MEETING DATE: 2/25/08

AGENDA ITEM: **Fiscal 2007-08 Mid-Year Budget Report and Adoption of Proposed Budget Amendments**

ATTACHMENTS

Culver CITY

2007-2008 Budget Monitoring Report
Mid-Year Report

Introduction:
This report includes the revenue and expenditure analysis through December 31, 2007. The revenues reported include outside revenue sources and transfers-in from other funds. The expenditures analysis includes expenditures by fund and transfers-out to other funds. For the purposes of this report, encumbrances have not been included as expenditures. Encumbrances will be included when the money is actually relieved.

General Fund Summary:
For the most part, General Fund operations are in good financial health through the first six months of 2007-08. General Fund **expenditures are on track**, and **revenues appear to be relatively stable** through the first six months, except for Sales Tax receipts, which are lower than anticipated. Budget staff will continue to monitor expenditures and revenues throughout the second half of the fiscal year.

The General Fund beginning fund balance for 2007-08 is $31.9 million, which represents 41.4% of fiscal 2006-07 operational expenditures. The ending balance for 2007-08 is projected to be $29.3 million. If the proposed budget amendments are adopted, the projected ending General Fund balance will be $28.8 million, which is approximately a 33.8% reserve. The ending fund balance assumes the $9 million loan to the Redevelopment Agency will be fully repaid this fiscal year.

Summary of Revenues

- General Fund revenue receipts to date are approximately **33.3%** of the estimated budget amount. Last year at this time, the revenue receipts for the General Fund were **37.5%**. The three year average revenue receipts at mid-year is approximately 34.8%.
- As illustrated in Chart 1, approximately $27.5 million has been collected through December 2007 compared to $28.1 million in 2006. One factor in this drop from last year are one-time classified revenues, such as a Transient Occupancy Tax (TOT) bankruptcy settlement, recorded in December 2006 that skews the comparison. Revenues in general, though, are lower than anticipated at mid-year. The **"Revenue Detail"** section below provides a **more in depth discussion and analysis** of General Fund revenues.

Summary of Expenditures

- General Fund Expenditure Target: **48.25%**
- To date, General Fund departments have expended **45.6%** of the adjusted budget as compared to **46.9%** last fiscal year. The three year average for percent expended at mid-year is approximately 45.6%.
- As illustrated in Chart 2, approximately $38.3 million has been expended through December 2007 compared to $36.3 million in 2006. The major factor in this increase is the transfer of funds (approximately $1.5 million more than last year this time) from the General Fund Fund Balance to the I & A Fund to fund capital projects. The "**Expenditure Detail**" section provides a **more in depth discussion and analysis** of General Fund expenditures.

General Fund Analysis:

Revenue Detail

Revenue receipts through the first half of fiscal 2007-08 are sluggish compared to growth between mid-year receipts of 2005-06 and 2006-07. Except for Charges for Services (which is partially higher due to Council approved fee increases), Interfund/Departmental Charges, and Other Revenue, almost all other categories are lower than, or show little growth over, mid-year receipts of fiscal 2006-07. The following charts and narrative detail the categories increase/decrease over the prior mid-year receipts:

Increases

Revenue Description	Mid-year Receipts 2006-07	Mid-year Receipts 2007-08	$$ Increase/ from fiscal 2006-07	% Increase/ from fiscal 2006-07
Business Tax	$ 502,952	$ 521,653	$ 18,701	3.6%
Commercial/Ind. Tax	$ 193,002	$ 229,345	$ 36,343	15.8%
Licenses & Permits	$ 807,809	$ 977,676	$ 169,867	17.4%
Charges for Services	$4,209,776	$4,820,278	$ 610,502	12.7%
Fines & Forfeitures	$2,247,297	$2,291,549	$ 44,252	1.9%
Interfund/Departmental	$2,581,122	$2,823,944	$ 242,822	8.6%
Other Revenues	$ 54,919	$ 358,491	$ 303,572	84.7%
Transfers	$ 719,467	$ 728,400	$ 8,933	1.2%

- **Business Tax –** Receipts to date for this category are slightly ahead of last year at this time. The bulk of revenue receipts for Business Tax are received in February and March of a fiscal year. There is no indication at this time that this revenue will not meet the budgeted projection. The percentage of receipts received to date is 5.7% of the budgeted amount, which is also the same as this time last year.

- **Commercial/Industrial Tax –** This is a fee levied on construction valued at $250,000 or more. The adopted fiscal 2007-08 budget anticipates some large new development collections that will be treated as one-time funding. This category brings in a range of amounts of development fees. Large projects, such as the expansion and renovation of Westfield and new building construction on the Sony lot, are not considered "routine" and monies for these are treated as "one-time." These receipts are used to pay for one-time operating enhancements, or set-aside in the General Fund fund reserve to be used for Capital Projects during the next fiscal year's budget process. Through mid-year, receipts in this category are only 22.9% of projections. We are ahead of last year's mid-year actuals, and expect to meet projections during the second half of the fiscal year.

- **Licenses and Permits** – This revenue category is ahead of last year's receipts at this time, and is currently 40.8% of adjusted budget projections. This category of revenue includes permits such as building, electric, plumbing and heating, and with known new development activity occurring this fiscal year, it will meet its estimated budget projection at year end. These permits are a large portion of the $2.3 million budgeted revenue amount in this category.

- **<u>Charges for Services</u> –** This category is significantly up from the same period last year, specifically due to fees and charges increases approved by the City Council in April 2007. The City had not performed a fee study in several years, and an outside consultant was hired to do the study and ultimately recommended several fees and charges adjustments. These fees and charges adjustments went into affect on July 1, 2007. It is difficult to determine at this time specifically how much is due to the fees and charges increase, and how much may be due to increased, or decreased, activity. A full analysis will be performed at the end of the fiscal year, but revenue projections will meet their budgeted target in this category.

- **<u>Court Fines and Vehicle Code Fines</u>** – Fines and forfeits are slightly ahead of last year at this time, and are 51.9% of the adjusted budget amount. There is nothing out of the ordinary to report, and this category will meet projections.

- **<u>Interfund/Departmental</u> –** This category reflects the administrative cost allocation charges from other funds, including enterprise funds. Increases from last year include normal cost of business increases and negotiated personnel cost increases.

- **<u>Other Revenues</u>** – Miscellaneous revenue collected by Divisions is included in this category. This category includes revenues from the Fiesta La Ballona event that was not budgeted during the budget process, which inflates the current year actual amount over last year. There is also an amount from a "trust" that is being reflected in this category until approved arrangements can be made for the use of the funds. Budgeted projections include the final payment from the Warner Lot sale this fiscal year in the amount of $2.62 million.

- **<u>Transfers</u>** – Transfers from other funds are recorded in the General Fund on a monthly basis. Revenues in this category will meet budgeted projections.

<u>Decreases</u>

Revenue Description	Mid-year Receipts 2006-07	Mid-year Receipts 2007-08	$$ (Decrease) from fiscal 2006-07	% (Decrease) from fiscal 2006-07
Property Tax	$1,152,771	$1,144,730	$ (8,041)	(0.7%)
Sales Tax	$4,683,456	$4,515,700	$(167,756)	(3.7%)
Public Safety Sales Tax	$ 122,719	$ 122,104	$ (615)	(0.5%)
Franchise Tax	$ 252,011	$ 98,109	$(153,902)	(156.9%)
Real Property Transfer Tax	$1,311,167	$ 891,215	$(419,952)	(47.1%)
Utility Taxes	$6,214,674	$6,026,806	$(187,868)	(3.1%)
Transient Occupancy Tax	$1,804,523	$1,208,294	$(596,229)	(49.3%)
Intergovernmental	$ 183,199	$ 109,996	$ (73,203)	(66.6%)
Use of Money & Property	$1,020,762	$ 612,235	$(408,527)	(66.7%)

- **<u>Property Tax</u> –** For fiscal year 2007-08, revenues receipts are almost identical to the amount received this time last year. Anticipated increased property taxes have not materialized due to the housing slump, but it is anticipated that revenues in this category will reach, or come close, to projections. Since Culver City's property tax share is low, we are not as significantly affected by the downturn in the housing market as some other agencies – including the State.

- **<u>Sales Tax</u> –** For fiscal year 2007-08, actual sales tax receipts are down approximately 3.7% from the same period last year. Due to the current economic trends, it is not expected the City will realize the adopted 2007-08 projected sales tax amount. It is being recommended to reduce the adopted 2007-08 sales tax revenue amount from $18,800,000 to $18,300,000. This recommendation is based on many factors, such as: the trend of revenue receipts to date; current economic trends affecting consumer spending, which continues to show as sluggish; effects of the Writer's Guild strike on the local economy; the closing of a car dealership, which was not factored in when calculating the adopted revenue projection; and a revised "downward" estimate from our City's Sales Tax auditors, which shows a significant gap between our budgeted amount and estimated receipts based on their analysis.

  It is important to note that the "triple flip" payments for Sales Tax are received in January and May of each fiscal year. The City is expecting approximately $4.7 million (half paid in January, and half paid in May), and these payments will be reflected in the upcoming monthly budget monitoring reports to the City Council and the fiscal 2007-08 year-end report.

- **<u>Public Safety Sales Tax</u> –** Receipts to date for this revenue are less than last year at mid-year. It is anticipated, though, that receipts will hit the adopted revenue amount at the end of the fiscal year.

- **<u>Franchise Tax</u> –** Actual receipts to date are dramatically down from last year at this time, specifically because of a receipt of the Time Warner Franchise Fee ($187,000) in October of 2006. Normally, only a minimal amount of monies are collected in the first seven months of the fiscal year, and an "out of the ordinary" payment can throw off a comparison. The majority of Franchise Tax payments occur during February through June of a fiscal year, and it is anticipated that we will meet budgeted projections in this category.

- **<u>Real Property Transfer Tax</u> –** Actual receipts are down almost 50% from this same period last year. Part of this is attributable to one-time monies from audit findings that were deposited in the first half of fiscal 2006-07. With the downturn in the housing market, the sale of property has slowed considerably. As of December 31, 2007, the percentage of receipts received per projected budget is 43.5%. Although this is lower than expected, staff believes receipts will hit projections in this category.

- **<u>Utility User's Tax</u> –** To date, receipts are at 44.1% of projections compared to 46.4% at this time last year. Each UUT category (electric, gas, water, telecommunications, and cable) is behind last year's actual receipts at this same time. We will be working closely with our auditors on this issue. Approximately 67% of Gas UUT receipts are received in the second half of the fiscal year.

- **Transient Occupancy Tax –** A majority of the increased receipts from last year over this year at mid-year are the result of a bankruptcy settlement received by the City. These funds were received and deposited in December 2006. As of December 31, 2007, TOT receipts are 48.3% of budgeted projections, and are on-line to meet projections.

- **Intergovernmental** – Actual receipts are down from last year at this time, but approximately 92% of this category is received in the second half of the fiscal year when the State Motor Vehicle License Fee is received by the City. Payments are received in January and May of each year, and this revenue category will meet budget projections.

