

**PROGRAM SUMMARY**  
**Water Delivery Business Unit**

**Program Description**

The Water Delivery Business Unit (WDBU) constructs, operates and maintains the water system infrastructure that enables it to provide and deliver the highest quality water at low and competitive rates in an environmentally responsible and cost-effective manner.

**Major Accomplishments**

- Finalized agreement with NASA/JPL for funding the water treatment of the four PWP groundwater wells contaminated by perchlorate
- Continued the implementation of the Water Distribution System Master Plan
- Completed major water main replacement and/or rehabilitation program by replacing nearly eight miles of aging water mains annually
- Completed seismic analysis and evaluation of the structural integrity of 13 reservoirs citywide allowing the Business Unit to complete the seismic retrofit of Windsor Reservoir and begin work on Sunset Reservoir
- Continued the design of the Sunset Perchlorate Treatment Plant, which will initially treat two or three of the five groundwater wells that flow into Sunset Reservoir
- Revised and updated the City of Pasadena Urban Water Management Plan.

**Summary of Appropriations and Revenues**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2006 Revised	FY 2007 Recommended
Operating FTEs	44.11	44.11	46.11	46.11	48.11
Appropriations	22,332,798	23,238,521	26,803,738	26,875,281	27,035,604

**Changes from Prior Year**

- *Cost Changes:* The net change from fiscal year 2006 Revised Budget is due mainly to anticipated increases in salaries and benefits and overtime, additional staff and planned increases in equipment.
- *FTE Changes:* There are 2.00 FTEs added in fiscal year 2007.

**Future Outlook**

The Water Delivery Business Unit will continue to meet the goals of an aggressive Capital Improvement Program as outlined in the Water System Master Plan. The City's aging water infrastructure will be updated to provide the fire flow, water quality, and supply reliability demands of its customers.

Following the result of the seismic and structural study of the City's reservoirs, it is anticipate that major repairs and upgrades will be needed on nearly all of the City's 13 reservoirs. Substantial resources will be required in the next five years to upgrade the water storage facilities. In fiscal year 2007, work will commence on Windsor and Sunset reservoirs.

Water quality regulations will continue to increase and impose more stringent requirements on water agencies. The Water Delivery Business Unit continues to be proactive in keeping abreast of upcoming regulations. New

## **Water and Power**

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regulations may require substantial capital investments into the water infrastructure. The business unit will be installing two new perchlorate treatment plants beginning in fiscal year 2007.

In fiscal year 2007, the Water Delivery Business Unit will continue in its 2<sup>nd</sup> of a five-year replacement program on all old meters with new automatic meter read meters (AMR). AMR meters will provide an efficient method of meter reading and will be more accurate than the old meters.

GRAIL ANALYSIS

MSI:

