

City of Beverly Hills

Fiscal Year 2004/2005 Budget



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Mayor

Linda J. Briskman
Vice Mayor

Stephen P. Webb
Councilmember

Jimmy Delshad
Councilmember

Thomas S. Levyn
Councilmember

Frank M. Fenton
City Treasurer

Roderick J. Wood
City Manager

Donald J. Oblander
Chief Financial Officer

Profile of Beverly Hills

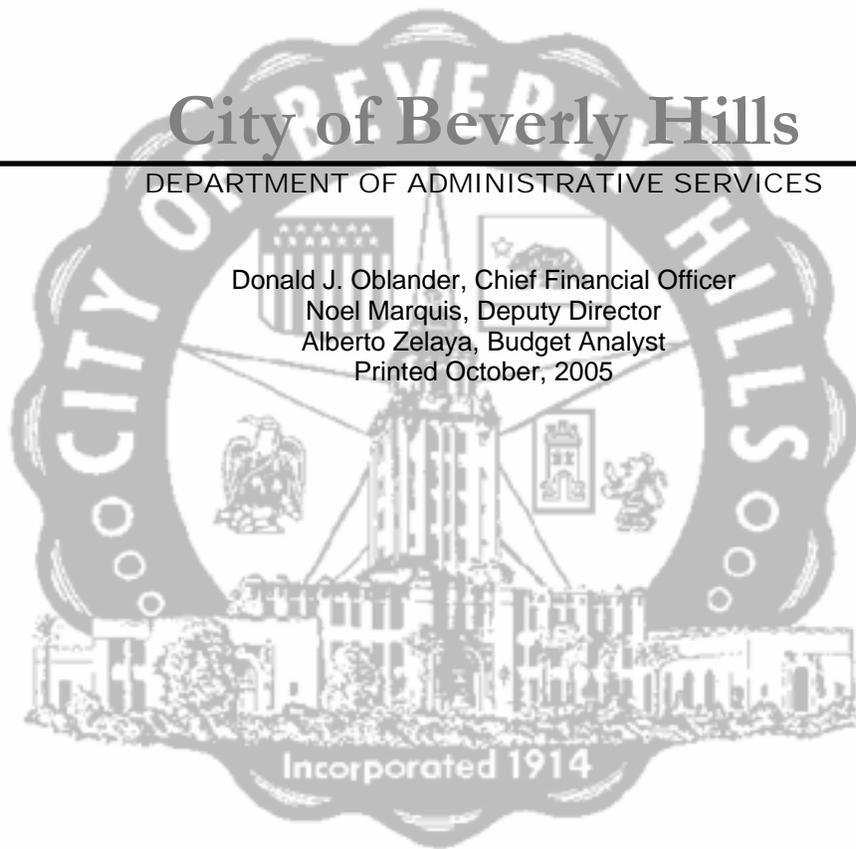
The City of Beverly Hills, a long-established residential city and commercial center is located within Los Angeles County in Southern California. The City, incorporated in 1914, has an estimated 2003 population of 34,052. From the beginning, when it was planned as a subdivision in 1906, Beverly Hills 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 ADMINISTRATIVE SERVICES

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June 8, 2004

Honorable Mayor, Councilmember's and Citizens of Beverly Hills:

At the time of the most recent preview of the operating (General Fund) budget with the City Council, concerns were expressed about the projections for revenues. In particular, a desire was expressed to build in a greater degree of conservatism that would allow flexibility to absorb economic shocks, should they occur. Such a "margin of safety" would also allow greater flexibility to address a lengthy list of proposed, but as yet unfunded, capital projects.

Within this analysis, we will attempt to outline the major issues and options affecting our operating budget. This, then, should help to shape the discussion of options to be elected to strike a balance between revenues and expenditures, retaining the City's strong financial position but not undermining efforts to deal with long term capital needs.

Decisions will need to be made and periodically evaluated during the year. We have seen significant changes in budget expectations from week to week and we expect a degree of uncertainty to continue as issues such as the following become clearer:

- The direction of the national economy,
- The direction of interest rates and inflation,
- Action in Sacramento that will affect business in general and economic activity in Beverly Hills in particular,
- Continuation of growth in hotel-related taxes,
- Settlement of labor negotiations,
- Impacts of medical insurance costs,
- Rising costs for energy,
- Future costs of CALPERS retirement contributions,
- Potential external impacts of natural disasters or terrorist threats/acts,
- Ability to secure desirable tenants for City-owned real estate,
- The direction of real estate values.

Revenues

At the initial Council review in April, we projected revenues of approximately \$122.3 million for 2004-05. That represented an increase of approximately 3.38% over the than-current projection of \$118.3 million for 2003-04. At that time, we believed both numbers to be conservative.

Since that time, we have exceeded our projections in our major tax categories and received clarification on the impacts of the agreement under which a portion of City revenues would be taken by Sacramento (in 2004-05 and 2005-06) to balance the state budget.

We have since amended our projections to reflect continuing changes, most of which are positive. At this time, we project \$121.9 million in operating revenue for 2003-04, with a projection of \$126.0 million for 2004-05, a gain of 3.36%.

As indicated above, and in recognition of the stated purpose of proceeding with a budget that is more conservative than usual, we are recommending use of the best available projections BUT build flexibility into the expenditure side of the budget to be able to absorb negative surprises should they occur.

Letter of Transmittal

Expenditure

The need to be realistic on revenues derives from the reality of the spending side of the budget. We currently project General Fund expenditures for 2003-04 to total \$120.4 million. Even after the various rounds of staffing reductions and other changes, we currently project the cost of maintaining current service levels would increase to \$125.9 million, a gain of 4.57%, in 2004-05.

Please note that these numbers are before providing the desired additional \$3 million for capital projects or for any spending reduction options.

The biggest year-over-year changes in projected spending can be attributed to the following:

- Increased (mandated) contribution to CALPERS for Police and Fire retirement benefits \$4.1 million
- Cost of living salary and benefit increases \$1.1 million
- Increased debt service, technology and building maintenance costs \$1.7 million

Clearly, the impact of these cost increases would be significantly greater if many budget reductions had not already been implemented in recent months.

Were we to literally spend at the indicated rate, while planning for only \$118 million in revenues, the General Fund would be out of balance by nearly \$8 million. That shortfall would grow to nearly \$11 million if the desired \$3 million in additional capital project funding was to be added.

As large as this number sounds, we hasten to add that it is not a realistic projection of a budget shortfall. Following is a listing of several decisions that can be made to close the perceived gap.

1. Set revenue estimates at a realistic level \$7,900,000
2. Provide a realistic estimate of savings that will occur due to normal vacancies and similar events \$2,000,000
3. Prepay 2004-05 PERS contributions \$150,000
4. Budget costs, assuming a 3% across-the-board reduction. (For reasons we can address separately, we do not believe these levels of reductions are realistic) See attached. \$3,249,000
5. Early Retirement/Incentives <Unknown>
6. Within the attached summary sheet, we have included items 1 through 3, in addition, the elimination of several employee positions deleted in recent months, movement of Project Administration employees out of the General Fund, reduction of I.T.'s staffing-related charge backs and several prior budget reductions.

Prior to additional spending reductions, the City would be out of balance by more than \$600,000. While we recommend (in the separate analysis) budget reductions of roughly \$1.4 million, a bare minimum of about \$650,000 is required.

Future (Longer Term) Options

In addition, there are other options that might be considered as longer term solutions. For a variety of reasons, legal and otherwise, we do not see these options as being realistic immediate options. However, potential positive annual budget impacts include:

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1. Pension Obligations Bonds	\$1,000,000
2. Recovery of Infrastructure Costs From Enterprise Funds (Potentially Phased in over 3 years)	
– Estimates	
a. Solid Waste	\$1,000,000
b. Water	250,000
c. Wastewater	250,000
3. Higher Development Fees	<Unknown>
4. Higher Cost Recovery Fees	<Unknown>
5. New or Increased Taxes	<Unknown>
6. Economic Development	<Unknown>

Please note that long term options, like their more immediate counterparts, may have both pros and cons. For example, budget cuts may lead to some unintended reductions in responsiveness. Hiring freezes, hard or soft, may create heavier workloads on remaining staff. Early retirement incentives could result in one time severance costs as well as a loss of experienced staff. Issuance of pension bonds may entail some risk if future interest rates rise substantially. Recovery of costs from enterprise funds implies rate increases to customers in excess of those already projected in staff reports.

Recommendation

It is staff's opinion that revenues should be adopted at the full \$126 million (projected) level. While we believe these numbers are reasonable, we would also recommend an incremental \$3 million set aside to be a de facto "reserve" for unexpected revenue and/or expenditure impacts. These funds should be allocated to capital projects with the actual expenditure held until the end of the fiscal year to assure they are available for operating shortages if needed.

In addition, we recommend a scheduled "slowdown" in filling vacancies, both those now existing and those that occur as the year unfolds. In the normal course of affairs, we believe the City can save a minimum of \$2 million relative to budget projections.

Prepayment of annual PERS contributions, at least in today's investment interest rate environment, is a clear decision as the contributions effectively earns an annualized rate of 8.25% on the prepaid amount.

A separate analysis (attached) addresses potential further spending reductions in various City operating departments. While we believe it would be disruptive to force "across the board" reductions in areas where significant budget cuts, inclusive of staffing reductions, have already been made, we believe there is potential for realistic decreases of almost \$1.4 million.

Setting aside potential longer term solutions (which may be discussed in greater details separately) adoption of these recommendations should allow a total of approximately \$12 million in budget improvements (relative to the starting analysis) for 2004-05, notwithstanding the loss of revenue to the State's actions. These budget options would be per-planned and available on short notice to deal with unexpected budget shortfalls.

However in the final budget, the City will retain some degree of economic vulnerability to external events. For example, if terrorism alerts recur, recommended reductions in public safety overtime (albeit from already elevated levels) may be unattainable. However, we would be starting from a position of strength, as evidenced by a budget projecting a "surplus" of several hundred thousand dollars (if recommended spending cuts are approved), in addition to the extra \$3 million allocation for capital projects. In effect, the resulting budget would start with a "contingency" approaching \$4 million, over and above the amount historically provided for funding capital projects.

Assuming some variation of these recommendations is adopted, we believe the stage will be set for a stable outlook, with a positive bias for the foreseeable future. Reasons to expect a positive future economic direction include:

Letter of Transmittal

1. A two year sunset of State takeaways (approximately \$1,900,000 per year) after 2005-06, with constitutional protection against future takeaways and unfunded mandates.
2. A one time “recovery” of more than \$600,000 in 2006-07.
3. Moderation of CALPERS contribution costs as (if) CALPERS investments revert to a positive return following the 3 year pattern of poor performance (relative to the 8.25% assumption implicit in CALPERS actuarial valuations).
4. Reversion to a moderately higher rate of inflation would, based upon historical standards, tend to boost City revenues faster than expenses.
5. Tax receipts from a T-lot development are projected to add significant incremental revenues, beginning approximately 3 years after approval of the project and growing thereafter.
6. Increased revenues from full utilization of the D-lot development.

Once we have baseline assumptions established from 2004-05, we will update assumptions for the “out years”. At that time, we can begin the preplanning process for allocation of future resources between operating expenditures and longer term capital investments. The budget for the 2005/06 fiscal year will begin the conversion of the budget to a program/performance based budgeting system. This will provide significantly improved budget information on services provided and unit costs. It will also establish the means to measure and determine program efficiencies and effectiveness. We will in 2005/06 provide a five year budget analysis based on economic trends and service demands. This will allow for greatly improved fiscal planning and management.

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:
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**

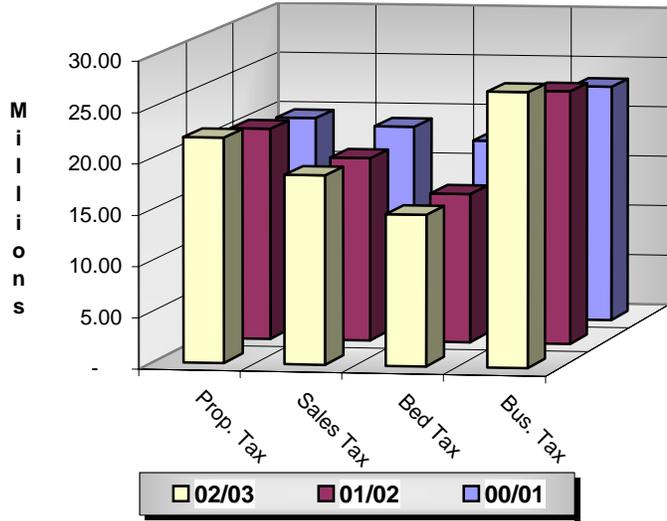
SUMMARY BY FUND CATEGORY - BUDGETED REVENUES AND EXPENDITURES

	General Fund	Infrastructure Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds
Revenues					
Taxes	91,290,999	-	2,069,629	-	-
Subventions & Grants	1,105,180	-	2,799,002	-	-
Licenses and Permits	7,489,379	-	-	-	-
Fines and Penalties	5,320,104	-	-	-	-
Use of Money	6,031,675	374,323	803,978	11,128,316	1,082,069
Charges for Service	12,309,648	-	102,500	39,999,194	34,713,146
Miscellaneous	2,403,943	-	-	1,189,351	44,202
Transfers In	6,000	1,766,075	1,500	-	19,558
Total Revenues	<u>125,956,928</u>	<u>2,140,398</u>	<u>5,776,609</u>	<u>52,316,861</u>	<u>35,858,975</u>
Expenditures					
Salary and Benefits	68,935,682	-	118,366	7,271,067	4,713,950
Materials & Supplies	2,831,265	-	3,944	662,391	1,273,252
Contractual Services	9,915,535	-	1,638,126	18,033,077	7,442,140
Capital Outlay	151,463	-	3,395,000	-	-
Capital Projects	-	490,000	-	49,672,500	15,346,000
Internal Service Charges	25,132,874	-	12,245	9,408,305	3,005,663
Claims	-	-	-	-	3,140,000
Depreciation	-	2,095,000	-	8,409,259	8,049,870
Debt Service	-	1,790,822	-	8,614,284	10,426,625
Miscellaneous Charges	18,230,368	8,899	-	196,526	283,025
Transfers Out	-	-	1,006,000	-	-
Total Expenditures	<u>125,197,187</u>	<u>4,384,721</u>	<u>6,173,681</u>	<u>102,267,409</u>	<u>53,680,525</u>

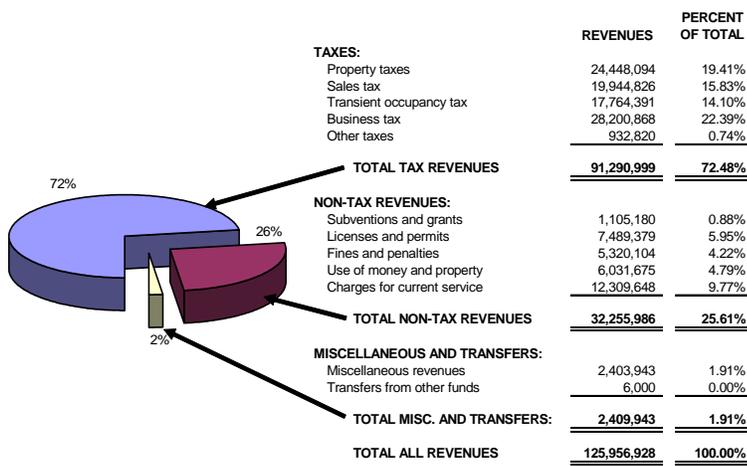
GENERAL FUND REVENUE PROJECTIONS

General Fund revenues for FY 2004/2005 are conservatively projected, as a result of current economic trends, to total \$125.95 million compared to projected revenues of \$121.93 million for FY 2003/2004, representing an increase year-over-year of 3.3%. 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 \$27.4 million for fiscal year 2003/2004. 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 2004/2005 we are budgeting a slight increase from our current projection to a conservative \$28.2 million.



Sales Tax has finally come out of the downturn resulting from the impacts of 9-11 and the general economic climate with current projections at \$19.4 million. Budget for 2004/2005 is a little on the conservative side at \$19.9 million.



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

Property Tax 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 2004/2005 budget we expect Property Tax Revenues of about 24.4 million, an increase of about a \$1.1 million over our projected fiscal year 2003/2004 revenue. We have excellent prospects for increases in the next few years. Even with all this encouraging news, I am quick to point out that all of

our Property Tax does not even pay for the operations of the Police Department alone (\$34.9 million). In a post-Prop. 13 world, Property Tax does not even remotely cover the costs of non-fee based services.

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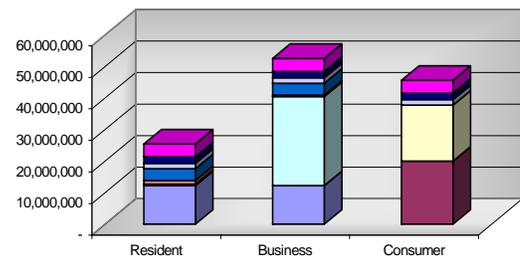
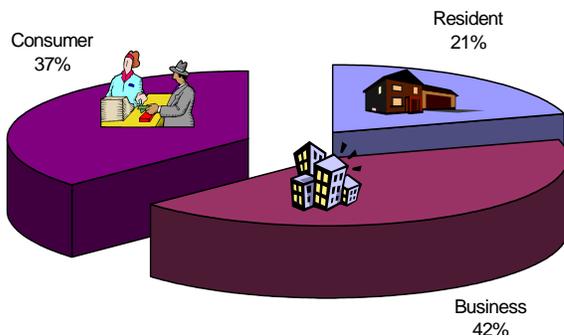
The City's Transient Occupancy Tax (hotel bed tax) were the most severely impacted of all our revenues by the 9-11 tragedy, the SARS epidemic in the Pacific Rim and war in the gulf. We project \$17.7 million in 2004/2005, almost on par with fiscal year 2000/2001 high of \$17.8 million. Occupancy at the major hotels is up considerable and appears to be at the post 9-11 levels for the first time. We are 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. \$5.3 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 in fiscal year 2003/2004. 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	12,224,047	12,224,047	-	24,448,094
Sales tax	-	-	19,944,826	19,944,826
Transient occupancy tax	-	-	17,764,391	17,764,391
Business tax	-	28,200,868	-	28,200,868
Other taxes	466,410	466,410	-	932,820
TOTAL TAX REVENUES	12,690,457	40,891,325	37,709,217	91,290,999
NON-TAX REVENUES:				
Subventions and grants	1,105,180	-	-	1,105,180
Licenses and permits	3,744,690	3,744,690	-	7,489,379
Fines and penalties	1,773,191	1,773,191	1,773,723	5,320,104
Use of money and property	2,010,357	2,010,960	2,010,357	6,031,675
Charges for current service	4,104,037	4,102,806	4,102,806	12,309,648
TOTAL NON-TAX REVENUES	12,737,454	11,631,646	7,886,886	32,255,986
Grand Taxes and Non-Taxes	25,427,911	52,522,971	45,596,103	123,546,985

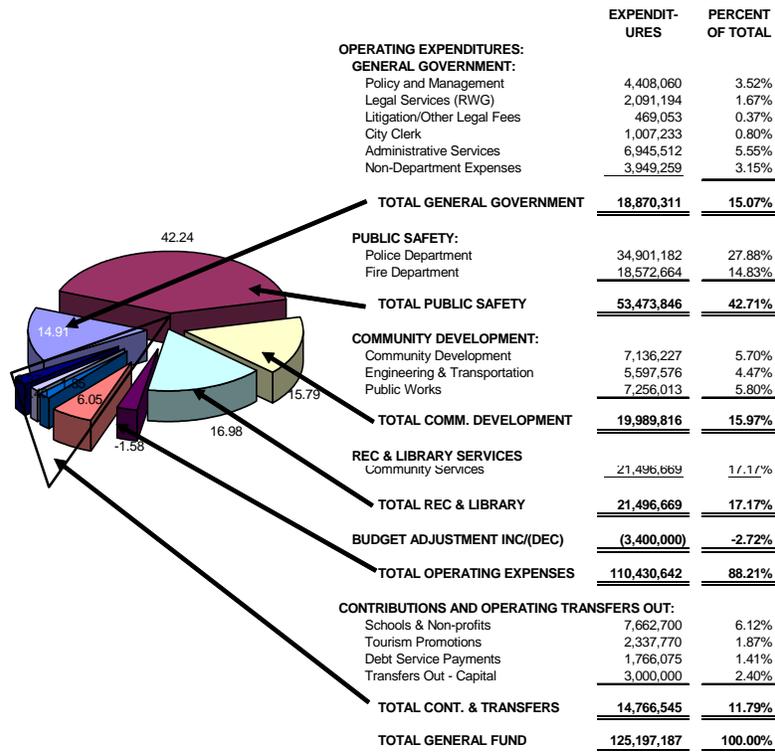


Property taxes	Sales tax	Transient occupancy tax
Business tax	Other taxes	Subventions and grants
Licenses and permits	Fines and penalties	Use of money and property
Charges for current service		

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 5% 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 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 2004/2005, the 2% equates to roughly \$2.3 million as compared to \$2 million for fiscal year 2003/2004.

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

Letter of Transmittal

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 \$40 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.

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.

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.

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

Listing of CIP Projects for FY 2003/2004

	2004/2005
INFRASTRUCTURE FUND	
Santa Monica Blvd. - Abatement - Funding Source - \$4.4m from State for abatement up to \$2m from MTA for Santa Monica bus lane project and signalization.	-
INSTALL TRAFFIC SIGNALS 0367	190,000
ANNUAL MAINTENANCE 0633	<u>300,000</u>
TOTAL CAPITAL IMPROVEMENT FUND	<u>490,000</u>

	2004/2005
CAPITAL ASSETS FUND	
CONTAMINATION CLEANUP 0571	530,000
LIBRARY AUDITORIUM RENOVATIONS 0678	-
IMPROVEMENT OF CITY GATEWAYS 0701	-
REPAINT CITY BUILDINGS 0713	-
CONSTRUCT MUNICIPAL SERVICES CENTER 0797	8,336,000
LEVEL A PRINT/GRAPHICS BUILD-OUT 0831	-
CITY HALL MASTER PROJECT 0851	330,000
CIVIC CENTER PLAZA IMPROVEMENT 0852	1,800,000
SCHEDULED VEHICLE REPLACEMENT	<u>1,500,000</u>
TOTAL MAINTENANCE SERVICES FUND	<u>12,496,000</u>

Letter of Transmittal

approximately 25% of the City's water needs. We have much more work to do in the upgrading of water mains and reservoirs. No increase in water rates is anticipated 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 2% increase in residential and commercial industrial rates for fiscal year 2004/2005.

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 last 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.

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	6,236,282	9,702,189	1,759,993	6,185,449
Interest Earnings	1,282,909	903,047	155,122	84,934	743,641
Lease of Property	794,318	-	-	-	7,164,345
Miscellaneous	<u>27,058</u>	<u>950,000</u>	<u>174,787</u>	<u>-</u>	<u>37,506</u>
Operating Revenues	<u>18,219,566</u>	<u>8,089,329</u>	<u>10,032,098</u>	<u>1,844,927</u>	<u>14,130,941</u>
Projected Expenses:					
Personnel Services	2,077,374	677,056	1,779,931	818,470	1,918,236
Materials and Supplies	408,254	45,472	120,516	65,049	23,100
Contractual Services					
BH Operations	838,413	309,713	437,628	165,034	1,046,287
Outside Service Provider	8,907,214	1,380,200	4,824,210	124,378	-
Internal Services	2,542,304	738,379	2,508,257	303,609	3,315,756
Depreciation/Amrtzn	3,054,413	1,103,263	2,500	200,000	4,049,083
Debt Service Interest	693,757	930,721	-	-	2,597,473
Other Misc.	<u>84,526</u>	<u>15,000</u>	<u>90,000</u>	<u>5,000</u>	<u>2,000</u>
Operating Expense	<u>18,606,255</u>	<u>5,199,804</u>	<u>9,763,042</u>	<u>1,681,540</u>	<u>12,951,935</u>
Net from Operations	(386,689)	2,889,525	269,056	163,387	1,179,006
Plus Capital & Unrestricted	25,958,189	6,014,186	4,160,412	3,304,086	11,708,306
Plus Bond or Other Financing	-	-	-	-	27,000,000
Plus Depreciation	<u>3,054,413</u>	<u>1,103,263</u>	<u>2,500</u>	<u>200,000</u>	<u>4,049,083</u>
Cash Available	28,625,913	10,006,974	4,431,968	3,667,473	43,936,395
Capital Projects	6,975,000	3,040,000	257,500	100,000	39,300,000
Debt Service Principal	<u>638,106</u>	<u>775,000</u>	<u>-</u>	<u>-</u>	<u>2,979,227</u>
Cash available for OM & CIP	<u>21,012,807</u>	<u>6,191,974</u>	<u>4,174,468</u>	<u>3,567,473</u>	<u>1,657,168</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 offer 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	20,098,959	5,981,754	1,187,013	501,999	6,943,421
Use of Money or Property	682,069	-	-	400,000	-
Miscellaneous	44,202	-	-	-	-
IT Loan Repayment	19,558	-	-	-	-
Other Resources	-	-	-	-	-
Total Revenues	20,844,788	5,981,754	1,187,013	901,999	6,943,421
Operating Expenses:					
Personnel services	2,452,016	1,454,739	331,391	475,804	-
Materials and supplies	975,125	128,380	113,960	55,787	-
Contractual services	2,625,128	1,395,280	412,711	152,421	2,856,600
Internal services	2,180,742	616,135	105,309	103,477	-
Claims	-	-	-	-	3,140,000
Depreciation	5,757,670	2,253,000	3,900	35,300	-
Loan repayment	-	19,558	-	-	-
Debt Service Interest	5,604,769	-	-	-	-
Other Miscellaneous	283,025	-	-	-	-
Operating Expenses	19,878,475	5,867,092	967,271	822,789	5,996,600
Net from operations	966,313	114,662	219,742	79,210	946,821
Plus Beginning Cash	36,337,837	3,896,660	717,200	2,106,137	21,817,157
Plus Loan Principal Repay	330,000	-	-	-	-
Plus Depreciation	5,757,670	2,253,000	3,900	35,300	-
Cash Available	43,391,820	6,264,322	940,842	2,220,647	22,763,978
Capital Outlay & Projects	12,496,000	2,650,000	-	-	200,000
Debt Service Principal	4,472,298	330,000	-	-	-
Transfer Out	19,000,000	-	-	-	-
Ending Cash	7,423,522	3,284,322	940,842	2,220,647	22,563,978

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.

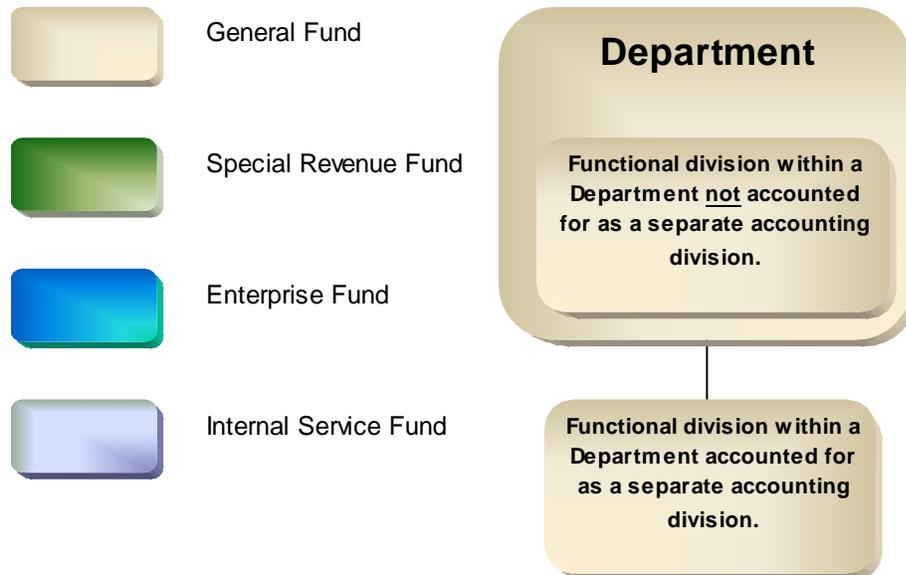
Please advise if additional analysis is desired.