- **Use of Money and Property** – This category is behind last year at this time, but is expected to meet end of year projections. Interest Income is a portion of this revenue category and is on track with projections. A revenue in this category from last year, *Interest Income on Notes Receivable*, is no longer relevant this year and is one reason this year lags behind. The remainder of the decrease from last year is in *Net Increase/Decrease Fair Value.* These accounts are used by Accounting through the year to record various entries required per GASB 31, and will change at the end of the fiscal year. Fiscal 2006-07 shows a mid-year amount of $355,187, while the fiscal 2007-08 mid-year amount is $104,001. It is difficult to analyze what the outcome of this category will be, but as long as the "Fair Value" amount stays positive, this category is on track to meet projections.

Expenditure Detail

- Currently, the **City Manager's Department** is *exceeding the 96.5% spending assumption*, and the **Fire Department** is *right on the line.*

  1. Through December, the **City Manager's Department** has expended 50.5% of the adjusted budget. This increase is partly attributable to inflated regular salaries in the first two months of the fiscal year. During the 2007-08 budget process, three positions were reduced from the City Manager's Division. One of these positions was filled, and the employee was being paid from the Division for the first two months of the fiscal year during the transition, although no budget amount was appropriated. (The employee ultimately decided to leave City employ.) The other was a contract employee, Interim Financial Officer, who also was paid from regular salaries for the first two months, with no corresponding budget amount. If these salary payments were not included, expenditures at mid-year for the City Manager's Office would be 49.0%, which would put them well below the **expenditure target**.

  2. Through December, the **Fire Department** has expended 48.2% of the adjusted budget. Much of this is attributable to personnel costs (constant staffing) that were expended during the wildfires, which occurred in So. California in the fall of 2007.

It is anticipated, though, the Department **will come in within the 96.5% spending assumption** at the end of the fiscal year.

- Additionally, **eight (8)** General Fund divisions are currently exceeding the 48% target (excluding recreation programs, which are seasonal). Although these divisions are slightly above their expenditure targets, **each respective department** is **within, or close to (Fire), the 48% budget target**.

  - **Micrographics** has expended 51.3% of their adjusted budget. The Records Management Coordinator position is funded 60% in the City Clerk's Division and 40% in the Micrographic's Division. Charges to some of the personnel cost accounts do not reflect this percentage breakdown, and will be corrected. This Division will meet the 96.5% spending assumption target at the end of the year.
  - **Office of the Police Chief** has expended 53.2% of the adjusted budget amount at mid-year. This is primarily due to MOU adjustments for the Police Management Group, of which two out of the three employees in the Division belong. The Police Management labor negotiations were the only negotiations still open going into fiscal 2007-08. Because it was unknown what the final negotiation contract would be, an estimated amount of funding based on discussions to date was set aside in the contingency account in Non-Departmental. Funding will be transferred from the contingency account at the end of the fiscal year when other adjustments, such as retirement payoffs, are also performed.
  - **Police Communications** has expended 49.5% of its adjusted budget. The major factor is expending of overtime due to vacancies. Also, on average, more overtime is expended in the first half of the fiscal year than the second half. **Overall, the Police Department is at 46.2% of adjusted budget at mid-year, and is expected to finish the year below the 96.5% spending assumption.**
  - **Office of the Fire Chief** has expended 49.7% of its adjusted budget. There were expenses in other contractual services in the Maintenance and Operations category that were fully expended in the first six months of the fiscal year, which inflated the percentage. If these expenses were prorated over the entire fiscal year, the percent of adjusted budget expended would be 47.9%.
  - **Fire Suppression** has expended 56.7% of their adjusted budget. This is due to some crossover in personnel expenses between the Fire Suppression division and the EMS division. The EMS division is well under the target (35.3%). A major factor has been the increase in constant staffing, especially during the period of wildfires occurring this fall in So. California.
  - **Fire Prevention** has expended 48.9% of their adjusted budget. This is slightly over the target, and the division is still **on target** to meet the 96.5% spending assumption. **Overall, the Fire Department is expected to meet the 96.5% spending assumption.**
  - **Public Works Administration** has expended 50.8% of their adjusted budget. Some expenses that occurred in the first six months have slightly inflated the percentage. Overtime has also been expended with no amount budgeted for it. Budget savings in other divisions in the Public Works Department will be able to cover the overtime expenditure cost in this division.
  - **Maintenance Operations** has expended 51.1% of their adjusted budget. Over time is being expended, and no budget was adopted for this expenditure. Budget

savings in other divisions in the Public Works Department will be able to cover the overtime expenditure cost in this division. Budget staff will work with Public Works staff to identify overtime needs and, if necessary, budget accordingly. **The Public Works Department will be the 96.5% spending assumption.**

- All other General Fund expenditures appear to be on-track.

Conclusion/Summary:

General Fund recurring revenue is going to be very tight this budget year, especially Sales Tax receipts. There will be additional one-time monies from new development activity that were not anticipated this fiscal year, which will help make up the variance. Overall, General Fund expenditures are expected to come in below the 96.5% assumption spending limit, mainly due to vacancies during the fiscal year. This will help ease the burden on the General Fund due to less than stellar activity in some major revenue categories.

Budget & Finance staff will continue to monitor the revenue and expenditure trends monthly and inform departments and the City Council of any significant changes.

Internal Service Funds Summary

- There are **no significant budgetary issues** in the **Equipment Replacement, Equipment Maintenance & Fleet Services,** and **Central Stores** funds at this time. The Equipment Replacement Fund has issued a PO for the purchase of six (6) automated Refuse vehicles, which were approved for purchase this fiscal year. Annual "amortized" contributions from the Refuse Fund for prior refuse vehicles enabled the fund to have sufficient monies to purchase the vehicles outright. Staff from the Equipment Maintenance & Fleet Services Division will keep the City Council apprised of the progress of this purchase.

- The **Self Insurance Fund** had a beginning cash balance for 2007-08 of approximately **$5 million**; however, the Self Insurance Reserve Fund **will be significantly reduced by almost $4 million** due to costs related to the Culver Crest hillside litigation. Additionally, pending General Liability costs may further impact the fund balance.
  - Staff will develop a strategy to re-establish the fund reserve, and will assess if an increase in liability reserve charges to operating departments is needed over the next few years.
  - Workers' compensation and insurance costs are expected to meet the current budget.

Enterprise Funds Summary

- There are **no significant budgetary issues** in the **Transit** and **Sewer** Funds at this time.
  - The **Transit Fund** revenue receipts are on track (34% collected this year vs. 36% collected last year) and expenditures are 47% of the adjusted budget. Some large capital projects the department has been working on for the past couple of fiscal years (AVL project, CNG fueling stations) are seeing some significant headway, and the expending of carried-over operating funds is being realized this fiscal year.

    - The **Sewer Fund** revenue receipts are on track (44% collected this year vs. 43% collected last year) and expenditures are 41% of the adjusted budget (excluding capital projects).

- ➢ The **Refuse Fund** revenue receipts are on track (45.6% collected this year vs. 48.2% collected last year) and expenditures are 40% of the adjusted budget.
    - The outstanding Refuse Fund Loan amount will be approximately $1.15 million at the end of fiscal 2007-08. Of this amount, $686,500 is owed the General Fund, $401,400 to the Equipment Replacement Fund, and $61,400 to the Innovation Fund.

Other Fund Highlights:
At mid-year, all other funds are on track with anticipated mid-year projections. Budget staff will continue to monitor these funds on a regular basis and inform City Council of any significant changes.

Economic Update:
Select economic data from December 2007:

- **Overall**: The final fourth quarter real gross domestic product (GDP) numbers showed that the U.S. economy grew by 0.6%, as compared to 4.9% in the third quarter and 3.8% in the second quarter. Overall, the GDP grew 2.2% in 2007, the slowest rate in five years.
    - o The job market in LA County and is showing signs of economic strain as the seasonally adjusted **unemployment rate** for the County was **5.2%** in December 2007, which is up from 4.7% a year ago. The State unemployment rate is also struggling with effects of from the uncertainty of the economy, and the December 2007 rate was 6.1% as compared to 4.8% a year ago. The U.S. unemployment rate for December 2007 was 5.0%.
- **Real Estate/Housing Market**: The national housing market has taken a dramatic turn from a few years ago when housing was growing at an enormous rate. Following years of steep increases, 2007 saw the market retreat and foreclosures take the lead over new home sales. Economic projections for the housing market do not forecast much good news for 2008. Sales are predicted to stay relatively flat, and prices are expected to remain stable or experience modest decreases. The Los Angeles Westside is a highly desirable location, and it is likely home prices will remain stable for the most part. The economy will continue to feel the effects from the sub-prime mortgage fallout throughout 2008, and reduced consumer spending is also expected as a result of the slowing economy.
- **Inflationary Trends**: During December 2007, the Federal Reserve Bank reduced rates by half a point. In January 2008, they reduced the rate twice, half a point each time, in an aggressive effort to head of a potential recession. It is too early to tell if these efforts will have the effect on the economy that is intended.

