

# **Fund Summaries**

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## **TIDELANDS FUNDS**

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

# Tidelands Fund Summary

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## **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. 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 on net oil revenue derived from the operation of the Wilmington Oil Field located in the Tidelands Area, and transfers from the Harbor Revenue Fund as provided by City Charter Section 1209. Operating revenues generated by Tidelands facilities are not sufficient to fully support operating expense, and net oil revenue fluctuates significantly each year. Any surplus generated by marina operations is earmarked to support the phased rebuild of the Alamitos Bay Marina and related debt service.

	Actual FY 11	Adopted FY 12	Adjusted FY 12	Estimated FY 12	Adopted FY 13
<b>Resources:</b>					
Beginning Fund Balance	60,280,765	57,175,044	103,941,022	103,941,022	134,585,272
Unreserving/(Reserving) of Restricted Fund Balance	(3,812,555)	-	(3,635,269)	(3,635,269)	-
Adjusted Fund Balance	56,468,210	57,175,044	100,305,753	100,305,753	134,585,272
<b>Revenues:</b>					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	242,343	153,153	153,153	218,558	127,650
Fines and Forfeitures	326,603	241,200	241,200	265,088	241,200
Use of Money & Property	38,868,310	38,125,302	38,125,302	37,519,800	38,017,344
Revenue From Other Agencies	1,275,768	670,894	750,894	3,755,059	607,649
Charges for Services	29,223,873	28,955,239	28,955,239	28,804,887	28,961,299
Other Revenues	114,674	53,290	53,290	348,402	52,830
Interfund Services-Charges	17,012,647	16,288,279	16,288,279	16,738,697	17,731,888
Intrafund Services-Gen Fund Chgs	-	837	837	837	837
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	2,479,613	-	-	132,395,462	-
Operating Transfers	85,181,804	55,651,264	55,651,264	80,963,000	58,243,341
Total Revenues	174,725,634	140,139,458	140,219,458	301,009,790	143,984,038
Estimated All-years Carryover Revenue	-	38,937,088	21,105,579	-	65,281,191
Total Resources	231,193,845	236,251,590	261,630,790	401,315,542	343,850,502
<b>Requirements:</b>					
<b>Expenditures:</b>					
Salaries, Wages and Benefits	24,273,912	26,154,990	26,154,990	25,712,792	27,973,396
Materials, Supplies and Services	56,041,398	62,618,568	85,235,068	83,097,436	60,751,440
Internal Support	21,122,474	19,611,691	19,719,530	20,280,853	20,570,226
Capital Purchases	28,377	-	80,000	246,828	-
Debt Service	18,054,435	16,840,517	16,840,517	130,838,191	18,663,340
Transfers to Other Funds	7,732,226	6,554,170	6,554,170	6,554,170	6,554,170
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	127,252,823	131,779,936	154,584,275	266,730,270	134,512,572
Estimated All-years Carryover Exp.	-	60,733,543	(69,939,251)	-	101,391,858
<b>Ending Fund Balance</b>	103,941,022	43,738,111	176,985,765	134,585,272	107,946,071

# 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 \$65 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 11	Adopted FY 12	Adjusted FY 12	Estimated FY 12	Adopted FY 13
<b>Resources:</b>					
Beginning Fund Balance	2,288,371	2,779,253	2,167,187	2,167,187	5,226,019
Unreserving/(Reserving) of Restricted Fund Balance	11,773,225	-	(2,197,618)	(2,197,618)	-
Adjusted Fund Balance	14,061,596	2,779,253	(30,431)	(30,431)	5,226,019
<b>Revenues:</b>					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	449,808,008	243,179,666	243,179,666	440,412,000	423,199,407
Revenue From Other Agencies	-	-	-	-	-
Charges for Services	-	-	-	-	-
Other Revenues	10,607	-	-	4,100	-
Interfund Services-Charges	-	-	-	-	-
Intrafund Services-Gen Fund Chgs	-	-	-	-	-
Harbor P/R Rev Trsfs	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Revenues</b>	449,818,615	243,179,666	243,179,666	440,416,100	423,199,407
Estimated All-years Carryover Revenue	-	-	-	-	-
<b>Total Resources</b>	463,880,211	245,958,919	243,149,235	440,385,669	428,425,426
<b>Requirements:</b>					
<b>Expenditures:</b>					
Salaries, Wages and Benefits	3,823,122	4,384,156	4,384,156	3,488,256	4,375,144
Materials, Supplies and Services	386,178,053	205,013,563	205,232,490	373,789,800	385,208,304
Internal Support	1,077,922	1,030,510	1,030,510	881,594	1,317,969
Capital Purchases	14,668,505	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	55,965,422	31,641,740	31,641,740	57,000,000	32,207,745
Prior Year Encumbrance	-	-	-	-	-
<b>Total Requirements</b>	461,713,024	242,069,969	242,288,896	435,159,650	423,109,162
Estimated All-years Carryover Exp.	-	-	-	-	-
<b>Ending Fund Balance</b>	2,167,187	3,888,950	860,338	5,226,019	5,316,264

## 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 13 will be less than 1.0 percent.

	Actual FY 11	Adopted FY 12	Adjusted FY 12	Estimated FY 12	Adopted FY 13
<b>Resources:</b>					
Beginning Fund Balance	157,586,732	159,436,732	158,945,421	158,945,421	160,795,421
Unreserving/(Reserving) of Restricted Fund Balance	-	-	-	-	-
Adjusted Fund Balance	157,586,732	159,436,732	158,945,421	158,945,421	160,795,421
<b>Revenues:</b>					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	863,945	1,350,000	1,350,000	1,350,000	980,000
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	1,363,945	1,850,000	1,850,000	1,850,000	1,480,000
Estimated All-years Carryover Revenue	-	-	-	-	-
Total Resources	158,950,677	161,286,732	160,795,421	160,795,421	162,275,421
<b>Requirements:</b>					
<b>Expenditures:</b>					
Salaries, Wages and Benefits	-	-	-	-	-
Materials, Supplies and Services	5,256	-	-	-	-
Internal Support	-	-	-	-	-
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-
Prior Year Encumbrance	-	-	-	-	-
Total Requirements	5,256	-	-	-	-
Estimated All-years Carryover Exp.	-	-	-	-	-
<b>Ending Fund Balance</b>	158,945,421	161,286,732	160,795,421	160,795,421	162,275,421

