</u>	<u>12,696,179</u>	<u>12,840,760</u>	<u>13,022,796</u>	<u>63,320,812</u>
Net from Operations	445,261	1,414,589	1,353,190	2,287,873	2,220,458	7,721,370
Plus Beginning Cash	15,755,676	15,856,308	17,542,683	19,127,948	21,420,379	15,755,676
Plus Loan from General Fund	-	-	-	-	-	-
Plus Transfer from In-Lieu	-	-	-	-	-	-
Plus Depreciation	<u>3,210,000</u>	<u>3,306,300</u>	<u>3,405,489</u>	<u>3,507,654</u>	<u>3,612,883</u>	<u>17,042,326</u>
Cash Available	19,410,936	20,577,197	22,301,362	24,923,475	27,253,720	40,519,372
Capital Projects	735,002	110,002	110,002	268,334	268,334	1,491,674
Debt Service Principal GF	547,923	579,915	612,249	646,386	646,386	3,032,859
Debt Service Principal	2,271,703	2,344,597	2,451,162	2,588,376	2,105,875	11,761,713
General Ledger Adjustment	-	-	-	-	-	-
Cash available for OM & CIP	<u>15,856,308</u>	<u>17,542,683</u>	<u>19,127,948</u>	<u>21,420,379</u>	<u>24,233,125</u>	<u>24,233,125</u>
Restricted (Debt Reserve)	5,300,271	5,300,271	5,300,271	5,300,271	5,300,271	5,300,271
Restricted (Capital Projects)	-	-	-	-	-	-
Unrestricted Cash	<u>15,856,308</u>	<u>17,542,683</u>	<u>19,127,948</u>	<u>21,420,379</u>	<u>24,233,125</u>	<u>24,233,125</u>
Total Cash on hand:	<u>21,156,579</u>	<u>22,842,954</u>	<u>24,428,219</u>	<u>26,720,650</u>	<u>29,533,396</u>	<u>29,533,396</u>

Parking Enterprise Fund

Capital Projects

	2003/2004	2004/2005	2005/2006
PARKING ENTERPRISE FUND 81			
REPAINT CITY BUILDINGS 0713	100,000	100,000	100,000
ADA UPGRADES 0723	10,002	10,002	10,002
DEVELOP T SURFACE PARKING LOT 0849	625,000	-	-
TOTAL PARKING ENTERPRISE FUND	<u>735,002</u>	<u>110,002</u>	<u>110,002</u>

Debt Service Coverage

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Total of Years
Total Debt Service	4,097,380	4,254,482	4,254,839	4,277,983	3,675,947	20,560,631
Rate Covenant	110.00%	110.00%	110.00%	110.00%	110.00%	110.00%
Rvnu Required for DS Cover	4,507,118	4,679,930	4,680,323	4,705,781	4,043,542	22,616,694
Rvnu Availabe for Coverage	6,536,624	7,654,468	7,553,716	8,442,357	8,360,637	38,547,802
Calculated Coverage	159.53%	179.92%	177.53%	197.34%	227.44%	187.48%
Additional Revenue Required	NONE	NONE	NONE	NONE	NONE	NONE
Rate Increase Required	NONE	NONE	NONE	NONE	NONE	NONE

Parking Enterprise Fund

2006/2007	2007/2008	TOTAL	
			PARKING ENTERPRISE FUND 81
100,000	100,000	500,000	REPAINT CITY BUILDINGS 0713
168,334	168,334	366,674	ADA UPGRADES 0723
			T 0849
<u>268,334</u>	<u>268,334</u>	<u>1,491,674</u>	TOTAL PARKING ENTERPRISE FUND

City of Beverly Hills

Internal Service Funds Adopted Budget

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City, or to other governments, on a cost-reimbursement basis.

Information Technology Internal Service Fund

This fund was created to properly allocate computer services to user departments. Charges are based on an allocation formula derived from programming time and computer usage.

Vehicles and Facilities Maintenance internal Service Fund

Activities pertaining to the maintenance of City facilities and the acquisition, maintenance and repair of City vehicles and related equipment are accounted for in this fund. The cost of supplies, labor, replacement parts and fuel are continuously allocated and charged to user departments based on a computerized program. The funds derived from such charges are used to maintain operations of this fund.