Roderick J. Wood



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.



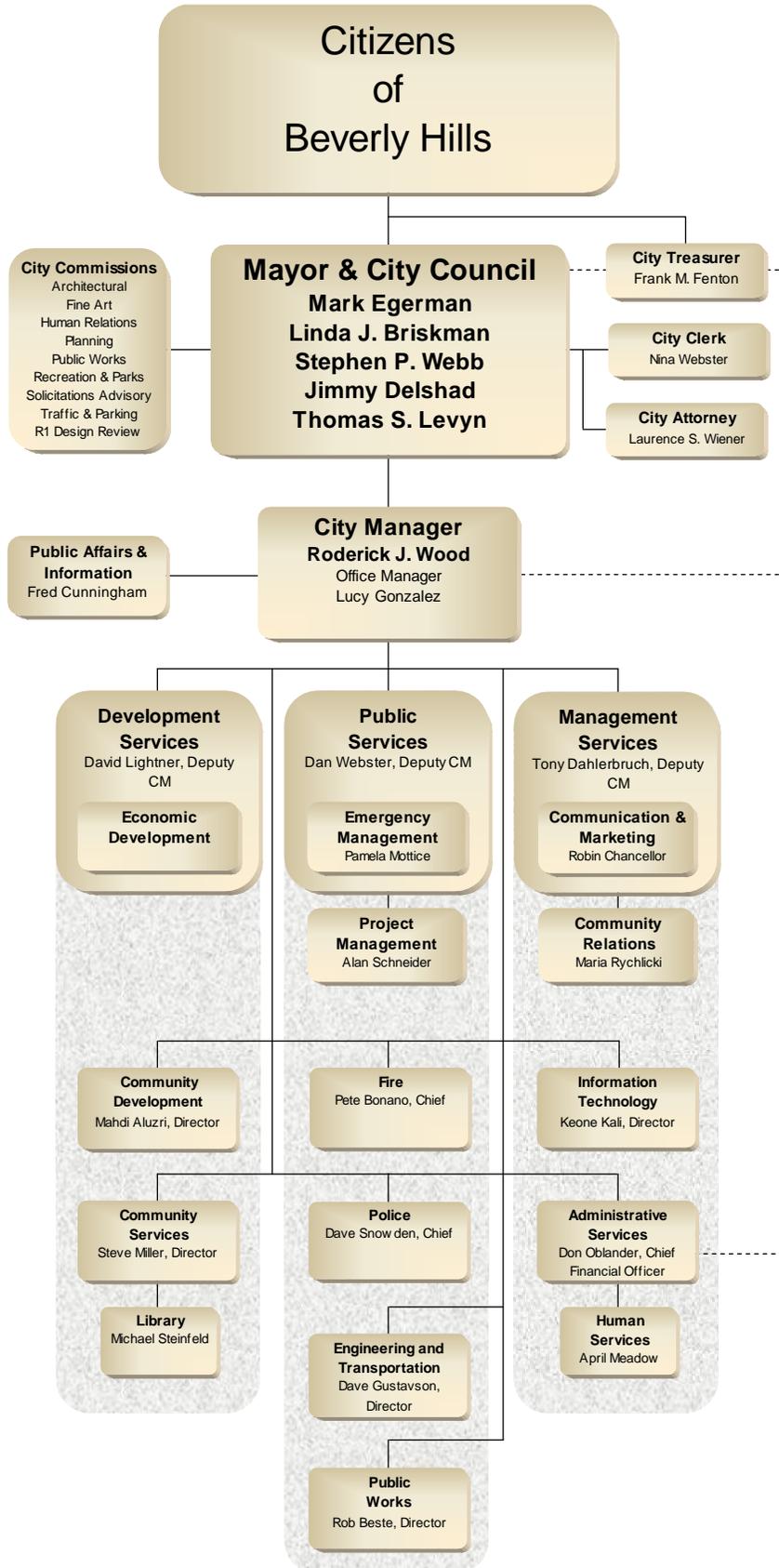
This organization is illustrated within the following chart of Policy and Management (the City Manager's Office).



Policy and Management (a functional Department of the City) has 11 divisions. Seven of the divisions have separate divisional codes for accounting purposes (City Council, City Manager's Office, Development Services, Public Service, Management Services, Project Management and Community Relations) and four divisions that do not have separate accounting codes (Public Affairs & Information, Economic Development, Emergency Management and Communications and Marketing). While Public Affairs & Information, Economic Development, Emergency Management and Communications and Marketing are not separate divisions from an accounting and budgeting standpoint, the Department treats them as separate functional division for management purposes.



CITY OF BEVERLY HILLS Organization Chart





City of Beverly Hills



General Fund Adopted Budget



THE GENERAL FUND

ECONOMIC CONDITION AND OUTLOOK

The City Council adopted a conservative budget for FY 2003/2004 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.

Once again California cities and counties will feel the impact of the State of California's inability to balance its budget. The very same entities that have over the past three decades been forced through legislative action to do more with less and become more entrepreneurial just to continue offering the same level of service to their citizens, now must bail out a State government that has failed time and again to take any responsible action whatsoever. The States failure to reach consensus on how to deal with the economic realities of the new millennium left cities and counties waiting for the other shoe to drop as California legislatures failed to come to grips with the enormity of their problem and the economic future of the State.

At present, the Governor of California has presented a program that appears to have fairly widespread support among legislatures, city and county administrators and elected officials. This plan requires cities and counties to give up a portion of their sales and property tax revenues for a period of 2 years (FY 2004/2005 and 2005/2006). In exchange, the State will reimburse cities and counties for a portion of their losses in FY 2006/2007 and take legislative action to protect cities and counties from future revenue grabs by the State. For Beverly Hills this arrangement represents a loss of about two million dollars (\$2,000,000) each year for a total of approximately four million dollars (\$4,000,000). Our recover reimbursement amounts to about six hundred thousand dollars (\$600,000) for a total net loss of three million four hundred thousand dollars (\$3,400,000). How the reallocation of revenues between sales tax, property tax and vehicle license fees, described as the triple flip, will impact the City beyond the present budget year is still up for debate.

The proposed General Fund budget for FY 2004/2005 includes the following assumptions:

- Loss of \$2,000,000 due to State budget balancing actions.
- Loss of rental income from the lease expiration of two rental properties in the industrial area.
- Initiation of the loan repayment from the Parking Enterprise for the Beverly/Canon development project.
- Increase sales and business taxes from the Beverly/Canon tenants.
- An increase in capital contributions of \$3,000,000
- Increases to operating budgets due to PERS contributions.
- Increases to operating budgets due to health benefit and workers' compensation premiums.
- A provision for salary increases.
- Over \$3,000,000 in expenditure cuts due to elimination of positions and reductions in operating division.

Beverly Hills is 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, and we have built substantial reserves that allow us to expand our economic horizons when opportunities present themselves.

The General Fund

REVENUES

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

There is a common misconception that property tax pays for a majority of residential services. In fact, the property tax in a post-proposition 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 provides only 19.4% of General Fund revenues.

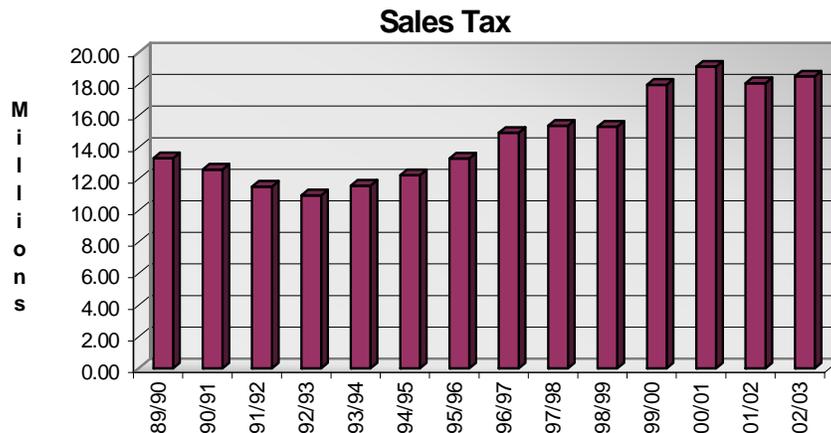


The graph to the left illustrates how property tax revenues respond to economic conditions. In FY 90/91 the State and nation entered into a period of economic downturn. But as the chart illustrates, property taxes did not respond to this economic trend as rapidly as other tax based revenues. The downturn, which began in FY 92/93 and continued through FY 96/97, was the result of three factors; 1) the

general economic conditions, 2) State takeaways of property tax revenues, and 3) the reductions of California's real estate values and reassessment of property valuations by the Los Angeles County Assessor. Projections for the current year place property tax revenues at \$23.4 million and \$24.4million (a 4.3% increase) for next year.

Because property tax revenues can take as long as two years to respond to changes in economic conditions, they help the City adjust to economic downturns by lessening the immediacy of revenue loss.

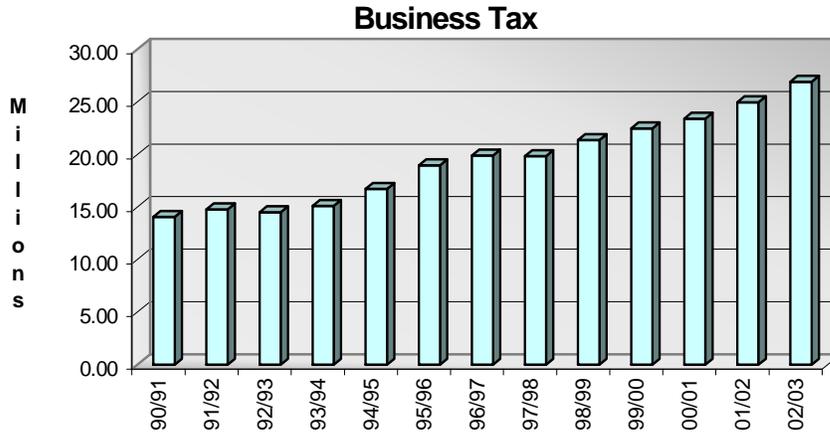
Sales tax revenue responds much faster to changing economic conditions than does property tax. As the accompanying chart shows, sales tax revenue responded almost immediately to the economic downturn of the early 90's and the terrorist events of September 2001. From FY 90/91 through FY 92/93 sales tax revenue declined at the rate of about 6.3% in each of the years. In FY 93/94 sales tax revenues began responding to local economic improvements and continued that growth until September of 2001. We began seeing a rebound from that event if FY 02/03.



The General Fund

Sales tax revenues are projected to reach \$19.4 million for the current fiscal year and \$19.9 million (2.6% increase) for budget year 04/05

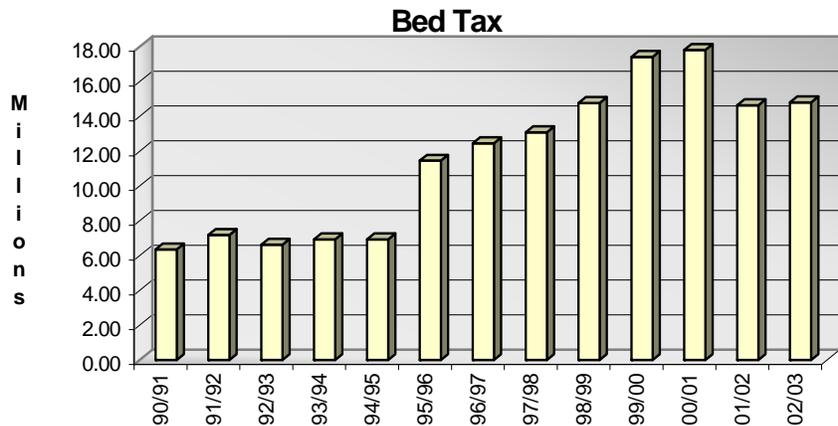
Business tax is paid by all local businesses. The tax rate varies depending on the type of business. Most Beverly Hills businesses pay Business Tax based on their gross receipts, which is a measure of the amount of business they do in the City. (Corporate offices, professionals and some service businesses pay the tax based on their number of employees.) Business tax, being based on all business activity in the City rather than just retail sales, is much broader based than sales taxes 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. Business tax revenue is estimated at \$28.2 million a 3% increase over the current years revenue projection.

In the accompanying transient occupancy tax (bed tax) chart the variations beginning in FY 92/93 are due to hotel closures and tax rate changes. Two world class hotels, The Beverly Hills Hotel and the L'Ermitage were closed for refurbishment in FY 92/93. The Beverly Hills Hotel had its reopening in June of FY 94/95. The L'Ermitage had its grand opening in June, 1998. In FY 91/92, 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 2001, transient occupancy taxes experienced steady growth. From \$17.8 million in revenues in FY 00/01 transient occupancy taxes fell about 18% to \$14.6 million in FY 01/02 and rebounded only slightly to

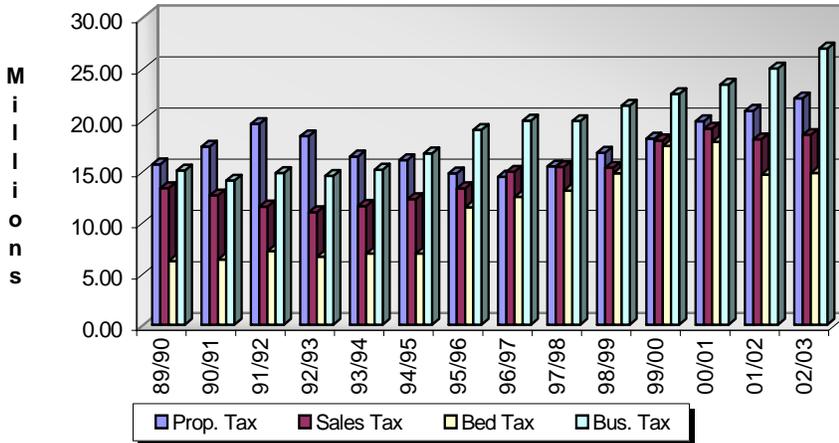
The General Fund

\$14.8 million in FY 02/03. Revenue expectations for FY 03/04 are projected to recover some of their prior strength and end the year at about \$16.9 million. For next year we are anticipating revenue growth of about 4.7% to \$17.8 million, a return to their pre 9-11 level.

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

Total Tax Revenues

Shown Individually



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.

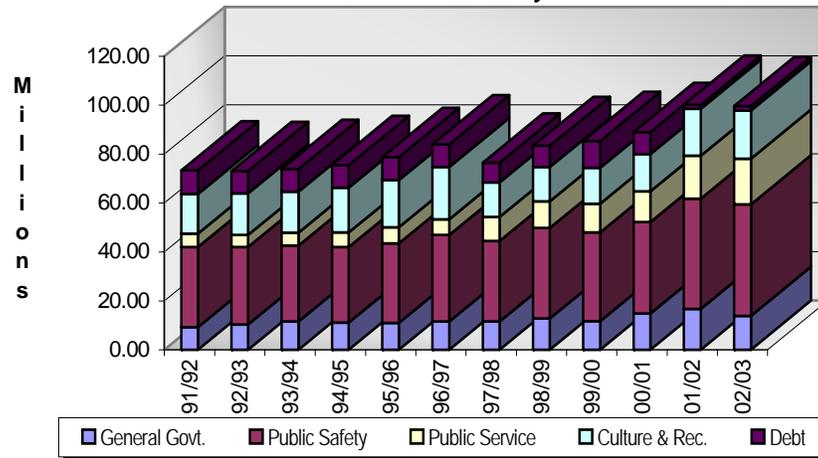
EXPENDITURES

The combined efforts of business and government to stabilize tax revenues in recent years were 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.

Governmental Operating Expenses

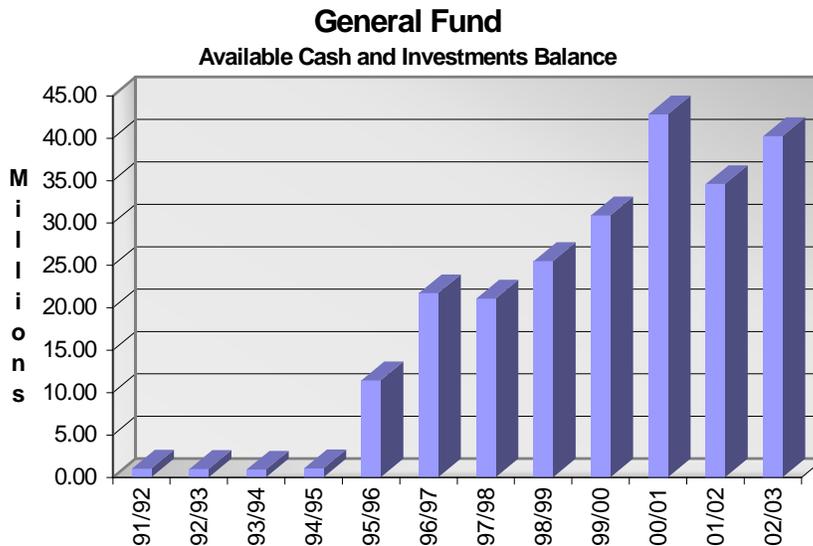
Shown Cumulatively



The General Fund

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 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. The goal for cities is to attempt to keep a reserve equal to one-quarter to one-half of an annual General Fund expenditure budget. For Beverly Hills, based upon the FY 03/04 budget, that would call for a reserve of

between \$27 and \$54 million. In the accompanying chart the change in the City's General Fund cash position 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 has confidently moved into the 21st century and our current economic uncertainties.

The reduction in cash and investment balances in FY 01/02 is the result of a loan the General Fund made to the Parking Enterprise fund for the development of the Beverly/Canon parking and retail complex. The loan, in the amount of about \$21 million, will be repaid from the proceeds of the parking and retail space rental revenues at market rates over the next 20 years. In addition, the General Fund also benefits from the increased sales, business and property taxes from the business activity of the project.

THE FISCAL YEAR 2004/2005 BUDGET

Shown on the next two pages (Pages 6 and 7) is the Adopted budget for the General Fund for fiscal year 2004/2005. Included within this presentation are the actual results of operation for fiscal years 2000/2001 through 2002/2003, the original budget for fiscal year 2003/2004, staff's estimate of actual operations for fiscal year 2003/2004 and the difference between the original budget and staffs estimates. Also shown are estimates of the next four budget years subsequent to fiscal year 2004/2005.

Pages 8 and 9 show graphically the components of the General Fund's revenues and expenditures as Adopted for the fiscal year 2004/2005 budget.

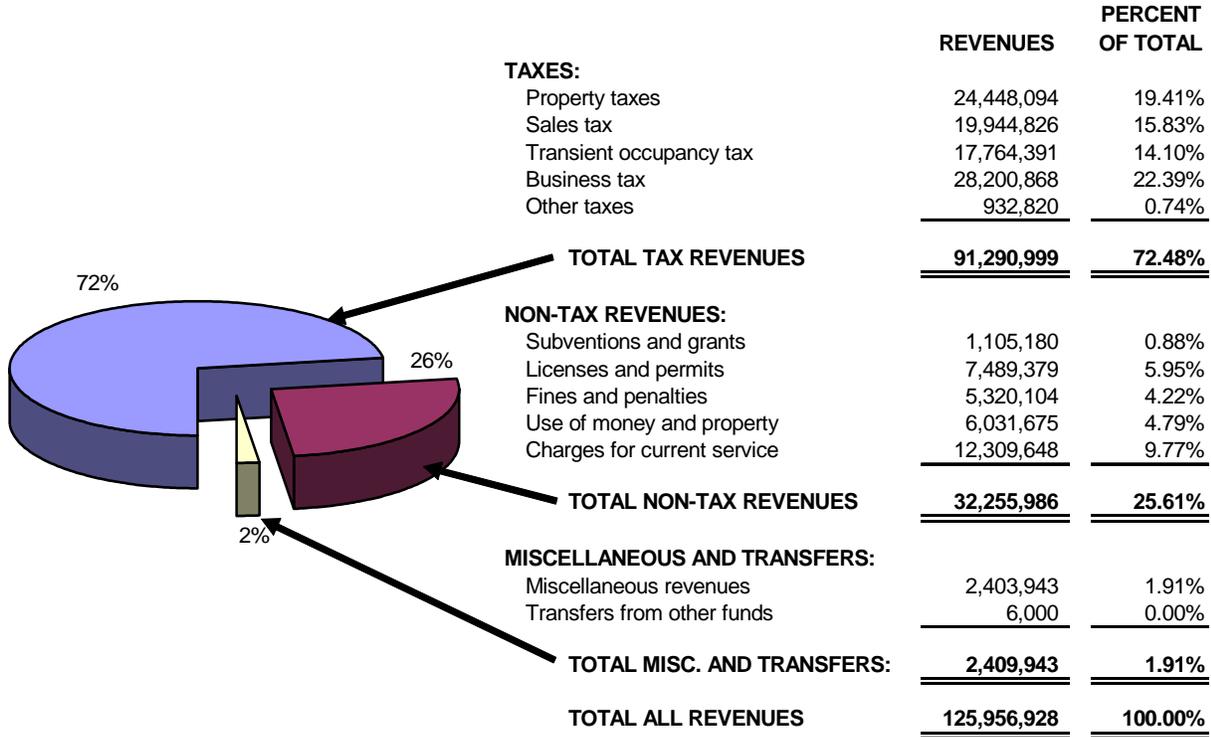
The General Fund

	HISTORICAL			BUDGET	PROJECTED	BETTER	ADOPTED
	2000/2001	2001/2002	2002/2003	2003/2004	2003/2004	(WORSE)	2004/2005
OPERATING REVENUES							
TAXES							
Property taxes	19,841,561	20,845,212	22,055,172	22,744,529	23,283,601	539,072	24,448,094
Sales tax	19,110,044	18,070,898	18,496,094	19,100,580	19,406,363	305,783	19,944,826
Transient occupancy tax	17,817,850	14,648,226	14,799,776	15,998,191	16,918,396	920,205	17,764,391
Business tax	23,412,688	24,976,171	26,925,080	25,125,506	27,373,334	2,247,828	28,200,868
Other taxes	708,654	614,716	689,003	780,442	1,335,026	554,584	932,820
Subventions and grants	2,785,824	2,590,658	3,059,631	830,292	2,430,729	1,600,437	1,105,180
Licenses and permits	6,321,690	5,443,584	6,364,895	6,518,173	7,976,558	1,458,385	7,489,379
Fines and penalties	5,097,418	5,012,130	4,731,482	5,587,600	4,505,987	(1,081,613)	5,320,104
Use of money and property	9,301,101	12,312,618	7,036,456	6,408,558	4,874,278	(1,534,280)	6,031,675
Charges for current service	4,242,925	8,477,614	8,739,672	10,988,699	11,644,679	655,980	12,309,648
Miscellaneous revenues	6,539,483	2,409,204	2,686,069	1,100,084	2,184,113	1,084,029	2,403,943
TOTAL OPERATING REVENUES	115,179,237	115,401,032	115,583,328	115,182,654	121,933,064	6,750,410	125,950,928
OPERATING TRANSFERS IN							
Transfers from other funds	10,136,773	-	6,000	6,000	6,000	0	6,000
Carry over for encumbrances	867,026	1,268,788	1,029,677	981,013	981,013	0	-
TOTAL REVENUES	126,183,036	116,669,820	116,619,005	116,169,667	122,920,078	6,750,410	125,956,928
OPERATING EXPENDITURES							
GENERAL GOVERNMENT							
Policy and Management	3,225,219	3,346,208	3,081,844	4,734,741	4,781,254	(46,513)	4,408,060
Human Services	1,307,055	1,622,964	1,578,929	-	-	-	-
Legal Services (RWG)	949,419	1,771,729	1,838,820	2,008,427	2,101,023	(92,596)	2,091,194
Litigation/Other Legal Fees	514,742	245,980	260,438	470,465	354,590	115,875	469,053
City Clerk	615,257	696,798	778,617	824,634	831,536	(6,902)	1,007,233
Administrative Services	3,500,171	4,007,540	4,434,578	5,876,386	5,839,597	36,789	6,945,512
Liability Insurance	2,652,850	2,383,193	-	-	-	-	-
Non-Department Expenses	2,081,778	2,721,046	1,953,962	3,540,601	1,979,787	1,560,814	3,949,259
PUBLIC SAFETY							
Police Department	23,663,445	29,193,752	30,108,879	31,689,600	32,230,439	(540,839)	34,901,182
Fire Department	13,741,830	15,816,853	15,373,684	16,481,322	16,377,487	103,835	18,572,664
COMMUNITY DEVELOPMENT							
Community Development	1,941,439	2,472,489	2,642,536	6,887,889	6,757,145	130,744	7,136,227
Building and Safety	2,888,587	2,899,048	3,760,111	-	-	-	-
Engineering & Transportation	2,250,676	2,970,601	3,269,829	5,481,559	5,155,348	326,211	5,597,576
Economic Development	533,613	925,630	1,100,872	-	-	-	-
Public Works	4,855,821	8,259,860	7,903,814	7,581,797	7,916,284	(334,486)	7,256,013
REC & LIBRARY SERVICES							
Community Development	9,094,180	10,993,986	11,352,854	21,270,557	21,346,961	(76,404)	21,496,669
Library	6,149,080	8,130,793	8,358,838	-	-	-	-
BUDGET ADJUSTMENT inc(dec)	-	-	-	(4,158,228)	-	(4,158,228)	(3,400,000)
OPERATING EXPENDITURES	79,965,162	98,458,470	97,798,605	102,689,750	105,671,451	(2,981,701)	110,430,642
CONTRIBUTIONS AND OPERATING TRANSFERS							
Schools & Non-profits	7,470,418	8,347,256	8,327,128	7,657,700	7,987,335	(329,635)	7,662,700
Tourism Promotions	2,193,360	1,386,042	1,672,651	2,085,456	1,911,471	173,985	2,337,770
Debt Service Payments	8,998,506	1,701,850	1,789,719	1,766,075	1,800,446	(34,371)	1,766,075
Transfers Out - Capital	3,000,000	-	-	-	-	-	3,000,000
TOTAL EXPENDITURES	101,627,446	109,893,618	109,588,103	114,198,981	117,370,703	(3,171,722)	125,197,187
NET INCOME (REV-EXP)	24,555,590	6,776,201	7,030,902	1,970,687	5,549,374	3,578,688	759,741
PLUS - BEGINNING CASH	20,763,441	42,802,050	34,599,039	40,228,200	40,228,200	-	45,777,574
PLUS - BALANCE SHEET ADJUSTMENTS	(1,248,193)	(13,949,536)	(420,728)	-	-	-	-
LESS - TRANSFERS TO CIP	-	-	-	-	-	-	-
LESS - RESERVE FOR ENCUMBRANCES	1,268,788	1,029,677	981,013	-	-	-	-
AVAILABLE CASH	42,802,050	34,599,039	40,228,200	42,198,887	45,777,574	3,578,688	46,537,315