DEPARTMENT: Water and Power

	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ADOPTED	FY 2006 REVISED	FY 2007 RECOMMENDED	\$ CHANGE	%
<b>EMPLOYEES</b>							
REGULAR	363,000	383,000	402,000	402,000	413,000	11,000	
NON-REGULAR	0,000	0,000	0,000	0,000	0,000	0,000	
<b>TOTAL EMPLOYEES</b>	<b>363,000</b>	<b>383,000</b>	<b>402,000</b>	<b>402,000</b>	<b>413,000</b>	<b>11,000</b>	
<b>PERSONNEL</b>							
8005 Regular Pay - PERS	13,865,940	19,029,534	26,941,772	26,941,772	28,921,636	1,979,864	7.3
8011 Overtime Pay	1,615,714	2,330,807	1,670,558	1,589,820	2,166,598	576,778	36.2
8012 Overtime Subject to PERS	55,079	84,067	132,480	132,480	132,480	0	0.0
8013 FirePolice Post Retirement Medical Benefit	73	0	0	0	0	0	0.0
8014 Position Coverage	90	23	0	0	0	0	0.0
8016 Holiday Sched Pay-SPERS	1,028	0	0	0	0	0	0.0
8017 Mgmt Benefit Vacation	1	0	0	0	0	0	0.0
8018 PST-Part Time Employees - PARS	140,081	214,322	0	0	0	0	0.0
8020 Management Benefit	3,356	470	0	0	0	0	0.0
8023 Auto Allowance	24,871	32,992	35,832	35,832	22,235	-13,597	-37.9
8024 Personal Dvlpmt Allowance	37,125	51,375	45,001	45,001	29,500	-15,501	-34.4
8027 Workers' Compensation	970,069	1,154,046	2,052,957	2,049,325	1,613,825	-435,500	-21.2
8031 General Liability	126,033	192,024	431,069	431,069	578,433	147,364	34.1
8034 Sick pay	194	0	0	0	0	0	0.0
8035 Holiday Pay	1,725	0	0	0	0	0	0.0
8036 Vacation Pay	2,297	0	0	0	0	0	0.0
8037 Miscellaneous Pay	2,800	2,765	0	0	0	0	0.0
8038 PERS-Employee Portion	999,900	1,353,614	1,885,924	1,885,924	2,024,515	138,591	7.3
8040 PERS-City Portion	0	452,496	1,430,607	1,164,709	2,122,846	958,137	82.2
8041 PARS-City Portion	5,746	9,058	0	0	0	0	0.0
8044 Life Insurance	10,925	14,547	26,940	26,940	28,919	1,979	7.3
8045 Dental Insurance	138,364	184,104	183,312	183,312	188,328	5,016	2.7
8046 Medicare-City Contributn	161,819	229,196	330,565	329,208	452,701	123,493	37.5
8047 Long Term Disability	54,935	491,560	102,380	102,245	43,382	-58,863	-57.5
8048 Child Care Subsidies	639	0	0	0	0	0	0.0
8049 Emp Opt Ben Fd (EOBF)	1,725,810	2,546,777	3,457,200	3,457,200	3,345,300	-111,900	-3.2
8050 Benefits (VHS)	3,018,325	3,706,635	0	0	0	0	0.0
8053 Severance Pay	63,272	0	0	0	0	0	0.0
8054 Vision Care	75	159	0	0	0	0	0.0
8056 Accrued payroll	156,887	80,278	0	0	0	0	0.0
8058 Benefits Administration	0	396,406	0	0	0	0	0.0
<b>*** TOTAL PERSONNEL</b>	<b>23,183,173</b>	<b>32,557,255</b>	<b>38,726,597</b>	<b>38,374,837</b>	<b>41,670,698</b>	<b>3,295,861</b>	<b>8.5</b>
<b>SERVICES AND SUPPLIES</b>							
8101 Materials & Supplies	4,550,877	4,217,133	2,081,745	2,081,745	2,044,559	-37,186	-1.7
8102 Tool Room Operation Exp.	1,133	0	0	0	0	0	0.0
8103 Uniforms	29,497	96,233	80,800	80,800	108,699	27,899	34.5
8104 Nutrition Education Materials	131	757	0	0	0	0	0.0
8105 Lease Payments	0	176	0	0	0	0	0.0
8106 Rent Expense	649,872	662,315	782,925	970,657	1,141,220	170,563	17.5
8107 Equipment Lease Payments	54,831	35,824	45,307	45,307	39,216	-6,091	-13.4

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## GRAIL ANALYSIS

MSI:

