

BUDGET OVERVIEW

This budget document is divided into three major sections. The first section is the Budget Overview; the second section is the Fund Summaries; and third is the Division Budgets.

The total City Budget as proposed this year in comparison to last year's budget is summarized below:

	2002-2003 <u>Appropriation</u>	2003-2004 <u>Appropriation</u>	<u>\$ Change</u>	<u>% Change</u>
Governmental Budgets	\$ 215,160,310	\$ 245,442,048	\$ 30,281,738	12.3 %
Enterprise Budgets	345,646,026	313,627,774	(\$ 32,018,252)	(10.2 %)
Miscellaneous Funds	21,777,918	19,466,500	(\$ 2,311,418)	(11.9 %)
TOTAL	<u>\$ 582,584,254</u>	<u>\$ 578,536,322</u>	<u>(\$ 4,047,932)</u>	<u>(0.7 %)</u>

The 2003-2004 budget of approximately \$579 million represents a \$4.0 million or 0.7% decrease when compared to the 2002-2003 budget. This summary nets out a number of significant changes, which are incorporated into these budgets. The net increase in Governmental budgets is a combination of increases in the General and Special Revenue Funds and a decrease in the Capital Improvement Fund as detailed in the next section. The primary decrease in Enterprise budgets is attributable to the decline in electricity sales on the wholesale market and a decrease in capital projects appropriations reflected in the Electric Fund.

Governmental Budgets:

The governmental portion of the City Budget is divided into four major sections. These consist of the General, the Special Revenue Funds, the Debt Service Funds, and the Capital Improvement Funds. The detail of these four fund groupings are summarized below:

	2002-2003 <u>Appropriation</u>	2003-2004 <u>Appropriation</u>	<u>\$ Change</u>	<u>% Change</u>
General Fund	\$ 110,556,886	\$ 111,784,016	\$ 1,227,130	1.1 %
Special Revenue Funds	66,286,759	94,417,831	\$ 28,131,072	29.8 %
Debt Service Funds	10,396,665	12,625,201	\$ 2,228,536	17.7 %
Capital Improvement Funds	27,920,000	26,615,000	(\$ 1,305,000)	(4.9 %)
TOTAL	<u>\$ 215,160,310</u>	<u>\$ 245,442,048</u>	<u>\$ 30,281,738</u>	<u>12.3 %</u>

The preceding summary provides detail to the approximate \$30 million increase in the governmental budgets. The General Fund increase is due to cost of living adjustments for GCEA, GPOA, GFFA, Management, increased retirement costs, and GFFA overtime costs. The increase in the Special Revenue Fund is due to increased capital spending in the Glendale Redevelopment Agency and increased operational spending in the Housing Assistance Fund. The decrease in Capital Improvement Funds is due to reduction strategies to assist in the balancing in the General Fund.

Enterprise Budgets:

The Enterprise Operations of the City consist of Recreation, Hazardous Disposal, Fire Paramedic, Parking, Sewer, Refuse Disposal, Electric and Water as summarized below:

	<u>2002-2003</u> <u>Appropriation</u>	<u>2003-2004</u> <u>Appropriation</u>	<u>\$ Change</u>	<u>% Change</u>
Recreation	\$ 2,168,942	\$ 2,330,366	\$ 161,424	6.9 %
Hazardous Disposal	1,553,761	1,730,757	176,996	10.2 %
Fire Paramedic	6,016,625	6,906,269	889,644	12.9 %
Parking	7,767,938	8,300,990	533,052	6.4 %
Sewer	34,003,290	36,156,244	2,152,954	6.0 %
Refuse Disposal	14,064,870	14,255,248	190,378	1.3 %
Electric	247,240,800	208,504,800	(38,736,000)	(18.6 %)
Water	32,829,800	35,443,100	2,613,300	7.4 %
TOTAL	<u>\$ 345,646,026</u>	<u>\$ 313,627,774</u>	<u>(\$ 32,018,252)</u>	<u>(10.2 %)</u>

The 2003-2004 Enterprise Budgets show an approximate \$32 million dollar decrease when compared to the 2002-2003 budget or an overall 10.2% decrease.

This decrease as stated above is most attributable to the decrease of sales of electricity on the wholesale market. Water shows an increase due to increased maintenance and operations and capital expenditures.

The Sewer Fund increase reflects a capital payment to Los Angeles estimated at \$26.6 million.

Numerous other less significant changes are occurring in the proposed Enterprise budgets. This detailed information can be found in that division budget sections of the budget.