Liability Insurance Internal Service Fund

The City is self-insured for the first \$1,000,000 of each liability claim. This fund accounts for these self-insured claims and obtains its revenue by charging the responsible departments. The City has contracted with an independent adjuster to monitor liability claims on an individual basis. Liability claims in excess of \$1,000,000 up to \$25 million combined single limit occurrence are covered by insurance.

Workers' Compensation Internal Service Fund

This fund accounts for all activities pertaining to workers' compensation. Each claim is monitored by an independent adjuster and is charged to the responsible department. The City is self-insured below the amount covered by excess insurance carriers (\$350,000 for each claim). Administration of this fund adheres to regulations imposed by the State concerning workers' compensation.

Reprographics/Graphics Internal Service Fund

Reprographics

Activities pertaining to in-house printing, photo copiers and metered postage are accounted for in this division. The cost of labor, printing and supplies are tabulated and charged to user departments. The funds derived from such charges are used to maintain operations of this division.

Graphics Services

Graphics Services provides City Departments with cost effective, high quality, creative graphics and promotional and informational materials that communicate, educate and inform the public about City programs and special projects. The cost of labor and supplies are tabulated and charged to user departments. The funds derived from such charges are used to maintain operations of this division.

Cable Television Internal Service Fund

This fund accounts for production services for the weekly City Council Formal Meetings and Study Sessions, video production support services for City departments and administration of the City's three cable television channels (Channel 35, 10 and 3).

City of Beverly Hills

INFORMATION TECHNOLOGY INTERNAL SERVICE FUND

Information Technology
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STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Information Technology	18	18	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Information Technology	-	-	-

Initiatives for 2003/2004

- Complete Public Safety system upgrade.
- Upgrade network security.
- Begin pilot document imaging project.
- Redesign City website and upgrade intranet.
- Complete implementation of various software packages.

Information Technology Internal Service Fund

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Revenues:							
Fund Charges	5,195,736	5,540,603	6,438,757	6,141,938	6,141,951	13	5,845,236
Interest	-	-	-	-	-	-	-
Miscellaneous	9,590	9,355	2,836	29,250	1,022	(28,228)	-
Transfer In	-	42,868	-	-	-	-	-
Total Revenues	5,205,326	5,592,826	6,441,593	6,171,188	6,142,972	(28,216)	5,845,236
Operating Expenses:							
Personnel services	1,563,108	1,730,300	1,485,139	1,653,449	1,459,651	193,798	1,701,008
Materials and supplies	72,108	53,936	72,597	120,648	88,198	32,450	124,641
Contractual services	1,460,445	1,247,353	1,160,664	1,468,919	1,623,517	(154,598)	1,517,540
Internal services	97,859	504,478	512,757	615,870	615,870	-	626,023
Depreciation	1,047,789	1,307,490	1,408,998	1,117,000	1,117,000	-	1,829,500
Vehicle Fund Loan Repay	158,939	154,994	448,100	448,100	448,100	-	425,834
Other Miscellaneous	85,286	67	-	-	-	-	-
Operating Expenses	4,485,534	4,998,618	5,088,256	5,423,986	5,352,336	71,650	6,224,546
Net from operations	719,792	594,208	1,353,337	747,202	790,636	43,434	(379,310)
Plus Beginning Cash	6,554,793	6,738,900	6,386,705	6,581,309	6,581,309	-	3,140,244
Plus Depreciation	1,047,789	1,307,490	1,408,998	1,117,000	1,117,000	-	1,829,500
Cash Available	8,322,374	8,640,598	9,149,040	8,445,511	8,488,946	43,434	4,590,434
Capital Projects	1,282,839	2,002,995	2,973,265	1,060,000	5,348,702	(4,288,702)	1,060,000
General ledger adjustment	(300,635)	(250,898)	405,534	-	-	-	-
Ending Cash	6,738,900	6,386,705	6,581,309	7,385,511	3,140,244	(4,245,268)	3,530,434

Capital Projects

	2003/2004	2004/2005	2005/2006
INFORMATION TECHNOLOGY SERVICES FUND 41			
COMPUTER ACQUISITION 0329	1,000,000	1,000,000	1,000,000
TELEPHONE SYSTEM 0856	60,000	60,000	60,000
TOTAL INFORMATION TECHNOLOGY SERVICES FUND	1,060,000	1,060,000	1,060,000

