

## **Fund Summaries**

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### **TIDELANDS FUND GROUPS**

**Tidelands Operating Fund Group  
Tidelands Area Fund Group  
Tideland Oil Revenue Fund Group  
Reserve for Subsidence Fund Group**



# Tidelands Operating Fund Group Summary

## Purpose:

The Tidelands Operating Fund Group is used to account for operations, programs, maintenance and development of beaches and waterways, the Convention Center and capital projects in the Tidelands area. Tidelands Operating Fund Group also accounts for debt service of the Aquarium of the Pacific and Rainbow Harbor area. Operations include police, fire and lifeguards, beach maintenance, lease management, parking operations and other support functions.

## Assumptions for Major Resources:

The sources of revenue for the Tidelands Operating Fund Group are varied, including revenue from the City's participation in Tidelands oil operations, parking revenues in the Tidelands areas and the annual transfer from the Harbor Fund Group. The FY 23 Adopted Budget includes a projected price of oil of \$55 per barrel, which equates to \$13 million, to the Tidelands Operating Fund Group.

	Actual FY 21	Adopted FY 22	Estimated FY 22	Adopted FY 23
<b>Resources:</b>				
Revenues:				
Property Taxes	-	-	-	-
Sales and Use Taxes	-	-	-	-
Other Taxes	-	-	-	-
Utility Users Tax	-	-	-	-
Franchise Fees	-	-	-	-
Licenses, Permits and Fees	208,147	271,500	348,545	235,500
Fines and Forfeitures	310,744	233,000	272,972	355,409
Use of Money & Property	21,681,453	20,458,479	19,086,368	21,352,876
Revenue from Other Agencies	153,367	460,145	-	32,000
Charges for Services	16,451,531	3,028,846	2,836,225	3,106,979
Other Revenues	3,852,488	-	44,138	-
Intrafund Services	-	-	-	-
Intrafund Transfers	9,741,712	-	8,329,837	-
Interfund Services	29,859,095	28,998,125	29,681,374	31,550,027
Interfund Transfers	37,408,678	48,052,333	54,878,625	54,261,128
Other Financing Sources	(40,309,725)	-	-	-
Release of Reservations	1,340,720	-	8,094,710	12,000,000
<b>Total Resources/Sources</b>	<b>80,698,211</b>	<b>101,502,428</b>	<b>123,572,792</b>	<b>122,893,919</b>
<b>Uses:</b>				
Expenditures:				
Salaries, Wages and Benefits	23,999,771	25,610,270	23,840,900	27,442,849
Materials, Supplies and Services	27,512,476	20,609,092	20,229,931	29,760,139
Interfund Support	28,546,460	29,249,956	28,941,841	29,812,092
Intrafund Support	-	-	-	-
Capital Purchases	51,760	-	-	67,784
Insurance Premiums and Losses	105,073	74,002	198,589	74,002
Other Non-Operational Expenditures	15,330,615	15,367,570	15,261,226	15,362,512
Operating Transfers	7,881,571	12,603,539	5,500,000	10,933,110
Intrafund Transfers Out	11,711,684	-	8,303,339	-
Purchase of Gas & Water	-	-	-	-
Depreciation and Non Cash Expenditures	-	-	-	-
Addition to Reservations	6,629,709	-	12,000,000	-
<b>Total Expenditures/Uses</b>	<b>121,769,120</b>	<b>103,514,429</b>	<b>114,275,827</b>	<b>113,452,489</b>
<b>Net Increase/(Decrease) in Funds Avail.</b>	<b>(41,070,910)</b>	<b>(2,012,000)</b>	<b>9,296,965</b>	<b>9,441,430</b>
Beginning Funds Available*	106,062,673	2,928,328	2,928,328	15,754,203
Carryover Revenue Budget	25,939,019	-	-	-
Carryover Expenditure Appropriation	88,002,453	-	-	-
Adjustments/corrections to Fund Balance	-	-	3,528,910	(10,230,126)
<b>Ending Funds Available**</b>	<b>2,928,328</b>	<b>916,328</b>	<b>15,754,203</b>	<b>14,965,507</b>

\*The City is currently maintaining two different financial systems and until a new budget development software is established, the financial information displayed in the future may have further adjustments to the budgetary funds available.

\*\*Note: The Ending Funds Available for FY 21 estimates includes setting aside funds for the possible additional expenses for Queen Mary debt payments and losses incurred by the Convention Center expected in FY 22.