The General Fund

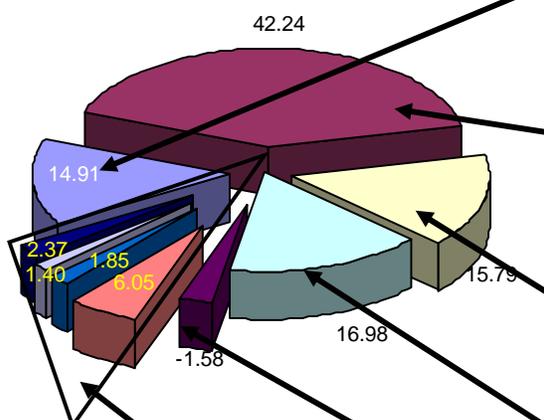
	ADOPTED	PROJECTED				FIVE YEAR
	2004/2005	2nd Year	3rd Year	4th Year	5th Year	TOTAL
OPERATING REVENUES						
TAXES						
Property taxes	24,448,094	25,670,499	26,183,909	26,707,587	27,241,739	130,251,827
Sales tax	19,944,826	20,593,723	21,917,471	22,794,170	23,705,937	108,956,127
Transient occupancy tax	17,764,391	18,119,679	18,844,466	19,598,245	20,382,174	94,708,955
Business tax	28,200,868	28,764,885	29,915,481	31,112,100	32,356,584	150,349,918
Other taxes	932,820	932,820	932,820	932,820	932,820	4,664,100
Subventions and grants	1,105,180	1,105,180	3,705,180	3,105,180	3,105,180	12,125,900
Licenses and permits	7,489,379	7,489,379	7,788,954	8,100,512	8,424,533	39,292,757
Fines and penalties	5,320,104	5,320,104	5,532,908	5,754,224	5,984,393	27,911,734
Use of money and property	6,031,675	6,031,675	6,031,675	6,031,675	6,031,675	30,158,375
Charges for current service	12,309,648	12,309,648	12,678,937	13,059,306	13,451,085	63,808,624
Miscellaneous revenues	2,403,943	2,403,943	2,476,061	2,550,343	2,626,853	12,461,144
TOTAL OPERATING REVENUES	125,950,928	128,741,534	136,007,863	139,746,162	144,242,974	674,689,461
OPERATING TRANSFERS IN						
Transfers from other funds	6,000	6,000	6,000	6,000	6,000	30,000
Carry over for encumbrances	-	-	-	-	-	-
TOTAL REVENUES	125,956,928	128,747,534	136,013,863	139,752,162	144,248,974	674,719,461
OPERATING EXPENDITURES						
GENERAL GOVERNMENT						
Policy and Management	4,408,060	4,496,221	4,631,108	4,770,041	4,913,142	23,218,572
Human Services	-	-	-	-	-	-
Legal Services (RWG)	2,091,194	2,133,018	2,197,008	2,262,919	2,330,806	11,014,945
Litigation/Other Legal Fees	469,053	478,434	492,787	507,571	522,798	2,470,643
City Clerk	1,007,233	1,027,378	1,058,199	1,089,945	1,122,643	5,305,398
Finance Administration	6,945,512	7,084,422	7,296,955	7,515,864	7,741,339	36,584,092
Liability Insurance	-	-	-	-	-	-
Non-Department Expenses	3,949,259	4,028,244	4,149,092	4,273,564	4,401,771	20,801,930
PUBLIC SAFETY						
Police Department	34,901,182	36,624,530	37,723,266	38,854,964	40,020,613	188,124,555
Fire Department	18,572,664	19,468,086	20,052,128	20,653,692	21,273,303	100,019,873
TRANSPORTATION						
Planning & Community Dev.	7,136,227	7,278,952	7,497,320	7,722,240	7,953,907	37,588,645
Building and Safety	-	-	-	-	-	-
Community Services	5,597,576	5,709,528	5,880,813	6,057,238	6,238,955	29,484,109
Economic Development	-	-	-	-	-	-
Public Works	7,256,013	7,401,133	7,623,167	7,851,862	8,087,418	38,219,594
REC & LIBRARY SERVICES						
Recreation and Parks	21,496,669	21,926,602	22,584,400	23,261,932	23,959,790	113,229,395
Library	-	-	-	-	-	-
BUDGET ADJUSTMENT inc/(dec)	(3,400,000)	(3,468,000)	(3,572,040)	(3,679,201)	(3,789,577)	(17,908,818)
OPERATING EXPENDITURES	110,430,642	114,188,548	117,614,204	121,142,630	124,776,909	588,152,933
CONTRIBUTIONS AND OPERATING TRANSFERS						
Schools & Non-profits	7,662,700	7,662,700	7,662,700	7,662,700	7,662,700	38,313,500
Tourism Promotions	2,337,770	2,384,526	2,479,907	2,579,103	2,682,267	12,463,572
Debt Service Payments	1,766,075	1,766,075	1,766,075	1,766,075	1,766,075	8,830,375
Transfers Out - Capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
TOTAL EXPENDITURES	125,197,187	129,001,848	132,522,886	136,150,508	139,887,951	662,760,380
NET INCOME (REV-EXP)	759,741	(254,314)	3,490,977	3,601,654	4,361,023	11,959,081
PLUS - BEGINNING CASH	45,777,574	46,537,315	46,283,002	49,773,979	53,375,633	45,777,574
PLUS - BALANCE SHEET ADJUSTMENTS	-	-	-	-	-	-
LESS - TRANSFERS TO CIP	-	-	-	-	-	-
LESS - RESERVE FOR ENCUMBRANCES	-	-	-	-	-	-
AVAILABLE CASH	46,537,315	46,283,002	49,773,979	53,375,633	57,736,656	57,736,656

The General Fund
CITY OF BEVERLY HILLS
GENERAL FUND
COMPONENTS OF REVENUE
Adopted Budget – Fiscal Year 2004/2005



The General Fund
CITY OF BEVERLY HILLS
GENERAL FUND
COMPONENTS OF GENERAL FUND EXPENDITURES
Adopted Budget – Fiscal Year 2004/2005

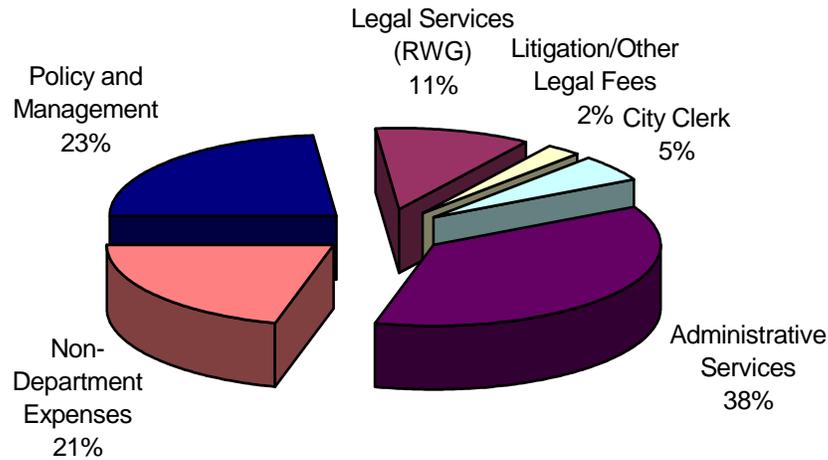
	EXPENDITURES	PERCENT OF TOTAL
OPERATING EXPENDITURES:		
GENERAL GOVERNMENT:		
Policy and Management	4,408,060	3.52%
Legal Services (RWG)	2,091,194	1.67%
Litigation/Other Legal Fees	469,053	0.37%
City Clerk	1,007,233	0.80%
Administrative Services	6,945,512	5.55%
Non-Department Expenses	3,949,259	3.15%
TOTAL GENERAL GOVERNMENT	18,870,311	15.07%
PUBLIC SAFETY:		
Police Department	34,901,182	27.88%
Fire Department	18,572,664	14.83%
TOTAL PUBLIC SAFETY	53,473,846	42.71%
COMMUNITY DEVELOPMENT:		
Community Development	7,136,227	5.70%
Engineering & Transportation	5,597,576	4.47%
Public Works	7,256,013	5.80%
TOTAL COMM. DEVELOPMENT	19,989,816	15.97%
REC & LIBRARY SERVICES		
Community Services	21,496,669	17.17%
TOTAL REC & LIBRARY	21,496,669	17.17%
BUDGET ADJUSTMENT INC/(DEC)	(3,400,000)	-2.72%
TOTAL OPERATING EXPENSES	110,430,642	88.21%
CONTRIBUTIONS AND OPERATING TRANSFERS OUT:		
Schools & Non-profits	7,662,700	6.12%
Tourism Promotions	2,337,770	1.87%
Debt Service Payments	1,766,075	1.41%
Transfers Out - Capital	3,000,000	2.40%
TOTAL CONT. & TRANSFERS	14,766,545	11.79%
TOTAL GENERAL FUND	125,197,187	100.00%





City of Beverly Hills

COMPONENTS OF GENERAL GOVERNMENT EXPENDITURES



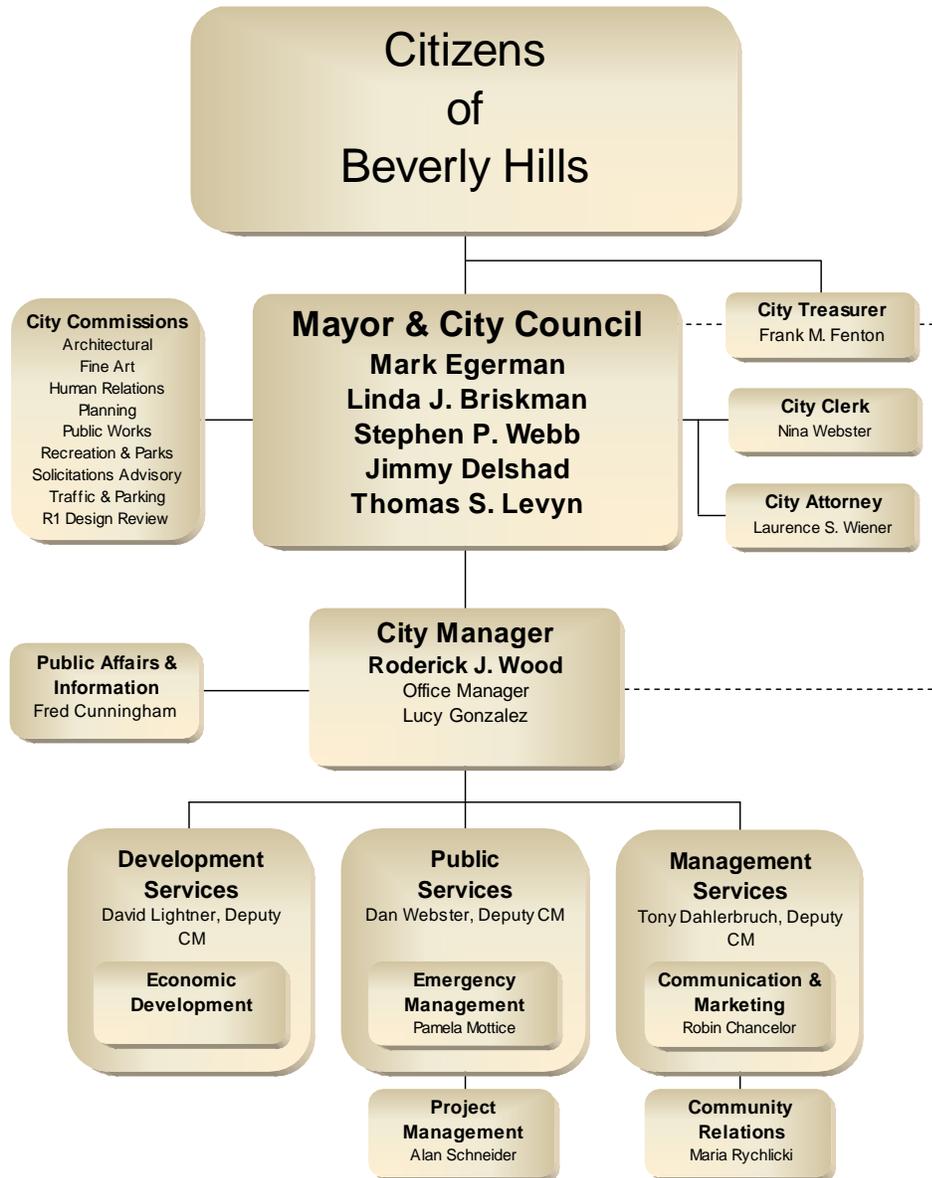
This section describes each of the departments that comprise the City's General Government function. Included is a statement about the department's charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current 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	4,408,060	3.52%
Legal Services (RWG)	2,091,194	1.67%
Litigation/Other Legal Fees	469,053	0.37%
City Clerk	1,007,233	0.80%
Finance Administration	6,945,512	5.55%
Non-Department Expenses	<u>3,949,259</u>	<u>3.15%</u>
TOTAL GENERAL GOVERNMENT	18,870,311	15.07%

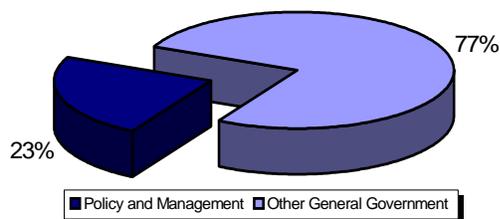


City of Beverly Hills

POLICY AND MANAGEMENT



Policy & Management
as a Percent of General Government Expenditures



DEPARTMENT CHARGE

Policy and Management provide overall policy direction and support for the implementation of City Council policy. The Department includes the divisions of City Council, City Manager's Office, Public Services and Emergency Management, Project Administration, Communications and Marketing, and Community Relations.

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, coordinates emergency preparedness, monitors federal and state legislative issues and consults on special projects.

Development Services

Development Services 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.

Public Services and 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.

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.

Policy and Management

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.

Community Relations

The Office of Community 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.

DEPARTMENT BUDGET

DEPARTMENT BUDGET				
Expense Category	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	2,398,314	2,533,039	2,429,222	-4.33%
Materials and Supplies	69,384	69,384	54,049	-22.10%
Contractual Services	644,197	645,190	568,803	-11.86%
Capital Outlay	15,000	15,000	15,450	3.00%
Internal Service Fund Charges	1,395,797	1,416,034	1,289,862	-9.04%
Heat, Light, Water & Power	57,415	56,094	50,674	-9.44%
Total	4,580,107	4,734,741	4,408,060	-7.13%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
City Council	6	5	(1)
City Manager	8	5	(3)
Development Services	4	3	(1)
Project Administration	2	2	-
Emergency Management	1	2	1
Communications & Marketing	5	6	1
Community Relations	2	1	(1)

Policy and Management

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
City Council	-	-	-
City Manager	-	-	-
Development Services	-	-	-
Project Administration	-	-	-
Emergency Management	-	-	-
Communications & Marketing	-	-	-
Community Relations	-	-	-

DEPARTMENT INITIATIVES FOR 2004/2005

- Coordinate the potential development of the City's T-Lot.
- Coordinate development opportunities for a community sports facility.
- Hold the 7th Annual Safety Week and related activities.
- 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).

The main focus of the Development Services Division 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 2004/2005 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.

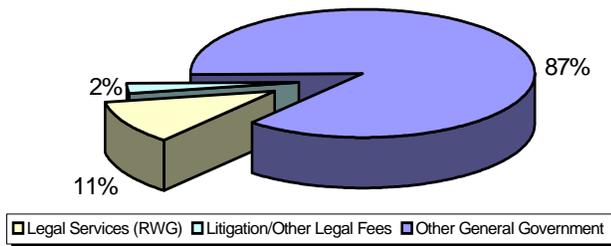
City of Beverly Hills

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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	-	-	-	0.00%
Materials and Supplies	15,670	15,670	16,140	3.00%
Contractual Services	1,899,840	2,399,840	2,471,835	3.79%
Capital Outlay	-	-	-	0.00%
Internal Service Fund Charges	57,172	46,749	55,140	14.68%
Heat, Light, Water & Power	17,273	16,633	17,132	2.89%
Total	1,989,955	2,478,892	2,560,247	4.09%

DEPARTMENT STAFFING

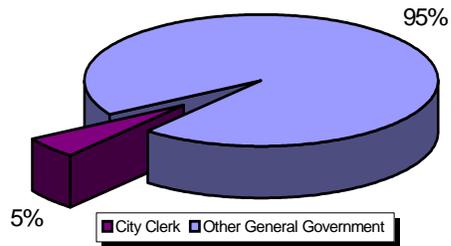
Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
City Attorney	7	7	-
City Prosecutor	2	2	-

City of Beverly Hills

CITY CLERK

City Clerk
Nina Webster
Deputy City Clerk
Byron Pope

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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	422,003	422,220	587,361	39.13%
Materials and Supplies	7,717	7,717	7,948	2.99%
Contractual Services	136,900	136,900	141,007	3.00%
Capital Outlay	450	450	464	3.11%
Internal Service Fund Charges	234,810	244,545	257,267	5.42%
Heat, Light, Water & Power	13,307	12,802	13,186	2.89%
Total	815,187	824,634	1,007,233	22.40%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
City Clerk	5	6	1

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
City Clerk	1	1	-

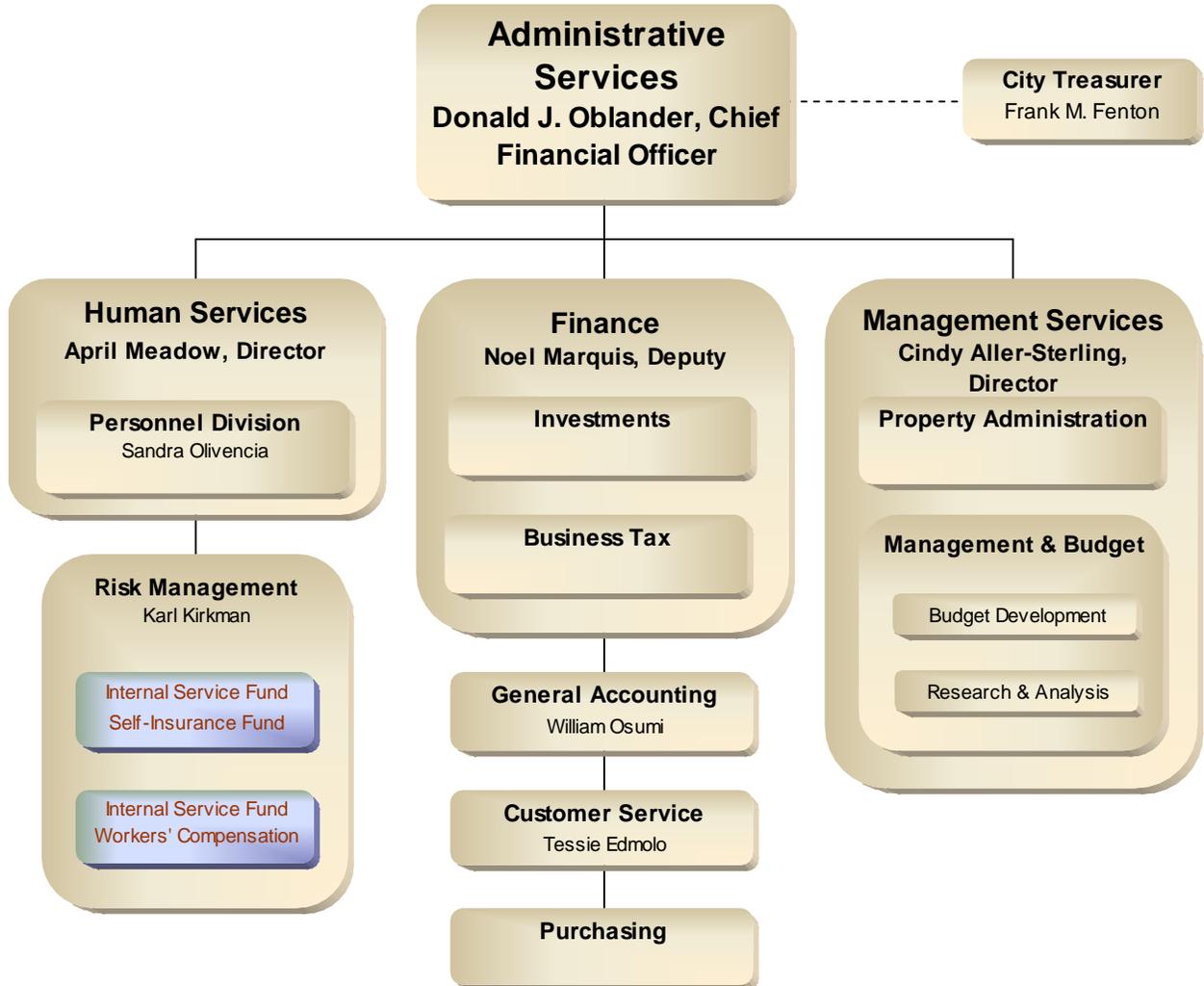
DEPARTMENT INITIATIVES FOR 2004/2005

- Administer Municipal Election
 - Prepare Election-related Resolutions for Council adoption
 - Prepare contract with election supplier
 - Prepare Candidate Handbook
 - Conduct Absentee Ballot Mailings
 - Conduct City-wide Election on March 1, 2005
- Municipal Code Maintenance
 - Completion of review/correction/reformat process
 - Post code on codifier's website with link from City's website
 - Order and distribute Municipal Code sets to City departments
 - Notify code subscribers of codifier's website
 - Coordinate issuance of quarterly supplements through codifier
 - Schedule training for City staff re online code search programs
- E-Packet Implementation
 - Schedule training for City staff
 - Activate E-Packet online process
 - Produce E-Packet for Council meetings
- Electronic Document Management
 - Install software upgrade to Clerk's Index to search PDF documents
 - Scan historic and current documents
 - Identify 10 workstations to access document management system
- Administrative Regulations/Council Policy Manual Update
 - Identify regulations in need of updating/revision
 - Coordinate with responsible departments to prepare revisions
 - Finalize AR's for City Attorney/City Manager review and approval
 - Post AR's on intranet and distribute printed manuals

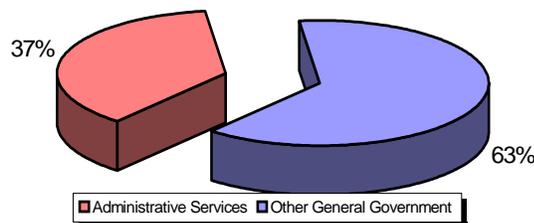


City of Beverly Hills

ADMINISTRATIVE SERVICES



Administrative Services
as a Percent of General Government Expenditures



DEPARTMENT CHARGE

The Administrative Services Department is the compilation of two departments, Finance and Human Services.

Finance 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 of Finance 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 permits 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.

Management Services

Management Services is a new division for the department that will coordinate the management of all City property, provide research and analysis for City departments and form the basis for the City's budget preparation and analysis team.

Administrative Services

Human Services 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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	3,101,494	3,218,476	3,472,359	8.19%
Materials and Supplies	47,060	47,060	44,672	-5.07%
Contractual Services	1,262,796	1,200,467	1,893,532	54.88%
Capital Outlay	-	-	-	0.00%
Internal Service Fund Charges	1,255,252	1,353,070	1,475,917	9.79%
Heat, Light, Water & Power	59,039	57,313	59,032	2.91%
Total	5,725,641	5,876,386	6,945,512	18.67%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Personnel	9	9	-
Risk Management	2	2	-
Administration	9	8	(1)
General Accounting	9	9	-
Customer Service	7	7	-
Management Services	-	5	5
Purchasing	2	2	-

Administrative Services

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Personnel	-	-	-
Risk Management	-	-	-
Administration	-	2	2
General Accounting	-	1	1
Customer Service	-	-	-
Management Services	-	-	-
Purchasing	-	-	-

DEPARTMENT INITIATIVES FOR 2004/2005

Finance Initiatives

- Upgrade financial system with current version.
- Integrate data from Police CAD/RMS system into Pentamation for alarm billing.
- Integrate data from Library system purchasing module into Pentamation purchasing.
- Modify accounting structure to accommodate program cost structure (i.e. modified cost accounting).
- 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.

Property Management Initiatives

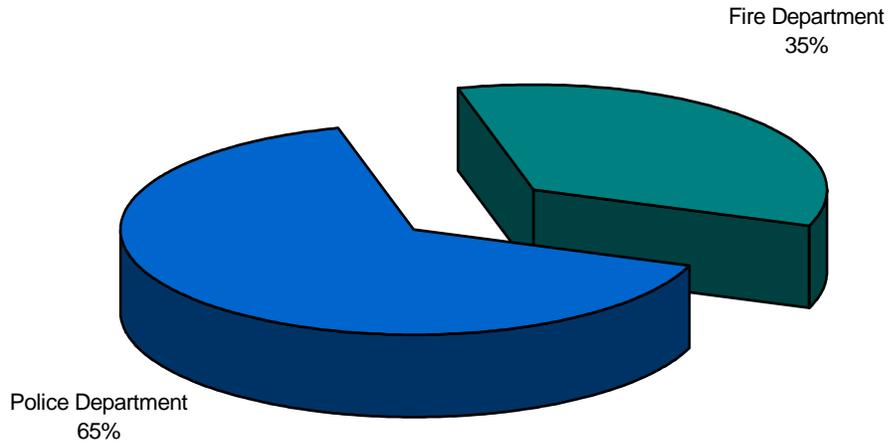
- Receive direction and parameters so that the vacant properties in the Industrial Area can be marketed and leased providing revenue and enhanced use of the spaces.
- Lease the 9,355 square feet of space on the ground floor of the City's Camden Drive Parking Structure at market rate rent.
- The leases for three existing tenants are due to terminate during the fiscal year. Work with the tenants to renew these leases at market rate rent.
- Provide oversight and coordination between multiple tenants and the City's maintenance and operation of the new D-Lot structure, which is the City's first structure that includes significant common area.

Human Service Initiatives

- Revise, distribute and provide departmental training on Risk Management.
- Develop and implement a written Accident Review program.
- Develop and implement a written inter-department Modified Duty program.
- Develop Maple Counseling Center services brochure including wellness and family programs.
- Implement a formal Property Damage Subrogation program.
- Conduct an Employee Health & Benefits Fair.
- Conduct training for Disaster Hotline volunteers.
- Provide workplace diversity training.
- Offer on-site accredited college courses through partnership with West Los Angeles College.
- Oversee strategies and initiatives identified in organization Work Plan.
- Promote and implement City's vision through employee mentoring, training, career counseling and succession planning.

City of Beverly Hills

COMPONENTS OF PUBLIC SAFETY EXPENDITURES



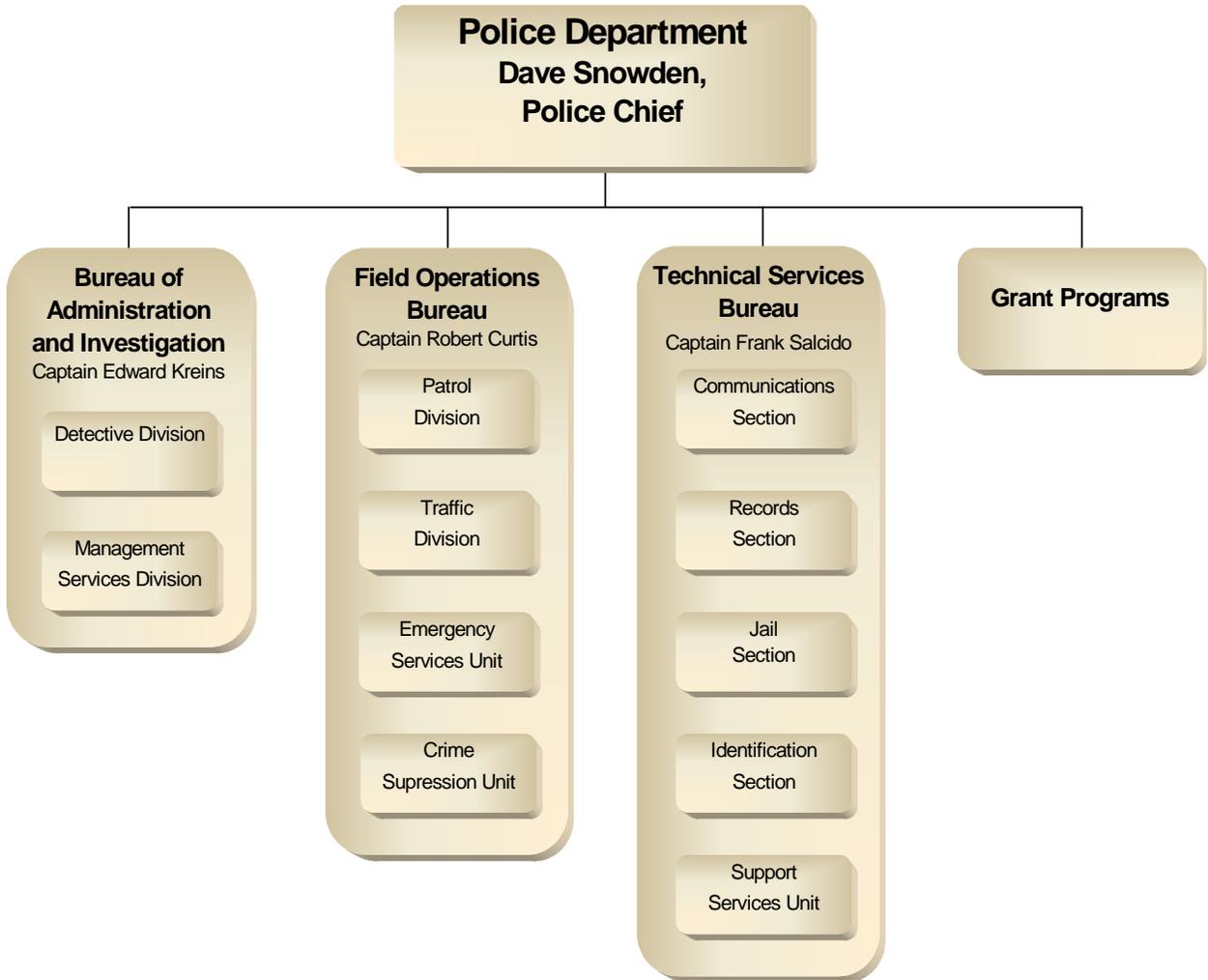
This section describes each of the departments that comprise the City’s Public Safety function. Included is a statement about the department’s charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current year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

PUBLIC SAFETY:	Budget	Percent
Police Department	34,901,182	27.88%
Fire Department	<u>18,572,664</u>	<u>14.83%</u>
TOTAL PUBLIC SAFETY	53,473,846	42.71%



City of Beverly Hills

POLICE



Police Department
as a Percent of Public Safety Expenditures



Police Department

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, Emergency Services Unit, and the Crime Suppression Unit (which includes the Special Tactics and Canine Units).