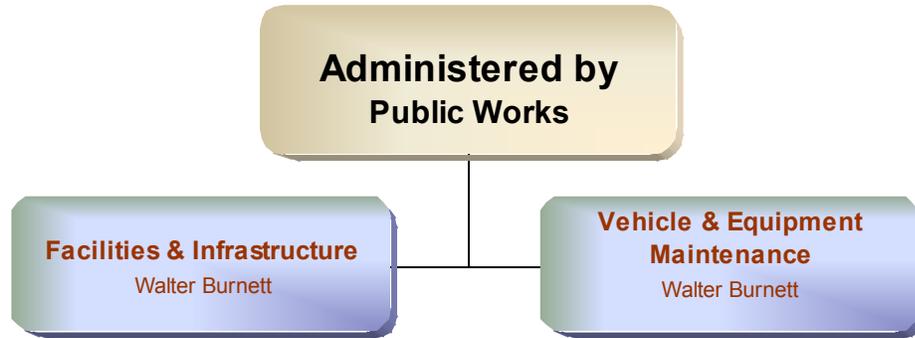
Information Technology Internal Service Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	5 Year Total
Revenues:						
Fund Charges	5,845,236	6,020,593	6,201,211	6,387,247	6,578,865	31,033,152
Interest	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Total Revenues	<u>5,845,236</u>	<u>6,020,593</u>	<u>6,201,211</u>	<u>6,387,247</u>	<u>6,578,865</u>	<u>31,033,152</u>
Operating Expenses:						
Personnel services	1,701,008	1,752,038	1,804,599	1,858,737	1,914,499	9,030,882
Materials and supplies	124,641	128,380	132,232	136,199	140,285	661,736
Contractual services	1,517,540	1,563,066	1,609,958	1,658,257	1,708,005	8,056,826
Internal services	626,023	644,804	664,148	684,072	704,594	3,323,641
Depreciation	1,829,500	1,884,385	1,940,917	1,999,144	2,059,118	9,713,064
Vehicle Fund Loan Repay	425,834	438,609	451,767	465,320	479,280	2,260,811
Other Miscellaneous	-	-	-	-	-	-
Operating Expenses	<u>6,224,546</u>	<u>6,411,282</u>	<u>6,603,621</u>	<u>6,801,729</u>	<u>7,005,781</u>	<u>33,046,960</u>
Net from operations	(379,310)	(390,689)	(402,410)	(414,482)	(426,917)	(2,013,808)
Plus Beginning Cash	3,140,244	3,530,434	3,964,129	4,442,636	4,967,298	3,140,244
Plus Depreciation	1,829,500	1,884,385	1,940,917	1,999,144	2,059,118	9,713,064
Cash Available	4,590,434	5,024,129	5,502,636	6,027,298	6,599,499	10,839,499
Capital Projects	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	5,300,000
General ledger adjustment	-	-	-	-	-	-
Ending Cash	<u>3,530,434</u>	<u>3,964,129</u>	<u>4,442,636</u>	<u>4,967,298</u>	<u>5,539,499</u>	<u>5,539,499</u>

2006/2007	2007/2008	TOTAL	
1,000,000	1,000,000	5,000,000	INFORMATION TECHNOLOGY SERVICES FUND 41
60,000	60,000	300,000	COMPUTER ACQUISITION 0329
<u>1,060,000</u>	<u>1,060,000</u>	<u>5,300,000</u>	TELEPHONE SYSTEM 0856
			TOTAL INFORMATION TECHNOLOGY SERVICES FUND

City of Beverly Hills

VEHICLES & FACILITIES MAINTENANCE INTERNAL SERVICE FUND



STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Facilities & Infrastructure	17	13	(4)
Vehicle & Equipment Maintenance	16	18	2

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Facilities & Infrastructure	-	-	-
Vehicle & Equipment Maintenance	-	-	-

Initiatives for 2003/2004

- Program planning and design of a new Operation Services Center which will provide a new Facilities Maintenance facility, a new Vehicle Service facility and office space for General Services and other departmental staff.
- Acquire and maintain alternative fuel vehicles within the City fleet.
- Continue to develop and implement preventive maintenance programs for vehicles and facilities.
- Implement work order systems to manage projects, inventory and work flow.