REVENUE AND EXPENDITURE CHARTS

CHART 1

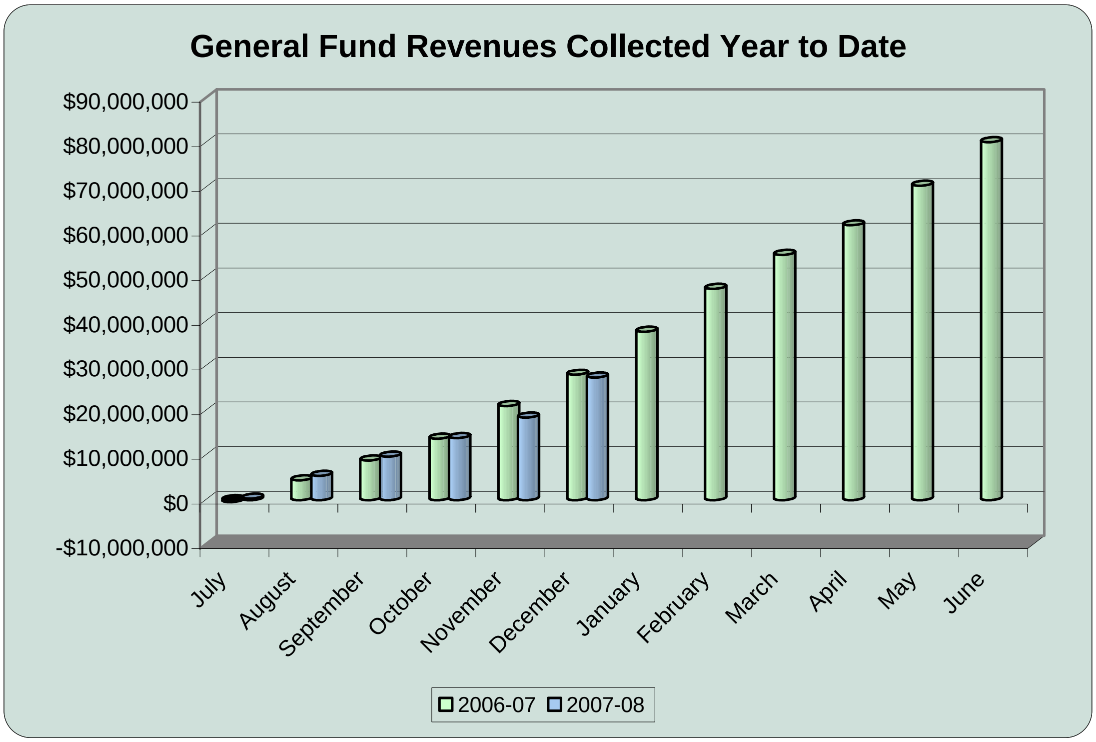


CHART 2

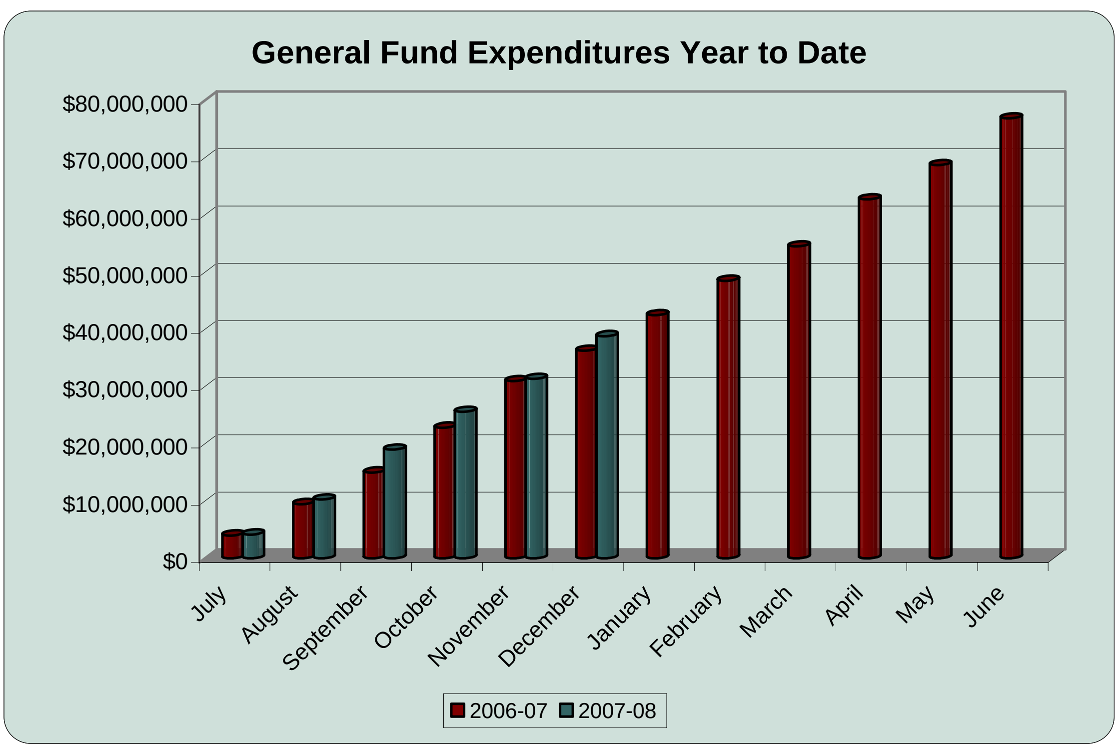


CHART 3

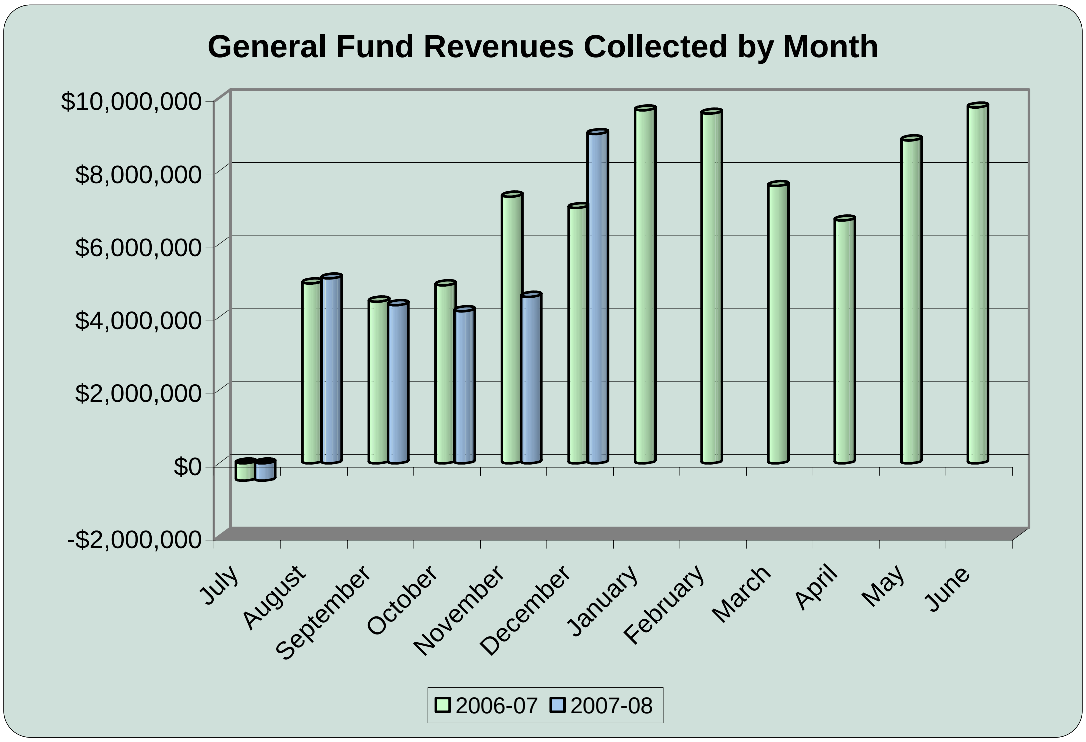
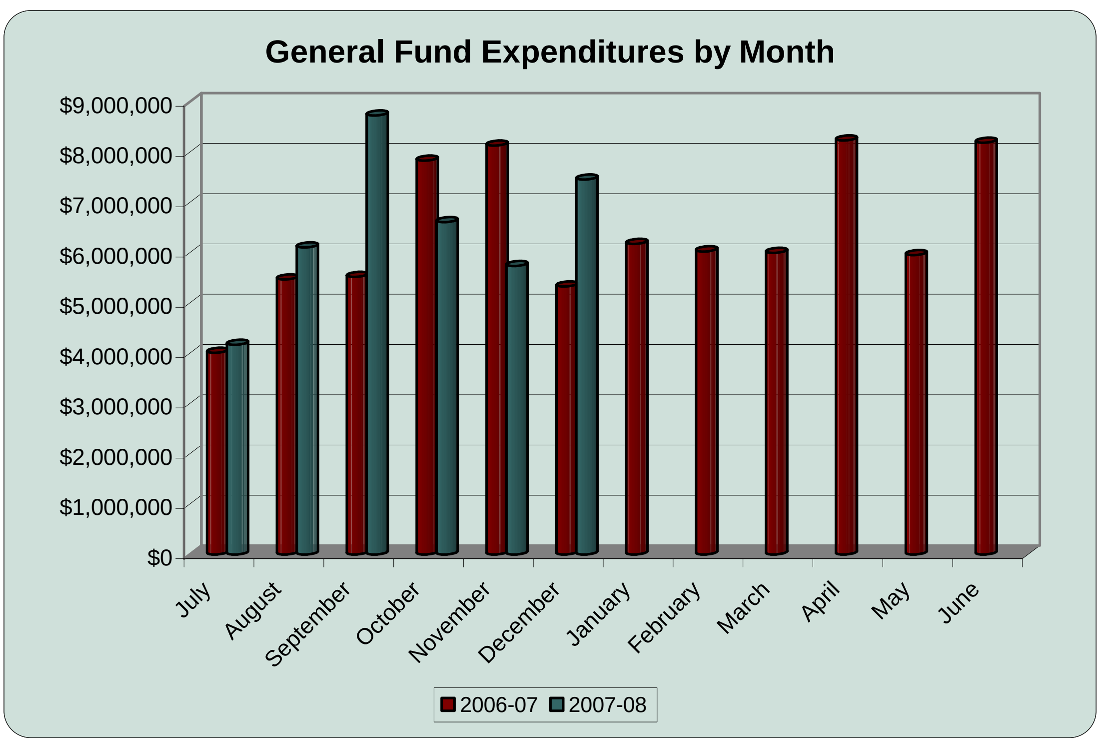


CHART 4



CITY OF CULVER CITY
SUMMARY OF REVENUES
COMPARISON OF MID-YEAR FISCAL 2006-07 AND 2007-08

ATTACHMENT 2

	FISCAL 2006-07					FISCAL 2007-08					
	ADOPTED BUDGET 2006-07	ADJUSTED BUDGET 2006-07	MID-YEAR RECEIPTS 2006-07	MID-YEAR PERCENT RECEIVED 2006-07	ACTUAL RECEIPTS 2006-07	ADOPTED BUDGET 2007-08	ADJUSTED BUDGET 2007-08	MID-YEAR RECEIPTS 2007-08	MID-YEAR PERCENT RECEIVED 2007-08	PROPOSED BUDGET REVISION 2007-08	PROPOSED ADJUSTED BUDGET 2007-08
GENERAL FUND											
PROPERTY TAX	3,048,000	3,048,000	1,152,771	37.8%	3,205,574	3,266,000	3,266,000	1,144,730	35.0%	0	3,266,000
SALES TAX	17,650,000	17,650,000	4,683,456	26.5%	18,198,893	18,800,000	18,800,000	4,515,700	24.0%	(500,000)	18,300,000
PUBLIC SAFETY SALES TAX	361,000	361,000	122,719	34.0%	369,193	377,245	377,245	122,104	32.4%	0	377,245
BUSINESS TAX	8,804,100	8,804,100	502,952	5.7%	9,183,833	9,144,000	9,144,000	521,653	5.7%	0	9,144,000
FRANCHISE TAX	1,200,000	1,200,000	252,011	21.0%	1,253,283	1,224,000	1,224,000	98,109	8.0%	0	1,224,000
REAL PROP.TRANS TAX	2,517,000	2,648,942	1,311,167	49.5%	2,965,289	2,050,000	2,050,000	891,215	43.5%	0	2,050,000
UTILITY TAXES	13,380,000	13,380,000	6,214,674	46.4%	13,891,149	13,656,000	13,656,000	6,026,806	44.1%	0	13,656,000
TRANS OCC TAX	2,100,000	2,100,000	1,804,523	85.9%	3,224,328	2,500,000	2,500,000	1,208,294	48.3%	0	2,500,000
COM/IND DEV TAX	372,640	372,640	193,002	51.8%	558,648	1,000,000	1,000,000	229,345	22.9%	0	1,000,000
LICENSES AND PERMITS	1,479,551	1,482,051	807,809	54.5%	1,679,605	2,396,000	2,398,500	977,676	40.8%	0	2,398,500
INTERGOVERNMENTAL	2,942,670	2,952,670	183,199	6.2%	3,061,890	2,980,600	2,980,600	109,996	3.7%	0	2,980,600
CHARGES FOR SERVICES	8,450,919	8,450,919	4,209,776	49.8%	9,115,583	9,444,477	9,598,195	4,820,278	50.2%	0	9,598,195
FINES AND FORFEITS	4,370,000	4,370,000	2,247,297	51.4%	4,542,779	4,415,000	4,415,000	2,291,549	51.9%	0	4,415,000
USE OF MONEY & PROPERTY	954,000	954,000	1,020,762	107.0%	1,817,041	1,103,000	1,103,000	612,235	55.5%	0	1,103,000
INTER FUND/DEPARTMENTAL	5,574,047	5,574,047	2,581,122	46.3%	5,410,063	5,872,231	5,872,231	2,823,944	48.1%	0	5,872,231
OTHER REVENUES	107,690	112,190	54,919	49.0%	170,814	2,738,304	2,738,304	358,491	13.1%	0	2,738,304
TRANSFERS	1,438,866	1,440,804	719,467	49.9%	1,490,209	1,456,800	1,461,300	728,400	49.8%	0	1,461,300
TOTAL GENERAL FUND	74,750,483	74,901,363	28,061,626	37.5%	80,138,174	82,423,657	82,584,375	27,480,525	33.3%	(500,000)	82,084,375
BUILDING SURCHARGE FUND	50,000	50,000	48,863	97.7%	100,388	92,500	92,500	55,618	60.1%	0	92,500
GRANTS OPERATING FUND	1,154,296	2,605,573	677,470	26.0%	2,522,488	1,140,060	1,379,767	633,760	45.9%	0	1,379,767
CDBG - OPERATING GRANT FUND	78,712	78,712	21,320	27.1%	66,622	72,780	72,780	5,891	8.1%	0	72,780
CDBG - CAPITAL GRANT FUND	58,292	84,397	171,654	0.0%	288,492	236,585	236,585	177,113	74.9%	0	236,585
PROP A LOCAL RETURN FUND	632,343	632,343	296,295	46.9%	698,240	669,442	669,442	284,998	42.6%	0	669,442
PROP C LOCAL RETURN FUND	974,017	974,017	262,978	27.0%	615,476	542,911	542,911	191,942	35.4%	0	542,911
ASSET SEIZURES FUND	0	0	34,690	0.0%	98,340	60,000	60,000	118,846	198.1%	0	60,000
SECTION 8 HOUSING	2,554,548	2,554,548	1,365,001	53.4%	2,509,632	2,533,896	2,533,896	917,023	36.2%	0	2,533,896