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 Support Services Section.

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 Support Services Section is responsible for updating Department disaster plans, training Department employees concerning their response to major emergencies and maintaining the Department's emergency operations equipment, and the Facilities Unit which 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.

DEPARTMENT BUDGET

Department Budget				
Expense Category	Fiscal Year 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	22,167,934	23,494,718	26,254,228	12.45%
Materials and Supplies	336,375	336,375	316,966	-5.77%
Contractual Services	359,023	359,023	369,794	3.00%
Capital Outlay	13,150	13,150	13,545	3.00%
Internal Service Fund Charges	6,192,088	7,114,322	7,563,477	7.25%
Heat, Light, Water & Power	382,893	372,012	383,172	2.91%
Total	29,451,463	31,689,600	34,901,182	10.90%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Office of the Chief	8	8	-
Bureau of Admin/Investigation	36	39	3
Field Operations Bureau	109	105	(4)
Technical Services Bureau	53	54	1
COPS FAST	3	3	-

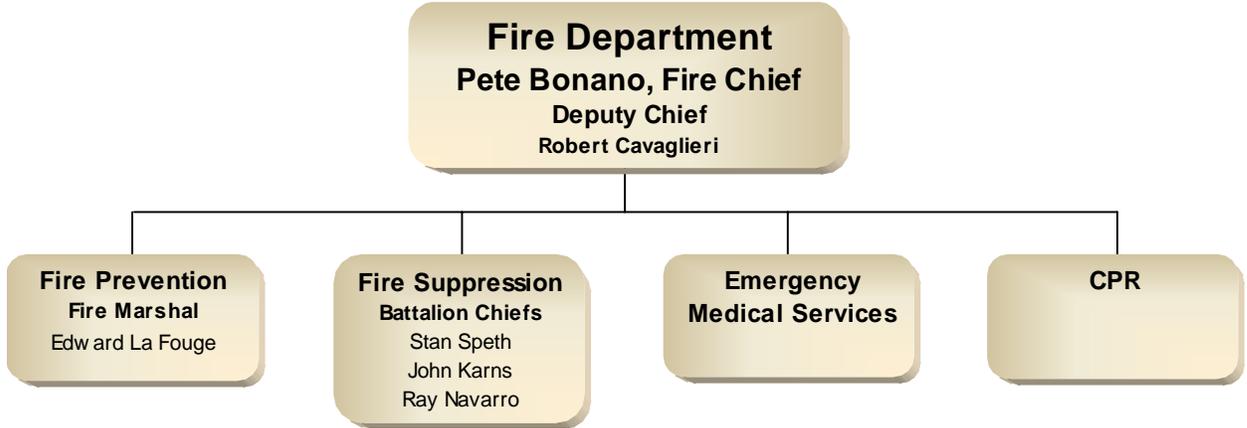
Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Office of the Chief	-	-	-
Bureau of Admin/Investigation	2	-	(2)
Field Operations Bureau	-	-	-
Technical Services Bureau	-	-	-
COPS FAST	-	-	-

DEPARTMENT INITIATIVES FOR 2004/2005

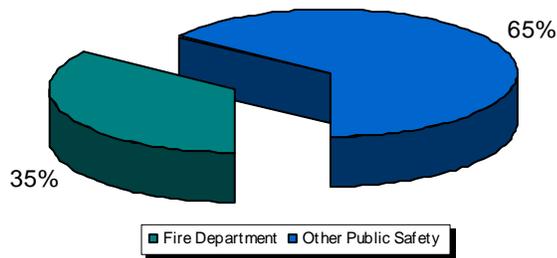
- In cooperation with Information Technology and the Fire Department, successfully implement the Computer Aided Dispatch/Records Management System (CAD/RMS).
- Attempt to achieve full staffing in the Jail, Records and Communications, thereby reducing overtime requirements.
- Do everything possible to ensure a reduction in crime and educate the community regarding public safety.
- 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.
- Significantly impact incidents of driving-under-the-influence through selective enforcement actions funded by a State traffic grant.

City of Beverly Hills

FIRE



Fire Department
as a Percent of Public Safety Expenditures



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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	12,045,793	12,875,082	14,446,528	13.05%
Materials and Supplies	372,374	372,374	383,545	3.00%
Contractual Services	288,418	288,418	297,070	3.00%
Capital Outlay	106,250	106,250	109,438	3.00%
Internal Service Fund Charges	2,454,402	2,637,332	3,128,161	20.00%
Heat, Light, Water & Power	209,266	201,866	207,922	2.89%
Total	15,476,503	16,481,322	18,572,664	13.51%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Administration and Training	6	6	-
Fire Prevention	6	6	-
Fire Suppression	58	58	-
Emergency Medical Services	18	18	-
CPR Program	1	1	-

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Administration and Training	-	-	-
Fire Prevention	-	-	-
Fire Suppression	-	-	-
Emergency Medical Services	-	-	-
CPR Program	-	-	-

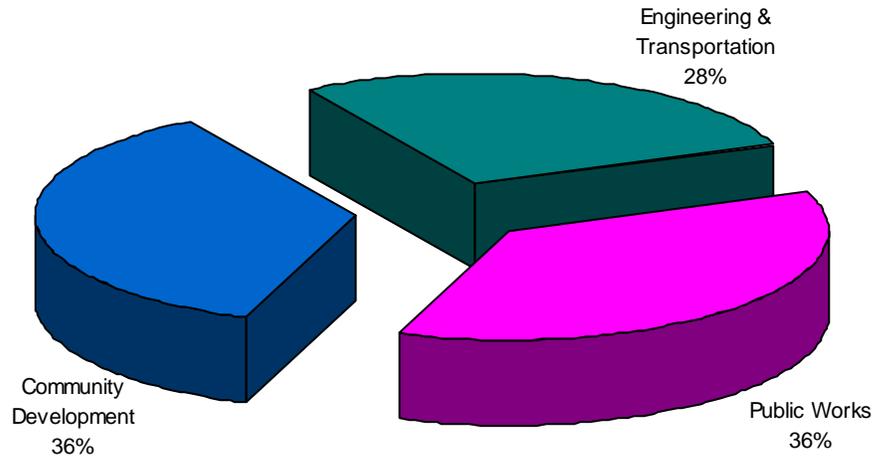
DEPARTMENT INITIATIVES FOR 2004/2005

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.
- Continue 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.
- 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.
- Specification development and purchase of a new rescue ambulance.
- Streamline Fire Prevention Bureau operations by computerizing the inspection program.
- Pursue development of a Fire Department training facility.
- Implement the Firewise program.
- Implement the Automated Electronic Defibrillator (AED) program.
- Implement Automatic Aid Agreement with Los Angeles County Fire Department.
- Upgrade Engine One to a Paramedic Assessment Unit.

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
Community Development	7,136,227	5.70%
Community Services	5,597,576	4.47%
Public Works	7,256,013	5.80%
TOTAL COMM. DEVELOPMENT	19,989,816	15.97%

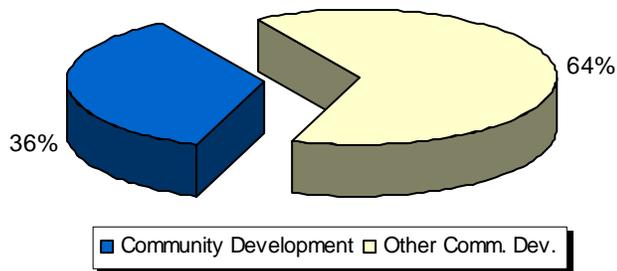


City of Beverly Hills

COMMUNITY DEVELOPMENT



Community Development
as a Percent of Community Development Expenditures



Community Development

DEPARTMENT CHARGE

The Planning Division 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.

The primary charge of the Building and Safety Division 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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	4,464,478	4,699,354	4,859,515	3.59%
Materials and Supplies	71,191	71,770	73,923	3.02%
Contractual Services	598,605	599,350	617,331	3.00%
Capital Outlay	-	-	-	0.00%
Internal Service Fund Charges	1,371,422	1,450,165	1,516,190	4.81%
Heat, Light, Water & Power	69,230	67,250	69,268	2.91%
Total	6,574,926	6,887,889	7,136,227	3.78%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Planning & Community Development	20	19	(1)
Building and Safety	31	30	(1)

Community Development

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Planning & Community Development	-	-	-
Building and Safety	1	1	-

DEPARTMENT INITIATIVES FOR 2004/2005

Department Goals and Objectives:

- Launch the Online Business Center (OBC) permit automation system including conversion of the current data and integration of peripheral systems (GIS and Selectron automated call in system)
- Consolidation, imaging and reorganization of the two divisions records
- Update and redesign of the Department Webpage
- Initiate discussion with General Services to develop design and budget estimate for reconfiguration of the ground floor as a one stop permit center
- Develop a GIS based address and zoning city map
- Integrate Planning/Building and Safety teams
- Categorize projects and services on program basis for budget purposes

Planning Division Goals and Objectives

- Complete developing the General Plan update matrix and initiate the consultant contract and technical studies
- Prepare Seismic Safety Element of General Plan using Hazard Mitigation Plan data
- Complete the Historic Preservation survey
- Expand online functions/availability of information for customers (availability of applications, maps, etc.)
- Organize the Design Review Commission training program and continue Planning Commission training

Building and Safety Goals and Objectives

- Update emergency response procedures to reflect the new department organization.
- Work with I.T. to automate disaster response data collection and reporting.
- Expand proactive code enforcement property maintenance program.
- Develop a series of combination permits.
- Initiate special inspection appointments for smaller projects that homeowners typically wait and provide access for.
- Continue providing DSA inspections for the School District

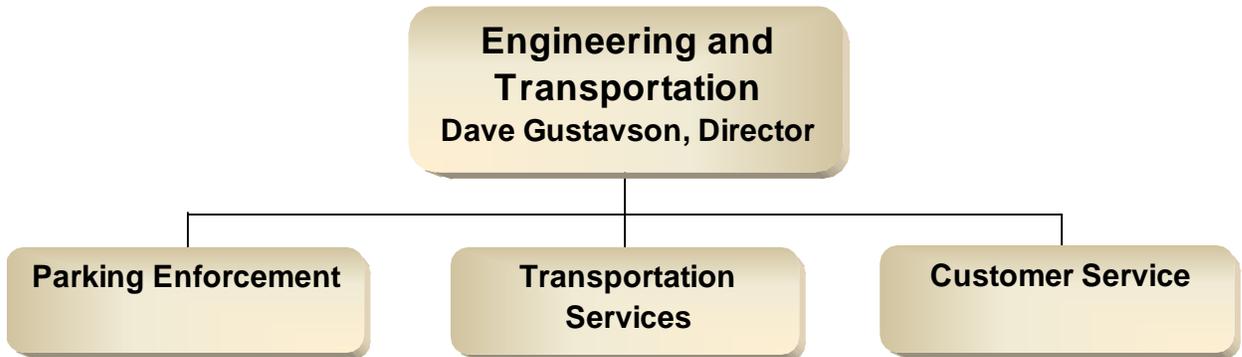
Community Development Block Grant (CDBG)

- Continue to provide the Handyworker program and public services for senior citizens
- Identify eligible construction projects as part of the CIP
- Qualify the CDBG program for an award of merit from Los Angeles County in 2004/2005
- Expend the planning administration portion of the Funding in completion of the City's survey of properties with historic significance

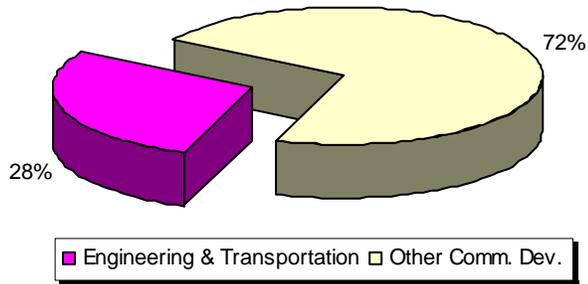


City of Beverly Hills

ENGINEERING AND TRANSPORTATION



Engineering & Transportation
as a Percent of Community Development Expenditures



Engineering and Transportation

DEPARTMENT CHARGE

The Department of Engineering and Transportation manages the City's on street residential parking permit programs, and is responsible for parking enforcement and adjudication of citations. The Department 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. The Department is also responsible for the development, construction and inspection of contract improvements for the city's infrastructure within the public rights-of-way.

Civil Engineering

The Civil Engineering Division 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.

Transportation Services

The Transportation Services division provides staff support to the city Council and traffic & Parking Commission regarding permit parking, valet operations, traffic Calming and other neighborhood traffic and parking issues; participates in development of regional transportation plans and manages the city's transit programs.

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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	3,886,640	3,796,146	3,392,072	-10.40%
Materials and Supplies	44,795	44,795	36,870	-17.69%
Contractual Services	154,894	154,894	630,700	307.18%
Capital Outlay	-	-	-	0.00%
Internal Service Fund Charges	1,395,564	1,438,116	1,488,897	3.64%
Heat, Light, Water & Power	49,392	47,608	49,037	2.89%
Total	5,531,285	5,481,559	5,597,576	2.10%

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Civil Engineering	13	13	-
Parking Enforcement	23	22	(1)
Transportation Services	5	4	(1)
Customer Service	6	6	-

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Civil Engineering	-	-	-
Parking Enforcement	-	-	-
Transportation Services	-	-	-
Customer Service	1	1	-

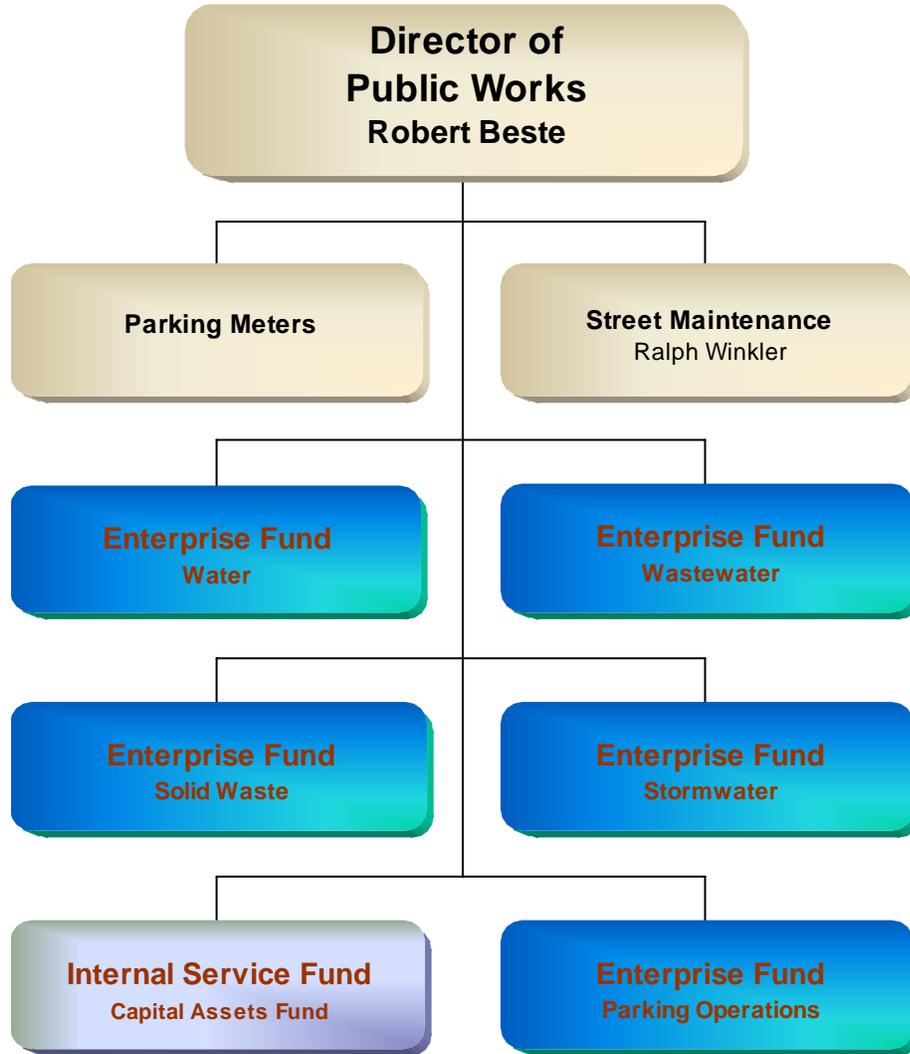
DEPARTMENT INITIATIVES FOR 2004/2005

- 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.

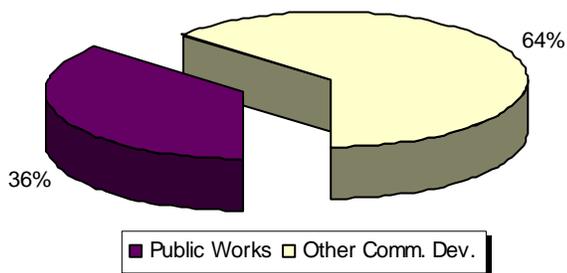


City of Beverly Hills

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.

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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	2,373,634	2,942,196	2,705,899	-9.96%
Materials and Supplies	299,629	328,583	342,441	4.62%
Contractual Services	103,148	113,422	112,825	-0.58%
Capital Outlay	-	-	-	0.00%
Internal Service Fund Charges	2,447,565	3,324,400	3,195,457	-5.27%
Heat, Light, Water & Power	919,641	873,196	899,391	2.85%
Total	6,143,617	7,581,797	7,256,013	-5.30%

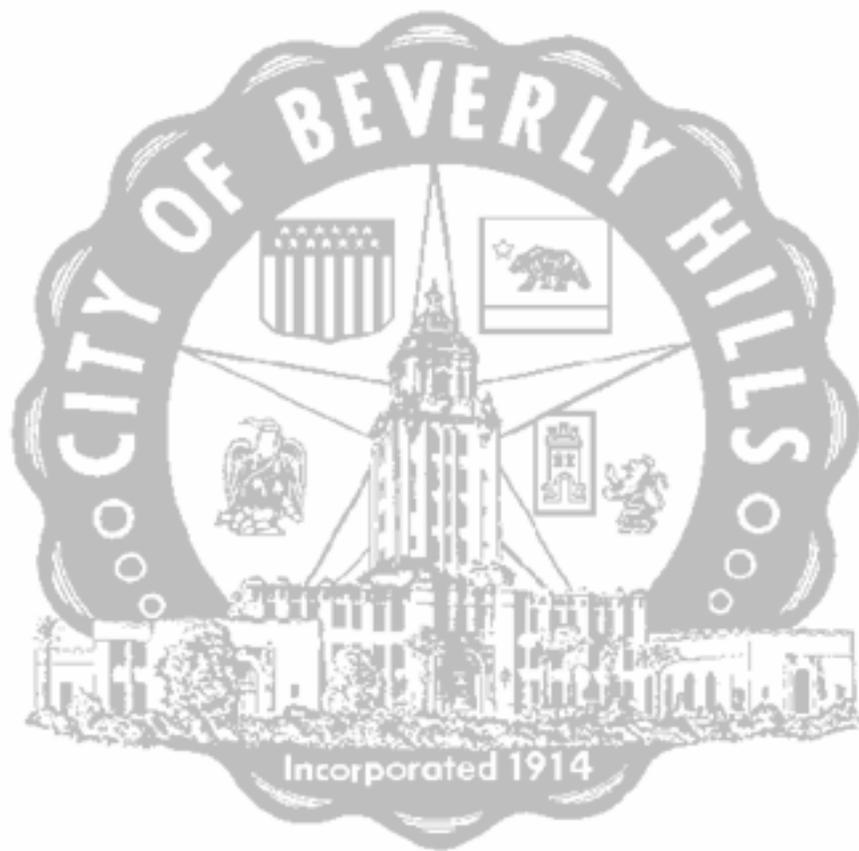
DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Administration	9	14	5
Street Maintenance	23	18	(5)
Parking Meters	5	5	-

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Administration	-	-	-
Street Maintenance	-	-	-
Parking Meters	-	-	-

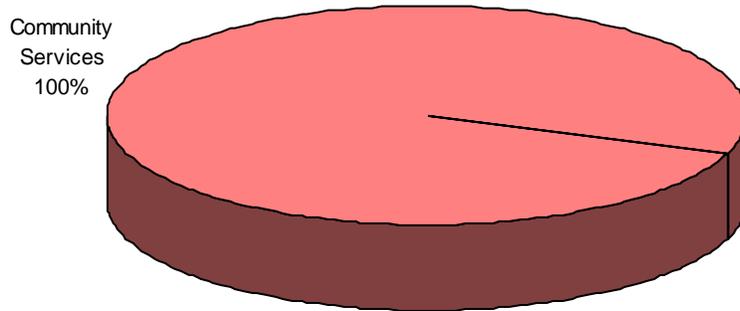
DEPARTMENT INITIATIVES FOR 2004/2005

- 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 COMMUNITY SERVICES EXPENDITURES



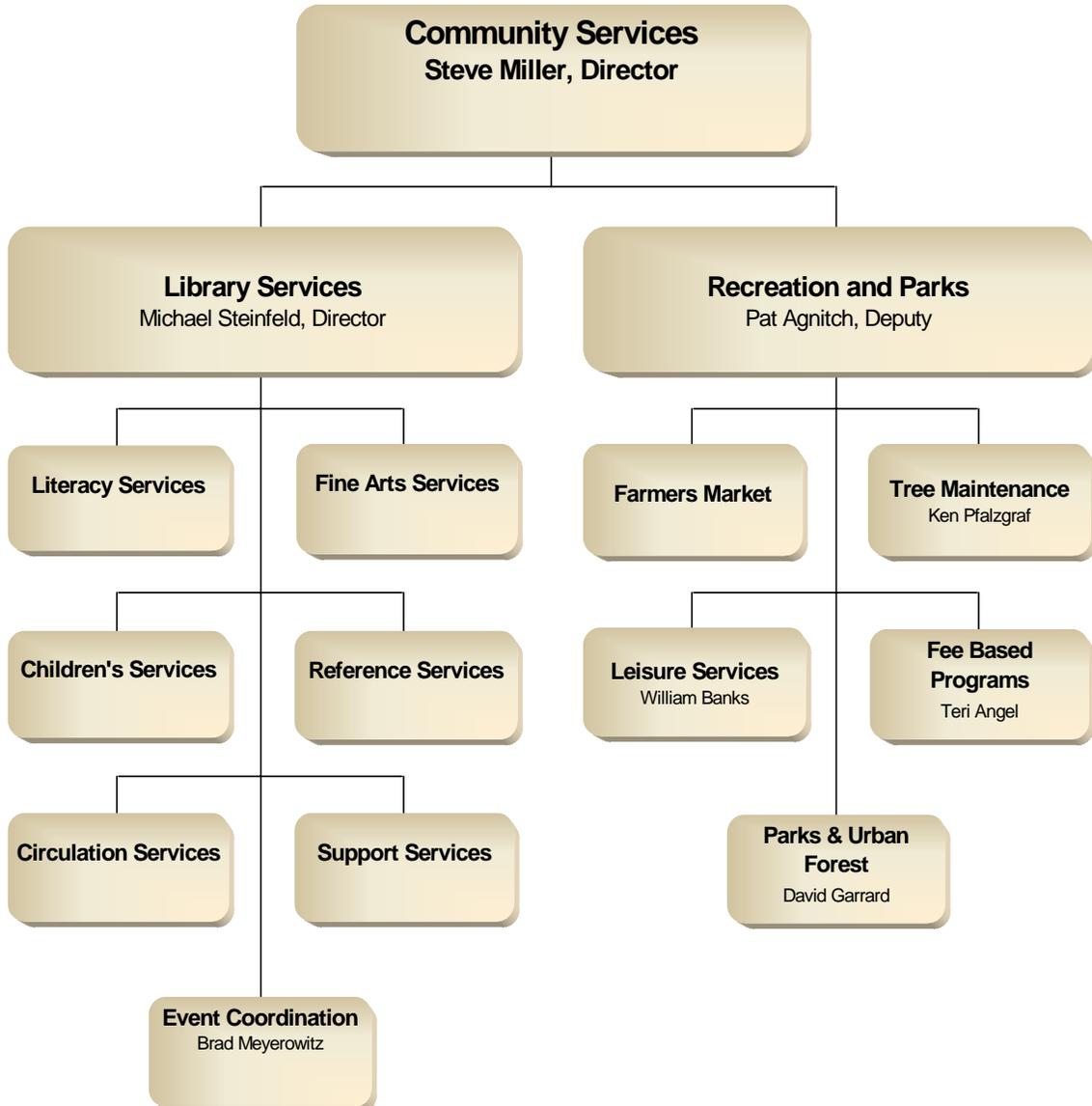
This section describes each of the departments that comprise the City's Leisure Services function. Included is a statement about the department's charge, a listing of divisions within the department, a chart of the proposed budget and the prior two years, a chart of staffing levels for the current year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

REC & LIBRARY SERVICES:	Budget	Percent
Recreation and Parks	<u>21,496,669</u>	<u>17.17%</u>
TOTAL REC & LIBRARY	21,496,669	17.17%

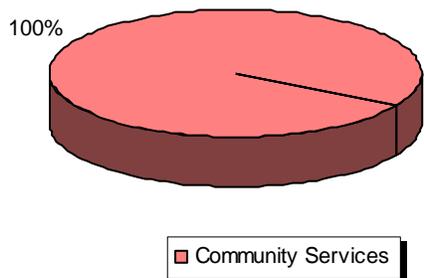


City of Beverly Hills

COMMUNITY SERVICES



Recreation and Parks
as a Percent of Rec & Library Expenditures



DEPARTMENT CHARGE

Recreation and Parks are 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. Liaison services are provided to the Recreation and Parks Commission and youth sports organizations.

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 every Sunday.

Tree Maintenance

The Tree Maintenance Division is responsible for the care and maintenance of over 27,000 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 and is responsible for implementation of the street tree master plan approved by the City Council.

