

Fund Summaries

TIDELANDS FUNDS

**Tidelands Fund
Tideland Oil Revenue Fund
Reserve for Subsidence Fund**

Tidelands Fund Summary

ASSUMPTIONS FOR MAJOR RESOURCES

The Tidelands Operating Funds comprise the following four funds: Tidelands Operations, Marina, Queen Mary Repair Reserve and Rainbow Harbor Area.

Sources of Tidelands Operations Fund revenue include permit fees and rents from various waterfront concessions; Convention Center and Hyatt leases; The Aquarium of the Pacific; Queen Mary rent; parking revenue from beach lots, transfers from the Harbor Fund and from the Tideland Oil Revenue Fund's Optimized Waterflood Program.

Sources of Marina Fund revenue include slip rental fees for recreational boats, commercial enterprises, and temporary/guest docking; and, ground leases for certain properties directly adjacent to the marinas.

Queen Mary Repair Reserve Fund revenue is limited to rents generated from the site currently occupied by the Catalina Express operation.

The Rainbow Harbor Area Fund revenue comprises dock rentals, the Pierpoint Landing lease, and operating transfers from the Tidelands Operations Fund. The Aquarium parking structure revenue flows through this fund and is restricted for use in operating and maintaining the structure, including debt service, with net proceeds accruing to the benefit of the Aquarium of the Pacific.

Tidelands Funds Summary

Purpose:

The Tidelands Operating Funds are used to account for operations, programs, maintenance and development of the marinas, beaches and waterways, the Convention Center, the Queen Mary and adjacent properties, the Aquarium of the Pacific, Rainbow Harbor area, and the Pike at Rainbow Harbor. Operations include marina management, police, fire and lifeguards, beach and marina maintenance, lease management, parking operations and other support functions.

Revenue Trends and Forecast:

Tidelands revenue is heavily dependent upon the economy and tourism, particularly the Convention Center, Aquarium of the Pacific and Queen Mary. Tidelands operations continue to be dependent on significant support from the Harbor via City Charter Section 1209, which provides for an annual transfer of a maximum of five percent of Harbor gross operating revenue. Net profit from oil operations within the Tidelands area provides one-time funding used to address a deferred capital project list that currently totals over \$300 million. However, oil revenue fluctuates significantly. Marina revenues continue to generate a surplus in order to accumulate funds to be used to support the rebuild of the Alamitos Bay Marina.

	Actual FY 10	Adopted FY 11	Adjusted FY 11	Estimated FY 11	Adopted FY 12
Resources:					
Beginning Fund Balance	27,393,198	52,322,984	53,261,989	53,261,989	57,175,044
Unreserving/(Reserving) of Restricted Fund Balance	11,935,275	-	1,781,214	1,781,214	-
Adjusted Fund Balance	39,328,473	52,322,984	55,043,203	55,043,203	57,175,044
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	209,893	153,153	153,153	236,105	153,153
Fines and Forfeitures	392,822	241,200	241,200	271,600	241,200
Use of Money & Property	38,519,834	35,873,491	35,873,491	35,552,735	38,125,302
Revenue From Other Agencies	5,695,577	674,322	897,822	308,491	670,894
Charges for Services	29,172,985	28,931,984	28,931,984	28,874,615	28,955,239
Other Revenues	31,750	53,290	75,290	33,270	53,290
Interfund Services-Charges	16,456,606	16,319,872	16,319,872	16,748,337	16,288,279
Intrafund Services-Gen Fund Chgs	-	837	837	-	837
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	(1,196,223)	-	321,567	-	-
Operating Transfers	45,526,418	38,193,398	44,668,498	44,346,066	55,651,264
Total Revenues	134,809,663	120,441,547	127,483,714	126,371,219	140,139,458
Estimated All-years Carryover Revenue	-	11,087,360	21,311,392	-	38,937,088
Total Resources	174,138,136	183,851,891	203,838,310	181,414,423	236,251,590
Requirements:					
Expenditures:					
Salaries, Wages and Benefits	23,973,642	24,653,647	24,653,647	24,460,898	26,154,990
Materials, Supplies and Services	50,691,014	62,434,936	77,284,397	56,103,280	62,618,568
Internal Support	8,066,433	20,058,550	20,950,313	19,601,992	19,611,691
Capital Purchases	7,310	-	-	-	-
Debt Service	17,496,403	17,802,231	17,802,231	18,015,672	16,840,517
Transfers to Other Funds	21,580,351	6,384,207	8,384,207	6,057,537	6,554,170
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	121,815,153	131,333,571	149,074,795	124,239,378	131,779,936
Estimated All-years Carryover Exp.	-	33,022,441	(34,080,141)	-	60,733,543
Ending Fund Balance	52,322,984	19,495,879	88,843,655	57,175,044	43,738,111

Tideland Oil Revenue Fund Summary

Purpose:

The Tideland Oil Revenue Fund is used to account for the proceeds from oil operations within the Tidelands area.