CITY OF CULVER CITY
SUMMARY OF REVENUES
COMPARISON OF MID-YEAR FISCAL 2006-07 AND 2007-08

ATTACHMENT 2

	FISCAL 2006-07					FISCAL 2007-08					
	ADOPTED BUDGET 2006-07	ADJUSTED BUDGET 2006-07	MID-YEAR RECEIPTS 2006-07	MID-YEAR PERCENT RECEIVED 2006-07	ACTUAL RECEIPTS 2006-07	ADOPTED BUDGET 2007-08	ADJUSTED BUDGET 2007-08	MID-YEAR RECEIPTS 2007-08	MID-YEAR PERCENT RECEIVED 2007-08	PROPOSED BUDGET REVISION 2007-08	PROPOSED ADJUSTED BUDGET 2007-08
ENTERPRISE FUNDS											
REFUSE FUNDS	10,410,618	10,410,618	5,022,074	48.2%	10,532,475	11,483,841	11,483,841	5,233,621	45.6%	0	11,483,841
MUNICIPAL BUS	16,025,724	16,025,724	5,808,446	36.2%	18,510,625	17,004,756	17,004,756	5,801,871	34.1%	0	17,004,756
SEWER FUND	8,598,900	8,598,900	3,656,867	42.5%	8,892,265	9,121,750	9,121,750	4,009,235	44.0%	0	9,121,750
LANDSCAPE MAINT. DIST	47,000	47,000	22,860	48.6%	56,267	47,000	47,000	21,556	45.9%	0	47,000
TOTAL ENTERPRISE FUNDS	35,082,242	35,082,242	14,510,247	41.4%	37,991,632	37,657,347	37,657,347	15,066,283	40.0%	0	37,657,347
CAPITAL IMPROVEMENT FUNDS											
ARTS IN PUBLIC PLACES	129,000	129,000	163,706	126.9%	346,492	317,000	317,000	44,682	14.1%	0	317,000
NEW DEV. IMPACT FEE FUND	3,000	3,000	5,026	167.5%	7,671	0	0	4,957	0.0%	0	0
SPECIAL GAS TAX FUND	750,000	750,000	273,270	36.4%	784,259	756,000	756,000	258,599	34.2%	0	756,000
PARK FACILITIES FUND	5,000	5,000	26,887	537.7%	73,869	40,000	40,000	76,953	192.4%	0	40,000
CAPITAL IMPV/ACQ FUND	1,429,000	2,065,372	1,204,760	58.3%	2,102,402	3,792,000	8,489,109	3,509,962	41.3%	0	8,489,109
PARKING IMPROVEMENT FUND	822,200	822,200	479,407	58.3%	1,086,203	944,000	944,000	533,143	56.5%	0	944,000
GRANTS CAPITAL FUND	0	1,042,298	512,627	49.2%	2,349,067	1,929,800	1,929,800	24,255	1.3%	0	1,929,800
TOTAL CAPITAL IMPROVEMENT FUNDS	3,138,200	4,816,870	2,665,683	55.3%	6,749,963	7,778,800	12,475,909	4,452,551	35.7%	0	12,475,909
INTERNAL SERVICE FUNDS											
EQUIPMENT REPLACEMENT	1,896,851	1,896,851	1,129,050	59.5%	2,196,112	2,042,736	2,042,736	1,055,127	51.7%	0	2,042,736
EQUIPMENT MAINTENANCE	6,212,059	6,212,059	3,035,156	48.9%	6,409,769	6,966,954	6,966,954	3,528,932	50.7%	0	6,966,954
SELF INSURANCE	7,515,002	7,515,002	3,979,359	53.0%	7,876,594	7,270,014	7,274,613	3,728,283	51.3%	0	7,274,613
STORES	1,422,250	1,422,250	792,190	55.7%	1,523,077	1,674,450	1,674,450	741,701	44.3%	0	1,674,450
INNOVATION FUND	11,412	11,412	13,621	119.4%	28,609	4,588	4,588	9,154	199.5%	0	4,588
TOTAL INTERNAL SERVICE FUNDS	17,057,574	17,057,574	8,949,376	52.5%	18,034,161	17,958,742	17,963,341	9,063,197	50.5%	0	17,963,341
TOTAL OPERATING AND CIP FUNDS	135,530,707	138,837,639	57,065,203	41.1%	149,813,608	151,166,720	156,268,853	58,447,747	37.4%	(500,000)	155,768,853
LESS: INTERNAL SERVICE FUNDS	17,057,574	17,057,574	8,949,376	52.5%	18,034,161	17,958,742	17,963,341	9,063,197	50.5%	0	17,963,341
TOTAL BUDGET	118,473,133	121,780,065	48,115,827	39.5%	131,779,447	133,207,978	138,305,512	49,384,550	35.7%	(500,000)	137,805,512

CITY OF CULVER CITY
SUMMARY OF EXPENDITURES
COMPARISON OF MID-YEAR 2006-07 AND 2007-08

ATTACHMENT 3

	FISCAL 2006-07					FISCAL 2007-08					
	ADOPTED BUDGET 2006-07	ADJUSTED BUDGET 2006-07	MID-YEAR EXPENDITURE 2006-07	MID-YEAR PERCENT EXPENDED* 2006-07	YEAR END ACTUAL EXPEND 2006-07	ADOPTED BUDGET 2007-08	ADJUSTED BUDGET 2007-08	MID-YEAR EXPENDITURE 2007-08	MID-YEAR PERCENT EXPENDED* 2007-08	PROPOSED BUDGET REVISION 2007-08	PROPOSED ADJUSTED BUDGET 2007-08
GENERAL GOVERNMENT											
CITY COUNCIL	210,897	265,161	89,033	33.6%	189,132	278,329	336,948	92,176	27.4%	0	336,948
CITY MANAGER	1,000,490	1,051,213	476,957	45.4%	1,042,487	1,009,485	1,066,459	538,613	50.5%	0	1,066,459
CITY CLERK	382,660	428,616	218,096	50.9%	416,673	509,033	509,033	183,910	36.1%	0	509,033
CITY TREASURY	2,806,112	3,115,891	1,515,532	48.6%	2,962,342	3,123,867	3,307,753	1,274,043	38.5%	0	3,307,753
CITY ATTORNEY	1,896,541	1,999,108	857,876	42.9%	1,925,194	1,723,067	1,746,247	779,643	44.6%	0	1,746,247
ADMIN/BUDGET & FINANCE	1,119,484	1,186,051	521,306	44.0%	1,163,842	1,346,237	1,392,163	514,910	37.0%	0	1,392,163
PERSONNEL	957,208	1,058,410	482,738	45.6%	1,111,762	1,112,075	1,141,974	536,668	47.0%	0	1,141,974
INFORMATION TECH.	2,654,587	2,831,034	1,289,091	45.5%	2,577,749	3,034,211	3,153,623	1,365,937	43.3%	0	3,153,623
TOTAL GENERAL GOVERNMENT	11,027,979	11,935,484	5,450,629	45.7%	11,389,181	12,136,304	12,654,200	5,285,900	41.8%	0	12,654,200
PARKS, REC. & COMMUNITY SVCS	6,174,663	6,394,103	2,897,508	45.3%	6,271,371	6,864,988	7,038,358	3,068,214	43.6%	25,300	7,063,658
POLICE DEPARTMENT	27,429,735	28,030,931	13,200,653	47.1%	27,612,692	28,385,399	28,464,960	13,159,592	46.2%	0	28,464,960
FIRE DEPARTMENT	13,771,360	14,386,792	6,750,499	46.9%	14,019,593	14,540,504	14,566,867	7,047,576	48.4%	32,850	14,599,717
COMMUNITY DEVELOPMENT	5,850,224	6,205,870	2,722,359	43.9%	5,656,226	7,131,365	7,479,735	2,980,716	39.9%	0	7,479,735
PUBLIC WORKS	8,193,357	8,569,275	3,734,734	43.6%	8,242,887	9,317,108	9,427,907	3,942,780	41.8%	0	9,427,907
NON-DEPARTMENTAL	4,983,050	3,298,737	950,562	28.8%	2,519,698	3,987,650	3,887,450	1,120,577	28.8%	0	3,887,450
Transfers	1,238,071	1,249,143	614,922	49.2%	1,223,884	1,338,504	4,495,532	2,239,072	49.8%	0	4,495,532
Projected excess appropriations	(2,650,000)	(2,650,000)		0.0%	0	(2,805,835)	(2,805,835)	0	0%	0	(2,805,835)
TOTAL GENERAL FUND	76,018,439	77,420,335	36,321,866	46.9%	76,935,532	80,895,987	85,209,174	38,844,427	45.6%	58,150	85,267,324
TOTAL OPERATING GRANTS FUND	1,154,296	2,103,043	1,076,376	51.2%	1,987,499	1,127,061	1,371,119	604,137	44.1%	0	1,371,119
CDBG OPERATING FUND	78,712	78,712	41,449	52.7%	66,623	72,780	72,780	20,997	28.8%	0	72,780
TOTAL SEC. 8 FUND	2,503,325	2,527,580	864,744	34.2%	1,712,655	2,574,648	2,584,943	855,289	33.1%	0	2,584,943
TOTAL PROP A FUND	632,343	632,343	316,170	50.0%	632,340	669,442	669,442	327,221	48.9%	0	669,442
TOTAL PROP C FUND	974,017	974,017	272,094	27.9%	767,187	542,911	592,911	279,277	47.1%	0	592,911
TOTAL ASSET SEIZURE FUND	0	953,154	3,232	0.3%	41,075	60,000	948,255	152,849	16.1%	0	948,255
TOTAL OPERATING	81,361,132	84,689,184	38,895,931	45.9%	82,142,911	85,942,829	91,448,624	41,084,197	44.9%	58,150	91,506,774