## DEPARTMENT: Water and Power

	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ADOPTED	FY 2006 REVISED	FY 2007 RECOMMENDED	\$ CHANGE	%
8108 Computer Related Supplies	147,690	55,605	68,418	68,418	102,672	34,254	50.0
8109 Equipt Purchases Under \$10,000	78,513	324,215	284,896	284,896	310,409	25,513	8.9
8110 Outside Printing and Duplicating	44,007	45,712	97,576	97,576	52,900	-44,676	-45.7
8112 Legal Advertising	336	782	2,000	2,000	2,000	0	0.0
8113 Photo Copy Machine Maint	23,491	16,655	75,188	75,188	62,074	-13,114	-17.4
8114 Other Contract Services	31,250,056	14,268,372	2,921,445	3,041,445	2,475,964	-565,481	-18.5
8115 Consultant Services	1,201,860	1,595,944	2,083,758	2,083,758	1,503,635	-580,123	-27.8
8116 Contract Maintenance	879,140	590,848	1,279,331	1,279,331	1,335,864	56,533	4.4
8118 Outside Legal Services	591,419	537,537	729,999	729,999	756,165	26,166	3.5
8120 Architect Fees	35	0	0	0	0	0	0.0
8121 Computer(PC) Maint/Repair	11,523	3,275	53,320	53,320	44,425	-8,895	-16.6
8122 Support to Advisory Committees	12,000	12,000	13,999	13,999	12,000	-1,999	-14.2
8124 Dues and Memberships	169,081	136,806	294,078	294,078	242,820	-51,258	-17.4
8125 Special Civic Events	53,115	79,028	581,000	581,000	132,700	-448,300	-77.1
8126 Conf & Mtgs - Comm & Committees	4,331	7,289	17,530	17,530	5,500	-12,030	-68.6
8127 Conferences & Meetings	65,601	121,205	229,655	229,655	268,381	38,726	16.8
8128 Mileage	2,840	1,695	20,663	20,663	16,675	-3,988	-19.3
8129 Education	159	3,380	9,250	9,250	7,750	-1,500	-16.2
8130 Training Costs	132,122	170,762	501,451	501,451	440,000	-61,451	-12.2
8132 Video Productions	0	2,000	10,000	10,000	10,000	0	0.0
8134 Data Processing Development	1,427	1,127	0	0	0	0	0.0
8135 Reference Matls Subscriptions	17,252	25,015	77,095	77,095	65,033	-12,062	-15.6
8138 Gas	905,052	473,398	751,704	751,704	774,254	22,550	2.9
8139 Water	10,693,119	11,671,641	12,975,324	12,975,324	12,500,247	-475,077	-3.6
8140 Telephone	65,422	90,053	125,848	125,848	113,850	-11,998	-9.5
8141 Refuse Collection	9,120	11,523	26,000	26,000	16,363	-9,637	-37.0
8142 Electric	2,241,460	1,992,607	2,303,752	2,303,752	2,434,213	130,461	5.6
8144 Postage	220,759	199,652	443,158	443,158	271,652	-171,506	-38.7
8145 Taxes, Payroll and other	31,423	29,347	30,200	30,200	28,200	-2,000	-6.6
8149 Fiscal Agent/Bank Fees & Charges	1,060	0	7,500	7,500	4,500	-3,000	-40.0
8150 Cash Over and Short	199	-153	0	0	0	0	0.0
8155	0	53,823	0	0	0	0	0.0
8156 Insurance	198,088	259,107	229,400	229,400	279,400	50,000	21.7
8172 Rehabilitation	0	13	0	0	0	0	0.0
8175 Material Overhead	-710,089	-1,173,275	-915,364	-915,364	-1,100,000	-184,636	20.1
8176 Utility Rebates	1,060,099	1,415,458	1,699,240	1,699,240	1,037,866	-661,374	-38.9
8177 Program Expenditures	3,713,369	4,064,409	4,150,292	4,150,292	4,386,980	236,688	5.7
8179 Prepayment of Costs	48,865	61,163	50,000	50,000	63,000	13,000	26.0
8180 Billed Costs	196	964	0	0	0	0	0.0
8181 Prior Year Program/ Project Costs	1,096	0	0	0	0	0	0.0
8212 Permits and Fees	276,607	828,367	165,800	165,800	175,600	9,800	5.9
8213 Purch. Power-long term	38,853,189	38,451,336	44,413,736	44,413,736	47,068,532	2,654,796	5.9
8214 Overtime Meals	24,666	47,963	26,531	26,531	29,608	3,077	11.5