Capital Assets Internal Service Fund

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 99/00	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 02/03	Bud/Pjt Better/ (Worse)	Fiscal Year 03/04
Revenues:							
Fund Charges	6,385,609	15,638,354	17,230,083	17,240,013	17,230,063	(9,950)	19,521,676
Interest	701,844	2,487,659	1,481,904	1,716,564	1,469,113	(247,451)	682,069
Miscellaneous	819,724	1,961,530	300,517	44,202	120,015	75,813	44,202
IT Loan Repayment	158,939	154,994	448,100	425,834	425,834	-	425,834
Bond Proceeds/Refunding	-	-	-	10,165,067	10,165,067	-	-
FEMA Grant	1,775	-	408,107	-	-	-	-
Transfers In	8,669,624	-	-	-	-	-	-
Total Revenues	16,737,515	20,242,538	19,868,711	29,591,680	29,410,092	(181,588)	20,673,781
Operating Expenses:							
Personnel services	1,694,753	1,667,287	1,782,453	1,991,532	1,958,371	33,161	2,066,831
Materials and supplies	781,104	845,276	656,952	913,669	913,669	-	943,911
Contractual services	1,501,673	1,683,386	3,097,250	2,414,584	2,414,584	-	2,494,507
Internal services	602,373	665,894	574,270	1,821,264	1,821,264	-	1,840,233
Depreciation	996,332	5,557,622	5,851,838	5,539,074	5,539,074	-	5,741,681
Debt Service Interest	-	6,268,633	6,120,870	5,978,364	3,447,452	2,530,912	5,745,420
Other Miscellaneous	104,149	41,472	41,472	172,000	36,471	135,529	177,693
Operating Expenses	5,680,384	16,729,570	18,125,106	18,830,487	16,130,884	2,699,603	19,010,276
Net from operations	11,057,131	3,512,968	1,743,605	10,761,193	13,279,208	2,518,015	1,663,505
Plus Beginning Cash	15,364,508	16,587,531	18,934,198	19,307,476	19,307,476	-	20,398,667
Plus Depreciation	996,332	5,557,622	5,851,838	5,539,074	5,539,074	-	5,741,681
Cash Available	27,417,971	25,658,121	26,529,641	35,607,743	38,125,759	2,518,015	27,803,853
Capital Outlay & Projects	5,721,994	8,271,699	9,999,106	11,140,279	14,919,997	(3,779,718)	6,135,999
Debt Service Principal	-	-	3,501,405	3,653,912	-	3,653,912	4,044,608
School District	-	1,016,034	1,176,870	2,807,095	2,807,095	-	-
Transfer Out	-	-	-	-	-	-	-
General ledger adjustment	(5,108,446)	2,563,810	7,455,216	-	-	-	-
Cash available for OM & CIP	16,587,531	18,934,198	19,307,476	18,006,457	20,398,667	2,643,821	17,623,246
Restricted (Debt Reserve)	10,165,067	10,165,067	10,511,312	-	-	-	-
Restricted (Capital Projects)	-	-	-	-	-	-	-
Unrestricted Cash	16,587,531	18,934,198	19,307,476	18,006,457	20,398,667	2,392,210	17,623,246
TOTAL	26,752,598	29,099,265	29,818,789	18,006,457	20,398,667	2,392,210	17,623,246