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ATTACHMENT 3

CITY OF CULVER CITY
SUMMARY OF EXPENDITURES
COMPARISON OF MID-YEAR 2006-07 AND 2007-08

	FISCAL 2006-07					FISCAL 2007-08					
	ADOPTED BUDGET 2006-07	ADJUSTED BUDGET 2006-07	MID-YEAR EXPENDITURE 2006-07	MID-YEAR PERCENT EXPENDED* 2006-07	YEAR END ACTUAL EXPEND 2006-07	ADOPTED BUDGET 2007-08	ADJUSTED BUDGET 2007-08	MID-YEAR EXPENDITURE 2007-08	MID-YEAR PERCENT EXPENDED* 2007-08	PROPOSED BUDGET REVISION 2007-08	PROPOSED ADJUSTED BUDGET 2007-08
ENTERPRISE AND USER FEE FUNDS ***											
TOTAL REFUSE	10,810,594	11,403,923	4,640,973	40.7%	10,047,895	11,712,676	12,098,967	4,897,345	40.5%	16,420	12,115,387
TOTAL TRANSIT	17,505,550	24,155,438	9,045,338	37.4%	17,473,091	18,350,584	24,779,202	11,593,128	46.8%	291,420	25,070,622
TOTAL SEWER	10,263,767	14,669,770	3,857,974	26.3%	8,088,536	9,976,940	14,915,025	4,802,484	32.2%	16,420	14,931,445
TOTAL LANDSCAPE	47,000	47,000	23,500	50.0%	47,000	47,000	47,000	23,500	50.0%	0	47,000
TOTAL ENTERPRISE	38,626,911	50,276,131	17,567,785	34.9%	35,656,522	40,087,200	51,840,194	21,316,457	41.1%	324,260	52,164,454
CAPITAL IMPROVEMENT FUNDS											
BUILDING SURCHARGE	50,000	51,016	1,016	2.0%	35,587	7,800	14,064	7,814	55.6%	0	14,064
ART IN PUBLIC PLACES	138,000	493,592	55,315	11.2%	140,110	565,773	837,130	40,460	4.8%	0	837,130
COMMUNITY DEVELOPMENT	0	59,679	0	0.0%	57,312	0	57,149	1,177	2.1%	0	57,149
GAS TAX	722,708	1,979,943	573,784	29.0%	919,950	877,160	1,696,679	235,497	13.9%	0	1,696,679
PARK FACILITIES	0	170,056	0	0.0%	16,727	86,500	145,030	31,645	21.8%	0	145,030
IMPROVEMENT & ACQUISITION	1,321,839	5,611,041	463,910	8.3%	1,428,409	3,762,000	13,189,700	658,219	5.0%	0	13,189,700
PARKING IMPROVEMENT	780,000	796,639	390,000	49.0%	780,000	798,000	814,639	390,000	47.9%	0	814,639
CAPITAL GRANTS	0	2,670,215	78,638	2.9%	550,755	1,929,800	4,464,355	479,770	10.7%	0	4,464,355
CDBG CAPITAL	58,292	84,397	171,654	203.4%	297,832	236,585	294,877	167,773	56.9%	0	294,877
TOTAL CAPITAL IMPROVE FUND	3,070,839	11,916,578	1,734,317	14.6%	4,226,682	8,263,618	21,513,623	2,012,355	9.4%	0	21,499,559
INTERNAL SERVICE FUNDS											
EQUIPMENT REPLACEMENT	1,220,828	3,797,038	1,038,513	27.4%	3,638,497	3,144,492	4,452,903	784,941	17.6%	0	4,452,903
EQUIPMENT MAINTENANCE	6,208,557	6,389,953	2,964,806	46.4%	6,489,993	6,867,854	6,870,800	3,091,783	45.0%	0	6,870,800
SELF INSURANCE	7,403,121	7,442,927	3,551,628	47.7%	5,675,674	9,571,353	11,072,650	4,671,015	42.2%	0	11,072,650
CENTRAL STORES	1,422,250	1,437,844	671,587	46.7%	1,460,098	1,674,450	1,674,627	651,760	38.9%	0	1,674,627
INNOVATION	0	159,989	0	0.0%	0	0	0	0	0.0%	0	0
TOTAL INTERNAL SERVICE FUND	16,254,756	19,227,751	8,226,534	42.8%	17,264,262	21,258,149	24,070,980	9,199,499	38.2%	0	24,070,980
TOTAL BUDGET BEFORE ADJ.	139,313,638	166,109,644	66,424,567	40.0%	139,290,377	155,551,796	188,873,421	73,612,508	39.0%	382,410	189,241,767
LESS INTERNAL SERVICE FUND	16,254,756	19,227,751	8,226,534	42.8%	17,264,262	21,258,149	24,070,980	9,199,499	38.2%	0	24,070,980
TOTAL BUDGET	123,058,882	146,881,893	58,198,033	39.6%	122,026,115	134,293,647	164,802,441	64,413,009	39.1%	382,410	165,170,787

*** Percent expended represents the percent of the adusted budget expended as of the end of the period covered in this report.**

**** Includes actual expenditures only. Does not include future liability adjustment (30921310)**

***** Includes appropriations for capital improvement projects funded by Enterprise funds only.**

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FINANCE DEPARTMENT

CITY OF CULVER CITY

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JEFF MUIR
Chief Financial Officer

Date: February 25, 2008
To: Honorable Mayor and Members of the City Council
From: Finance Department
CC: City Manager
Re: **RDA Mid-Year Budget Monitoring Report**

Introduction:
This report includes a brief recap of fiscal year 2006-07 and the mid-year analysis of revenues and expenditures for the Redevelopment Agency through December 31, 2007. The purpose of this report is to provide the Council with a snapshot of the financial position of the Redevelopment Agency (unrestricted and bond proceed funds) as it relates to the budget, provide some information on the progress on RDA programs and projects as measured by expenditures to date, and propose mid-year adjustments to the budget as necessary.

Fiscal Year 2006-07 Recap:

Unrestricted Tax Increment Fund
The beginning balance for unrestricted funds in Fiscal Year 2006-07 was approximately $23 million. The ending balance for FY 2006-07 is approximately $12.5 million.

On-going revenues were strong and came in approximately $6 million over budget. This was driven mainly by stronger than budgeted tax increment receipts (approximately $4 million over budget), interest income (approximately $425,000 over budget), parking revenues (approximately $350,000 over budget), and Pacific Theater income (approximately $900,000 over budget).

One-time revenues were significantly over budget (approximately $12 million). This is a result of a number of land sale revenues that were not originally budgeted at the beginning of the year, including properties on Irving Place, Culver Boulevard, and Lindblade (Lindblade was a pass-through for relocation assistance; a corresponding expenditure was recorded on the expenditure side).

Expenditures also exceeded the adopted budget. Some expenditures, such as the county administration fee, statutory pass through payments, and housing set-aside are a set percentage of tax increment receipts per State redevelopment law. Therefore, as tax increment receipts increase, there is a corresponding increase in those expenditures, which equated to approximately $1.5 million over budget.

Additionally, the Agency purchased a large amount of land in 2006-07 amounting to almost $23 million. The majority of this amount was related to parcels near the Washington/National project area in anticipation of development related to the impending Expo Light Rail regional transportation project. All together, the Agency ran a deficit of approximately $11 million in 2006-07.

Tax-Exempt Bond Funds

The beginning balance for tax exempt funds in Fiscal Year 2006-07 was approximately $12 million. The ending balance for FY 2006-07 (and beginning balance for 2007-08) was approximately $23.5 million. The increased fund balance is mainly the result of a re-allocation of funds.

As of July 1, 2006, there was approximately $12 million available in tax exempt bond funds. In order to give the Agency flexibility with respects to the Baldwin Motel Site project, the Agency approved transferring $1.7 million in unrestricted tax increment funds to tax exempt bond funds. An additional $1.8 million was earned in interest, which increased the available tax exempt bond funds to $15.5 million.

In May 2007, the Agency approved a $9 million loan from the City's General Fund to the Redevelopment Agency, which was used to substitute unrestricted funds for tax exempt bond funds for the Washington/Centinela project area. This further increased the available tax exempt bond funds to approximately $24.5 million. Of this amount, approximately $10 million was appropriated for projects. Therefore, approximately $14.5 million in tax exempt bond funds were available to be appropriated for qualified projects at the end of fiscal year 2006-07.

Low/Moderate Income Housing Fund

The beginning balance for Low/Moderate Income Housing Fund in Fiscal Year 2006-07 was approximately $12.9 million. The ending balance for FY 2006-07 (and beginning balance for 2007-08) was approximately $15.1 million. Towards the end of FY 2006-07, Housing and Community Development staff began work developing strategies to program the Low/Moderate Income Housing funds and develop a long term work program, which will be presented to the Redevelopment Agency at a later date.

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Mid-Year 2007-08 Analysis
Unrestricted Funds

Fund Balance:
The beginning unrestricted fund balance for 2007-08 is approximately $13 million. The projected ending fund balance, assuming that the proposed budget revisions are adopted and the $9 million loan to the City is fully repaid, is approximately $3.4 million.

Revenues:
Tax Increment
Tax Increment is the Redevelopment Agency's primary source of on-going revenue. The Agency receives tax increment based on the amount of property tax that is generated in a Redevelopment project area above a certain base year (i.e. the year the project area was established).

	2006-07		2007-08		Revised
Revenue Description	**Actual Revenue**	**Mid-year Receipts**	**Adopted Revenue**	**Mid-year Receipts**	**2007-08 Estimate**
Project Area 1	7,824,285	3,000,752	7,101,000	3,816,610	8,144,000
Project Area 2	5,860,450	2,024,385	5,651,000	2,325,661	6,144,000
Project Area 3	12,387,106	4,872,195	11,667,000	5,237,616	12,479,000
Project Area 4	2,389,236	811,796	2,230,000	1,285,470	2,826,000
Total Tax Increment	**$28,461,077**	**$10,709,128**	**$26,649,000**	**$12,665,357**	**$29,593,000**

Note: The tax increment revenues in the above table are gross receipts. Twenty percent (20%) of the gross amount must be passed through to low/moderate income housing fund and up to an additional twenty percent (20%) is passed through to other taxing agencies (e.g. CCUSD, LA County, City of Culver City).

Subsequent to the adoption of the 2007-08 Redevelopment Agency budget, Keyser Marston Associates provided staff with an **updated tax increment projection** based on the 2008-09 Assessed Value Report issued by the County Assessor's Office. The revised 2007-08 estimate of $29.6 million represents a 4% increase over the $28.5 million received in 2006-07. Based on the mid-year receipts to date, staff recommends that the budgeted tax increment revenues are revised to reflect the increased values.

On-going Revenues
In addition to tax increment, the Redevelopment Agency receives some on-going revenue from a number of sources, including rental income, parking fees, participation agreements, repayment for loan's issued, etc.