GRAIL ANALYSIS

MSI:

DEPARTMENT: Water and Power

	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ADOPTED	FY 2006 REVISED	FY 2007 RECOMMENDED	\$ CHANGE	%
8216 Utility Assistance Rebate	107,591	192,470	399,250	399,250	502,000	102,750	25.7
8217 Litigation Expenses	0	6,855	0	0	0	0	0.0
8218 Vehicle Rental	43,514	2,558	35,250	35,250	70,200	34,950	99.1
8219	35	0	0	0	0	0	0.0
8221 Purchase Power-intrafund	0	0	1,000	1,000	0	-1,000	-100.0
8222 Purch. Power-short term	13,851,902	15,755,651	4,739,046	4,739,046	18,984,220	14,245,174	300.5
8223 Purch. Power-Transmission	12,317,909	9,769,998	10,302,815	10,302,815	10,302,815	0	0.0
8224 Purch. Power-Ancillary Sv	1,026,062	785,119	1,200,000	1,200,000	1,059,100	-140,900	-11.7
8226 Whls Energy for Resale	3,388,314	0	0	0	0	0	0.0
8228 Outside Services-intrafund	139,988	294,281	246,950	246,950	173,000	-73,950	-29.9
8229 Gas/Fuel-short term	9,329,678	6,269,004	6,327,334	6,327,334	5,506,591	-820,743	-12.9
8230 Advertising	282,479	240,127	383,500	383,500	237,906	-145,594	-37.9
8233 Wholesale Fuel for Resale	1,900,330	0	750,000	750,000	0	-750,000	-100.0
8234 Distributed Generation Expense	0	0	44,000	44,000	0	-44,000	-100.0
8283 Emission Trading Allowanc	-605	0	25,000	25,000	0	-25,000	-100.0
8284 Fuel Burned for Whlse Sal	1,682,813	1,283,635	1,557,290	1,557,290	0	-1,557,290	-100.0
8290 Cell Phone Reimbamnt	-3,658	-10,290	0	0	0	0	0.0
8291 Purchased Power Renewbl	784,982	881,680	937,320	937,320	900,000	-37,320	-3.9
8292 ISO GMC Energy Exp	0	-283,425	840,000	840,000	867,239	27,239	3.2
8293	0	682,795	0	0	0	0	0.0
8294 ISO GMC Transmission Exp	0	324,096	1,560,000	1,560,000	1,560,000	0	0.0
8295 ISO System TAC	0	2,205,582	3,400,000	3,400,000	3,400,000	0	0.0
8677 Interest	0	0	8,383,923	8,383,923	8,270,000	-113,923	-1.3
8678 Amortized Discount	0	0	-102,633	-102,633	-102,633	0	0.0
8705 Transfers to General Fund	0	0	17,115,375	17,115,375	13,888,000	-3,227,375	-18.8
8731 Transfers to Hahamongna	0	0	540,000	540,000	540,000	0	0.0
8802 Warehouse Store Issues	0	0	957,000	957,000	1,002,030	45,030	4.7
8803 Equipment Usage	0	0	149,868	149,868	191,725	41,857	27.9
8876 Bad Debt Expense	0	0	710,000	710,000	975,293	265,293	37.3
8877 Equipment Clearing	0	0	-475,000	-475,000	-530,000	-55,000	11.5
8879 Loss-Early Retrmt of Debt	0	0	108,464	108,464	108,464	0	0.0
*** TOTAL SERVICES AND SUPPLIES	142,457,373	119,889,222	138,960,302	139,268,034	147,170,876	7,902,842	5.6
<b>EQUIPMENT</b>							
8504 Equipment	103,056	135,789	1,075,500	1,593,500	467,000	-1,126,500	-70.6
8505 Automotive Equipment	645,160	1,258,417	564,999	664,999	1,148,000	483,001	72.6
8506 Computer Equipment	0	0	79,800	79,800	97,800	18,000	22.5
8507 Contra Capital	*****	-29,552,238	0	0	0	0	0.0
8801 Depreciation	0	0	16,499,972	16,499,972	17,251,173	751,201	4.5
*** TOTAL EQUIPMENT	*****	-28,158,032	18,220,271	18,838,271	18,963,973	125,702	0.6
*** SUBTOTAL	*****	124,288,445	195,907,170	196,481,142	207,805,547	11,324,405	5.7
<b>INTERNAL SERVICE CHARGES</b>							
8601 IS-Structural Maintenance	126,564	194,333	201,097	201,097	220,407	19,310	9.6
8602 IS-Tenant Improvements	23,777	48,631	16,070	16,070	37,000	20,930	130.2
8603 IS-Lockshop	6,868	4,558	0	0	1,951	1,951	0.0
8604 IS-Utilities & Insurance - HSEKPING	115,224	115,224	115,731	115,731	116,497	766	0.6
8605 IS-Housekeeping Serv	45,024	73,717	66,849	66,849	69,683	2,834	4.2