Capital Assets Internal Service Fund

	Adopted Fiscal Year 03/04	Projected Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	5 Year Total
Revenues:						
Fund Charges	19,521,676	25,107,326	25,860,546	26,636,362	27,435,453	124,561,364
Interest	682,069	702,531	723,607	745,315	767,675	3,621,197
Miscellaneous	44,202	45,528	46,894	48,301	49,750	234,674
IT Loan Repayment	425,834	438,609	451,767	465,320	479,280	2,260,811
Bond Proceeds/Refunding	-	-	-	-	-	-
FEMA Grant	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Total Revenues	<u>20,673,781</u>	<u>26,293,994</u>	<u>27,082,814</u>	<u>27,895,299</u>	<u>28,732,158</u>	<u>130,678,046</u>
Operating Expenses:						
Personnel services	2,066,831	2,128,836	2,192,701	2,258,482	2,326,236	10,973,086
Materials and supplies	943,911	972,228	1,001,395	1,031,437	1,062,380	5,011,352
Contractual services	2,494,507	2,569,342	2,646,422	2,725,815	2,807,590	13,243,676
Internal services	1,840,233	1,895,440	1,952,303	2,010,872	2,071,198	9,770,047
Depreciation	5,741,681	5,913,931	6,091,349	6,274,090	6,462,313	30,483,364
Debt Service Interest	5,745,420	5,604,769	5,425,877	5,229,132	5,036,298	27,041,496
Other Miscellaneous	177,693	183,024	188,515	194,170	199,995	943,396
Operating Expenses	<u>19,010,276</u>	<u>19,267,571</u>	<u>19,498,563</u>	<u>19,723,998</u>	<u>19,966,010</u>	<u>97,466,418</u>
Net from operations	1,663,505	7,026,424	7,584,252	8,171,300	8,766,147	33,211,628
Plus Beginning Cash	20,398,667	17,623,246	16,976,304	23,882,713	31,233,909	20,398,667
Plus Depreciation	5,741,681	5,913,931	6,091,349	6,274,090	6,462,313	30,483,364
Cash Available	27,803,853	30,563,601	30,651,905	38,328,103	46,462,369	84,093,659
Capital Outlay & Projects	6,135,999	9,114,999	2,114,999	2,273,333	2,273,333	21,912,663
Debt Service Principal	4,044,608	4,472,298	4,654,193	4,820,861	5,715,779	23,707,739
School District	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-
General ledger adjustment	-	-	-	-	-	-
Cash available for OM & CIP	<u>17,623,246</u>	<u>16,976,304</u>	<u>23,882,713</u>	<u>31,233,909</u>	<u>38,473,257</u>	<u>38,473,257</u>
Restricted (Debt Reserve)	-	-	-	-	-	-
Restricted (Capital Projects)	-	-	-	-	-	-
Unrestricted Cash	17,623,246	16,976,304	23,882,713	31,233,909	38,473,257	38,473,257
TOTAL	<u>17,623,246</u>	<u>16,976,304</u>	<u>23,882,713</u>	<u>31,233,909</u>	<u>38,473,257</u>	<u>38,473,257</u>

Capital Assets Internal Service Fund

Capital Projects

	2003/2004	2004/2005	2005/2006
CAPITAL ASSETS FUND			
CONTAMINATION CLEANUP 0571	100,000	100,000	100,000
IMPROVEMENT OF CITY GATEWAYS 0701	150,000	150,000	150,000
REPAINT CITY BUILDINGS 0713	100,000	100,000	100,000
ADA UPGRADES 0723	9,999	9,999	9,999
HVAC IMPROVEMENTS 0792	50,000	50,000	50,000
CONSTRUCT MUNICIPAL SERVICES CENTER 0797	3,336,000	7,000,000	-
MISCELLANEOUS SMALL CONSTRUCTION PROJECTS 0823	100,000	100,000	100,000
FACILITY ROOF REHABILITATION PROGRAM 0833	50,000	50,000	50,000
CARPET REPLACEMENT PROGRAM 0834	30,000	30,000	30,000
CITY HALL MASTER PLANNING 0851	25,000	-	-
CIVIC CENTER PLAZA IMPROVEMENTS 0852	600,000	-	-
RADIO INFRASTRUCTURE IMPROVEMENTS 0859	25,000	25,000	25,000
COMMUNITY SPORTS CENTER 0881	60,000	-	-
SCHEDULED VEHICLE REPLACEMENT	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
TOTAL MAINTENANCE SERVICES FUND	<u><u>6,135,999</u></u>	<u><u>9,114,999</u></u>	<u><u>2,114,999</u></u>

Capital Assets Internal Service Fund

2006/2007	2007/2008	TOTAL	
			MAINTENANCE SERVICES FUND 08
100,000	100,000	500,000	CONTAMINATION CLEANUP 0571
150,000	150,000	750,000	IMPROVEMENT OF CITY GATEWAYS 0701
100,000	100,000	500,000	REPAINT CITY BUILDINGS 0713
168,333	168,333	366,663	ADA UPGRADES 0723
50,000	50,000	250,000	HVAC IMPROVEMENTS 0792
-	-	10,336,000	CONSTRUCT MUNICIPAL SERVICES CENTER 0797
100,000	100,000	500,000	MISCELLANEOUS SMALL CONSTRUCTION PROJECTS 0823
50,000	50,000	250,000	FACILITY ROOF REHABILITATION PROGRAM 0833
30,000	30,000	150,000	CARPET REPLACEMENT PROGRAM 0834
-	-	25,000	CITY HALL MASTER PLANNING 0851
-	-	600,000	CIVIC CENTER PLAZA IMPROVEMENTS 0852
25,000	25,000	125,000	RADIO INFRASTRUCTURE IMPROVEMENTS 0859
-	-	60,000	COMMUNITY SPORTS CENTER 0881
<u>1,500,000</u>	<u>1,500,000</u>	<u>7,500,000</u>	SCHEDULED VEHICLE REPLACEMENT
<u>2,273,333</u>	<u>2,273,333</u>	<u>21,912,663</u>	TOTAL MAINTENANCE SERVICES FUND