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.

The Library and Community Services Divisions are responsible for providing the community with the books and information it needs for its educational, recreational, and professional pursuits. In addition, library staff provides 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.

Community Services

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.

Event Coordination

This newly created division is responsible for the creation and implementation of new art and culture events for the community, in addition to the Garden & Design Showcase, Affaire in the Garden, Plaza Suites, Beverly Hills forum, Municipal Gallery, High Teas and Team Beverly Hills.

Fine Arts Services

The Fines 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 2002/2003 Budget	Fiscal Year 2003/2004 Budget	Fiscal Year 2004/2005 Budget	Percent Change
Salaries and Benefits	10,237,275	10,538,978	10,788,498	2.44%
Materials and Supplies	1,706,401	1,706,401	1,554,711	-8.89%
Contractual Services	2,701,618	2,817,618	2,812,638	-0.18%
Capital Outlay	12,200	12,200	12,566	3.00%
Internal Service Fund Charges	4,919,961	5,063,564	5,162,506	2.01%
Heat, Light, Water & Power	1,187,750	1,131,796	1,165,750	<u>2.86%</u>
Total	20,765,205	21,270,557	21,496,669	1.09%

Community Services

DEPARTMENT STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Library Administration	7	5	(2)
Literacy Services	2	2	-
Fine Arts Services	6	4	(2)
Children's Services	8	8	-
Reference Services	8	8	-
Circulation Services	10	9	(1)
Support Services	9	7	(2)
Event Coordination	1	4	3
Parks Administration	5	5	-
Farmers Market	1	1	-
Tree Maintenance	3	3	-
Leisure Services	14	13	(1)
Fee Based Programs	2	2	-
Parks & Urban Forest	28	27	(1)

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Library Administration	-	-	-
Literacy Services	-	-	-
Fine Arts Services	2	2	-
Children's Services	5	5	-
Reference Services	4	4	-
Circulation Services	5	5	-
Support Services	6	6	-
Event Coordination	-	2	2
Parks Administration	-	-	-
Farmers Market	-	-	-
Tree Maintenance	-	-	-
Leisure Services	8	7	(1)
Fee Based Programs	48	47	(1)
Parks & Urban Forest	-	-	-

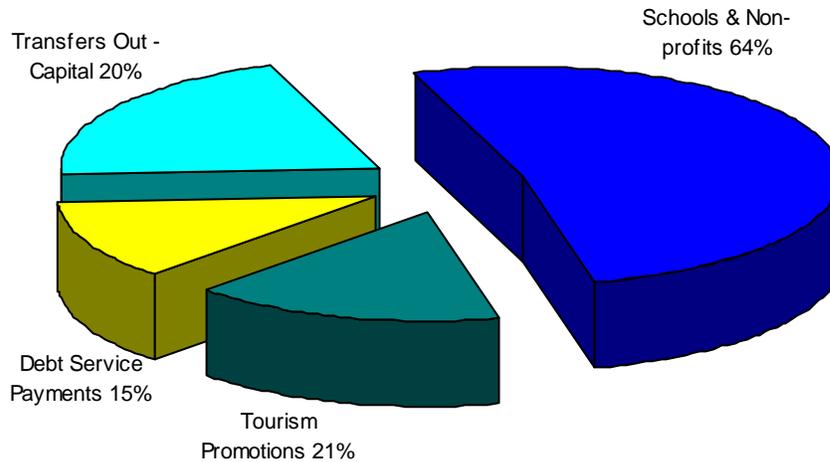
DEPARTMENT INITIATIVES FOR 2004/2005

- ◆ Leisure Services Division
 - Present a Winter Special Event at the Farmers' Market (Cookie Baking).
 - Revise/upgrade park rules/regulations signage.
 - Expansion of Summer Camp programs (Fee Based).
- ◆ Parks and Urban Forest Division
 - Continue implementation of Street Tree Master Plan coordination/Urban Design efforts.
 - Apply for Prop A Grant Maintenance Reimbursement Funds for Beverly Gardens/Reeves Parks.
 - 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 05/06.
 - Begin maintenance renovation program for park athletic fields.
- ◆ Library Services
 - The Library's major initiative for FY 2004/2005 is to complete work on the Library auditorium. Major components of the project are:
 - Remove the projection booth that divides the room.
 - Relocate and expand the performance/stage area.
 - Improve sound, lighting and sight lines.
- ◆ Event Coordination
 - Present 3rd annual Flower Garden Festival at Greystone Park.
 - Present 5th annual Plaza Sweets concert series.



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	7,662,700	6.12%
Tourism Promotions	2,337,770	1.87%
Debt Service Payments	1,766,075	1.41%
Debt Service Payments	<u>3,000,000</u>	<u>2.40%</u>
TOTAL CONT. & TRANSFERS	14,766,545	11.79%



City of Beverly Hills

COMMUNITY ASSISTANCE FUNDING

Expenditure	Actual Fiscal Year 2000/2001	Actual Fiscal Year 2001/2002	Actual Fiscal Year 2002/2003	BUDGET Fiscal Year 2003/2004	ADOPTED Fiscal Year 2004/2005
Education:					
School District	6,000,000	6,600,000	6,600,000	6,600,000	6,600,000
Crossing Guards	154,240	213,756	157,196	130,000	130,000
Education Foundation	5,000	1,959	1,447	5,000	5,000
Total Education:	<u>6,159,240</u>	<u>6,815,715</u>	<u>6,758,643</u>	<u>6,735,000</u>	<u>6,735,000</u>
Economic Development					
Visitors Bureau	660,000	676,106	795,000	-	-
Economic Development	50,000	50,000	50,000	350,000	350,000
Retail Council	50,000	50,000	50,000	50,000	50,000
Holiday Programs	115,000	165,000	100,000	100,000	100,000
Total Economic Development:	<u>875,000</u>	<u>941,106</u>	<u>995,000</u>	<u>500,000</u>	<u>500,000</u>
Community Social Services:					
Allied Legal Services	-	-	-	20,000	20,000
All Saints Homeless Ministry	-	-	-	1,200	1,200
Beverly Hills Active Adults	8,000	8,000	8,000	8,000	8,000
Community Sports Center	100,000	100,000	100,000	-	-
LA Free Clinic	35,000	35,000	35,000	40,000	40,000
Maple Counseling Center	150,000	150,000	150,000	165,000	165,000
Meals on Wheels	2,000	1,959	2,000	2,000	2,000
Mount Calvary Lutheran	4,235	4,235	4,235	-	-
Now Ruz	10,000	-	-	-	-
P.A.T.H.	35,000	35,000	35,000	40,000	40,000
Westside Food Bank	60,000	60,000	60,000	60,000	60,000
NAACP Act So	-	-	-	-	5,000
Replacing CDBG Community					
Alternative Living for the Aging	23,600	23,600	23,600	12,000	12,000
Jewish Family Service	23,315	-	-	-	-
Maple Counseling Center	28,000	28,000	28,000	28,000	28,000
Total Comm. Social Services:	<u>479,150</u>	<u>445,794</u>	<u>445,835</u>	<u>376,200</u>	<u>381,200</u>
Arts and Culture:					
Beverly Hills Community Theatre	4,000	-	-	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>46,500</u>	<u>42,500</u>	<u>42,500</u>	<u>46,500</u>	<u>46,500</u>
Total Community Assistance	<u>7,559,890</u>	<u>8,245,115</u>	<u>8,241,978</u>	<u>7,657,700</u>	<u>7,662,700</u>

City of Beverly Hills

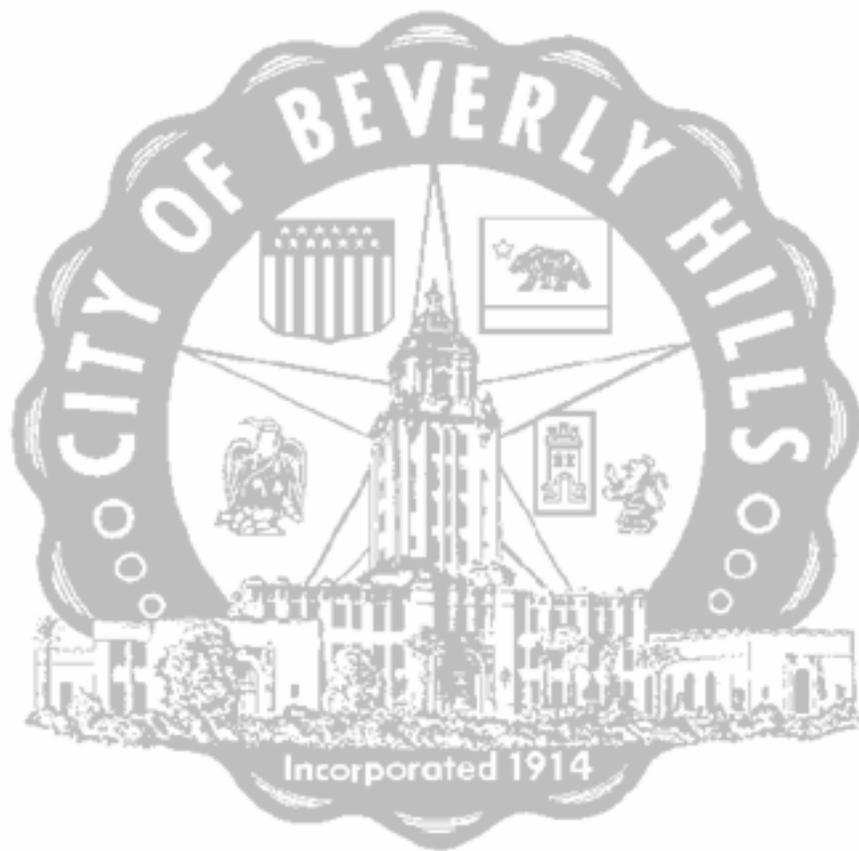
TOURISM PROMOTION

	Actual Fiscal Year 2000/2001	Actual Fiscal Year 2001/2002	Actual Fiscal Year 2002/2003	BUDGET Fiscal Year 2003/2004	ADOPTED Fiscal Year 2004/2005
Beginning Available	\$ <u>243,390</u>	\$ <u>268,158</u>	\$ <u>811,637</u>	\$ <u>1,280,521</u>	\$ <u>1,272,389</u>
Current Revenue					
2% TOT Revenue	\$ 2,545,407	\$ 2,092,604	\$ 2,114,254	\$ 2,085,456	\$ 2,337,770
Community Support					
Holiday Decorations	<u>115,000</u>	<u>165,000</u>	<u>165,000</u>	<u>100,000</u>	<u>100,000</u>
Total Available	\$ <u>2,903,797</u>	\$ <u>2,525,762</u>	\$ <u>3,090,891</u>	\$ <u>3,465,977</u>	\$ <u>3,710,159</u>
Current Expenditures					
Promotion/Advertising	\$ 1,788,589	\$ 35,097	\$ -	\$ 15,456	\$ -
Beverly Hills Marketing Committee	-	-	330,000	563,330	-
CVB	-	737,162	714,333	127,347	1,621,170
Internet/Fulfillment	-	-	-	-	-
Holiday Decorations	266,297	307,381	252,056	323,640	350,000
Community Ice Rink	66,594	139,420	124,891	-	-
Other Holiday Elements	100,000	100,000	-	215,300	166,600
Parade of Lights	-	-	-	-	-
Visitors Bureau	-	-	-	750,000	-
Economic Development	300,000	300,000	300,000	-	-
Walk of Style	-	-	89,090	140,515	300,000
Arts and Edibles	-	15,264	-	-	-
Millennium Event	14,158	-	-	-	-
Art & Culture	100,000	79,800	-	58,000	-
Total Expenditures	\$ <u>2,635,639</u>	\$ <u>1,714,125</u>	\$ <u>1,810,369</u>	\$ <u>2,193,588</u>	\$ <u>2,437,770</u>
Ending Available	\$ <u>268,158</u>	\$ <u>811,637</u>	\$ <u>1,280,521</u>	\$ <u>1,272,389</u>	\$ <u>1,272,389</u>

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 Fiscal Year 00/01	Actual Fiscal Year 01/02	Actual Fiscal Year 02/03	Budgeted Fiscal Year 03/04	Projected Fiscal Year 03/04	Difference Bud/Pjt Better/ (Worse)	Adopted Fiscal Year 04/05
Projected Revenues:							
Financing To Be Provided	-	-	-	-	-	-	-
Interest Earned	2,069,223	848,575	530,545	750,000	750,000	-	374,323
Recoverable Expenses	-	-	-	-	-	-	-
Transfers In	1,590,011	1,695,642	1,766,075	1,766,075	1,766,075	-	1,766,075
Miscellaneous Revenues	-	-	-	-	-	-	-
FEMA Grant	-	-	-	-	-	-	-
Net from Operations	<u>3,659,234</u>	<u>2,544,217</u>	<u>2,296,620</u>	<u>2,516,075</u>	<u>2,516,075</u>	-	<u>2,140,398</u>
Operating Expenses:							
Depreciation	1,610,084	1,847,214	2,039,809	1,824,747	1,824,747	-	2,095,000
Debt Service Interest/Amortization	1,766,075	1,766,075	1,766,075	1,766,075	1,766,075	-	1,790,822
Miscellaneous	4,000	3,850	4,350	8,640	8,640	-	8,899
Operating Expenses	<u>3,380,159</u>	<u>3,617,139</u>	<u>3,810,234</u>	<u>3,599,462</u>	<u>3,599,462</u>	-	<u>3,894,721</u>
Net from operations	279,075	(1,072,922)	(1,513,614)	(1,083,387)	(1,083,387)	-	(1,754,323)
Plus Beginning Cash	33,232,556	35,065,767	29,458,061	21,445,906	21,445,906	-	7,486,460
Plus Depreciation	1,610,084	1,847,214	2,039,809	1,824,747	1,824,747	-	2,095,000
Cash Available	<u>35,121,715</u>	<u>35,840,059</u>	<u>29,984,256</u>	<u>22,187,266</u>	<u>22,187,266</u>	-	<u>7,827,137</u>
Capital Projects	-	7,753,607	4,135,622	2,410,000	14,700,806	(12,290,806)	490,000
Debt Service Principal	-	-	-	-	-	-	-
Transfers Out	-	2,679,059	452,137	-	-	-	-
Balance Sheet Adj. inc/(dec)	-	4,050,668	(3,950,591)	-	-	-	-
Cash available for OM & CIP	<u>35,065,767</u>	<u>29,458,061</u>	<u>21,445,906</u>	<u>19,777,266</u>	<u>7,486,460</u>	12,290,806	<u>7,337,137</u>
Restricted (Debt Reserve)	3,382,277	3,472,105	3,508,418	3,382,276	3,382,276	-	3,382,276
Restricted (Capital Projects)	35,065,767	29,458,061	21,445,906	19,777,266	7,486,460	(12,290,806)	7,337,137
Unrestricted Cash	-	-	-	-	-	-	-
TOTAL	<u>38,448,045</u>	<u>32,930,166</u>	<u>24,954,324</u>	<u>23,159,542</u>	<u>10,868,736</u>	(12,290,806)	<u>10,719,413</u>

	2004/2005	2005/2006	2006/2007
INFRASTRUCTURE FUND			
Santa Monica Blvd. - Abatement - Funding Source - \$4.4m from State for abatement up to \$2m from MTA for Santa Monica bus lane project and signalization.	-	(2,200,000)	-
INSTALL TRAFFIC SIGNALS 0367	190,000	260,000	260,000
ANNUAL MAINTENANCE 0633	300,000	550,000	550,000
TOTAL CAPITAL IMPROVEMENT FUND	<u>490,000</u>	<u>(1,390,000)</u>	<u>810,000</u>

Infrastructure Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Projected Revenues:						
Financing To Be Provided	-	-	-	-	-	-
Interest Earned	374,323	366,857	453,017	433,486	412,978	2,040,661
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	2,140,398	2,132,932	2,219,092	2,199,561	2,179,053	10,871,036
Operating Expenses:						
Depreciation	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	10,475,000
Debt Service Interest	1,790,822	1,790,822	1,790,822	1,790,822	1,790,822	8,954,110
Miscellaneous	8,899	8,899	8,899	8,899	8,899	44,495
Operating Expenses	3,894,721	3,894,721	3,894,721	3,894,721	3,894,721	19,473,605
Net from operations	(1,754,323)	(1,761,789)	(1,675,629)	(1,695,160)	(1,715,668)	(8,602,569)
Plus Beginning Cash	7,486,460	7,337,137	9,060,348	8,669,720	8,259,560	7,486,460
Plus Depreciation	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	10,475,000
Cash Available	7,827,137	7,670,348	9,479,720	9,069,560	8,638,892	9,358,892
Capital Projects	490,000	(1,390,000)	810,000	810,000	810,000	1,530,000
Debt Service Principal	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Balance Sheet Adj. inc/(dec)	-	-	-	-	-	-
Cash available for OM & CIP	7,337,137	9,060,348	8,669,720	8,259,560	7,828,892	7,828,892
Restricted (Debt Reserve)	3,382,276	3,382,276	3,382,276	3,382,276	3,382,276	3,382,276
Restricted (Capital Projects)	7,337,137	9,060,348	8,669,720	8,259,560	7,828,892	7,828,892
Unrestricted Cash	-	-	-	-	-	-
TOTAL	10,719,413	12,442,624	12,051,996	11,641,836	11,211,168	11,211,168

2007/2008	2008/2009	TOTAL	
			INFRASTRUCTURE FUND
			Santa Monica Blvd. - Abatement - Funding Source - \$4.4m from State for abatement up to \$2m from MTA for Santa Monica bus lane project and signalization.
-	-	(2,200,000)	
260,000	260,000	1,230,000	INSTALL TRAFFIC SIGNALS 0367
550,000	550,000	2,500,000	ANNUAL MAINTENANCE 0633
810,000	810,000	1,530,000	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	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
00/01	01/02	02/03	03/04	03/04	Better/ (Worse)	04/05	
Capital Projects Funds							
Projected Revenues:							
Intergovernmental	887,102	662,250	797,647	627,000	627,000	-	627,000
Interest Earned	468,559	372,470	183,109	257,309	257,309	-	257,309
Transfers In	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-
Net from Operations	1,355,660	1,034,720	980,756	884,309	884,309	-	884,309
Plus Beginning Cash	<u>5,662,321</u>	<u>6,965,396</u>	<u>4,987,025</u>	<u>3,754,178</u>	<u>3,754,178</u>	-	<u>2,620,487</u>
Total Cash Available	<u>7,017,981</u>	<u>8,000,116</u>	<u>5,967,781</u>	<u>4,638,487</u>	<u>4,638,487</u>	-	<u>3,504,796</u>
Projected Capital Expenditures:							
Capital Outlay & Projects	178,093	2,720,507	2,320,413	2,012,000	2,012,000	-	2,550,000
Transfers Out	184,093	350,597	305,461	6,000	6,000	-	6,000
Total Capital Expenditures	362,186	3,071,104	2,625,874	2,018,000	2,018,000	-	2,556,000
Balance Sheet Adj. inc/(dec)	<u>309,601</u>	<u>58,013</u>	<u>412,271</u>	-	-	-	-
Ending Cash Equivalent	<u>6,965,396</u>	<u>4,987,025</u>	<u>3,754,178</u>	<u>2,620,487</u>	<u>2,620,487</u>	-	<u>948,796</u>

	2004/2005	2005/2006	2006/2007
STREETS AND HIGHWAYS STATE GAS TAX FUND 12			
STREET RESURFACING 0195	2,550,000	1,000,000	1,000,000
PAVEMENT MASTER PLAN 0554	-	25,000	-
TOTAL STREETS AND HIGHWAYS STATE GAS TAX FUND	<u>2,550,000</u>	<u>1,025,000</u>	<u>1,000,000</u>

Streets and Highways State Gas Tax Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Capital Projects Funds						
Projected Revenues:						
Intergovernmental	627,000	645,810	665,184	685,140	705,694	3,328,828
Interest Earned	257,309	47,440	30,552	15,039	10,998	361,338
Transfers In	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-
Net from Operations	884,309	693,250	695,737	700,179	716,692	3,690,166
Plus Beginning Cash	<u>2,620,487</u>	<u>948,796</u>	<u>611,046</u>	<u>300,783</u>	<u>219,962</u>	<u>2,620,487</u>
Total Cash Available	<u><u>3,504,796</u></u>	<u><u>1,642,046</u></u>	<u><u>1,306,783</u></u>	<u><u>1,000,962</u></u>	<u><u>936,654</u></u>	<u><u>6,310,654</u></u>
Projected Capital Expenditures:						
Capital Outlay & Projects	2,550,000	1,025,000	1,000,000	775,000	750,000	6,100,000
Transfers Out	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>30,000</u>
Total Capital Expenditures	2,556,000	1,031,000	1,006,000	781,000	756,000	6,130,000
Balance Sheet Adj. inc/(dec)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Cash Equivalent	<u><u>948,796</u></u>	<u><u>611,046</u></u>	<u><u>300,783</u></u>	<u><u>219,962</u></u>	<u><u>180,654</u></u>	<u><u>180,654</u></u>

2007/2008	2008/2009	TOTAL	
750,000	750,000	6,050,000	STREETS AND HIGHWAYS STATE GAS TAX FUND 12
25,000	-	50,000	STREET RESURFACING 0195
<u>775,000</u>	<u>750,000</u>	<u>6,100,000</u>	PAVEMENT MASTER PLAN 0554
			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				
	00/01	01/02	02/03	03/04	03/04	Better/ (Worse)	04/05
Capital Projects Funds							
Projected Revenues:							
Construction Tax	2,500,897	1,618,541	1,781,598	1,344,629	3,278,591	1,933,962	1,344,629
LA County Bond Grant Fund	-	-	-	-	375,004	375,004	-
Interest Earned	684,231	523,567	299,246	281,246	49,614	(231,632)	281,246
T-Lot Loan Interest Repay	-	-	-	-	-	-	-
Transfers In	-	-	20,000	-	-	-	-
Miscellaneous Revenues	11,000	25,000	17,500	-	-	-	-
Net from operations	3,196,128	2,167,109	2,118,344	1,625,875	3,703,209	2,077,334	1,625,875
Plus Beginning Cash	8,642,557	10,301,386	8,247,501	7,825,243	7,825,243	-	9,376,953
T-Lot Loan Principal Repay	-	-	-	-	-	-	-
Total Cash Available	11,838,685	12,468,494	10,365,845	9,451,118	11,528,452	2,077,334	11,002,828
Projected Capital Expenditures:							
Capital Outlay & Projects	1,434,623	-	-	2,151,499	2,151,499	-	745,000
Loan to Parking Ent - T-lot	-	-	-	-	-	-	7,000,000
Transfers Out	-	3,802,982	1,496,968	-	-	-	-
Total Capital Expenditures	1,434,623	3,802,982	1,496,968	2,151,499	2,151,499	-	7,745,000
Balance Sheet Adj. inc/(dec)	(102,676)	(418,012)	(1,043,634)	-	-	-	-
Ending Cash Equivalent	10,301,386	8,247,501	7,825,243	7,299,619	9,376,953	2,077,334	3,257,828

	2004/2005	2005/2006	2006/2007
PARKS AND RECREATION FACILITIES TAX FUND 16			
GREYSTONE INTERIOR PROJECT 0442	60,000	-	-
REPLACE STREET TREES 0089	675,000	-	-
TENNIS COURTS AND SITE ENHANCEMENTS 0483	10,000	10,000	65,000
TOTAL PARKS & RECREATION FACILITIES TAX FUND	745,000	10,000	65,000

Parks and Recreation Facilities Tax Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Capital Projects Funds						
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	162,891	239,784	319,849	445,151	1,448,922
T-Lot Loan Interest Repay	-	-	-	500,227	486,628	986,855
Transfers In	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-
Net from operations	1,625,875	1,547,859	1,666,301	2,289,389	2,445,171	9,574,595
Plus Beginning Cash	9,376,953	3,257,828	4,795,688	6,396,989	8,903,018	9,376,953
T-Lot Loan Principal Repay	-	-	-	226,641	240,239	466,880
Cash Available	<u>11,002,828</u>	<u>4,805,688</u>	<u>6,461,989</u>	<u>8,913,018</u>	<u>11,588,428</u>	<u>19,418,428</u>
Projected Capital Expenditures:						
Capital Outlay & Projects	745,000	10,000	65,000	10,000	75,000	905,000
Loan to Parking Ent - T-lot	7,000,000	-	-	-	-	7,000,000
Transfers Out	-	-	-	-	-	-
Total Capital Expenditures	<u>7,745,000</u>	<u>10,000</u>	<u>65,000</u>	<u>10,000</u>	<u>75,000</u>	<u>7,905,000</u>
Balance Sheet Adj. inc/(dec)	-	-	-	-	-	-
Ending Cash Equivalent	<u>3,257,828</u>	<u>4,795,688</u>	<u>6,396,989</u>	<u>8,903,018</u>	<u>11,513,428</u>	<u>11,513,428</u>

2007/2008	2008/2009	TOTAL	
-	-	60,000	PARKS AND RECREATION FACILITIES TAX FUND 16
-	-	675,000	GREYSTONE INTERIOR PROJECT 0442
10,000	75,000	170,000	REPLACE STREET TREES 0089
<u>10,000</u>	<u>75,000</u>	<u>905,000</u>	TENNIS COURTS AND SITE ENHANCEMENTS 0483
<u>10,000</u>	<u>75,000</u>	<u>905,000</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				
00/01	01/02	02/03	03/04	03/04	(Worse)	04/05	
Revenues:							
Grant Receipts	227,803	243,941	271,184	362,986	362,986	-	362,986
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	<u>227,803</u>	<u>243,941</u>	<u>271,184</u>	<u>362,986</u>	<u>362,986</u>	<u>-</u>	<u>362,986</u>
Operating Expenses:							
Personnel services	6,787	9,595	21,236	13,700	13,700	-	14,694
Materials and supplies	787	1,286	1,194	3,203	3,203	-	3,299
Contractual services	218,002	229,962	248,753	267,074	267,074	-	275,086
Internal services	2,228	3,152	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-	-	-
Operating Expenses	<u>227,804</u>	<u>243,995</u>	<u>271,184</u>	<u>283,977</u>	<u>283,977</u>	<u>-</u>	<u>293,079</u>
Net from operations	(1)	(54)	-	79,009	79,009	-	69,907
Plus Beginning Cash	-	-	-	-	-	-	79,009
Cash Available	(1)	(54)	-	79,009	79,009	-	148,916
General ledger adjustment	1	54	-	-	-	-	-
Ending Cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,009</u>	<u>79,009</u>	<u>-</u>	<u>148,916</u>

Special Revenue Funds (continued)

PROPOSITION A TRANSPORTATION FUNDS

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 03/04	Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Fiscal Year 04/05
Revenues:							
Transportation Grants	458,468	483,523	511,831	537,284	537,284	-	537,284
Interest	81,653	75,442	58,705	35,077	35,077	-	35,077
Purchased PALTA Funds	-	-	-	-	-	-	-
User Charges	88,744	62,676	62,774	78,000	78,000	-	78,000
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	628,865	621,641	633,310	650,361	650,361	-	650,361
Operating Expenses:							
Contractual services	347,110	317,541	520,070	728,519	728,519	-	813,700
Operating Expenses	347,110	317,541	520,070	728,519	728,519	-	813,700
Net from operations	281,755	304,101	113,240	(78,158)	(78,158) ▲	-	(163,339)
Plus Beginning Cash	941,640	1,231,552	1,517,537	1,646,179	1,646,179 ▲	-	1,568,021
Cash Available	1,223,395	1,535,652	1,630,777	1,568,021	1,568,021	-	1,404,682
General ledger adjustment	8,156	(18,115)	15,402	-	-	-	-
Ending Cash	1,231,552	1,517,537	1,646,179	1,568,021	1,568,021 ▲	-	1,404,682

Special Revenue Funds (continued)