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Parking Revenues:

Revenue Description	2006-07 Actual Revenue	2006-07 Mid-year Receipts	2007-08 Adopted Revenue	2007-08 Mid-year Receipts	Revised 2007-08 Estimate
Ince Parking Structure	410,424	216,499	380,000	260,337	420,000
Cardiff Parking Structure	103,539	52,480	105,000	47,852	no change
Watseka Parking Structure	211,129	102,905	205,000	111,356	no change
Film Parking Revenue	172,317	97,294	75,000	50,768	no change
Other Parking Revenues	287,824	139,558	138,120	105,893	no change
Total Parking Revenues	**$1,185,233**	**$608,736**	**$903,120**	**$576,206**	**$943,120**

Rent/Participation Agreements:

Revenue Description	2006-07 Actual Revenue	2006-07 Mid-year Receipts	2007-08 Adopted Revenue	2007-08 Mid-year Receipts	Revised 2007-08 Estimate
Farmers' Market	114,409	55,640	105,000	62,177	no change
Pacific Theatre Revenues	1,686,956	627,282	1,200,000	377,381	no change
Rent, Lease, & Loan Pymnts	165,178	126,660	156,000	75,600	no change

Based on the mid-year receipts, staff recommends that the revenue estimate for the **Ince Parking Structure** is increased. A significant amount of the use of the Ince Parking structure comes from business related to filming and operations at Culver Studios. Despite the Writers' Guild strike, film parking at Ince has remained relatively strong as many of the game shows and reality type shows filmed at Culver Studios have not been significantly impacted by the strike.

Other Parking Revenues includes smaller parking lots, such as those on Virginia, Canfield, Robertson, and Parcel B. Parking revenues from Parcel B were collected through December. However, Parcel B will no longer be used as a parking lot and will not generate parking revenues for the remainder of the fiscal year. Therefore no budget amendment is recommended.

Additionally, mid-year receipts for the **Pacific Theatre** are lagging behind last year's receipts. The lagging revenues have been seen industry-wide and are a combination of a number of factors, including a weakening economy, lack of quality blockbuster movies, and the Writers' Guild strike. Staff believes that the adopted revenue of $1.2 million is still achievable as the spring movie season is historically stronger than the fall/winter. RDA staff will be presenting a more detailed report to the Agency in March on Pacific Theatre's performance through the first two quarters of the year.

Land Sale Proceeds

Over the last few years, the Redevelopment Agency has acquired a number of blighted properties throughout the Redevelopment project areas. The RDA is now moving forward with selling many of these properties for various redevelopment projects, including Parcel B, Baldwin Hotel property, and Washington/Centinela. Staff expects to receive revenue from one property in fiscal year 2007-08.

Expenditures:
To identify the nature of the Agency's expenditures, they have been divided into five categories:

1. Debt Service and Statutory Indebtedness
2. Administrative Costs
3. Ongoing Projects/Programs
4. Under Development Projects/Programs
5. Potential Projects/Programs

Debt Service and Statutory Indebtedness
Debt Service Payments include all principal and interest payments on all outstanding bond issues, which are based on interest rates at the time of bond issuance. Debt Service payments are fixed when the bond is issued; therefore the payment amounts are known and paid according to a debt schedule. The Redevelopment Agency's **Debt Service obligation for 2007-08 is $13,972,793**.

Statutory indebtedness are payments that the Redevelopment Agency is statutorily obligated to pay, such as the 20% housing set-aside requirement, statutory pass through agreements with other taxing agencies, administration fee to the County, and Education Revenue Augmentation Fund (ERAF) payments. Housing set-aside and statutory pass through payments are calculated as a set percentage of the total tax increment that the Agency receives. Consequently, those payment amounts are dependant on how much tax increment is received in any given year. Based on the revised tax increment projections above, the revised pass through payments for 2007-08 are:

Revenue Description	Actual 2006-07 Expense	Adjusted 2007-08 Budget	Revised 2007-08 Estimate
20% Housing Set Aside	5,692,215	5,329,800	5,918,600
Total Housing Set Aside	**$5,692,215**	**$5,329,800**	**$5,918,600**
Pass Through Pymnts			
LA County – General	1,452,081	1,350,104	1,694,514
LA County Fire Dept	9,987	9,265	11,628
LACCD	40,497	37,568	47,152
LA West Vector Control	501	465	583
LA County Flood Contrl	18,153	16,840	21,136
LA County School Serv	5,606	5,201	6,527
CCUSD	1,217,774	1,383,111	1,735,940
City of Culver City	164,414	152,523	191,431
LA County Library	38,725	35,924	45,088
Total Pass Through	**$2,947,737**	**$2,991,000**	**$3,754,000**

Note: Due to the timing of tax increment receipts from the County, pass through payments made in the current year are for prior year's obligation. For example, payments made in 2006-07 are for 2005-06 pass through obligation.

The state has not required Redevelopment Agencies to make **ERAF payments** since fiscal 2005-06. However, due to the state's recent cash flow problems and projected $14 billion budget deficit for 2008-09, the Governor has declared a fiscal emergency. **The declaration of a fiscal emergency opens the door for the state to again shift funds away from Redevelopment Agencies**. At this juncture, the Governor has not proposed diverting Redevelopment Agency funds. However, as the budget process progresses, the legislature may re-institute ERAF payments or some other form of revenue diversion. Staff will continue to monitor the state's budget and its impact on the City and RDA.

Administrative Costs

The Administrative costs category includes the salaries and benefits for the Redevelopment and Economic Development divisions, general supplies and operations expenses, contract services, and reimbursement costs that the Agency pays to the City for a number of positions that are impacted by redevelopment activities (e.g. planning staff, code enforcement staff, building and safety staff, etc.). With the exception of Supplies and Contract Services, these costs are typically charged monthly with a "true-up" adjustment at the end of the fiscal year. No adjustments to any of these expenditure categories are recommended at this time.

Program Description	Actual 2006-07 Expense	Adjusted 2007-08 Budget	Mid-year Expense 2007-08
Admin – RDA Salaries	1,509,821	1,785,781	845,900
Admin – Supplies	414,373	339,183	110,049
Admin – Contract Svcs	869,945	1,224,368	223,589
Rehab Patrol Services	325,000	325,000	135,415
City Cost Allocation	2,274,546	2,525,001	1,228,680
Total Administration Costs	**$5,393,685**	**$6,199,333**	**$2,543,633**

Note: Admin – Salaries and City Cost Allocation are reimbursements to the City. The actual reimbursement is typically billed as a lump sum at year-end. Therefore, there is very little monthly activity in these areas

Ongoing Projects/Programs

This expenditure category consists of the ongoing projects and programs managed by the Agency. This includes the costs for management activities for Agency owned and/or operated properties (e.g. downtown parking structures, and the Pacific Theaters) and many cultural affairs type programs, including Music in the Chambers, "The Art of…" speaker series, and the Culver City Music Festival.

Program Description	Actual 2006-07 Expense	Mid-year Expense 2006-07	Adjusted 2007-08 Budget	Mid-year Expense 2007-08
Parking Management				
Cardiff Parking Structure	350,546	64,650	373,435	64,383
Ince Parking Structure	353,563	140,161	561,532	108,989
Virginia Parking Lot	27,297	13,098	46,828	13,500
Watseka Parking Structure	116,449	41,410	309,849	19,795
Total Parking Management	**$847,855**	**$259,319**	**$1,291,644**	**$206,667**
Economic Development Programs	294,445	227,755	574,368	48,057
Farmers Market	45,155	15,838	85,657	14,714
Property Management - General	428,256	259,328	438,612	131,978
Ivy Substation	9,355	3,764	49,747	1,481
Total Economic Development	**$777,211**	**$506,685**	**$1,148,384**	**$196,230**
Children's Events	4,115	0	5,000	152
Historic Preservation	0	0	10,000	0
Public Outreach	11,046	3,035	39,973	100
Music in the Chambers	10,317	16	20,000	500
Speaker Series – The Art of …	25,232	12,967	47,687	0
Special Events	3,809	0	10,000	6,284
Culver City Music Festival	46,786	33,877	103,899	63,224
Total Cultural Affairs	**$101,305**	**$49,895**	**$236,559**	**$70,260**

Due to the vacancy of the Economic Development Administrator, Economic Development Program expenditures are behind last year's expenditures, primarily due to a decrease in **Business Development** expenses. The Business Development Program offers various incentives to encourage local business development. The RDA is currently recruiting for the vacant position.

Property Management – General costs are also down from last year due to a large interest payment of approximately $130,000 for the purchase of the 9900 Culver Blvd property from the City. After adjusting that one-time payment out, expenditures are comparable to last year. No budget revisions are recommended at this time.

Projects/Programs Under Development

Projects/programs under development have been presented to and considered by the Agency Board and are in varying stages of implementation (i.e. planning, demolition, construction, or project closeout stage). Once these projects/programs are completed, there will be no associated direct ongoing cost assumed by the Agency. Expenditures in this category are subject to change as projects progress due to a variety of project specific factors.

Program Description	Actual 2006-07 Expense	Mid-year Expense 2006-07	Adjusted 2007-08 Budget	Mid-year Expense 2007-08	Proposed Revision
Baldwin Motel Block (12803-23 Wash. Blvd)	9,018	1,569	45,600	549	no change
Parcel B	3,248	2,289	10,521	750	no change
Sepulveda Blvd MTA	0	0	130,000	0	no change
Washington/Centinela Sites	825,390	349,791	469,876	35,379	no change
Washington/National Sites	1,187,693	280,320	645,711	270,672	895,711
Total Projects under Development	**$2,025,349**	**$633,969**	**$1,301,708**	**$307,350**	**$1,551,708**

Due to the uncertainty related to **relocation costs for the Washington/National project**, sufficient funding for relocation services was not originally included in the adopted 2007-08 budget. Therefore, a budget amendment is needed to increase relocation services in the Washington/National project (55092620.610500) by $250,000. With the exception of Washington/National and Sepulveda Blvd MTA, most of the above projects are substantially under way and the Redevelopment Agency's **involvement is expected to dwindle within the next 12 – 18 months**. No other budget revisions to any of these projects are recommended at this time.

Potential Projects/Programs

Potential projects/programs are in the exploratory stages of development, i.e. staff is researching potential projects that community investors and community members may be interested in implementing. For the most part, costs in this category are to identify projects in certain areas that may ultimately be brought before the Agency Board for consideration. Once a potential program is approved by the Agency Board, it becomes a current project/program. This is the most dynamic and changing expenditure category.

Program Description	Actual 2006-07 Expense	Mid-year Expense 2006-07	Adjusted 2007-08 Budget	Mid-year Expense 2007-08
Culver and Sawtelle	0	0	5,000	0
Mid Washington Opportunity Sites	21,178	0	132,000	7,321
Sepulveda Blvd Redevelopment	23,669	1,000	110,528	0
Total Potential Projects/Programs	**$44,847**	**$1,000**	**$247,528**	**$7,321**

Due to a number of **vacant positions and limited staff resources**, Redevelopment staff has been focused on moving the Projects under Development along before expending too much energy on potential projects. Therefore, no budget amendments are being recommended at this time.

Tax Exempt Bond Fund

Fund Balance:
The beginning restricted tax exempt bond fund balance for 2007-08 is approximately $23.5 million. Approximately $770,000 is anticipated in interest income and $9 million is currently appropriated for capital projects (see table below). Therefore, approximately $15 million is currently available to be appropriated for projects that meet the restrictions of tax exempt bond funding.

Current Bond Funded Projects:
The Redevelopment Agency currently has tax exempt bond proceeds available from the 2002 bond issue. The use of tax exempt bond proceeds are restricted by the IRS taxation code, which generally limits the use to qualified governmental purposes, such as constructing governmental facilities, improving roads and infrastructure, or providing for public safety.