City of Beverly Hills

SELF-INSURANCE INTERNAL SERVICE FUNDS



Initiatives for 2003/2004

Through the Risk Management annual report, the sources of claims have been identified. Risk Management, along with the City-wide Safety Committee, develops and disseminates policies and procedures designed to address actual and potential losses. Human Services will manage these programs and offer training to assist operating departments in achieving safety related goals and objectives, including reducing the frequency and severity of claims against the City.

Self-Insurance Internal Service Funds

LIABILITY SELF-INSURANCE INTERNAL SERVICE FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04	
Revenues:							
Fund Charges	3,426,467	3,293,335	2,791,389	3,073,800	3,073,802	2	3,705,200
Miscellaneous	467,075	-	-	-	3,872	3,872	-
Total Revenues	<u>3,893,542</u>	<u>3,293,335</u>	<u>2,791,389</u>	<u>3,073,800</u>	<u>3,077,674</u>	<u>3,874</u>	<u>3,705,200</u>
Operating Expenses:							
Insurance premiums	729,397	800,905	1,053,068	1,473,200	1,989,733	(516,533)	1,521,963
Contractual services	(7,105)	26,895	112,339	196,200	94,400	101,800	202,694
Legal Fees	1,369,499	410,647	1,886,146	750,000	1,636,976	(886,976)	774,825
Claims	480,112	(5,513)	577,665	700,000	549,315	150,685	975,000
Operating Expenses	<u>2,571,904</u>	<u>1,232,934</u>	<u>3,629,218</u>	<u>3,119,400</u>	<u>4,270,423</u>	<u>(1,151,023)</u>	<u>3,474,482</u>
Net from operations	1,321,638	2,060,401	(837,829)	(45,600)	(1,192,749)	(1,147,149)	230,718
Plus Beginning Cash	<u>6,292,719</u>	<u>7,888,027</u>	<u>3,862,733</u>	<u>4,352,750</u>	<u>4,352,750</u>	-	<u>3,160,002</u>
Cash Available	7,614,357	9,948,428	3,024,904	4,307,150	3,160,002	(1,147,149)	3,390,720
Capital Projects	-	83,905	11,550	200,000	500,601	300,601	200,000
Transfers Out	-	5,333,905	-	-	-	-	-
General ledger adjustment	<u>273,670</u>	<u>(667,885)</u>	<u>1,339,397</u>	-	-	-	-
Ending Cash	<u>7,888,027</u>	<u>3,862,733</u>	<u>4,352,750</u>	<u>4,307,150</u>	<u>3,160,002</u>	<u>(1,147,149)</u>	<u>3,190,720</u>
Outstanding Claims	<u>1,305,985</u>	<u>1,305,985</u>	<u>1,305,985</u>	-	-	-	-