MSI:

DEPARTMENT: Water and Power

	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ADOPTED	FY 2006 REVISED	FY 2007 RECOMMENDED	\$ CHANGE	%
8606 IS-Floors and Windows	0	7,498	0	0	0	0	0.0
8607 IS-Printing	55,012	80,365	98,680	98,680	97,842	-838	-0.8
8608 IS-Mail Services	31,716	48,277	53,361	53,361	66,732	13,371	25.0
8609 IS-Telephones	159,191	236,041	218,462	218,462	212,046	-6,416	-2.9
8610 IS-System Management HP3000-HP957	2,712	0	0	0	0	0	0.0
8611 IS-Application Devel & Support	3,825	14,541	25,000	25,000	27,550	2,550	10.2
8612 IS-PC&Net Desktop Services	2,028	513	28,959	28,959	3,301	-25,658	-88.6
8613 IS-Radio and Data Communicatn	67,104	130,347	132,988	132,988	139,190	6,202	4.6
8615 IS-Auto Body Repair	8,969	12,566	22,500	22,500	20,874	-1,626	-7.2
8616 IS-Fleet Maint - Equip Maintenance	314,214	460,546	537,692	537,692	534,306	-3,386	-0.6
8618 IS-Fleet Fuel/Lubricant	125,418	254,728	257,711	257,711	289,000	31,289	12.1
8620 Bldg Preventive Maintenanc e	36,564	69,893	70,202	70,202	70,202	0	0.0
8621 IS-Radio - Direct Request	697	9,258	0	0	2,747	2,747	0.0
8622 IS-Telephone - Usage	129,576	117,701	130,304	130,304	129,264	-1,040	-0.7
8623 IS-PC Training	0	0	10,124	10,124	3,572	-6,552	-64.7
8624 IS-Enterprise Network	245,880	377,201	437,888	437,888	479,420	41,532	9.4
8626 IS-Mail - Direct Request	2,839	11,392	6,868	6,868	13,756	6,888	100.2
8632 IS-GIS (Geographic Info)	12,171	37,266	82,992	82,992	77,035	-5,957	-7.1
8633 IS-IVR (Interactive Voice Response)	36,048	59,851	0	0	61,646	61,646	0.0
8634 IS-Security Srvcs City Ha ll	240	242	299	299	313	14	4.6
8641 IS-MS Licensing	0	0	42,074	42,074	45,301	3,227	7.6
8677 Interest	8,602,124	8,637,428	0	0	0	0	0.0
8678 Amortized Discount	-102,633	-48,148	0	0	0	0	0.0
8703	705,570	52,457	0	0	0	0	0.0
8705 Transfers to General Fund	12,641,973	18,573,505	0	0	0	0	0.0
8731 Transfers to Hahamongna	450,000	540,000	0	0	0	0	0.0
8801 Depreciation	4,383,900	16,402,639	0	0	0	0	0.0
8802 Warehouse Store Issues	2,934,779	5,182,181	0	0	0	0	0.0
8803 Equipment Usage	389,394	545,747	0	0	0	0	0.0
8876 Bad Debt Expense	630,943	1,022,432	0	0	0	0	0.0
8877 Equipment Clearing	-465,468	-547,822	0	0	0	0	0.0
8878	49,936,741	-1,815,902	0	0	0	0	0.0
8879 Loss-Early Retrmt of Debt	108,464	108,464	0	0	0	0	0.0
*** TOTAL INTERNAL SERVICE CHARGES	81,767,448	51,017,670	2,555,851	2,555,851	2,719,635	163,784	6.4
*** TOTAL BUDGET	*****	175,306,115	198,463,021	199,036,993	210,525,182	11,488,189	5.7
REVENUE							
6755 Svcs-Sewer Fund	23,805	24,519	24,519	24,519	25,500	981	4.0
6759 Svcs-Undrgrnd Utilities	32,085	33,048	33,048	33,048	34,370	1,322	4.0
6767 Svcs-Refuse Collctn Fund	159,575	164,363	164,363	164,363	170,937	6,574	3.9
6926 Investment Earnings	3,235,939	3,660,896	3,660,896	3,660,896	3,092,402	-568,494	-15.5
6929 Investment Earnings - Bon	140,000	125,000	125,000	125,000	175,000	50,000	40.0