There are currently approximately $15 million in unallocated bond funds that are available to be used for qualified projects. Projects for which bond funds are currently allocated are below:

Program Description	Actual 2006-07 Expense	Adjusted 2007-08 Budget	Mid-year Expense 2007-08
Downtown Street Improvements			
Washington Blvd Realignment	331,637	2,500,000	559,244
Town Plaza Expansion	0	3,324,000	0
Washington/National	0	350,000	0
Public Works Street Improvements	677,336	323,736	0
Hayden Tract – MTA Spur	0	50,000	0
Fire Station #3	257,503	2,642,000	681,688
Total Bond Fund	**$1,266,472**	**$9,136,000**	**$1,240,932**

Work is underway on the Washington Blvd realignment, Fire Station #3, and Public Works Street Improvements (Adams Boulevard resurfacing, scheduled to begin this spring). Demolition on the Washington/National site will begin once all of the occupants in that area have been relocated and work on the Town Plaza expansion is slated to begin in May 2008.

City Loan to Agency
Over the past few years, the Redevelopment Agency acquired a number of properties throughout the City in furtherance of the Redevelopment Plan. While a number of the properties were purchased with unrestricted tax increment funds, several properties were purchased with tax exempt bond funds due to the anticipated project/proforma structure. For the properties that utilized bond funds to purchase the properties, there was the expectation that the residual land value

from the subsequent sale of the property would not result in a return greater than five percent of the total bond issue (i.e. $1.5 million). Due to changes in the value and scope of two of these projects (i.e. Baldwin Hotel fka West Culver Lofts and Washington/Centinela), the return was projected to exceed five percent. This would violate one of the restrictions placed on tax-exempt bond funds.

In order to avoid this situation and give the Agency flexibility in the future use and disposition of those affected projects, it was necessary to replace the bond funds originally used to purchase the properties with unrestricted funds. To achieve this, unrestricted funds needed to be transferred to the tax exempt bond fund account, which effectively decreases the amount of unrestricted funds that are available and increases the amount of restricted tax exempt bond funds that are available.

As of July 1, 2006, there was approximately $12 million available in tax exempt bond funds. In order to give the Agency flexibility with respects to the West Baldwin Motel Site project, the Agency approved transferring $1.7 million in unrestricted tax increment funds to tax exempt bond funds. An additional $1.8 million was earned in interest, which increased the available tax exempt bond funds to $15.5 million.

In May 2007, the Agency approved a **$9 million loan from the City's General Fund to the Redevelopment Agency**, which was used to substitute unrestricted funds for tax exempt bond funds for the Washington/Centinela project area. This further increased the available tax exempt bond funds to approximately $24.5 million. Of this amount, approximately $9 million is currently appropriated for other projects (see Adjusted 2007-08 Budget column above). **Therefore, approximately $15 million in tax exempt bond funds are available to be appropriated for qualified projects.**

Economic Update:

The Redevelopment Agency relies primarily on Tax Increment as its funding source. As a result, RDA revenues are very dependant on the health of the real estate market (especially the commercial real estate market).

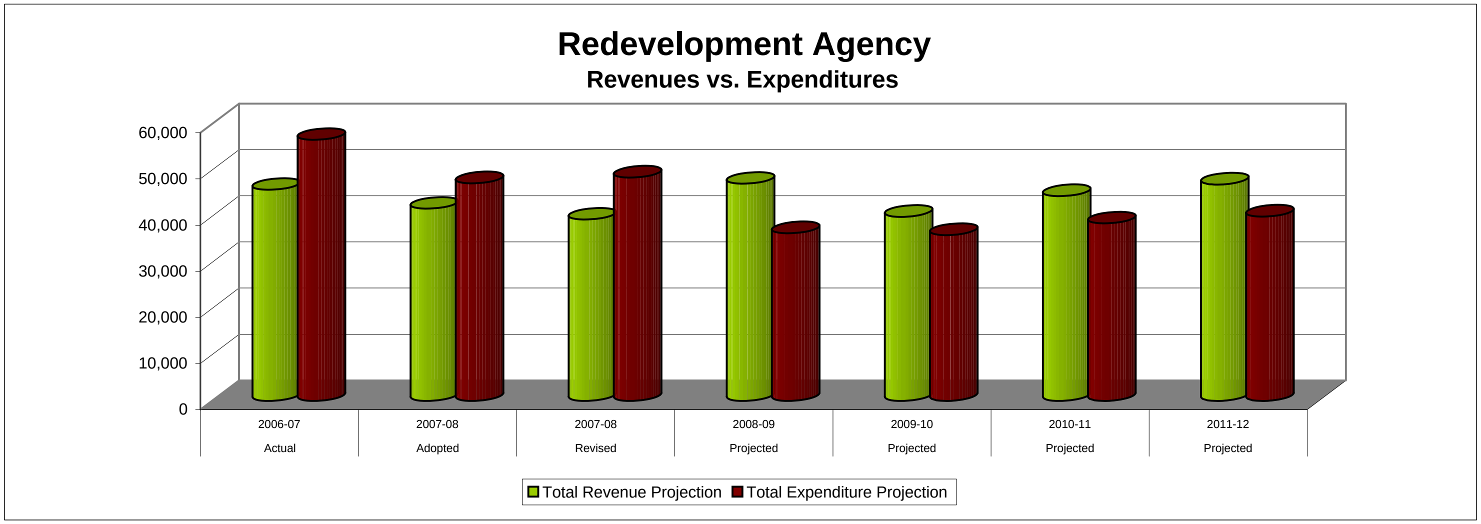
- **Real Estate/Housing Market**: The housing market, both in California and nationwide, continues to slump. A November report from the California Association of Realtors revealed that unit sales in California fell by 36% from last November, while the median price declined by 11.9% to $488,640. The unsold inventory was 15.3 months compared with 6.4 months a year ago.
  - **Los Angeles County**: Unit sales fell by 36.5% from last year, while median price fell by 11.8% to $520,960.
- **State Budget:** As previously mentioned in this report, the state is currently experiencing cash flow problems and has a projected $14+ billion budget shortfall for 2008-09. At this point, the Governor's proposed budget does not include any shifting of City or Redevelopment Agency funds. However, it is still a distinct possibility. Staff will continue to monitor the state budget.

ATTACHMENTS:

1. RDA Unrestricted Fund Cash Flow Summary
2. RDA Unrestricted Fund Cash Flow Detail
3. Tax Exempt Bond Fund Cash Flow Summary
4. Tax Exempt Bond Fund Cash Flow Detail

REDEVELOPMENT AGENCY
UNRESTRICTED FUNDS: 5 YEAR CASH FLOW SUMMARY

REDEVELOPMENT AGENCY UNRESTRICTED FUNDS	Actual 2006-07	Adopted 2007-08	Revised 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
Beginning Unrestricted Fund Balance	$ 22,900,000	$ 12,583,000	$ 12,583,000	$ 3,453,000	$ 14,192,000	$ 18,145,000	$ 24,074,000
Revenues - Tax Increment	28,461,076	26,649,000	29,593,000	31,565,000	36,119,000	40,523,000	43,099,000
Revenues - Other Ongoing	5,173,282	3,643,464	3,720,344	3,731,110	3,574,640	3,673,020	3,816,580
Revenues - One-time	12,114,107	11,375,000	5,975,000	11,775,000	200,000	200,000	0
Total Revenue Projection	45,748,465	41,667,464	39,288,344	47,071,110	39,893,640	44,396,020	46,915,580
Tax Increment Indebtedness	24,421,826	32,026,594	33,378,393	24,709,444	26,719,399	28,897,053	30,017,278
Administrative Costs	5,068,685	5,874,333	5,874,333	6,292,288	6,561,000	6,840,000	7,131,000
Ongoing Projects/Programs	2,051,371	2,659,520	2,659,520	2,658,666	2,660,473	2,730,367	2,801,438
Current Projects	25,012,005	6,536,500	6,441,500	1,299,700	0	0	0
Potential Projects	36,389	65,000	65,000	1,372,500	0	0	0
Total Expenditure Projection	56,590,276	47,161,947	48,418,746	36,332,598	35,940,872	38,467,420	39,949,716
Annual Operationing Surplus/Deficit	(10,841,811)	(5,494,483)	(9,130,402)	10,738,512	3,952,768	5,928,600	6,965,864
Year-end CAFR Reconciliation Adjustment	525,000						
Ending Unrestricted Fund Balance	$ 12,583,000	$ 7,089,000	$ 3,453,000	$ 14,192,000	$ 18,145,000	$ 24,074,000	$ 31,040,000