PROPOSITION C TRANSPORTATION FUNDS

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 03/04	Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Fiscal Year 04/05
Revenues:							
Transportation Grants	403,256	335,936	380,200	395,295	395,295	-	395,295
Interest	33,744	34,341	25,057	15,852	15,852	-	15,852
User Charges	16,532	17,280	16,376	23,000	23,000	-	23,000
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	453,532	297,681	297,681	434,147	434,147	-	434,147
Operating Expenses:							
Contractual services	262,445	262,445	376,157	408,807	408,807	-	459,531
Operating Expenses	262,445	262,445	376,157	408,807	408,807	-	459,531
Net from operations	191,087	35,235	(78,476)	25,340	25,340	✔ -	(25,384)
Plus Beginning Cash	375,014	563,142	649,317	694,045	694,045	✔ -	719,385
Cash Available	566,101	598,378	570,841	719,385	719,385	-	694,001
General ledger adjustment	(2,959)	50,940	123,204	-	-	-	-
Ending Cash	563,142	649,317	694,045	719,385	719,385	✔ -	694,001

Special Revenue Funds (continued)

IN-LIEU PARKING FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
	00/01	01/02	02/03	03/04	03/04	(Worse)	04/05
Revenues:							
Parking In-Lieu Tax	245,365	239,101	578,477	675,000	675,000	-	675,000
Interest	271,972	222,541	175,987	94,747	94,747	-	94,747
Miscellaneous	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	<u>517,337</u>	<u>461,642</u>	<u>754,464</u>	<u>769,747</u>	<u>769,747</u>	-	<u>769,747</u>
Operating Expenses:							
Transfers Out	-	-	5,183,807	-	-	-	1,000,000
Operating Expenses	<u>-</u>	<u>-</u>	<u>5,183,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net from operations	517,337	461,642	(4,429,343)	769,747	769,747	-	(230,253)
Plus Beginning Cash	<u>3,408,234</u>	<u>3,927,837</u>	<u>4,398,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>769,747</u>
Cash Available	3,925,571	4,389,478	(30,659)	769,747	769,747	-	539,494
General ledger adjustment	<u>2,266</u>	<u>9,206</u>	<u>30,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Cash	<u>3,927,837</u>	<u>4,398,685</u>	<u>-</u>	<u>769,747</u>	<u>769,747</u>	<u>-</u>	<u>539,494</u>

Special Revenue Funds (continued)

FINE ARTS FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 03/04	Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Fiscal Year 04/05
Revenues:							
Fine Arts In-Lieu Tax	36,000	86,795	142,800	50,000	50,000	-	50,000
Interest	34,706	30,190	20,004	5,000	5,000	-	5,000
Fine Arts In-Lieu Deposits	-	-	-	-	-	-	-
Donations	82,500	-	-	-	-	-	-
Total Revenues	153,206	116,985	162,804	55,000	55,000	-	55,000
Fine Arts Purchases	82,500	220,083	11,363	100,000	245,000	(145,000)	100,000
Total Purchases	165,000	165,000	165,000	100,000	245,000	(145,000)	100,000
Net from operations	(11,794)	(48,015)	(2,196)	(45,000)	(190,000) 	(145,000)	(45,000)
Plus Beginning Cash	385,797	378,023	472,216	623,250	623,250 	-	433,250
Cash Available	374,003	330,008	470,020	578,250	433,250	(145,000)	388,250
General ledger adjustment	4,020	142,208	153,230	-	-	-	-
Ending Cash	378,023	472,216	623,250	578,250	433,250 	(145,000)	388,250

Special Revenue Funds (continued)

LAW ENFORCEMENT GRANT

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 03/04	Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Fiscal Year 04/05
Revenues:							
Intergovernmental	259,212	211,225	182,721	201,437	201,437	-	201,437
Interest	24,509	20,853	12,350	20,000	20,000	-	20,000
Miscellaneous	-	-	-	-	-	-	-
Transfers In	5,583	4,840	3,644	-	-	-	-
Total Revenues	289,305	236,918	198,716	221,437	221,437	-	221,437
Operating Expenses:							
Personnel services	64,795	80,751	103,699	97,155	97,155	-	103,672
Materials and supplies	9,029	112,260	-	-	-	-	-
Contractual services	-	-	17,851	87,194	87,194	-	89,809
Capital Outlay	80,836	26,970	-	-	-	-	-
Internal services	-	7,165	10,704	12,365	12,365	-	12,245
Miscellaneous	1,613	4,945	528	-	-	-	-
Transfers Out	79,481	25,934	76,554	-	-	-	-
Operating Expenses	235,753	258,025	209,337	196,714	196,714	-	205,726
Net from operations	53,551	(21,107)	(10,621)	24,723	24,723	-	15,711
Plus Beginning Cash	323,149	384,486	344,331	337,264	337,264	-	361,987
Cash Available	376,700	363,379	333,710	361,987	361,987	-	377,698
General ledger adjustment	7,786	(19,048)	3,555	-	-	-	-
Ending Cash	384,486	344,331	337,264	361,987	361,987	-	377,698



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 local ground water (through a desalination plant which became operational in FY 02/03) 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



STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Water Enterprise	25	25	-

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Water Enterprise	-	-	-

Initiatives for 2004/2005

- Design and construct emergency connection with LADWP in pressure zone 9.
- Begin seismic upgrades of the reservoirs.

Water Enterprise Fund

	Historical			Current Trend			
	Actual	Actual	Actual	Budget	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year			Fiscal Year	
	00/01	01/02	02/03	03/04	03/04	Better/ (Worse)	Fiscal Year
04/05							
Projected Revenues:							
Service Charges	14,946,231	15,074,379	15,222,455	16,115,281	16,307,705	192,424	16,115,281
Interest Earnings	2,316,899	1,703,856	1,125,541	1,435,681	454,519	(981,162)	1,282,909
Lease of Property	46,025	47,860	48,907	48,740	50,021	1,281	48,740
Rent - New Facility	-	-	45,563	745,578	513,740	(231,838)	745,578
Miscellaneous	110,357	53,464	152,282	27,058	307,074	280,016	27,058
Operating Revenues	<u>17,419,512</u>	<u>16,879,559</u>	<u>16,594,748</u>	<u>18,372,338</u>	<u>17,633,060</u>	<u>(739,278)</u>	<u>18,219,566</u>
Projected Expenses:							
Personnel Services	1,714,238	1,802,461	1,865,440	2,014,252	2,261,059	(246,807)	2,077,374
Materials and Supplies	261,505	227,064	211,227	696,363	512,044	184,319	408,254
Rent - New Facility	-	-	-	943,770	943,770	-	943,770
Contractual Services	145,145	210,426	185,409	814,545	593,104	221,441	838,413
Purchased Water	6,560,760	6,333,763	6,416,812	7,431,499	7,632,132	(200,633)	7,963,444
Internal Services	2,216,454	2,373,724	3,317,726	2,534,416	2,534,416	-	2,542,304
Depreciation/Amrtzn	1,373,341	1,562,840	1,764,685	1,819,882	1,819,882	-	3,054,413
Debt Service Interest	904,207	846,032	759,116	721,968	721,968	-	693,757
Other Misc.	44,363	78,808	94,596	58,515	58,515	-	84,526
Operating Expense	<u>13,220,012</u>	<u>13,435,117</u>	<u>14,615,011</u>	<u>17,035,210</u>	<u>17,076,891</u>	<u>(41,681)</u>	<u>18,606,255</u>
Net from Operations	4,199,500	3,444,442	1,979,737	1,337,128	556,169	(780,959)	(386,689)
Plus Capital & Unrestricted	27,587,324	28,096,046	27,820,466	27,040,828	27,040,828	-	25,958,189
Plus Bond or Other Financing	-	-	-	-	-	-	-
Plus Depreciation	<u>1,373,341</u>	<u>1,562,840</u>	<u>1,764,685</u>	<u>1,819,882</u>	<u>1,819,882</u>	<u>-</u>	<u>3,054,413</u>
Cash Available	33,160,165	33,103,327	31,564,888	30,197,838	29,416,879	(780,959)	28,625,913
Capital Projects	3,873,172	6,400,226	4,313,931	1,975,000	1,975,000	-	6,975,000
Capital - New Facility	-	-	-	-	-	-	-
Capital Hyperion - Brine	-	-	-	650,000	650,000	-	-
Debt Service Principal	1,003,612	1,070,389	833,690	833,690	833,690	-	638,106
General Ledger Adjustment	<u>(187,335)</u>	<u>2,187,753</u>	<u>623,561</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash available for OM & CIP	<u>28,096,046</u>	<u>27,820,466</u>	<u>27,040,828</u>	<u>26,739,148</u>	<u>25,958,189</u>	<u>(780,959)</u>	<u>21,012,807</u>
Restricted (Debt Reserve)	1,526,114	1,547,978	1,028,640	-	-	-	-
Restricted (Capital Projects)	-	-	-	-	-	-	-
Unrestricted Cash	<u>28,096,046</u>	<u>27,820,466</u>	<u>27,040,828</u>	<u>26,739,148</u>	<u>25,958,189</u>	<u>(780,959)</u>	<u>21,012,807</u>
Total Cash on hand:	<u>29,622,160</u>	<u>29,368,444</u>	<u>28,069,468</u>	<u>26,739,148</u>	<u>25,958,189</u>	<u>(780,959)</u>	<u>21,012,807</u>

Water Enterprise Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Projected Revenues:						
Service Charges	16,115,281	16,115,281	16,115,281	16,115,281	16,115,281	80,576,405
Interest Earnings	1,282,909	1,050,640	676,086	550,819	401,934	3,962,387
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>18,219,566</u>	<u>17,987,297</u>	<u>17,612,743</u>	<u>17,487,476</u>	<u>17,338,591</u>	<u>88,645,672</u>
Projected Expenses:						
Personnel Services	2,077,374	2,139,695	2,203,886	2,270,003	2,338,103	11,029,061
Materials and Supplies	408,254	420,502	433,117	446,110	459,493	2,167,476
Rent - New Facility	943,770	943,770	943,770	943,770	943,770	4,718,850
Contractual Services	838,413	863,565	889,472	916,157	943,641	4,451,248
Purchased Water	7,963,444	8,202,347	8,448,418	8,701,870	8,962,926	42,279,006
Internal Services	2,542,304	2,618,573	2,697,130	2,778,044	2,861,386	13,497,437
Depreciation/Amrtzn	3,054,413	3,054,413	3,054,413	3,054,413	3,054,413	15,272,065
Debt Service Interest	693,757	668,233	641,847	613,517	587,343	3,204,697
Other Misc.	84,526	87,062	89,674	92,364	95,135	448,760
Operating Expense	<u>18,606,255</u>	<u>18,998,160</u>	<u>19,401,727</u>	<u>19,816,248</u>	<u>20,246,210</u>	<u>97,068,600</u>
Net from Operations	(386,689)	(1,010,863)	(1,788,984)	(2,328,772)	(2,907,620)	(8,422,928)
Plus Capital & Unrestricted	25,958,189	21,012,807	13,521,711	11,016,376	8,038,671	25,958,189
Plus Bond or Other Financing	-	-	-	-	-	-
Plus Depreciation	<u>3,054,413</u>	<u>3,054,413</u>	<u>3,054,413</u>	<u>3,054,413</u>	<u>3,054,413</u>	<u>15,272,065</u>
Cash Available	28,625,913	23,056,357	14,787,140	11,742,017	8,185,464	32,807,326
Capital Projects	6,975,000	8,875,000	3,075,000	3,075,000	3,075,000	25,075,000
Capital - New Facility	-	-	-	-	-	-
Capital Hyperion - Brine	-	-	-	-	-	-
Debt Service Principal	638,106	659,646	695,764	628,346	639,626	3,261,488
General Ledger Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash available for OM & CIP	<u>21,012,807</u>	<u>13,521,711</u>	<u>11,016,376</u>	<u>8,038,671</u>	<u>4,470,838</u>	<u>4,470,838</u>
Restricted (Debt Reserve)	-	-	-	-	-	-
Restricted (Capital Projects)	-	-	-	-	-	-
Unrestricted Cash	<u>21,012,807</u>	<u>13,521,711</u>	<u>11,016,376</u>	<u>8,038,671</u>	<u>4,470,838</u>	<u>4,470,838</u>
Total Cash on hand:	<u>21,012,807</u>	<u>13,521,711</u>	<u>11,016,376</u>	<u>8,038,671</u>	<u>4,470,838</u>	<u>4,470,838</u>

Water Enterprise Fund

Capital Projects

	2004/2005	2005/2006	2006/2007
WATER ENTERPRISE FUND 80			
REPLACE WATER MAINS AND HYDRANTS 0387	2,300,000	2,300,000	2,300,000
REPLACE COLDWATER CANON RESERVOIR 0576	3,000,000	5,300,000	-
ANNUAL MAINTENANCE 0633	275,000	275,000	275,000
RESERVOIR MAINTENANCE 0796	<u>1,400,000</u>	<u>1,000,000</u>	<u>500,000</u>
TOTAL WATER ENTERPRISE FUND	<u><u>6,975,000</u></u>	<u><u>8,875,000</u></u>	<u><u>3,075,000</u></u>

Debt Service Coverage

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Total Debt Service	1,331,863	1,327,879	1,337,611	1,241,863	1,226,969	6,466,185
Rate Covenant	125.00%	125.00%	125.00%	125.00%	125.00%	125.00%
Rvnu Required for DS Cover	1,664,829	1,659,849	1,672,014	1,552,329	1,533,711	8,082,731
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	2,664,829	2,659,849	2,672,014	2,552,329	2,533,711	13,082,731
Rvnu Available for Coverage	3,361,481	2,711,783	1,907,276	1,339,158	734,136	10,053,834
Calculated Coverage	126.14%	101.95%	71.38%	52.47%	28.97%	76.85%
Additional Revenue Required	NONE	NONE	(764,738)	(1,213,171)	(1,799,575)	(3,028,897)
Rate Increase Required	NONE	NONE	4.75%	7.53%	11.17%	3.76%

Water Enterprise Fund

2007/2008	2008/2009	TOTAL	
			WATER ENTERPRISE FUND 80
2,300,000	2,300,000	11,500,000	REPLACE WATER MAINS AND HYDRANTS 0387
-	-	8,300,000	REPLACE COLDWATER CANON RESERVOIR 0576
275,000	275,000	1,375,000	ANNUAL MAINTENANCE 0633
<u>500,000</u>	<u>500,000</u>	<u>3,900,000</u>	RESERVOIR MAINTENANCE 0796
<u><u>3,075,000</u></u>	<u><u>3,075,000</u></u>	<u><u>25,075,000</u></u>	TOTAL WATER ENTERPRISE FUND



City of Beverly Hills

WASTEWATER ENTERPRISE FUND

Administered by
Public Works

Wastewater Enterprise
Shana Epstein

STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Wastewater Enterprise	10	10	-

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Wastewater Enterprise	-	-	-

Initiatives for 2004/2005

- Miscellaneous projects to line the sanitary sewer, rehabilitate manholes, etc.

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
	00/01	01/02	02/03	03/04	03/04	(04/05
Projected Revenues:							
Service Charges							
Wastewater Sales	5,072,648	5,429,329	5,428,102	6,142,314	5,950,357	(191,957)	6,236,282
Interest Earnings	516,565	355,084	236,100	334,729	125,860	(208,869)	903,047
Miscellaneous	1,003,526	1,101,700	1,100,000	568,318	1,100,004	531,686	950,000
Operating Revenues	<u>6,592,740</u>	<u>6,886,113</u>	<u>6,764,201</u>	<u>7,045,361</u>	<u>7,176,221</u>	<u>130,860</u>	<u>8,089,329</u>
Projected Expenses:							
Personnel Services	547,703	510,120	524,881	637,148	510,802	126,346	677,056
Materials and Supplies	23,528	36,625	37,267	44,147	42,503	1,644	45,472
Rent - New Facility	-	-	5,767	94,377	94,377	-	94,377
Contractual Services							
BH Operations	91,168	99,177	129,751	300,692	109,361	191,331	309,713
Disposal Operations	2,834,704	1,466,307	1,169,897	1,340,000	1,323,813	16,187	1,380,200
Internal Services	565,803	627,512	606,276	668,296	668,296	-	644,002
Depreciation/Amrtztn	768,182	911,195	967,822	953,263	953,263	-	1,103,263
Debt Service Interest	1,082,934	1,039,621	994,209	960,521	960,521	-	930,721
Other Misc.	-	33,322	-	10,000	10,000	-	15,000
Operating Expense	<u>5,914,021</u>	<u>4,723,880</u>	<u>4,435,871</u>	<u>5,008,444</u>	<u>4,672,935</u>	<u>335,509</u>	<u>5,199,804</u>
Net from Operations	678,719	2,162,233	2,328,331	2,036,917	2,503,286	466,369	2,889,525
Plus Capital & Unrestricted	6,353,385	6,679,374	10,053,086	6,142,638	6,142,638	-	6,014,186
Plus Bond or Other Financing	-	-	-	-	-	-	-
Plus Depreciation	<u>768,182</u>	<u>911,195</u>	<u>967,822</u>	<u>953,263</u>	<u>953,263</u>	-	<u>1,103,263</u>
Cash Available	7,800,285	9,752,802	13,349,239	9,132,818	9,599,186	466,369	10,006,974
Capital Projects	1,555,317	666,375	13,732	300,000	300,000	-	1,150,000
Capital - Hyperion	-	-	-	2,540,000	2,540,000	-	1,890,000
Debt Service Principal	615,000	660,000	700,000	745,000	745,000	-	775,000
General Ledger Adjustment	<u>1,049,406</u>	<u>1,626,659</u>	<u>(6,492,869)</u>	-	-	-	-
Cash available for OM & CIP	<u>6,679,374</u>	<u>10,053,086</u>	<u>6,142,638</u>	<u>5,547,818</u>	<u>6,014,186</u>	<u>466,369</u>	<u>6,191,974</u>
Restricted (Debt Reserve)	1,705,721	1,705,721	1,733,564	1,705,721	1,705,721	-	1,705,721
Restricted (Capital Projects)	4,731,187	4,691,770	-	-	-	-	-
Unrestricted Cash	<u>1,948,186</u>	<u>5,361,316</u>	<u>6,142,638</u>	<u>5,547,818</u>	<u>6,014,186</u>	<u>466,369</u>	<u>6,191,974</u>
Total Cash on hand:	<u>8,385,095</u>	<u>11,758,807</u>	<u>7,876,202</u>	<u>7,253,539</u>	<u>7,719,907</u>	<u>466,369</u>	<u>7,897,695</u>

Wastewater Enterprise Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Projected Revenues:						
Service Charges						
Wastewater Sales	6,236,282	6,236,282	6,236,282	6,236,282	6,236,282	31,181,410
Interest Earnings	903,047	309,599	282,858	250,422	212,015	1,957,941
Miscellaneous	950,000	535,387	503,473	471,080	442,518	2,902,458
Operating Revenues	<u>8,089,329</u>	<u>7,081,268</u>	<u>7,022,613</u>	<u>6,957,784</u>	<u>6,890,815</u>	<u>36,041,809</u>
Projected Expenses:						
Personnel Services	677,056	697,368	718,289	739,837	762,032	3,594,582
Materials and Supplies	45,472	46,836	48,241	49,688	51,179	241,417
Rent - New Facility	94,377	94,377	94,377	94,377	94,377	471,885
Contractual Services						
BH Operations	309,713	319,004	328,575	338,432	348,585	1,644,308
Disposal Operations	1,380,200	1,040,000	1,040,000	1,040,000	1,040,000	5,540,200
Internal Services	644,002	663,322	683,222	703,718	724,830	3,419,094
Depreciation/Amrtztn	1,103,263	1,136,361	1,170,452	1,205,565	1,241,732	5,857,373
Debt Service Interest	930,721	899,721	867,721	833,486	796,946	4,328,595
Other Misc.	15,000	15,450	15,914	16,391	16,883	79,637
Operating Expense	<u>5,199,804</u>	<u>4,912,439</u>	<u>4,966,789</u>	<u>5,021,495</u>	<u>5,076,564</u>	<u>25,177,092</u>
Net from Operations	2,889,525	2,168,829	2,055,824	1,936,289	1,814,251	10,864,717
Plus Capital & Unrestricted	6,014,186	6,191,974	5,657,164	5,008,439	4,240,293	6,014,186
Plus Bond or Other Financing	-	-	-	-	-	-
Plus Depreciation	<u>1,103,263</u>	<u>1,136,361</u>	<u>1,170,452</u>	<u>1,205,565</u>	<u>1,241,732</u>	<u>5,857,373</u>
Cash Available	10,006,974	9,497,164	8,883,439	8,150,293	7,296,276	22,736,276
Capital Projects	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	5,750,000
Capital - Hyperion	1,890,000	1,890,000	1,890,000	1,890,000	1,890,000	9,450,000
Debt Service Principal	775,000	800,000	835,000	870,000	905,000	4,185,000
General Ledger Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash available for OM & CIP	<u>6,191,974</u>	<u>5,657,164</u>	<u>5,008,439</u>	<u>4,240,293</u>	<u>3,351,276</u>	<u>3,351,276</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)	-	-	-	-	-	-
Unrestricted Cash	<u>6,191,974</u>	<u>5,657,164</u>	<u>5,008,439</u>	<u>4,240,293</u>	<u>3,351,276</u>	<u>3,351,276</u>
Total Cash on hand:	<u><u>7,897,695</u></u>	<u><u>7,362,885</u></u>	<u><u>6,714,160</u></u>	<u><u>5,946,014</u></u>	<u><u>5,056,997</u></u>	<u><u>5,056,997</u></u>

Wastewater Enterprise Fund

Capital Projects

	2004/2005	2005/2006	2006/2007
WASTEWATER ENTERPRISE FUND 84			
REPAIRS TO SEWER SYSTEM 0066	1,150,000	1,150,000	1,150,000
CAPITAL - HYPERION	<u>1,890,000</u>	<u>1,890,000</u>	<u>1,890,000</u>
TOTAL WASTEWATER ENTERPRISE FUND	<u><u>3,040,000</u></u>	<u><u>3,040,000</u></u>	<u><u>3,040,000</u></u>

Debt Service Coverage

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Total Debt Service	1,705,721	1,699,721	1,702,721	1,703,486	1,701,946	8,513,595
Rate Covenant	125.00%	125.00%	125.00%	125.00%	125.00%	125.00%
Rvnu Required for DS Cover	2,132,151	2,124,651	2,128,401	2,129,358	2,127,433	10,641,994
Rvnu Required for Hyperion	1,890,000	1,890,000	1,890,000	1,890,000	1,890,000	9,450,000
Total Revenue Requirement	4,022,151	4,014,651	4,018,401	4,019,358	4,017,433	20,091,994
Rvnu Available for Coverage	4,923,509	4,204,910	4,093,996	3,975,340	3,852,929	21,050,685
Calculated Coverage	122.41%	104.74%	101.88%	98.90%	95.91%	104.77%
Additional Revenue Required	NONE	NONE	NONE	(44,017)	(164,504)	NONE
Rate Increase Required	NONE	NONE	NONE	0.71%	2.64%	NONE

Wastewater Enterprise Fund

2007/2008	2008/2009	TOTAL	
			WASTEWATER ENTERPRISE FUND 84
1,150,000	1,150,000	5,750,000	REPAIRS TO SEWER SYSTEM 0066
<u>1,890,000</u>	<u>1,890,000</u>	<u>9,450,000</u>	CAPITAL - HYPERION
 <u><u>3,040,000</u></u>	 <u><u>3,040,000</u></u>	 <u><u>15,200,000</u></u>	TOTAL WASTEWATER ENTERPRISE FUND



City of Beverly Hills

SOLID WASTE ENTERPRISE FUND

Administered by
Public Works

Solid Waste Enterprise
Shana Epstein

STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Solid Waste Enterprise	29	22	(7)

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Solid Waste Enterprise	-	-	-

Initiatives for 2004/2005

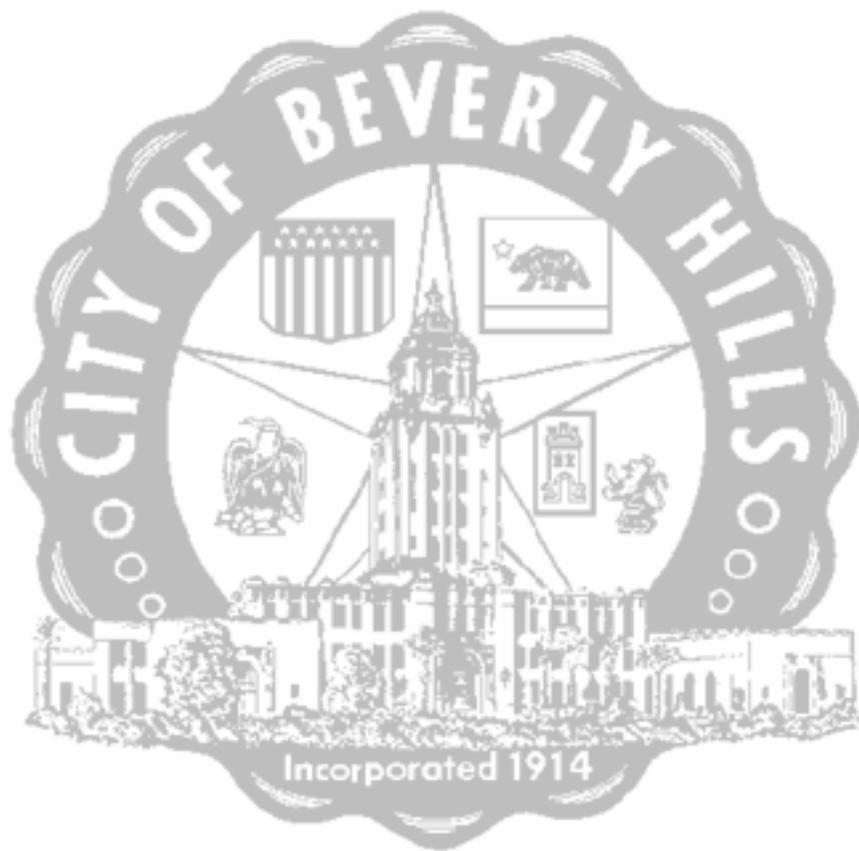
- Close transfer station.
- Increase diversion by evaluating type of disposal and methods of collection.
- Purchase new refuse, recycling and green waste receptacles for additional volume and to replace existing receptacles.