Assumptions for Major Resources:

The major source of revenue for the Tideland Oil Revenue Fund is generated from oil operations in the Tidelands area, which is dependent upon the price of oil.

Revenue Trends and Forecast:

The projected revenues for the Tideland Oil Revenue Fund are based on a \$55 per barrel price for crude oil. LBGO-Oil Operations feels that this is a prudent price to project based on the volatility of the oil market.

	Actual FY 10	Adopted FY 11	Adjusted FY 11	Estimated FY 11	Adopted FY 12
Resources:					
Beginning Fund Balance	2,294,187	2,271,371	2,288,371	2,288,371	2,779,253
Unreserving/(Reserving) of Restricted Fund Balance	-	-	-	-	-
Adjusted Fund Balance	2,294,187	2,271,371	2,288,371	2,288,371	2,779,253
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	287,127,736	70,794,000	368,668,549	351,661,155	243,179,666
Revenue From Other Agencies	-	-	-	-	-
Charges for Services	-	-	-	-	-
Other Revenues	2,078	-	-	-	-
Interfund Services-Charges	-	-	-	-	-
Intrafund Services-Gen Fund Chgs	-	-	-	-	-
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Total Revenues	287,129,814	70,794,000	368,668,549	351,661,155	243,179,666
Estimated All-years Carryover Revenue	-	-	-	-	-
Total Resources	289,424,001	73,065,371	370,956,920	353,949,526	245,958,919
Requirements:					
Expenditures:					
Salaries, Wages and Benefits	4,108,156	5,420,382	5,420,382	7,867,038	4,384,156
Materials, Supplies and Services	264,028,539	59,686,894	324,402,848	322,897,200	205,013,563
Internal Support	1,270,317	1,114,286	1,146,881	1,146,881	1,030,510
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	17,745,618	4,116,154	37,259,154	19,259,154	31,641,740
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	287,152,630	70,337,716	368,229,265	351,170,273	242,069,969
Estimated All-years Carryover Exp.	-	-	-	-	-
Ending Fund Balance	2,271,371	2,727,655	2,727,655	2,779,253	3,888,950

Reserve for Subsidence Fund Summary

Purpose:

The Reserve for Subsidence Fund is used to account for the accumulation of funds to be used to minimize and remedy future land sinkage (subsidence) due to oil operations.

Assumptions for Major Resources:

The revenue source for the subsidence fund is interest earned on the fund balance, along with the repayment of a loan to the General Fund allowed under State law to mitigate the impacts of the last ERAF State revenue take-aways.

Revenue Trends and Forecast:

It is estimated that the interest rate for FY 12 will be approximately 3.5 percent. Given the threat of Prop 1A borrowing of City property tax for FY 12, the ability to borrow additional Subsidence Fund resources is being sought.

	Actual FY 10	Adopted FY 11	Adjusted FY 11	Estimated FY 11	Adopted FY 12
Resources:					
Beginning Fund Balance	166,575,103	157,586,732	157,586,732	157,586,732	159,436,732
Unreserving/(Reserving) of Restricted Fund Balance	-	-	-	-	-
Adjusted Fund Balance	166,575,103	157,586,732	157,586,732	157,586,732	159,436,732
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	1,314,803	1,350,000	1,350,000	1,350,000	1,350,000
Revenue From Other Agencies	-	-	-	-	-
Charges for Services	-	-	-	-	-
Other Revenues	500,000	500,000	500,000	500,000	500,000
Interfund Services-Charges	-	-	-	-	-
Intrafund Services-Gen Fund Chgs	-	-	-	-	-
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Total Revenues	1,814,803	1,850,000	1,850,000	1,850,000	1,850,000
Estimated All-years Carryover Revenue	-	-	-	-	-
Total Resources	168,389,906	159,436,732	159,436,732	159,436,732	161,286,732
Requirements:					
Expenditures:					
Salaries, Wages and Benefits	-	-	-	-	-
Materials, Supplies and Services	-	-	-	-	-
Internal Support	-	-	-	-	-
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	10,803,174	-	-	-	-
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	10,803,174	-	-	-	-
Estimated All-years Carryover Exp.	-	-	-	-	-
Ending Fund Balance	157,586,732	159,436,732	159,436,732	159,436,732	161,286,732