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## GRAIL ANALYSIS

MSI:

DEPARTMENT: Water and Power

	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ADOPTED	FY 2006 REVISED	FY 2007 RECOMMENDED	\$ CHANGE	%
ds							
6933 Pool Invest-Unrealized Gn	250,000	250,000	250,000	250,000	0	-250,000	-100.0
6938 Invest Earn - Strand Inv	6,800,000	6,196,141	6,196,141	6,196,141	6,157,598	-38,543	-0.6
6939 SIS-Unrealized Gain/Loss	750,000	750,000	750,000	750,000	0	-750,000	-100.0
6950 Rental Income JPL Parking	540,000	540,000	540,000	540,000	540,000	0	0.0
6977 Rental Income	40,280	43,430	43,430	43,430	41,000	-2,430	-5.5
7018 Salvage Sales	40,312	42,006	42,006	42,006	51,000	8,994	21.4
7029 Other Contributions-Pri.	2,810,000	3,081,000	3,081,000	3,081,000	4,500,000	1,419,000	46.0
7035 Garnishment Fees	1,200	1,000	1,000	1,000	0	-1,000	-100.0
7094 ISO Transmission Rev	0	250,000	250,000	250,000	100,000	-150,000	-60.0
7095 PTO-TRR	0	12,980,004	12,980,004	12,980,004	9,984,279	-2,995,725	-23.0
7101 Base Rate-Residential-Sin gle Family	9,326,956	11,170,645	11,170,645	11,170,645	14,619,147	3,448,502	30.8
7102 Base Rate-Sm C&I Service	5,606,871	5,902,909	5,902,909	5,902,909	7,725,202	1,822,293	30.8
7103 Base Rate-Med C&I-Second	6,306,909	7,145,684	7,145,684	7,145,684	9,306,260	2,160,576	30.2
7104 Base Rate-Med C&I Primary	491,002	271,402	271,402	271,402	353,465	82,063	30.2
7109 Base Rate-Street Lighting	598,029	554,565	554,565	554,565	725,765	171,200	30.8
7110 Whls Pwr Sales-short term	894,280	0	0	0	0	0	0.0
7112 Whls Gas/Fuel Sales	750,000	0	0	0	0	0	0.0
7114 Misc Service/Reconnection	161,599	200,000	200,000	200,000	425,000	225,000	112.5
7115 Other Sales & Service	118,223	140,000	140,000	140,000	140,000	0	0.0
7116 Diversion Penalty Revenue	5,100	0	0	0	0	0	0.0
7120 Fire Protection-Sur Insid	60,000	50,000	50,000	50,000	125,000	75,000	150.0
7122 Fire Protection Sur Out	10,000	15,000	15,000	15,000	21,000	6,000	40.0
7175 Public Benefit Charge	3,495,500	3,550,000	3,550,000	3,550,000	3,400,000	-150,000	-4.2
7185 Whls Transmission Sales	1,002,240	1,032,307	1,032,307	1,032,307	1,032,000	-307	-0.0