Solid Waste Enterprise Fund

	Current Trend						
						Difference	
	Actual Fiscal Year 00/01	Actual Fiscal Year 01/02	Actual Fiscal Year 02/03	Budget Fiscal Year 03/04	Projected Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Adopted Fiscal Year 04/05
Projected Revenues:							
Service Charges							
Comm Refuse Collection	605,075	3,399,752	4,468,753	3,774,233	5,073,251	1,299,018	4,057,233
Residential Recycling	4,808,032	4,743,793	4,742,879	5,251,076	4,995,300	(255,776)	5,644,956
Transfers In	-	-	-	-	-	-	-
Interest	242,489	202,654	145,305	155,122	63,827	(91,295)	155,122
Miscellaneous	77,956	68,813	72,592	174,787	107,180	(67,607)	174,787
Operating Revenues	<u>5,733,551</u>	<u>8,415,012</u>	<u>9,429,530</u>	<u>9,355,218</u>	<u>10,239,559</u>	<u>884,341</u>	<u>10,032,098</u>
Projected Expenses:							
Personnel Services	1,469,992	1,664,862	1,781,941	2,072,288	1,834,544	237,744	1,779,931
Materials and Supplies	34,303	35,543	366,179	117,006	280,456	(163,450)	120,516
Rent - New Facility	-	-	11,535	188,754	188,754	-	188,754
Contractual Services							
BH Operations	264,593	500,195	422,262	441,033	457,619	(16,586)	437,628
Disposal Operations	831,179	3,921,355	4,149,801	4,683,699	4,646,321	37,378	4,824,210
Internal Services	1,800,909	2,121,048	2,355,970	2,482,978	2,482,978	-	2,319,503
Depreciation/Amrtztn	8,861	8,861	8,861	7,500	7,500	-	2,500
Debt Service Interest	-	-	-	-	-	-	-
Other Misc.	51,587	133,000	-	100,000	100,000	-	90,000
Operating Expense	<u>4,461,424</u>	<u>8,384,864</u>	<u>9,096,548</u>	<u>10,093,258</u>	<u>9,998,171</u>	<u>95,087</u>	<u>9,763,042</u>
Net from Operations	1,272,127	30,148	332,981	(738,040)	241,389	979,429	269,056
Plus Beginning Cash	2,429,668	3,698,587	3,564,955	3,911,524	3,911,524	-	4,160,412
Plus Depreciation	8,861	8,861	8,861	7,500	7,500	-	2,500
Cash Available	3,710,656	3,737,596	3,906,797	3,180,984	4,160,412	979,429	4,431,968
Capital Projects	-	-	-	250,000	-	250,000	257,500
General Ledger Adjustment	(12,069)	(172,641)	4,726	-	-	-	-
Ending Cash	<u>3,698,587</u>	<u>3,564,955</u>	<u>3,911,524</u>	<u>2,930,984</u>	<u>4,160,412</u>	<u>1,229,429</u>	<u>4,174,468</u>

Solid Waste Enterprise Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Projected Revenues:						
Service Charges						
Comm Refuse Collection	4,057,233	4,057,233	4,057,233	4,057,233	4,057,233	20,286,165
Residential Recycling	5,644,956	5,644,956	5,644,956	5,644,956	5,644,956	28,224,780
Transfers In	-	-	-	-	-	-
Interest	155,122	208,723	198,124	172,205	129,759	863,934
Miscellaneous	<u>174,787</u>	<u>174,787</u>	<u>174,787</u>	<u>174,787</u>	<u>174,787</u>	<u>873,935</u>
Operating Revenues	<u>10,032,098</u>	<u>10,085,699</u>	<u>10,075,100</u>	<u>10,049,181</u>	<u>10,006,735</u>	<u>50,248,814</u>
Projected Expenses:						
Personnel Services	1,779,931	1,833,329	1,888,329	1,944,979	2,003,328	9,449,895
Materials and Supplies	120,516	124,131	127,855	131,691	135,642	639,836
Rent - New Facility	188,754	188,754	188,754	188,754	188,754	943,770
Contractual Services						
BH Operations	437,628	450,757	464,280	478,208	492,554	2,323,426
Disposal Operations	4,824,210	4,968,936	5,118,004	5,271,545	5,429,691	25,612,386
Internal Services	2,319,503	2,389,088	2,460,761	2,534,584	2,610,621	12,314,556
Depreciation/Amrtztn	2,500	2,575	2,652	2,732	2,814	13,273
Debt Service Interest	-	-	-	-	-	-
Other Misc.	<u>90,000</u>	<u>92,700</u>	<u>95,481</u>	<u>98,345</u>	<u>101,296</u>	<u>477,822</u>
Operating Expense	<u>9,763,042</u>	<u>10,050,271</u>	<u>10,346,116</u>	<u>10,650,837</u>	<u>10,964,699</u>	<u>51,774,965</u>
Net from Operations	269,056	35,429	(271,017)	(601,656)	(957,964)	(1,526,152)
Plus Beginning Cash	4,160,412	4,174,468	3,962,472	3,444,108	2,595,184	4,160,412
Plus Depreciation	<u>2,500</u>	<u>2,575</u>	<u>2,652</u>	<u>2,732</u>	<u>2,814</u>	<u>13,273</u>
Cash Available	4,431,968	4,212,472	3,694,108	2,845,184	1,640,034	2,647,534
Capital Projects	257,500	250,000	250,000	250,000	250,000	1,257,500
General Ledger Adjustment	-	-	-	-	-	-
Ending Cash	<u>4,174,468</u>	<u>3,962,472</u>	<u>3,444,108</u>	<u>2,595,184</u>	<u>1,390,034</u>	<u>1,390,034</u>



City of Beverly Hills

STORMWATER ENTERPRISE FUND

Administered by
Public Works

Stormwater Enterprise
Shana Epstein

STAFFING

Full time positions			
Division	Fiscal Year	Fiscal Year	Change
	2003/2004	2004/2005	+/-
Stormwater Enterprise	12	12	-

Part time permanent positions			
Division	Fiscal Year	Fiscal Year	Change
	2003/2004	2004/2005	+/-
Stormwater Enterprise	-	-	-

Initiatives for 2004/2005

- 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

	Current Trend						
						Difference	
	Actual Fiscal Year 00/01	Actual Fiscal Year 01/02	Actual Fiscal Year 02/03	Adopted Fiscal Year 03/04	Projected Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Adopted Fiscal Year 04/05
Projected Revenues:							
Service Charges							
Stormwater Charges	1,761,193	1,762,776	1,760,311	1,759,993	1,835,024	75,031	1,759,993
Transfers In	-	-	-	-	-	-	-
Interest	158,726	141,597	114,591	84,934	53,643	(31,291)	84,934
Miscellaneous	36,083	33,568	(4,781)	-	-	-	-
Operating Revenues	<u>1,956,002</u>	<u>1,937,941</u>	<u>1,870,122</u>	<u>1,844,927</u>	<u>1,888,667</u>	<u>43,740</u>	<u>1,844,927</u>
Projected Expenses:							
Personnel Services	632,029	701,210	701,782	743,573	875,098	(131,525)	818,470
Materials and Supplies	7,377	8,019	29,924	63,155	23,197	39,958	65,049
Rent - New Facility	-	-	5,767	94,377	94,377	-	94,377
Contractual Services							
BH Operations	124,179	190,920	146,113	167,149	136,072	31,077	165,034
Disposal Operations	15,440	500	3,900	29,127	9,875	19,252	30,001
Internal Services	407,303	409,282	557,796	594,663	594,663	-	303,609
Depreciation/Amrtztn	175,625	179,169	182,712	200,000	200,000	-	200,000
Debt Service Interest	-	-	-	-	-	-	-
Other Misc.	10,000	2,900	-	10,000	10,000	-	5,000
Operating Expense	<u>1,371,953</u>	<u>1,491,999</u>	<u>1,627,993</u>	<u>1,902,044</u>	<u>1,943,281</u>	<u>(41,237)</u>	<u>1,681,540</u>
Net from Operations	584,048	445,942	242,128	(57,117)	(54,614) ▲	2,503	163,387
Plus Beginning Cash	1,717,671	2,320,096	2,788,546	3,258,700	3,258,700 ▲	-	3,304,086
Plus Depreciation	<u>175,625</u>	<u>179,169</u>	<u>182,712</u>	<u>200,000</u>	<u>200,000</u> ▲	-	<u>200,000</u>
Cash Available	2,477,345	2,945,206	3,213,386	3,401,583	3,404,086	2,503	3,667,473
Capital Projects	144,867	238,783	9,472	100,000	100,000	-	100,000
General Ledger Adjustment	<u>(12,381)</u>	<u>82,123</u>	<u>54,786</u>	-	-	-	-
Ending Cash	<u><u>2,320,096</u></u>	<u><u>2,788,546</u></u>	<u><u>3,258,700</u></u>	<u><u>3,301,583</u></u>	<u><u>3,304,086</u></u>	<u><u>2,503</u></u>	<u><u>3,567,473</u></u>

Capital Projects

	2004/2005	2005/2006	2006/2007
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><u>100,000</u></u>	<u><u>600,000</u></u>	<u><u>100,000</u></u>

Stormwater Enterprise Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	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	178,374	169,134	182,290	168,895	783,627
Miscellaneous	-	-	-	-	-	-
Operating Revenues	<u>1,844,927</u>	<u>1,938,367</u>	<u>1,929,127</u>	<u>1,942,283</u>	<u>1,928,888</u>	<u>9,583,592</u>
Projected Expenses:						
Personnel Services	818,470	843,024	868,315	894,364	921,195	4,345,368
Materials and Supplies	65,049	67,000	69,010	71,081	73,213	345,354
Rent - New Facility	94,377	94,377	94,377	94,377	94,377	471,885
Contractual Services						
BH Operations	165,034	169,985	175,085	180,337	185,747	876,188
Disposal Operations	30,001	30,901	31,828	32,783	33,766	159,279
Internal Services	303,609	312,717	322,099	331,762	341,715	1,611,901
Depreciation/Amrtztn	200,000	206,000	212,180	218,545	225,102	1,061,827
Debt Service Interest	-	-	-	-	-	-
Other Misc.	5,000	5,150	5,305	5,464	5,628	26,546
Operating Expense	<u>1,681,540</u>	<u>1,729,155</u>	<u>1,778,198</u>	<u>1,828,713</u>	<u>1,880,743</u>	<u>8,898,349</u>
Net from Operations	163,387	209,212	150,929	113,570	48,146	685,243
Plus Beginning Cash	3,304,086	3,567,473	3,382,685	3,645,794	3,377,909	3,304,086
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	3,667,473	3,982,685	3,745,794	3,977,909	3,651,157	5,051,157
Capital Projects	100,000	600,000	100,000	600,000	100,000	1,500,000
General Ledger Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Cash	<u>3,567,473</u>	<u>3,382,685</u>	<u>3,645,794</u>	<u>3,377,909</u>	<u>3,551,157</u>	<u>3,551,157</u>

2007/2008	2008/2009	TOTAL	
50,000	50,000	250,000	STORMWATER ENTERPRISE FUND 85
<u>550,000</u>	<u>50,000</u>	<u>1,250,000</u>	CATCH BASINS REPLACEMENT AND/OR REFURBISHMENT 0404
			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 2003/2004	Fiscal Year 2004/2005	Change +/-
Parking Operations	7	4	(3)

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Parking Operations	50	50	-

Initiatives for 2004/2005

- 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.

Parking Enterprise Fund

	Current Trend						
						Difference	
	Actual Fiscal Year 00/01	Actual Fiscal Year 01/02	Actual Fiscal Year 02/03	Budget Fiscal Year 03/04	Projected Fiscal Year 03/04	Bud/Pjt Better/ Worse)	Adopted Fiscal Year 04/05
Current Revenues							
Service Charges							
Parking Facilities	3,563,349	3,635,699	3,526,481	6,004,639	3,974,928	(2,029,711)	5,731,287
Meters	2,927,453	2,814,783	2,780,181	381,924	429,846	47,922	454,162
Rent of Property	4,785,924	4,844,951	4,954,481	4,988,166	5,018,517	30,351	5,827,346
D-Lot Income	-	-	-	500,000	556,788	56,788	1,336,999
Interest Earnings	1,649,550	1,365,211	616,889	743,641	161,655	(581,986)	743,641
Miscellaneous	309,621	112,640	136,768	37,506	34,395	(3,111)	37,506
Current Revenues	<u>13,235,898</u>	<u>12,773,285</u>	<u>12,014,799</u>	<u>12,655,876</u>	<u>10,176,129</u>	<u>(2,479,747)</u>	<u>14,130,941</u>
New Revenues - T Lot							
Parking Revenues	-	-	-	-	-	-	-
Podium Revenues	-	-	-	-	-	-	-
T Lot Revenues	-	-	-	-	-	-	-
Total Operating Revenues	<u>13,235,898</u>	<u>12,773,285</u>	<u>12,014,799</u>	<u>12,655,876</u>	<u>10,176,129</u>	<u>(2,479,747)</u>	<u>14,130,941</u>
Current Expenses							
Personnel Services	1,730,782	1,858,934	2,050,042	1,852,104	1,824,486	27,618	1,918,236
Materials and Supplies	19,483	19,036	15,499	22,427	30,118	(7,691)	23,100
Rent - New Facility	-	-	8,681	141,566	141,566	-	141,566
Contractual Services	853,283	1,414,826	1,565,521	1,015,812	1,075,234	(59,422)	1,046,287
Internal Services	2,331,952	2,326,189	2,948,456	3,077,343	3,077,343	-	3,174,190
Depreciation/Amrtztn	2,738,261	2,773,931	2,758,716	3,210,000	3,210,000	-	4,049,083
Debt Service General Fund	-	-	-	1,055,686	871,862	183,824	845,858
Debt Service Interest	2,664,726	2,168,727	1,455,443	1,825,677	1,825,677	-	1,751,615
Other Misc.	9,996	9,996	-	10,000	13,333	-	2,000
Current Expenses	<u>10,348,483</u>	<u>10,571,640</u>	<u>10,802,357</u>	<u>12,210,615</u>	<u>12,069,620</u>	<u>144,329</u>	<u>12,951,935</u>
New Expenses - T-Lot							
Operations & Maintenance	-	-	-	-	-	-	-
Debt Service CA Fund	-	-	-	-	-	-	-
Debt Service Other Fund	-	-	-	-	-	-	-
T-Lot Expense	-	-	-	-	-	-	-
Total Operating Expenses	<u>10,348,483</u>	<u>10,571,640</u>	<u>10,802,357</u>	<u>12,210,615</u>	<u>12,069,620</u>	<u>144,329</u>	<u>12,951,935</u>
Net from Operations	2,887,415	2,201,645	1,212,442	445,261	(1,893,491)	(2,624,076)	1,179,006
Plus Beginning Cash	11,251,455	14,267,269	16,370,524	13,153,502	13,153,502	-	11,708,306
Plus Loan from General Fund	-	16,455,250	5,183,807	-	-	-	-
Plus Loan from Capital Assets	-	-	-	-	-	-	19,000,000
Plus Loan from Other Fund	-	-	-	-	-	-	7,000,000
Plus Transfer from In-Lieu	-	-	-	-	-	-	1,000,000
Plus Depreciation	<u>2,738,261</u>	<u>2,773,931</u>	<u>2,758,716</u>	<u>3,210,000</u>	<u>3,210,000</u>	<u>-</u>	<u>4,049,083</u>
Cash Available	16,877,131	35,698,095	25,525,489	16,808,762	14,470,011	(2,624,076)	43,936,395
Capital Projects	354,800	15,595,868	19,564,803	735,002	490,001	245,001	2,550,000
Capital Projects - T Lot	-	-	-	-	-	-	36,750,000
Debt Service Principal GF	-	-	-	547,923	454,626	93,297	479,630
Debt Service Principal CA	-	-	-	-	-	-	-
Debt Service Principal Other	-	-	-	-	-	-	-
Debt Service Principal	1,985,508	2,073,206	2,073,206	2,271,703	2,271,703	-	2,499,597
General Ledger Adjustment	<u>(269,555)</u>	<u>(1,658,496)</u>	<u>9,266,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash available for OM & CIP	<u>14,267,269</u>	<u>16,370,524</u>	<u>13,153,502</u>	<u>13,802,057</u>	<u>11,708,306</u>	<u>(2,093,751)</u>	<u>1,657,168</u>

Parking Enterprise Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Projected Revenues:						
Service Charges						
Parking Facilities	5,731,287	5,845,913	5,962,831	6,082,088	6,203,729	29,825,848
Meters	454,162	463,245	472,510	481,960	491,600	2,363,477
Rent of Property	5,827,346	5,943,893	6,062,771	6,184,026	6,307,707	30,325,743
D-Lot Income	1,336,999	1,760,000	2,760,000	2,760,000	2,760,000	11,376,999
Interest Earnings	743,641	82,858	172,372	317,919	421,251	1,738,041
Miscellaneous	37,506	38,256	39,021	39,802	40,598	195,183
Current Revenues	<u>14,130,941</u>	<u>14,134,165</u>	<u>15,469,505</u>	<u>15,865,795</u>	<u>16,224,885</u>	<u>75,825,291</u>
New Revenues - T Lot						
Parking Revenues	-	-	-	1,824,106	2,385,369	4,209,475
Podium Revenues	-	-	-	132,000	135,960	267,960
T Lot Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,956,106</u>	<u>2,521,329</u>	<u>4,477,435</u>
Total Operating Revenues	14,130,941	14,134,165	15,469,505	17,821,901	18,746,214	80,302,726
Current Expenses						
Personnel Services	1,918,236	1,975,783	2,035,057	2,096,108	2,158,992	10,184,175
Materials and Supplies	23,100	23,793	24,507	25,242	25,999	122,641
Rent - New Facility	141,566	141,566	141,566	141,566	141,566	707,830
Contractual Services	1,046,287	1,077,676	1,110,006	1,143,306	1,177,605	5,554,880
Internal Services	3,174,190	3,269,416	3,367,498	3,468,523	3,572,579	16,852,206
Depreciation/Amrtztn	4,049,083	4,170,555	4,295,672	4,424,542	4,557,279	21,497,132
Debt Service General Fund	845,858	820,478	792,648	763,286	732,310	3,954,580
Debt Service Interest	1,751,615	1,655,957	1,555,687	1,451,602	1,369,522	7,784,383
Other Misc.	2,000	77,060	79,372	81,753	84,206	324,390
Current Expenses	<u>12,951,935</u>	<u>13,212,284</u>	<u>13,402,012</u>	<u>13,595,929</u>	<u>13,820,057</u>	<u>66,982,217</u>
New Expenses - T-Lot						
Operations & Maintenance	-	-	-	900,000	927,000	1,827,000
Debt Service CA Fund	-	-	-	1,357,758	1,320,848	2,678,606
Debt Service Other Fund	-	-	-	500,227	486,628	986,855
T-Lot Expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,757,985</u>	<u>2,734,476</u>	<u>5,492,461</u>
Total Operating Expenses	12,951,935	13,212,284	13,402,012	16,353,914	16,554,533	72,474,678
Net from Operations	1,179,006	921,881	2,067,493	1,467,987	2,191,680	7,828,047
Plus Beginning Cash	11,708,306	1,657,168	3,447,433	6,358,381	8,425,025	11,708,306
Plus Loan from General Fund	-	-	-	-	-	-
Plus Loan from Capital Assets	19,000,000	-	-	-	-	19,000,000
Plus Loan from Other Fund	7,000,000	-	-	-	-	7,000,000
Plus Transfer from In-Lieu	1,000,000	-	-	-	-	1,000,000
Plus Depreciation	<u>4,049,083</u>	<u>4,170,555</u>	<u>4,295,672</u>	<u>4,424,542</u>	<u>4,557,279</u>	<u>21,497,132</u>
Cash Available	43,936,395	6,749,605	9,810,598	12,250,910	15,173,983	68,033,485
Capital Projects	2,550,000	200,000	200,000	200,000	200,000	3,350,000
Capital Projects - T Lot	36,750,000	-	-	-	-	36,750,000
Debt Service Principal GF	479,630	506,010	533,841	563,202	594,178	2,676,861
Debt Service Principal CA	-	-	-	615,168	652,078	1,267,246
Debt Service Principal Othe	-	-	-	226,641	240,239	466,880
Debt Service Principal	2,499,597	2,596,162	2,718,376	2,220,875	2,218,039	12,253,049
General Ledger Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash available for OM & CIP	<u>1,657,168</u>	<u>3,447,433</u>	<u>6,358,381</u>	<u>8,425,025</u>	<u>11,269,450</u>	<u>11,269,450</u>

Parking Enterprise Fund

Capital Projects

	2004/2005	2005/2006	2006/2007
PARKING ENTERPRISE FUND 81			
REPAINT CITY BUILDINGS 0713	300,000	200,000	200,000
UPGRADE PARKING REVENUE CONTROL SYSTEM 0785	2,250,000	-	-
DEVELOP T SURFACE PARKING LOT 0849	36,750,000	-	-
TOTAL PARKING ENTERPRISE FUND	<u>39,300,000</u>	<u>200,000</u>	<u>200,000</u>

Debt Service Coverage

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	Total of Years
Total Debt Service	4,251,212	4,252,119	4,274,063	3,672,477	3,587,561	20,037,432
Rate Covenant	110.00%	110.00%	110.00%	110.00%	110.00%	110.00%
Rvnu Required for DS Cover	4,676,333	4,677,331	4,701,469	4,039,725	3,946,317	22,041,175
Rvnu Available for Coverage	7,825,562	7,568,872	8,711,500	8,909,297	9,063,938	42,079,168
Calculated Coverage	184.08%	178.00%	203.82%	242.60%	252.65%	210.00%
Additional Revenue Required	NONE	NONE	NONE	NONE	NONE	NONE
Rate Increase Required	NONE	NONE	NONE	NONE	NONE	NONE

Parking Enterprise Fund

2007/2008	2008/2009	TOTAL	
			PARKING ENTERPRISE FUND 81
200,000	200,000	1,100,000	REPAINT CITY BUILDINGS 0713
-	-	2,250,000	UPGRADE PARKING REVENUE CONTROL SYSTEM 0785
-	-	36,750,000	DEVELOP T SURFACE PARKING LOT 0849
<u>200,000</u>	<u>200,000</u>	<u>40,100,000</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

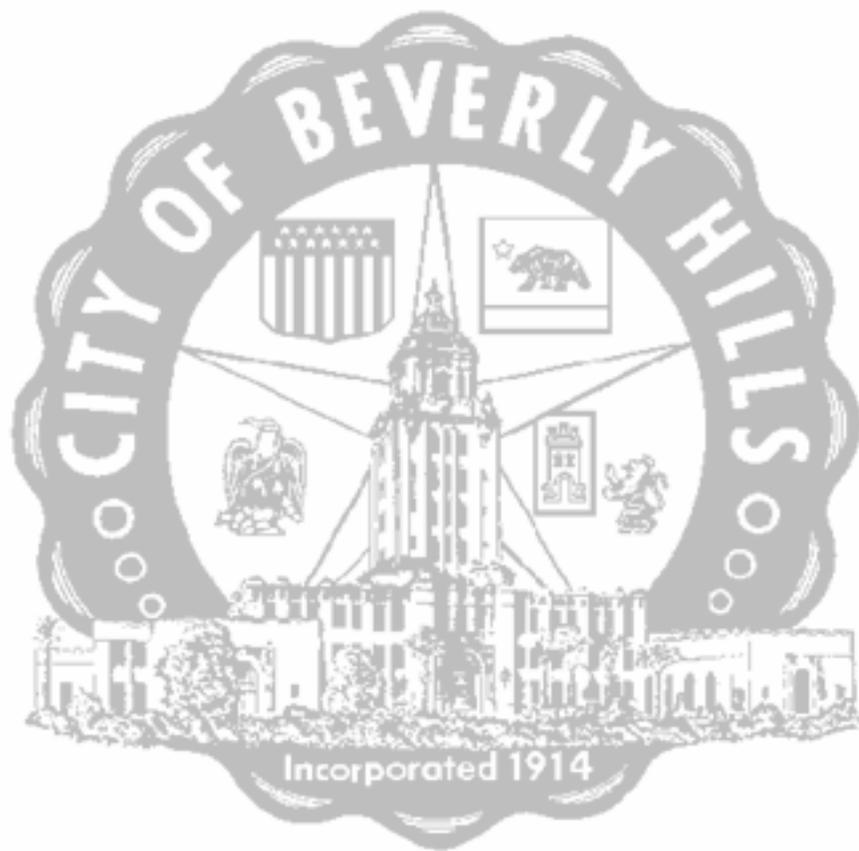
Activities pertaining to in-house printing, photo copiers and metered postage are accounted for in this division. The cost of labor, printing and supplies are tabulated and charged to user departments. The funds derived from such charges are used to maintain operations of this division.

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.

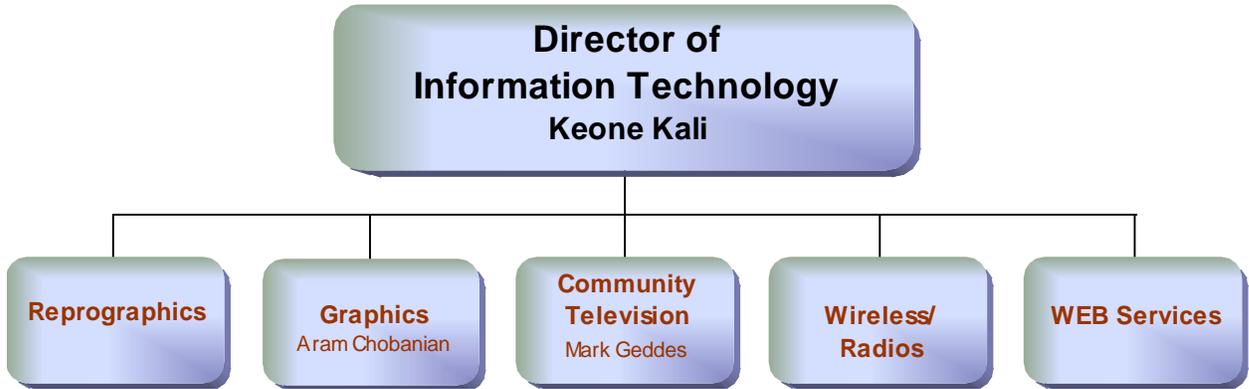
Cable Television Internal Service Fund

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



STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Information Technology	18	12	(6)
Reprographics	4	3	(1)
Graphics	2	2	-
Community TV	2	2	-
Wireless/ Radios	-	1	1
Web Services	-	2	2

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Information Technology	-	-	-
Reprographics	1	-	(1)
Graphics	-	-	-
Community TV	5	5	-
Wireless/ Radios	-	-	-
Web Services	-	-	-

Initiatives for 2004/2005

- Maintain and enhance City's core IT infrastructure
 - File and print services
 - E-mail
 - LAN / WAN / MAN
 - Security
 - Storage
 - Enterprise Systems
 - Disaster recovery
- Upgrade City's Financial Systems (Pentamotion)
- Upgrade Recreation and Parks Systems (Class)
- Upgrade Police Vehicle Systems (MDC / Video / Telecomm)
- Implement Council/Executive communication/reporting tool (Comcate)
- Implement document management solution for Police Records
- Launch e-Packet and e-Tickler system
- Complete MAN integration (north phase)
- Implement parking revenue system
- Facilitate MAN south phase development
- Implement parking violation processing system
- Pilot WiFi Application for PW / Public Safety
- Implement Public Safety Radio infrastructure
- Launch OBC for Community Services, Fire, and Special Events
- Deploy Locational Sciences decision support application
- Develop and implement disaster mitigation plan
- Expand customer information system application
- Develop comprehensive print / MFD solution
- Develop eGov functionality on City's intranet page
- Implement citywide security initiative



Information Technology

	Current Trends						
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 03/04	Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Fiscal Year 04/05
Revenues:							
Fund Charges	5,540,603	6,438,757	7,118,348	5,845,236	5,845,236	-	5,981,754
Interest	-	-	-	-	-	-	-
Miscellaneous	9,355	2,836	1,338	-	-	-	-
Transfer In	42,868	-	-	-	-	-	-
Total Revenues	5,592,826	6,441,593	7,119,686	5,845,236	5,845,236	-	5,981,754
Operating Expenses:							
Personnel services	1,730,300	1,485,139	1,448,655	1,701,008	1,433,017	267,991	1,454,739
Materials and supplies	53,936	72,597	71,650	124,641	74,369	50,272	128,380
Contractual services	1,247,353	1,160,664	1,259,095	1,517,540	2,335,836	(818,296)	1,395,280
Internal services	504,478	512,757	276,593	626,023	626,023	-	616,135
Depreciation	1,307,490	1,408,998	2,336,948	1,829,500	1,829,500	-	2,253,000
VF Loan Repay Interest	154,994	78,047	64,759	33,774	33,774	-	19,558
Other Miscellaneous	67	-	-	-	-	-	-
Operating Expenses	4,998,618	4,718,203	5,457,700	5,832,486	6,332,520	(500,033)	5,867,092
Net from operations	594,208	1,723,390	1,661,986	12,750	(487,284)	(500,033)	114,662
Plus Beginning Cash	6,738,900	6,386,705	6,581,309	5,557,811	5,557,811	-	3,896,660
Plus Depreciation	1,307,490	1,408,998	2,336,948	1,829,500	1,829,500	-	2,253,000
Cash Available	8,640,598	9,519,093	10,580,243	7,400,061	6,900,028	(500,033)	6,264,322
VF Loan Repay Principal	330,000	330,000	330,000	330,000	330,000	-	330,000
Capital Projects	2,002,995	2,973,265	5,219,319	1,060,000	2,673,367	(1,613,367)	2,650,000
General ledger adjustment	79,102	35,481	196,887	-	-	-	-
Ending Cash	6,386,705	6,581,309	5,557,811	6,010,061	3,896,660	(2,113,401)	3,284,322