# Tidelands Area Fund Group Summary

## Purpose:

The Tidelands Area Fund Group are used to account for the safety, maintenance and development of the marinas, the Queen Mary and adjacent properties, the Aquarium of the Pacific, and the Rainbow Harbor Area. Operations include marina management and maintenance, lease management, parking operations, marine patrol (PD), marine safety (Fire) and other support functions. With the implementation of the City's new financial system, the Rainbow Harbor Fund has been moved to the Tidelands Operating Fund Group effective April 2019.

## Assumptions for Major Resources:

The Tidelands Area Fund Group sources of revenue are generated from various activities, specific to each Fund. The Marina Fund revenue includes slip fee rentals for recreational boats, commercial enterprises and ground leases for certain marina properties. Revenue generated is pledged to the repayment of the Marina Bond Series 2015. The Queen Mary Fund revenue is generated through a hotel management agreement for the Queen Mary, special events revenue, rent from adjacent properties and passenger fee revenue from Carnival. In FY 18, \$17.3 million in bond funds were received and appropriated to provide for critical repair work to the Queen Mary. Fund revenues were pledged for repayment of the debt service. Due to the COVID-19 pandemic, revenue in Queen Mary Fund has been severely impacted and the Tidelands Operating Fund Group funded the Queen Mary debt service for bond payments. As the pandemic regulations and restrictions are reduced, the fund is anticipated to reach pre-pandemic revenue levels. In FY 21, the City assumed control of the management Queen Mary due to the bankruptcy of former operator. Along with monitoring the impact of the pandemic recovery, the fund also requires monitoring for the impacts of both costs and staff resources related to the bankruptcy proceeding, ongoing ship repair and reopening costs, and the potential of the Harbor Department assuming control of Pier H, including the Queen Mary.

	Actual FY 21	Adopted FY 22	Estimated FY 22	Adopted FY 23
<b>Resources:</b>				
Revenues:				
Property Taxes	-	-	-	-
Sales and Use Taxes	-	-	-	-
Other Taxes	-	-	-	-
Utility Users Tax	-	-	-	-
Franchise Fees	-	-	-	-
Licenses, Permits and Fees	262,706	-	135,600	358,337
Fines and Forfeitures	-	-	-	-
Use of Money & Property	27,813,200	27,328,801	32,064,579	27,725,713
Revenue from Other Agencies	49,550	117,855	49,550	16,000
Charges for Services	72,717	56,000	164,000	59,295
Other Revenues	(3,431,781)	8,000	21,001	8,000
Intrafund Services	-	-	-	-
Intrafund Transfers	3,564,404	-	6,518,581	-
Interfund Services	-	-	-	-
Interfund Transfers	-	2,989,000	5,500,000	2,075,000
Other Financing Sources	-	-	-	-
Release of Reservations	-	-	-	-
<b>Total Resources/Sources</b>	<b>28,330,797</b>	<b>30,499,656</b>	<b>44,453,311</b>	<b>30,242,344</b>
<b>Uses:</b>				
Expenditures:				
Salaries, Wages and Benefits	9,796,078	11,736,254	10,624,033	12,380,233
Materials, Supplies and Services	(498,867)	5,357,999	12,473,010	5,047,004
Interfund Support	3,370,908	4,192,803	3,817,570	5,714,608
Intrafund Support	-	-	-	-
Capital Purchases	-	-	-	-
Insurance Premiums and Losses	-	-	-	-
Other Non-Operational Expenditures	9,531,700	9,625,737	9,619,610	9,722,536
Operating Transfers	-	-	-	-
Intrafund Transfers Out	1,590,949	-	-	-
Purchase of Gas & Water	-	-	-	-
Depreciation and Non Cash Expenditures	-	-	-	-
Addition to Reservations	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>23,790,767</b>	<b>30,912,793</b>	<b>36,534,223</b>	<b>32,864,381</b>
<b>Net Increase/(Decrease) in Funds Avail.</b>	<b>4,540,029</b>	<b>(413,137)</b>	<b>7,919,088</b>	<b>(2,622,037)</b>
Beginning Funds Available*	23,056,078	20,779,290	20,779,290	28,698,379
Carryover Revenue Budget	8,308,181	-	-	-
Carryover Expenditure Appropriation	15,124,998	-	-	-
<b>Ending Funds Available**</b>	<b>20,779,290</b>	<b>20,366,153</b>	<b>28,698,379</b>	<b>26,076,342</b>

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\*\* FY 21 Ending Funds Available includes updates/corrections made post publication of the Annual Comprehensive Financial Report