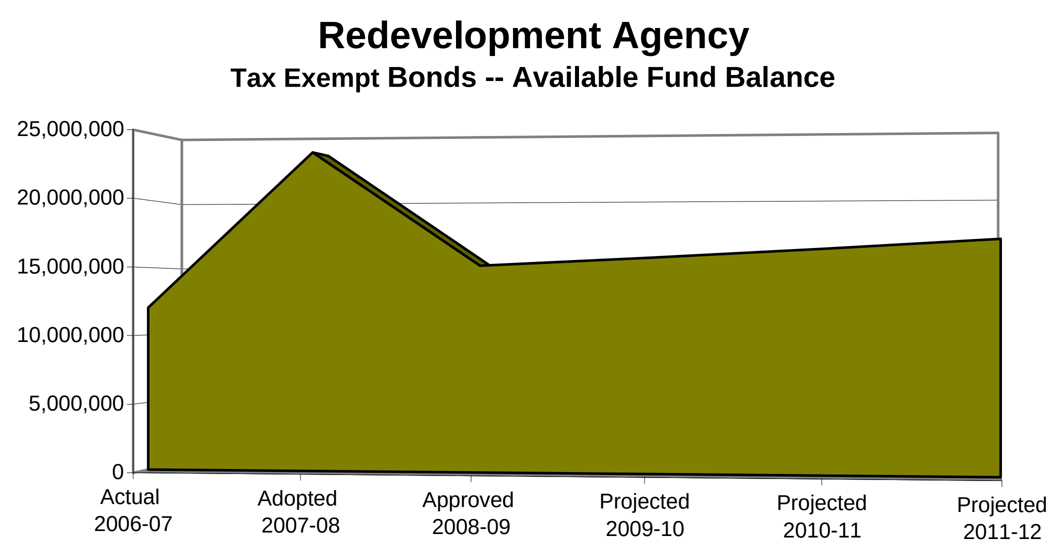
REDEVELOPMENT AGENCY

UNRESTRICTED FUNDS: 5 YEAR CASH FLOW DETAIL

ANNUAL CASH FLOW	Actual 2006-07	Adopted 2007-08	Proposed Revisions	Revised 2007-08	Revised 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
Beginning Unrestricted Fund Balance	**22,900,000**	**12,583,000**		**12,583,000**	**3,453,000**	**14,192,000**	**18,145,000**	**24,074,000**
RDA REVENUES								
Tax Increment Revenue	28,461,076	26,649,000	2,944,000	29,593,000	31,565,000	36,119,000	40,523,000	43,099,000
Other Ongoing Revenue	5,173,282	3,643,464	76,880	3,720,344	3,731,110	3,574,640	3,673,020	3,816,580
One-time Revenue (Property Sale)	12,114,107	11,375,000	(5,400,000)	5,975,000	11,775,000	200,000	200,000	-
TOTAL RDA REVENUES	**45,748,465**	**41,667,464**	**(2,379,120)**	**39,288,344**	**47,071,110**	**39,893,640**	**44,396,020**	**46,915,580**
RDA GENERAL EXPENDITURES	**2006-07**	**2007-08**	**Revisions**	**Revised**	**2008-09**	**2009-10**	**2010-11**	**2011-12**
Tax Increment Indebtedness								
Debt Service	13,984,459	13,972,793	-	13,972,793	13,970,444	13,972,599	13,976,453	13,969,478
Housing Set Aside	5,692,215	5,329,800	588,800	5,918,600	6,313,000	7,223,800	8,104,600	8,619,800
Statutory Pass Through	389,916	257,786	65,774	323,560	2,097,000	3,084,000	4,269,000	4,803,000
County Admin Fees	1,452,081	1,350,104	344,396	1,694,500	555,000	634,000	710,000	755,000
CCUSD (CA #2)	1,217,774	1,383,111	352,829	1,735,940	1,554,000	1,585,000	1,617,000	1,650,000
Interfund Transfer	1,685,381	-	-	-	-	-	-	-
Loan Repayment to City	-	**9,513,000**	-	**9,513,000**	-	-	-	-
ERAF	-	-	-	-	-	-	-	-
ERAF Loan Payment to Housing	-	220,000	-	220,000	220,000	220,000	220,000	220,000
SubTotal TI Indebtedness	24,421,826	32,026,594	1,351,799	33,378,393	24,709,444	26,719,399	28,897,053	30,017,278
Administrative Expenses								
Administration-Salaries*	1,509,821	1,785,781	-	1,785,781	2,078,346	2,172,000	2,270,000	2,372,000
Administration. - Supplies/Operations	414,373	339,183	-	339,183	336,763	349,000	361,000	374,000
Administration - Contract Services	869,945	1,224,368	-	1,224,368	1,224,837	1,268,000	1,312,000	1,358,000
City Cost Allocation	2,274,546	2,525,001	-	2,525,001	2,652,342	2,772,000	2,897,000	3,027,000
SubTotal Admin Expenses	5,068,685	5,874,333	-	5,874,333	6,292,288	6,561,000	6,840,000	7,131,000
Subtotal -- General Expenditures	**29,490,511**	**37,900,927**	**1,351,799**	**39,252,726**	**31,001,732**	**33,280,399**	**35,737,053**	**37,148,278**
ONGOING PROGRAM/PROJECT EXPEN	**2006-07**	**2007-08**	**Revisions**	**Revised**	**2008-09**	**2009-10**	**2010-11**	**2011-12**
Cardiff Parking Structure	350,546	257,000	-	257,000	264,000	272,000	280,000	288,000
Children's Events	4,115	5,000	-	5,000	5,000	5,150	5,305	5,464
Culver City Music Festival	46,786	70,000	-	70,000	70,000	72,000	74,000	76,000
Economic Development	294,445	557,000	-	557,000	516,000	531,000	547,000	563,000
Farmers Market	45,155	74,450	-	74,450	79,750	82,143	84,607	87,145
Historic Preservation	-	10,000	-	10,000	10,000	10,300	10,609	10,927
Ince Parking Structure	353,563	482,500	-	482,500	507,000	522,000	538,000	554,000
Ivy Substation	9,355	48,500	-	48,500	26,400	27,000	28,000	29,000
Public Outreach	11,046	29,000	-	20,000	30,000	30,900	31,827	32,782
Music in the Chambers	10,317	20,000	-	66,000	20,000	20,600	21,218	21,855
Pacific Theaters	-	66,000	-	411,070	66,000	-	-	-
Property Management - General	428,256	411,070	-	29,000	416,516	429,000	442,000	455,000
Rehab Patrol Services	325,000	325,000	-	325,000	325,000	325,000	325,000	325,000
Speaker Series - The Art Of...	25,232	34,500	-	34,500	36,000	37,080	38,192	39,338
Special Events	3,809	10,000	-	10,000	10,000	10,300	10,609	10,927
Virginia Parking Lot	27,297	35,500	-	35,500	39,500	41,000	42,000	43,000
Watseka Parking Lot	116,449	224,000	-	224,000	237,500	245,000	252,000	260,000
Subtotal -- Ongoing Programs/Projects	**2,051,371**	**2,659,520**	**-**	**2,659,520**	**2,658,666**	**2,660,473**	**2,730,367**	**2,801,438**
CURRENT PROJECT EXPENDITURES	**2006-07**	**2007-08**	**Revisions**	**Revised**	**2008-09**	**2009-10**	**2010-11**	**2011-12**
Acquisition Administration Costs	41,924	53,500	-	53,500	32,500	-	-	-
Downtown Parcel B	3,248	4,000	-	4,000	-	-	-	-
Encore Motel Area	508	-	-	-	-	-	-	-
Kirk Douglas Theatre	-	10,000	-	10,000	-	-	-	-
Sepulveda MTA Grant	-	130,000	-	130,000	-	-	-	-
Sepulveda Projects	23,669	75,000	-	75,000	75,000	-	-	-
Town Plaza Maintenance	18,197	-	-	-	-	-	-	-
Washington/Centinela Sites	825,390	345,000	-	-	-	-	-	-
Washington/National Sites	1,187,693	525,000	250,000	775,000	50,000	-	-	-
West Culver Lofts	9,018	44,000	-	44,000	49,200	-	-	-
Property Acquisition	22,902,358	5,350,000	-	5,350,000	1,093,000	-	-	-
Subtotal -- Current Projects	**25,012,005**	**6,536,500**	**250,000**	**6,441,500**	**1,299,700**	**-**	**-**	**-**
EXPENDITURES	**2006-07**	**2007-08**	**Revisions**	**Revised**	**2008-09**	**2009-10**	**2010-11**	**2011-12**
Miscellaneous Contingency Funds	-	-	-	-	1,350,000	-	-	-
Culver Sawtelle	-	5,000	-	5,000	2,500	-	-	-
Hayden Revitalization - MTA Spur	14,990	-	-	-	-	-	-	-
Lindblade Opportunity Sites	221	-	-	-	-	-	-	-
Mid Washington/Pleasant View	21,178	60,000	-	60,000	20,000	-	-	-
Subtotal -- Potential Projects	**36,389**	**65,000**		**65,000**	**1,372,500**	**-**	**-**	**-**
TOTAL EXPENDITURES	**56,590,276**	**47,161,947**	**1,601,799**	**48,418,746**	**36,332,598**	**35,940,872**	**38,467,420**	**39,949,716**
Projected Annual Surplus/Deficit	**(10,841,811)**	**(5,494,483)**		**(9,130,402)**	**10,738,512**	**3,952,768**	**5,928,600**	**6,965,864**
Year-end CAFR Reconciliation Adjustment	**525,000**							
Ending Unrestricted Fund Balance	**12,583,000**	**7,089,000**		**3,453,000**	**14,192,000**	**18,145,000**	**24,074,000**	**31,040,000**

REDEVELOPMENT AGENCY
TAX EXEMPT BOND FUNDS: 5 YEAR CASH FLOW SUMMARY

REDEVELOPMENT AGENCY TAX EXEMPT BOND FUNDS	Actual 2006-07	Adopted 2007-08	Approved 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
Beginning Fund Balance	$ 12,030,775	$ 23,461,000	$ 15,090,000	$ 15,638,000	$ 16,268,000	$ 16,925,000
Interest	1,826,204	769,000	608,000	630,000	657,000	685,000
Loan from City	9,075,698	0	0	0	0	0
Transfers In	1,685,381	0	0	0	0	0
Total Revenues	12,587,283	769,000	608,000	630,000	657,000	685,000
Component Area 1	258,000	2,642,000	0	0	0	0
Component Area 2	0	0	0	0	0	0
Component Area 3	494,000	6,174,000	0	0	0	0
Component Area 4	780,000	323,736	60,000	0	0	0
Total Expenditures	1,532,000	9,139,736	60,000	0	0	0
Year-end CAFR Reconciliation Adjustment	375,000					
Ending Fund Balance	$ 23,461,000	$ 15,090,000	$ 15,638,000	$ 16,268,000	$ 16,925,000	$ 17,610,000



REDEVELOPMENT AGENCY

TAX EXEMPT BOND FUNDS: 5 YEAR CASH FLOW DETAIL

ANNUAL CASH FLOW		ACTUAL 2006-07	ADOPTED 2007-08	APPROVED 2008-09	ESTIMATED 2009-10	ESTIMATED 2010-11	ESTIMATED 2011-12
AVAILABLE FUND BALANCE - 7/1		**12,030,775**	**23,461,000**	**15,090,000**	**15,638,000**	**16,268,000**	**16,925,000**
	TRANSFER IN	1,685,381					
	LOAN FROM CITY	9,075,698					
	INTEREST	1,826,204	769,000	608,000	630,000	657,000	685,000
	TOTAL AVAILABLE RESOURCES	**24,618,058**	**24,230,000**	**15,698,000**	**16,268,000**	**16,925,000**	**17,610,000**
TOTAL BOND EXPENDITURES							
COMPONENT AREA 1					0	0	0
93700	Fire Station 3	257,503	2,642,000	0	0	0	0
	SubTotal Component Area 1	*257,503*	*2,642,000*	*0*	*0*	*0*	*0*
COMPONENT AREA 2							
	No Projects						
	SubTotal Component Area 2	0	0	0	0	0	0
COMPONENT AREA 3			0	0	0	0	0
93400	Downtown Street Improvements	331,637	5,824,000	0	0	0	0
93600	Plunge Remodel	92,681	0	0	0	0	0
94801	Wash. Streetscape Projects	69,798	0	0	0	0	0
92700	Town Plaza Infrastructure	0	0	0	0	0	0
92620	Washington/National Sites	85	350,000	0	0	0	0
	SubTotal Component Area 3	*494,201*	*6,174,000*	*0*	*0*	*0*	*0*
COMPONENT AREA 4							
93500	Public Works Street Improvements	0	270,000	60,000	0	0	0
93501	Culver Blvd Keystone to Jasmine	120,667	0	0	0	0	0
93502	Washington Blvd/Reid Ave	41,264	53,736	0	0	0	0
93503	Washington Blvd/Elenda Ave	515,405	0	0	0	0	0
94200	Kirk Douglas Theater	0	0	0	0	0	0
94500	Historic Rehab	0	0	0	0	0	0
94600	East Washington Rehab Grant	39,975	0	0	0	0	0
96900	Senior Center	0	0	0	0	0	0
92630	Culver West Lofts	2,960	0	0	0	0	0
93200	West Washington Rehab	60,000	0	0	0	0	0
96000	Property Acquisition	0	0	0	0	0	0
92900	Sepulveda Rehab Grant	0	0	0	0	0	0
92610	Washington/Centinela Cites	0	0	0	0	0	0
	SubTotal Component Area 4	*780,271*	*323,736*	*60,000*	*0*	*0*	*0*
TOTAL PROGRAM EXPENSES		**1,531,975**	**9,139,736**	**60,000**	**0**	**0**	**0**
Year-end CAFR Reconciliation Adjustment		375,000					
AVAILABLE FUND BALANCE - 6/30		**23,461,000**	**15,090,000**	**15,638,000**	**16,268,000**	**16,925,000**	**17,610,000**