

Tidelands Funds Summary

ASSUMPTIONS FOR MAJOR RESOURCES

The Tidelands 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 Funds are used to account for operations, programming, maintenance and development of the Tidelands area including beaches and waterways, the Convention Center and Hyatt Hotel leases, the Queen Mary and adjacent properties, the Aquarium of the Pacific, Rainbow Harbor area, Pike at Rainbow Harbor and the marinas. Operations include Police, Security, Fire, Lifeguards, Refuse, Park and Beach maintenance, lease management, parking structure operations and other support functions.

Revenue Trends and Forecast:

Tidelands Funds revenues are heavily dependent upon the economy and tourism. The Convention Center, Queen Mary and Aquarium of the Pacific were negatively impacted by the downturn in the economy. The Funds are dependent on significant support from the Harbor and Tideland Oil Revenue funds, with the City Charter allowing a 10 percent annual transfer of the Harbor Fund net income and State law directing a Tideland Oil Revenue Fund transfer based on a percentage of the Optimized Flood Program operating results.

	Actual FY 04	Adopted FY 05	Adjusted FY 05	Year End* FY 05	Adopted FY 06
Resources:					
Beginning Fund Balance	3,815,180	8,331,300	6,565,704	6,565,704	5,712,528
Unreserving/(Reserving) of Restricted Fund Balance	6,305,003	3,810,398	23,624,516	23,624,516	(1,843,715)
Adjusted Fund Balance	10,120,182	12,141,698	30,190,220	30,190,220	3,868,813
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	61,824	30,000	30,000	70,801	59,990
Fines and Forfeitures	241,209	248,520	248,520	292,028	238,500
Use of Money & Property	31,510,774	29,769,141	30,153,726	29,682,563	30,798,109
Revenue From Other Agencies	1,171,383	617,960	653,984	672,694	607,960
Charges for Services	25,593,922	25,260,848	25,322,848	27,706,469	30,478,127
Other Revenues	220,947	52,356	112,185	37,472	426,090
Interfund Services-Charges	81,540	88,422	88,422	88,422	8,865,465
Intrafund Services-Gen Fund Chgs	837	837	837	-	837
Harbor P/R Rev Trsfs	404	-	-	401	-
Other Financing Sources	497,172	-	-	5,656,466	-
Operating Transfers	26,861,389	23,830,176	24,006,981	32,676,444	32,412,469
Total Revenues	86,241,400	79,898,260	80,617,503	96,883,759	103,887,547
Estimated All-years Carryover Revenue	-	30,220,451	28,326,189	-	17,768,183
Total Resources	96,361,582	122,260,409	139,133,912	127,073,979	125,524,543
Requirements:					
Expenditures:					
Salaries, Wages and Benefits	14,580,598	16,012,749	16,959,567	15,884,828	17,397,498
Materials, Supplies and Services	47,317,283	39,250,461	44,132,283	75,634,371	45,197,429
Internal Support	6,170,633	5,644,403	4,466,707	6,195,626	6,193,829
Capital Purchases	123,886	-	-	16,749	-
Debt Service	15,527,011	15,151,733	15,296,733	15,801,320	15,482,408
Transfers to Other Funds	6,076,467	5,973,448	6,125,387	7,828,557	16,077,722
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	89,795,878	82,032,794	86,980,677	121,361,451	100,348,886
Estimated All-years Carryover Exp.	-	36,962,828	37,494,317	-	23,362,331
Ending Fund Balance	6,565,704	3,264,787	14,658,919	5,712,528	1,813,326

* Unaudited

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 and for accumulating reserves held in Trust for the State of California to pay for well abandonment and site clearance liabilities.

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 \$35 per barrel price for crude oil. The Department of Oil Properties feels that this is a prudent price to project based on the volatility of the oil market.

	Actual FY 04	Adopted FY 05	Adjusted FY 05	Year End* FY 05	Adopted FY 06
Resources:					
Beginning Fund Balance	30,680,762	50,480,673	50,480,673	50,480,673	88,233,522
Unreserving/(Reserving) of Restricted Fund Balance	0	-	-	-	-
Adjusted Fund Balance	30,680,762	50,480,673	50,480,673	50,480,673	88,233,522
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	130,922,269	85,436,703	203,054,566	195,199,456	114,654,185
Revenue From Other Agencies	78,987	-	207,691	260,484	-
Charges for Services	2,856	-	1,646	1,704	-
Other Revenues	30,534	-	6,450	992,661	-
Interfund Services-Charges	-	-	4,507	4,507	-
Intrafund Services-Gen Fund Chgs	-	-	-	-	-
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Total Revenues	131,034,646	85,436,703	203,274,860	196,458,812	114,654,185
Estimated All-years Carryover Revenue	-	-	-	-	-
Total Resources	161,715,408	135,917,376	253,755,533	246,939,485	202,887,707
Requirements:					
Expenditures:					
Salaries, Wages and Benefits	4,075,443	4,961,016	4,615,842	4,341,596	5,068,211
Materials, Supplies and Services	97,282,394	71,185,330	158,514,080	141,558,016	99,338,953
Internal Support	835,101	841,438	943,749	786,196	964,683
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	9,041,797	6,120,767	12,218,012	12,020,155	7,691,173
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	111,234,736	83,108,551	176,291,683	158,705,964	113,063,021
Estimated All-years Carryover Exp.	-	-	-	-	-
Ending Fund Balance	50,480,673	52,808,824	77,463,850	88,233,522	89,824,686

* Unaudited

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.

Revenue Trends and Forecast:

It is estimated that the interest rate for FY 06 will be approximately 3.3 percent.

	Actual FY 04	Adopted FY 05	Adjusted FY 05	Year End* FY 05	Adopted FY 06
Resources:					
Beginning Fund Balance	145,154,359	148,588,531	148,588,531	148,588,531	148,484,500
Unreserving/(Reserving) of Restricted Fund Balance	-	-	-	-	-
Adjusted Fund Balance	145,154,359	148,588,531	148,588,531	148,588,531	148,484,500
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	3,875,177	4,001,826	4,001,826	3,949,761	4,001,826
Revenue From Other Agencies	-	-	-	-	-
Charges for Services	-	-	-	-	-
Other Revenues	-	-	-	-	-
Interfund Services-Charges	-	-	-	-	-
Intrafund Services-Gen Fund Chgs	-	-	-	-	-
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Total Revenues	3,875,177	4,001,826	4,001,826	3,949,761	4,001,826
Estimated All-years Carryover Revenue	-	-	-	-	-
Total Resources	149,029,536	152,590,357	152,590,357	152,538,291	152,486,326
Requirements:					
Expenditures:					
Salaries, Wages and Benefits	-	-	-	-	-
Materials, Supplies and Services	441,005	-	-	-	-
Internal Support	-	-	-	-	-
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	-	4,000,000	4,000,000	4,053,792	4,000,000
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	441,005	4,000,000	4,000,000	4,053,792	4,000,000
Estimated All-years Carryover Exp.	-	-	-	-	-
Ending Fund Balance	148,588,531	148,590,357	148,590,357	148,484,500	148,486,326

* Unaudited