Self-Insurance Internal Service Funds

WORKERS' COMPENSATION SELF-INSURANCE INTERNAL SERVICE FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	(Worse)	03/04	
Revenues:							
Fund Charges	1,852,136	1,660,039	1,644,000	1,899,600	1,899,600	(0)	2,809,000
Transfer In	-	-	-	-	-	-	-
Total Revenues	<u>1,852,136</u>	<u>1,660,039</u>	<u>1,644,000</u>	<u>1,899,600</u>	<u>1,899,600</u>	<u>(0)</u>	<u>2,809,000</u>
Operating Expenses:							
Insurance premiums	3,491	59,092	64,760	80,000	-	80,000	82,648
Contractual services	216,500	188,300	174,494	174,000	291,792	(117,792)	179,759
Claims	577,851	1,575,560	2,931,541	1,600,000	3,468,807	(1,868,807)	2,460,000
Mitigation	-	-	34,879	-	-	-	-
Operating Expenses	<u>797,842</u>	<u>1,822,952</u>	<u>3,205,674</u>	<u>1,854,000</u>	<u>3,760,598</u>	<u>(1,906,598)</u>	<u>2,722,407</u>
Net from operations	1,054,294	(162,913)	(1,561,674)	45,600	(1,860,999)	(1,906,599)	86,593
Plus Beginning Cash	<u>8,850,937</u>	<u>8,843,384</u>	<u>5,788,000</u>	<u>5,480,558</u>	<u>5,480,558</u>	-	<u>3,619,560</u>
Cash Available	9,905,231	8,680,471	4,226,326	5,526,158	3,619,560	(1,906,599)	3,706,153
Transfers Out	-	3,165,881	-	-	-	-	-
General ledger adjustment	<u>(1,061,847)</u>	<u>273,410</u>	<u>1,254,232</u>	-	-	-	-
Ending Cash	<u>8,843,384</u>	<u>5,788,000</u>	<u>5,480,558</u>	<u>5,526,158</u>	<u>3,619,560</u>	<u>(1,906,599)</u>	<u>3,706,153</u>
Outstanding Claims	<u>3,464,306</u>	<u>3,464,306</u>	<u>3,464,306</u>	-	-	-	-

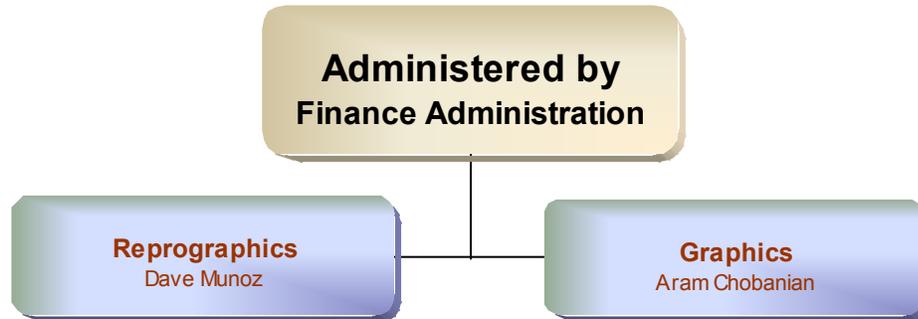
Self-Insurance Internal Service Funds

EMPLOYEE BENEFITS INTERNAL SERVICE FUND

	Historical			Current Trends			Adopted Fiscal Year 03/04
	Actual	Actual	Actual	Budgeted	Projected	Difference	
	Fiscal Year 99/00	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 02/03	Bud/Pjt Better/ (Worse)	
Revenues:							
Fund Charges	-	5,973,422	8,415,836	5,973,422	6,023,952	(50,530)	-
Transfer In	-	8,415,881	-	-	-	-	-
Total Revenues	-	<u>14,389,303</u>	<u>8,415,836</u>	<u>5,973,422</u>	<u>6,023,952</u>	<u>(50,530)</u>	-
Operating Expenses:							
Compensated Absences	-	129,626	980,173	126,626	126,626	-	-
Professional Consulting	-	5,712,429	6,969,126	5,712,429	5,969,328	(256,899)	-
Miscellaneous	-	-	-	640	641	(1)	661
Operating Expenses	-	<u>5,842,055</u>	<u>7,949,300</u>	<u>5,839,695</u>	<u>6,096,595</u>	<u>(256,900)</u>	661
Net from operations	-	8,547,248	466,537	133,727	(72,643)	(206,370)	(661)
Plus Beginning Cash	-	-	8,804,225	9,523,932	9,523,932	-	9,451,290
Cash Available	-	8,547,248	9,270,762	9,657,659	9,451,290	(206,370)	9,450,629
Transfers Out	-	-	-	-	-	-	-
General ledger adjustment	-	256,978	253,170	-	-	-	-
Ending Cash	-	<u>8,804,225</u>	<u>9,523,932</u>	<u>9,657,659</u>	<u>9,451,290</u>	<u>(206,370)</u>	<u>9,450,629</u>
Outstanding Claims	-	-	-	-	-	-	-

City of Beverly Hills

REPROGRAPHICS/GRAPHICS INTERNAL SERVICE FUND



STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Reprographics	5	4	(1)
Graphics	2	2	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Reprographics	-	1	1
Graphics	-	-	-

Initiatives for 2003/2004

- Automate Reprographics/Graphics operations, with a work order system and the replacement of equipment with state-of-the-art technology.
- Initiate signage program for the Civic Center
- Automate and network Print Shop and Graphic operations.
- Program planning and design of A level under the Library.