Capital Projects

	2004/2005	2005/2006	2006/2007
INFORMATION TECHNOLOGY SERVICES FUND 41			
COMPUTER ACQUISITION 0329	750,000	-	-
SECURITY SYSTEM UPGRADES 0781	350,000	250,000	-
UPGRADE PARKING REVENUE CONTROL SYSTEM 0785	750,000	-	-
RADIO INFRASTRUCTURE 0859	800,000	-	-
TOTAL INFORMATION TECHNOLOGY SERVICES FUND	2,650,000	250,000	-

Information Technology

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	5 Year Total
Revenues:						
Fund Charges	5,981,754	6,161,207	6,346,043	6,536,424	6,732,517	31,757,944
Interest	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Total Revenues	<u>5,981,754</u>	<u>6,161,207</u>	<u>6,346,043</u>	<u>6,536,424</u>	<u>6,732,517</u>	<u>31,757,944</u>
Operating Expenses:						
Personnel services	1,454,739	1,498,381	1,543,333	1,589,633	1,637,322	7,723,407
Materials and supplies	128,380	132,231	136,198	140,284	144,493	681,587
Contractual services	1,395,280	1,437,138	1,480,253	1,524,660	1,570,400	7,407,731
Internal services	616,135	634,619	653,658	673,267	693,465	3,271,144
Depreciation	2,253,000	2,320,590	2,390,208	2,461,914	2,535,771	11,961,483
VF Loan Repay Interest	19,558	9,779	-	-	-	29,337
Other Miscellaneous	-	-	-	-	-	-
Operating Expenses	<u>5,867,092</u>	<u>6,032,739</u>	<u>6,203,649</u>	<u>6,389,758</u>	<u>6,581,451</u>	<u>31,074,689</u>
Net from operations	114,662	128,468	142,394	146,666	151,066	683,255
Plus Beginning Cash	3,896,660	3,284,322	5,153,380	7,685,982	10,294,562	3,896,660
Plus Depreciation	<u>2,253,000</u>	<u>2,320,590</u>	<u>2,390,208</u>	<u>2,461,914</u>	<u>2,535,771</u>	<u>11,961,483</u>
Cash Available	6,264,322	5,733,380	7,685,982	10,294,562	12,981,399	16,541,399
VF Loan Repay Principal	330,000	330,000	-	-	-	660,000
Capital Projects	2,650,000	250,000	-	-	-	2,900,000
General ledger adjustment	-	-	-	-	-	-
Ending Cash	<u>3,284,322</u>	<u>5,153,380</u>	<u>7,685,982</u>	<u>10,294,562</u>	<u>12,981,399</u>	<u>12,981,399</u>

2007/2008	2008/2009	TOTAL	
INFORMATION TECHNOLOGY SERVICES FUND 41			
-	-	750,000	COMPUTER ACQUISITION 0329
-	-	-	SECURITY SYSTEM UPGRADES 0781
-	-	750,000	UPGRADE PARKING REVENUE CONTROL SYSTEM 0785
-	-	800,000	RADIO INFRASTRUCTURE 0859
-	-	<u>2,300,000</u>	TOTAL INFORMATION TECHNOLOGY SERVICES FUND

Information Technology

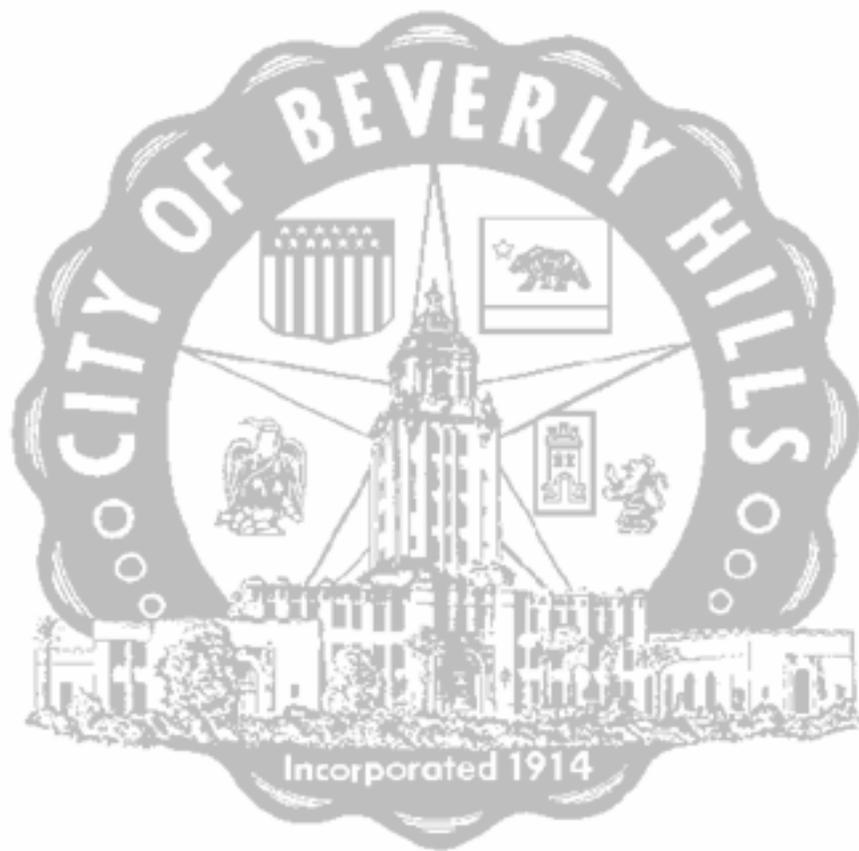
Cable TV

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
00/01	01/02	02/03	03/04	03/04	(Worse)	04/05	
Revenues:							
Fund Charges	527,864	497,212	572,298	533,881	533,881	-	501,999
Franchise	381,627	433,449	438,780	400,000	400,000	-	400,000
Miscellaneous	240	240	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-
Total Revenues	909,731	930,901	1,011,078	933,881	933,881	-	901,999
Operating Expenses:							
Personnel services	321,178	362,367	343,528	415,042	377,216	37,826	475,804
Materials and supplies	20,575	24,739	15,016	54,161	32,855	21,306	55,787
Contractual services	50,269	27,527	14,906	147,980	53,701	94,279	152,421
Internal services	65,768	81,489	96,461	107,854	107,854	-	103,477
Depreciation	54,402	55,637	50,799	50,000	50,000	-	35,300
Other Miscellaneous	58,608	13,038	426	-	-	-	-
Operating Expenses	570,801	564,796	521,136	775,037	621,626	153,411	822,789
Net from operations	338,930	366,105	489,942	158,844	312,255	153,411	79,210
Plus Beginning Cash	559,450	958,311	1,319,584	1,743,882	1,743,882	-	2,106,137
Plus Depreciation	54,402	55,637	50,799	50,000	50,000	-	35,300
Cash Available	952,783	1,380,053	1,860,325	1,952,726	2,106,137	153,411	2,220,647
Capital Projects	-	-	-	-	-	-	-
General ledger adjustment	5,528	(60,468)	(116,443)	-	-	-	-
Ending Cash	958,311	1,319,584	1,743,882	1,952,726	2,106,137	153,411	2,220,647

Information Technology

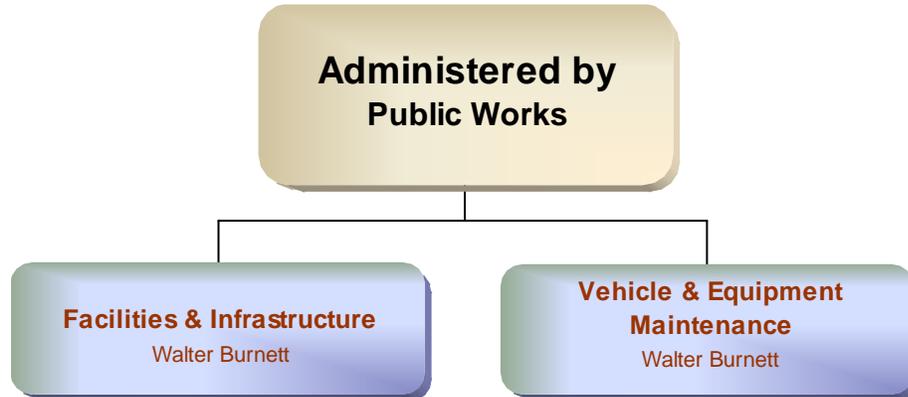
Reprographics

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year 00/01	Fiscal Year 01/02	Fiscal Year 02/03	Fiscal Year 03/04	Fiscal Year 03/04	Bud/Pjt Better/ (Worse)	Fiscal Year 04/05
Revenues:							
Fund Charges	993,320	1,011,709	1,118,300	1,155,756	1,155,756	-	1,187,013
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-
Total Revenues	993,320	1,011,709	1,118,300	1,155,756	1,155,756	-	1,187,013
Operating Expenses:							
Personnel services	407,603	346,548	339,913	384,535	329,130	55,405	331,391
Materials and supplies	100,313	131,644	111,446	110,639	166,815	(56,176)	113,960
Contractual services	387,281	389,681	385,712	400,690	664,706	(264,016)	412,711
Internal services	85,642	112,597	107,648	108,711	108,711	-	105,309
Depreciation	6,722	5,563	7,150	5,400	5,400	-	3,900
Other Miscellaneous	-	-	-	-	-	-	-
Operating Expenses	987,561	986,034	951,868	1,009,975	1,274,762	(264,787)	967,271
Net from operations	5,759	25,676	166,432	145,781	(119,006) ▲	(264,787)	219,742
Plus Beginning Cash	656,105	656,685	681,705	830,805	830,805 ▲	-	717,200
Plus Depreciation	6,722	5,563	7,150	5,400	5,400	-	3,900
Cash Available	668,586	687,924	855,287	981,986	717,200 ▲	(264,787)	940,842
Capital Projects	-	-	-	-	-	-	-
General ledger adjustment	(11,901)	(6,219)	(24,481)	-	-	-	-
Ending Cash	656,685	681,705	830,805	981,986	717,200 ▲	(264,787)	940,842



City of Beverly Hills

VEHICLES & FACILITIES MAINTENANCE INTERNAL SERVICE FUND



STAFFING

Full time positions			
Division	Fiscal Year	Fiscal Year	Change
	2003/2004	2004/2005	+/-
Facilities & Infrastructure	13	14	1
Vehicle & Equipment Maintenance	18	14	(4)

Part time permanent positions			
Division	Fiscal Year	Fiscal Year	Change
	2003/2004	2004/2005	+/-
Facilities & Infrastructure	-	-	-
Vehicle & Equipment Maintenance	-	-	-

Initiatives for 2004/2005

- 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	Fiscal Year	Fiscal Year				
00/01	01/02	02/03	03/04	03/04	Better/ (Worse)	04/05	
Revenues:							
Fund Charges	15,638,354	17,230,083	18,896,026	19,521,676	19,521,643	(33)	20,098,959
Interest	2,563,288	1,866,522	1,259,083	682,069	552,202	(129,867)	682,069
Miscellaneous	1,961,530	300,517	139,387	44,202	3,042,909	2,998,707	44,202
IT Loan Interest Repay	79,365	63,482	47,619	33,774	33,774	-	19,558
T-Lot Loan Interest Repay	-	-	-	-	-	-	-
Bond Proceeds/Refunding	-	-	-	-	-	-	-
Grants	-	408,107	-	-	620,000	620,000	-
Transfers In	-	-	-	-	-	-	3,000,000
Total Revenues	20,242,538	19,868,711	20,342,115	20,281,721	23,770,528	3,488,807	23,844,788
Operating Expenses:							
Personnel services	1,667,287	1,782,453	2,026,184	2,066,831	2,197,110	(130,279)	2,452,016
Materials and supplies	845,276	656,952	744,596	943,911	1,228,628	(284,717)	975,125
Contractual services	1,683,386	3,097,250	2,216,790	2,494,507	3,158,491	(663,984)	2,625,128
Internal services	665,894	574,270	1,851,354	1,840,233	1,840,233	-	2,180,742
Depreciation	5,557,622	5,851,838	6,066,020	5,741,681	5,741,681	-	5,757,670
Debt Service Interest	6,268,633	6,120,870	7,769,041	5,745,420	5,745,420	-	5,604,769
Other Miscellaneous	41,472	41,472	37,600	177,693	236,924	(59,231)	283,025
Operating Expenses	16,729,570	18,125,106	20,711,584	19,010,276	20,148,487	(1,138,211)	19,878,475
Net from operations	3,512,968	1,743,605	(369,469)	1,271,445	3,622,041	2,350,596	3,966,313
Plus Beginning Cash	16,587,531	18,934,198	19,307,476	41,333,150	41,333,150	-	36,337,837
Plus IT Principal Repay	330,000	330,000	330,000	330,000	330,000	-	330,000
T-Lot Principal Repay	-	-	-	-	-	-	-
Plus Depreciation	5,557,622	5,851,838	6,066,020	5,741,681	5,741,681	-	5,757,670
Cash Available	25,988,121	26,859,641	25,334,028	48,676,276	51,026,872	2,350,596	46,391,820
Capital Outlay & Projects	8,271,699	9,999,106	2,327,504	6,135,999	8,181,332	(2,045,333)	12,496,000
Debt Service Principal	-	3,501,405	-	4,044,608	4,044,608	-	4,472,298
School District	1,016,034	1,176,870	344,001	2,463,095	2,463,095	-	-
Transfer Out	-	-	-	-	-	-	-
Loan for T-Lot Devel.	-	-	-	-	-	-	19,000,000
General ledger adjustment	2,233,810	7,125,216	18,670,627	-	-	-	-
Cash available for OM & CIP	18,934,198	19,307,476	41,333,150	36,032,575	36,337,837	4,395,929	10,423,522

Capital Assets Internal Service Fund

	Adopted Fiscal Year 04/05	Projected Fiscal Year 05/06	Projected Fiscal Year 06/07	Projected Fiscal Year 07/08	Projected Fiscal Year 08/09	5 Year Total
Revenues:						
Fund Charges	20,098,959	19,077,326	20,649,646	21,269,135	22,907,210	104,002,276
Interest	682,069	312,706	109,418	198,557	313,266	1,616,016
Miscellaneous	44,202	45,528	46,894	48,301	49,750	234,674
IT Loan Interest Repay	19,558	9,779	-	-	-	29,337
T-Lot Loan Interest Repay	-	-	-	500,227	486,628	986,855
Bond Proceeds/Refunding	-	-	-	-	-	-
FEMA Grant	-	-	-	-	-	-
Transfers In	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>15,000,000</u>
Total Revenues	<u><u>23,844,788</u></u>	<u><u>22,445,339</u></u>	<u><u>23,805,958</u></u>	<u><u>25,016,220</u></u>	<u><u>26,756,853</u></u>	<u><u>121,869,158</u></u>
Operating Expenses:						
Personnel services	2,452,016	2,525,576	2,601,344	2,679,384	2,759,766	13,018,086
Materials and supplies	975,125	1,004,379	1,034,510	1,065,545	1,097,512	5,177,071
Contractual services	2,625,128	2,703,882	2,784,998	2,868,548	2,954,605	13,937,161
Internal services	2,180,742	2,246,164	2,313,549	2,382,956	2,454,444	11,577,855
Depreciation	5,757,670	5,930,400	6,108,312	6,291,561	6,480,308	30,568,252
Debt Service Interest	5,604,769	5,425,877	5,229,132	5,036,298	4,807,667	26,103,743
Other Miscellaneous	<u>283,025</u>	<u>291,516</u>	<u>300,261</u>	<u>309,269</u>	<u>318,547</u>	<u>1,502,618</u>
Operating Expenses	<u><u>19,878,475</u></u>	<u><u>20,127,794</u></u>	<u><u>20,372,107</u></u>	<u><u>20,633,562</u></u>	<u><u>20,872,849</u></u>	<u><u>101,884,787</u></u>
Net from operations	3,966,313	2,317,544	3,433,851	4,382,658	5,884,004	19,984,372
Plus Beginning Cash	36,337,837	10,423,522	3,647,274	6,618,576	10,442,185	36,337,837
IT Principal Repay	330,000	330,000	-	-	-	660,000
T-Lot Principal Repay	-	-	-	615,168	652,078	1,267,246
Plus Depreciation	<u>5,757,670</u>	<u>5,930,400</u>	<u>6,108,312</u>	<u>6,291,561</u>	<u>6,480,308</u>	<u>30,568,252</u>
Cash Available	46,391,820	19,001,467	13,189,437	17,907,964	23,458,576	88,817,707
Capital Outlay & Projects	12,496,000	10,700,000	1,750,000	1,750,000	1,750,000	28,446,000
Debt Service Principal	4,472,298	4,654,193	4,820,861	5,715,779	6,037,335	25,700,466
School District	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-
Loan for T-Lot Devel.	19,000,000	-	-	-	-	19,000,000
General ledger adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash available for OM & CIP	<u><u>10,423,522</u></u>	<u><u>3,647,274</u></u>	<u><u>6,618,576</u></u>	<u><u>10,442,185</u></u>	<u><u>15,671,241</u></u>	<u><u>15,671,241</u></u>

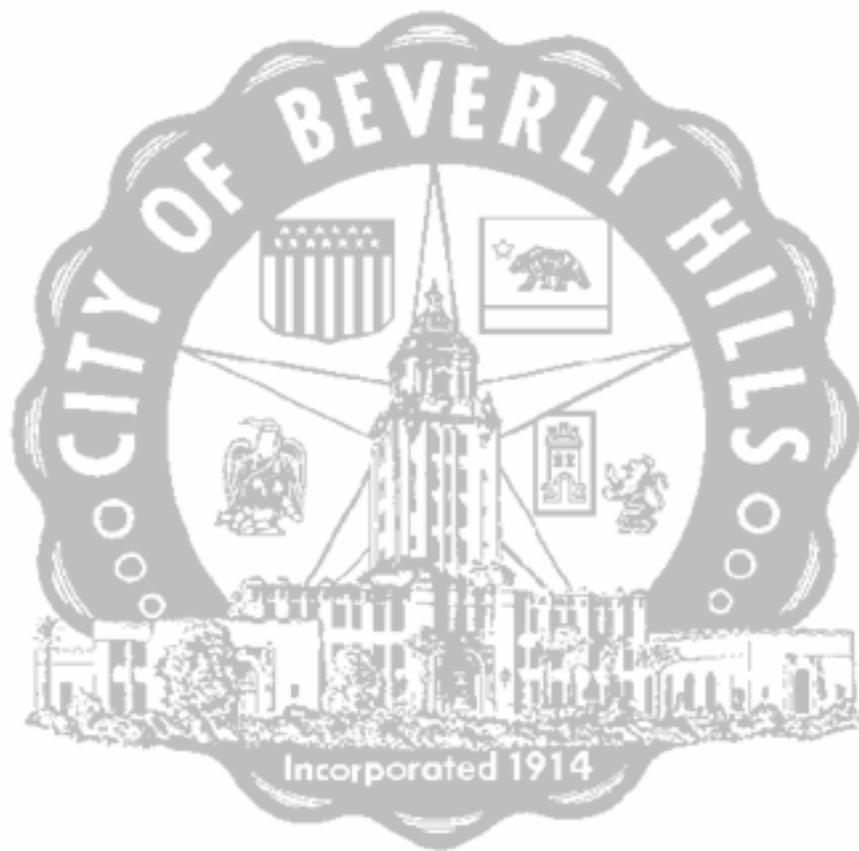
Capital Assets Internal Service Fund

Capital Projects

	2004/2005	2005/2006	2006/2007
CAPITAL ASSETS FUND			
CONTAMINATION CLEANUP 0571	530,000	-	-
LIBRARY AUDITORIUM RENOVATIONS 0678	-	1,700,000	-
IMPROVEMENT OF CITY GATEWAYS 0701	-	150,000	150,000
REPAINT CITY BUILDINGS 0713	-	100,000	100,000
CONSTRUCT MUNICIPAL SERVICES CENTER 0797	8,336,000	7,000,000	-
LEVEL A PRINT/GRAPHICS BUILD-OUT 0831	-	250,000	-
CITY HALL MASTER PROJECT 0851	330,000	-	-
CIVIC CENTER PLAZA IMPROVEMENT 0852	1,800,000	-	-
SCHEDULED VEHICLE REPLACEMENT	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
TOTAL MAINTENANCE SERVICES FUND	<u>12,496,000</u>	<u>10,700,000</u>	<u>1,750,000</u>

Capital Assets Internal Service Fund

2007/2008	2008/2009	TOTAL	
			MAINTENANCE SERVICES FUND 08
-	-	530,000	CONTAMINATION CLEANUP 0571
-	-	1,700,000	LIBRARY AUDITORIUM RENOVATIONS 0678
150,000	150,000	600,000	IMPROVEMENT OF CITY GATEWAYS 0701
100,000	100,000	400,000	REPAINT CITY BUILDINGS 0713
-	-	15,336,000	CONSTRUCT MUNICIPAL SERVICES CENTER 0797
-	-	250,000	LEVEL A PRINT/GRAPHICS BUILD-OUT 0831
-	-	330,000	CITY HALL MASTER PROJECT 0851
-	-	1,800,000	CIVIC CENTER PLAZA IMPROVEMENT 0852
<u>1,500,000</u>	<u>1,500,000</u>	<u>7,500,000</u>	SCHEDULED VEHICLE REPLACEMENT
<u>1,750,000</u>	<u>1,750,000</u>	<u>28,446,000</u>	TOTAL MAINTENANCE SERVICES FUND



City of Beverly Hills

SELF-INSURANCE INTERNAL SERVICE FUNDS



STAFFING

Full time positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Self-Insurance Fund	-	-	-
Workers' Compensation	-	-	-

Part time permanent positions			
Division	Fiscal Year 2003/2004	Fiscal Year 2004/2005	Change +/-
Self-Insurance Fund	-	-	-
Workers' Compensation	-	-	-

Initiatives for 2004/2005

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 Fund

LIABILITY SELF-INSURANCE INTERNAL SERVICE FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
00/01	01/02	02/03	03/04	03/04	(Worse)	04/05	
Revenues:							
Fund Charges	3,293,335	2,791,389	3,073,802	3,705,200	3,705,200	-	3,815,792
Miscellaneous	-	-	448	-	-	-	-
Total Revenues	<u>3,293,335</u>	<u>2,791,389</u>	<u>3,074,250</u>	<u>3,705,200</u>	<u>3,705,200</u>	<u>-</u>	<u>3,815,792</u>
Operating Expenses:							
Insurance premiums	800,905	1,053,068	1,232,427	1,521,963	1,996,722	(474,759)	1,584,600
Contractual services	26,895	112,339	193,100	202,694	68,622	134,072	175,000
Legal Fees	410,647	1,886,146	2,809,800	774,825	741,139	33,686	750,000
Claims	(5,513)	577,665	657,730	975,000	425,289	549,711	500,000
Operating Expenses	<u>1,232,934</u>	<u>3,629,218</u>	<u>4,893,057</u>	<u>3,474,482</u>	<u>3,231,772</u>	<u>242,710</u>	<u>3,009,600</u>
Net from operations	2,060,401	(837,829)	(1,818,806)	230,718	473,428	242,710	806,192
Plus Beginning Cash	<u>7,888,027</u>	<u>3,862,733</u>	<u>4,352,750</u>	<u>4,661,741</u>	<u>4,661,741</u>	<u>-</u>	<u>5,135,169</u>
Cash Available	9,948,428	3,024,904	2,533,944	4,892,459	5,135,169	242,710	5,941,361
Capital Projects	83,905	11,550	154,369	200,000	266,667	66,667	200,000
Transfers Out	5,333,905	-	-	-	-	-	-
General ledger adjustment	(667,885)	1,339,397	2,282,166	-	-	-	-
Ending Cash	<u>3,862,733</u>	<u>4,352,750</u>	<u>4,661,741</u>	<u>4,892,459</u>	<u>5,135,169</u>	<u>242,710</u>	<u>5,741,361</u>
Outstanding Claims	<u>1,305,985</u>	<u>1,305,985</u>	<u>4,269,637</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Self Insurance Internal Service Fund

WORKERS' COMPENSATION SELF-INSURANCE INTERNAL SERVICE FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
00/01	01/02	02/03	03/04	03/04	(Worse)	04/05	
Revenues:							
Fund Charges	1,660,039	1,644,000	2,113,327	2,809,000	2,809,000	-	3,127,629
Transfer In	-	-	-	-	-	-	-
Total Revenues	<u>1,660,039</u>	<u>1,644,000</u>	<u>2,113,327</u>	<u>2,809,000</u>	<u>2,809,000</u>	<u>-</u>	<u>3,127,629</u>
Operating Expenses:							
Insurance premiums	59,092	64,760	-	82,648	-	82,648	165,000
Contractual services	188,300	174,494	218,584	179,759	336,128	(156,369)	182,000
Claims	1,575,560	2,931,541	2,824,189	2,460,000	1,617,905	842,095	2,640,000
Mitigation	-	34,879	-	-	-	-	-
Operating Expenses	<u>1,822,952</u>	<u>3,205,674</u>	<u>3,042,773</u>	<u>2,722,407</u>	<u>1,954,033</u>	<u>768,374</u>	<u>2,987,000</u>
Net from operations	(162,913)	(1,561,674)	(929,446)	86,593	854,967	768,374	140,629
Plus Beginning Cash	<u>8,843,384</u>	<u>5,788,000</u>	<u>5,480,558</u>	<u>5,873,348</u>	<u>5,873,348</u>	<u>-</u>	<u>6,728,315</u>
Cash Available	8,680,471	4,226,326	4,551,112	5,959,941	6,728,315	768,374	6,868,944
Transfers Out	3,165,881	-	-	-	-	-	-
General ledger adjustment	<u>273,410</u>	<u>1,254,232</u>	<u>1,322,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Cash	<u>5,788,000</u>	<u>5,480,558</u>	<u>5,873,348</u>	<u>5,959,941</u>	<u>6,728,315</u>	<u>768,374</u>	<u>6,868,944</u>
Outstanding Claims	<u>3,464,306</u>	<u>3,464,306</u>	<u>6,253,292</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Self Insurance Internal Service Fund

EMPLOYEE BENEFITS INTERNAL SERVICE FUND

	Historical			Current Trends			
	Actual	Actual	Actual	Budgeted	Projected	Difference	Adopted
	Fiscal Year	Fiscal Year	Fiscal Year				
00/01	01/02	02/03	03/04	03/04	(Worse)	04/05	
Revenues:							
Fund Charges	5,973,422	8,415,836	9,806,157	-	-	-	-
Transfer In	8,415,881	-	-	-	-	-	-
Total Revenues	<u>14,389,303</u>	<u>8,415,836</u>	<u>9,806,157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expenses:							
Compensated Absences	129,626	980,173	1,225,237	-	-	-	-
Professional Consulting	5,712,429	6,969,126	8,750,660	-	-	-	-
Miscellaneous	-	-	640	-	-	-	-
Operating Expenses	<u>5,842,055</u>	<u>7,949,300</u>	<u>9,976,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net from operations	8,547,248	466,537	(170,380)	-	-	-	-
Plus Beginning Cash	-	8,804,225	9,523,932	9,953,673	9,953,673	-	9,953,673
Cash Available	8,547,248	9,270,762	9,353,552	9,953,673	9,953,673	-	9,953,673
Transfers Out	-	-	-	-	-	-	-
General ledger adjustment	256,978	253,170	600,121	-	-	-	-
Ending Cash	<u>8,804,225</u>	<u>9,523,932</u>	<u>9,953,673</u>	<u>9,953,673</u>	<u>9,953,673</u>	<u>-</u>	<u>9,953,673</u>
Outstanding Claims	-	-	9,469,238	-	-	-	-