# Tideland Oil Revenue Fund Group Summary

**Purpose:**

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

	Actual FY 21	Adopted FY 22	Adjusted FY 22	Adopted FY 23
<b>Resources:</b>				
Revenues:				
Property Taxes	-	-	-	-
Sales and Use Taxes	-	-	-	-
Other Taxes	-	-	-	-
Utility Users Tax	-	-	-	-
Franchise Fees	-	-	-	-
Licenses, Permits and Fees	-	-	-	-
Fines and Forfeitures	-	-	-	-
Use of Money & Property	99,142,038	98,783,420	98,783,420	98,783,420
Revenue from Other Agencies	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	1,802	4,294	4,294	4,294
Intrafund Services	-	-	-	-
Intrafund Transfers	-	-	-	-
Interfund Services	-	-	-	-
Interfund Transfers	5,700,000	-	-	-
Other Financing Sources	-	-	-	-
Release of Reservations	-	-	-	-
<b>Total Resources/Sources</b>	<b>104,843,840</b>	<b>98,787,714</b>	<b>98,787,714</b>	<b>98,787,714</b>
<b>Uses:</b>				
Expenditures:				
Salaries, Wages and Benefits	3,217,610	4,973,667	4,973,667	5,059,381
Materials, Supplies and Services	73,769,904	70,532,962	70,532,962	70,714,763
Interfund Support	999,010	1,166,910	1,166,910	1,572,031
Intrafund Support	-	-	-	-
Capital Purchases	-	-	-	-
Insurance Premiums and Losses	-	-	-	-
Other Non-Operational Expenditures	-	-	-	-
Operating Transfers	13,494,896	14,989,174	14,989,174	12,691,696
Intrafund Transfers Out	-	-	-	-
Purchase of Gas & Water	-	-	-	-
Depreciation and Non Cash Expenditures	-	-	-	-
Addition to Reservations	12,825,000	4,156,250	4,156,250	7,125,000
<b>Total Expenditures/Uses</b>	<b>104,306,420</b>	<b>95,818,963</b>	<b>95,818,963</b>	<b>97,162,870</b>
<b>Net Increase/(Decrease) in Funds Avail.</b>	<b>537,420</b>	<b>2,968,751</b>	<b>2,968,751</b>	<b>1,624,844</b>
Beginning Funds Available*	257,191	794,611	794,611	3,763,361
Carryover Revenue Budget	-	-	-	-
Carryover Expenditure Appropriation	-	-	-	-
<b>Ending Funds Available**</b>	<b>794,611</b>	<b>3,763,361</b>	<b>3,763,361</b>	<b>5,388,205</b>

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# Reserve for Subsidence Fund Group Summary

**Purpose:**

The Reserve for Subsidence Fund Group 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 this fund group is interest earned on the fund group balance. Repayment of a loan to the General Fund Group allowed under State law to mitigate the impacts of the last Educational Revenue Augmentation Fund (ERAF) State revenue take-aways was completed in FY 13.

	Actual FY 21	Adopted FY 22	Estimated FY 22	Adopted FY 23
<b>Resources:</b>				
Revenues:				
Property Taxes	-	-	-	-
Sales and Use Taxes	-	-	-	-
Other Taxes	-	-	-	-
Utility Users Tax	-	-	-	-
Franchise Fees	-	-	-	-
Licenses, Permits and Fees	-	-	-	-
Fines and Forfeitures	-	-	-	-
Use of Money & Property	(188,774,796)	980,000	790,212	980,000
Revenue from Other Agencies	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	500,000	500,000	500,000	-
Intrafund Services	-	-	-	-
Intrafund Transfers	-	-	-	-
Interfund Services	-	-	-	-
Interfund Transfers	-	-	-	-
Other Financing Sources	-	-	-	-
Release of Reservations	-	-	-	-
<b>Total Resources/Sources</b>	<b>(188,274,796)</b>	<b>1,480,000</b>	<b>1,290,212</b>	<b>980,000</b>
<b>Uses:</b>				
Expenditures:				
Salaries, Wages and Benefits	-	-	-	-
Materials, Supplies and Services	135	-	-	-
Interfund Support	-	-	-	-
Intrafund Support	-	-	-	-
Capital Purchases	-	-	-	-
Insurance Premiums and Losses	-	-	-	-
Other Non-Operational Expenditures	-	-	-	-
Operating Transfers	-	-	-	-
Intrafund Transfers Out	-	-	-	-
Purchase of Gas & Water	-	-	-	-
Depreciation and Non Cash Expenditures	-	-	-	-
Addition to Reservations	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>135</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Funds Avail.</b>	<b>(188,274,932)</b>	<b>1,480,000</b>	<b>1,290,212</b>	<b>980,000</b>
Beginning Funds Available*	188,274,932	-	-	1,290,212
Carryover Revenue Budget	-	-	-	-
Carryover Expenditure Appropriation	-	-	-	-
<b>Ending Funds Available</b>	<b>-</b>	<b>1,480,000</b>	<b>1,290,212</b>	<b>2,270,212</b>

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