

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: January 15, 2009
To: Harbor Commission
From: John N. Bridley, Waterfront Director
Subject: **Mid-Year Budget Review**

RECOMMENDATION:

That Harbor Commission receive and review a status report on the Waterfront Department Fiscal Year 2009 Mid-Year Budget revenues and expenditures.

Fiscal Year 2009 Year-To-Date Revenue

The following table summarizes the Department’s revenue 50% of the way through the year, as of December 31, 2008. In the table, FY09 “Expected” revenue has been estimated using a seasonally adjusted three-year average. If the pattern continues for the second half of the year, it is estimated that Department revenue will be 2% under budget (\$229,397).

	Waterfront Department Revenue					
	3 yr avg. %	FY 2009 Actual	By Program		FY09 Budget	Expected Y.E. Variance
			FY 09 Expected			
<u>July-Dec</u>	<u>July-Dec</u>	<u>Expected</u>		<u>Budget</u>		
Property Management	54.96%	2,351,363.51	4,278,045.24	4,207,806.00	70,239.24	1.67%
Financial Management	49.97%	165,477.46	331,156.46	276,019.00	55,137.46	19.98%
Parking Services	49.78%	905,969.97	1,819,835.04	1,879,854.00	-60,018.96	-3.19%
Marina Management	50.21%	2,397,531.49	4,775,110.07	5,069,865.00	-294,754.93	-5.81%
Totals		5,820,342.43	11,204,146.81	11,433,544.00	-229,397.19	-2.01%

The Property Management program appears to be on track to meet budget at mid year. The Financial Management program consists of interest earned on the Department’s reserves. Interest revenue is exceeding the budget projection provided by the Finance Department.

The Parking Services program is tracking 3% below budget. Santa Barbara City College is not planning to purchase 200 permits for its students, faculty and staff as it has for the past six years. The Department will advertise in the Santa Barbara Independent and Daily Sound in an effort to boost permit sales.

Marina Management revenue is also expected to finish the year below budget expectations, primarily due to the lack of slip transfers taking place. The low number showing in the Miscellaneous Revenue line item may correct itself when catamaran beach permits go on sale in March 2009.

Attachment I shows Department year to date revenue at the line item level, and includes a comparison to FY 2008 figures for the July-December time period. As expected given the current economy, all programs are performing below last year's levels.

Preliminary Fiscal Year 2009 Year-To-Date Expenses

Expense figures are preliminary, pending release of December 2008 figures from the City's Finance Department. Overall, the Department spent or encumbered approximately 48% of its Fiscal Year 2009 budget as of December 31, 2008, as shown on the table below.

		Waterfront Department Expense		
		By Program		
		FY 09	FY 09	FY 09
		Budget	YTD	%
			12/31/08	Of
				Budget
811	Admin & Community		2,451,910.2	
1	Relations	4,545,871.24	9	53.94%
811	2 Property Management	318,074.72	108,463.51	34.10%
811	3 Financial Management	192,552.00	100,286.21	52.08%
812	1 Parking Services	999,069.51	473,990.12	47.44%
813	1 Harbor Patrol	1,749,388.59	857,160.87	49.00%
814	1 Marina Management	321,975.00	144,787.83	44.97%
815	1 Harbor Maintenance	2,772,490.02	1,159,166.17	41.81%
815	2 Wharf Maintenance	1,018,859.74	423,989.37	41.61%
816	Facilities Design &			
1	Capital Program Mgmt	250,566.00	121,574.11	48.52%
Total		12,168,846.8	5,841,328.4	48.00%

It should be noted that the table includes \$421,445 in transfers from the Administration and Community Relations program to the Capital Program to fund capital projects planned for Fiscal Year 2009.

As of December 31, 2008, the Department is on track to stay within its budgeted expenditures.

Attachment: Waterfront Department FY 2009 Revenue

Prepared by: Scott Riedman, Waterfront Business Manager