Reprographics/Graphics Internal Service Fund

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	Fiscal Year	
03/04							
Revenues:							
Fund Charges	913,250	993,320	1,011,709	1,118,300	1,118,462	162	1,155,756
Interest	-	-	-	-	-	-	-
Miscellaneous	1,714	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-
Total Revenues	914,964	993,320	1,011,709	1,118,300	1,118,462	162	1,155,756
Operating Expenses:							
Personnel services	399,256	407,603	346,548	391,355	365,983	25,372	384,535
Materials and supplies	89,270	100,313	131,644	107,094	171,311	(64,217)	110,639
Contractual services	369,392	387,281	389,681	387,852	515,726	(127,874)	400,690
Internal services	86,144	85,642	112,597	111,069	111,069	-	108,711
Depreciation	6,711	6,722	5,563	5,500	5,500	-	5,400
Other Miscellaneous	16,497	-	-	-	11,234	(11,234)	-
Operating Expenses	967,270	987,561	986,034	1,002,870	1,180,823	(177,953)	1,009,975
Net from operations	(52,305)	5,759	25,676	115,430	(62,362)	(177,792)	145,781
Plus Beginning Cash	662,080	656,105	656,685	681,705	681,705	-	624,843
Plus Depreciation	6,711	6,722	5,563	5,500	5,500	-	5,400
Cash Available	616,485	668,586	687,924	802,635	624,843	(177,792)	776,024
Capital Projects	-	-	-	-	-	-	-
General ledger adjustment	39,620	(11,901)	(6,219)	-	-	-	-
Ending Cash	656,105	656,685	681,705	802,635	624,843	(177,792)	776,024

City of Beverly Hills

CABLE TELEVISION INTERNAL SERVICE FUND

**Administered by
Policy & Management**

Cable Television
Mark Geddes

STAFFING

Full time positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Community TV	2	2	-

Part time permanent positions			
Division	Fiscal Year 2002/2003	Fiscal Year 2003/2004	Change +/-
Community TV	5	5	-

Initiatives for 2003/2004

- Begin negotiations with current cable television franchise operator regarding renewal of the franchise agreement based upon the evaluation of the community needs assessment.
- Continue negotiations with a new applicant for a cable franchise agreement to provide an additional cable television provider to the community.

Cable Television Internal Service Fund

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
	99/00	00/01	01/02	02/03	02/03	Better/ (Worse)	03/04
Revenues:							
Fund Charges	546,832	527,864	497,212	572,298	572,298	-	533,881
Franchise	377,440	381,627	433,449	400,000	370,892	(29,108)	400,000
Miscellaneous	-	240	240	-	-	-	-
Transfer In	-	-	-	-	-	-	-
Total Revenues	924,272	909,731	930,901	972,298	943,190	(29,108)	933,881
Operating Expenses:							
Personnel services	267,010	321,178	362,367	406,906	341,270	65,636	415,042
Materials and supplies	15,943	20,575	24,739	52,426	32,165	20,261	54,161
Contractual services	31,412	50,269	27,527	143,239	51,131	92,108	147,980
Internal services	51,883	65,768	81,489	104,320	104,320	-	107,854
Depreciation	52,787	54,402	55,637	50,000	50,000	-	50,000
Other Miscellaneous	14,180	58,608	13,038	26,134	26,134	-	-
Operating Expenses	433,215	570,801	564,796	783,025	605,019	178,006	775,037
Net from operations	491,056	338,930	366,105	189,273	338,171	148,898	158,844
Plus Beginning Cash	-	559,450	958,311	1,319,584	1,319,584	-	1,707,755
Plus Depreciation	52,787	54,402	55,637	50,000	50,000	-	50,000
Cash Available	543,844	952,783	1,380,053	1,558,857	1,707,755	148,898	1,916,599
Capital Projects	5,195	-	-	-	-	-	-
General ledger adjustment	20,801	5,528	(60,468)	-	-	-	-
Ending Cash	559,450	958,311	1,319,584	1,558,857	1,707,755	148,898	1,916,599