7186 Whls Ancillary Svcs Sales	1,800,000	4,000,000	4,000,000	4,000,000	3,750,000	-250,000	-6.2
7211 Rec Energy Ct-Sm Comm&Ind	10,693,347	11,559,327	11,559,327	11,559,327	12,664,517	1,105,190	9.5
7212 Rec Energy Ct-Med C&I Sec	15,745,136	16,106,349	16,106,349	16,106,349	17,588,826	1,482,477	9.2
7213 Rec Energy Ct-Med C&I Pri	1,289,621	1,315,775	1,315,775	1,315,775	1,438,904	123,129	9.3
7214 Rec Energy Ct-Lrg C&I Sec	18,351,514	19,263,765	19,263,765	19,263,765	21,021,805	1,758,040	9.1
7215 Rec Energy Ct-Lrg C&I Pri	7,333,839	7,698,138	7,698,138	7,698,138	8,429,517	731,379	9.5
7216 Rec Energy Ct- ST&TS	1,260,232	1,197,194	1,197,194	1,197,194	1,310,001	112,807	9.4
7217 Rec Trans Ct-Sm Comm &Ind	2,862,830	2,864,747	2,864,747	2,864,747	2,879,071	14,324	0.5
7218 Rec Trans Ct-Med C&I Pri	232,069	231,640	231,640	231,640	232,798	1,158	0.4
7219 Rec Trans Ct-Lrg C&I Secd	3,338,706	3,421,944	3,421,944	3,421,944	3,439,058	17,114	0.5
7228 Base Rate-Resid Multi Fam	2,581,505	0	0	0	0	0	0.0
7235 Base Rate-Lg C&I Primary	2,282,828	2,368,902	2,368,902	2,368,902	3,084,784	715,882	30.2
7236 Base Rate-Large C&I Secnd	7,145,726	6,682,001	6,682,001	6,682,001	8,701,302	2,019,301	30.2
7239 Muncpl Sls-Summer Teir 1	65,944	72,965	72,965	72,965	72,136	-829	-1.1
7240 Muncpl Sls-Summer Tier 2	141,066	293,766	293,766	293,766	290,430	-3,336	-1.1
7241 Municipal Standby Chrgs	222,264	188,902	188,902	188,902	188,902	0	0.0
7249 Recovered Energy Cost-Res	19,891,022	21,093,977	21,093,977	21,093,977	23,119,562	2,025,585	9.6
7250 InsideCity Standby Chgs	7,186,538	4,976,753	4,976,753	4,976,753	4,976,753	0	0.0
7251 InsideCity Summer-Tier 1	1,540,212	1,488,996	1,488,996	1,488,996	1,472,089	-16,907	-1.1
7252 InsideCity Summer-Tier 2	5,745,298	5,986,700	5,986,700	5,986,700	5,918,721	-67,979	-1.1
7253 InsideCity Summer-Tier 3	1,794,889	2,260,128	2,260,128	2,260,128	2,234,464	-25,664	-1.1
7254 InsideCity Winter-Tier 1	1,191,311	1,151,697	1,151,697	1,151,697	1,138,619	-13,078	-1.1
7255 InsideCity Winter-Tier 2	3,811,213	3,971,350	3,971,350	3,971,350	3,926,255	-45,095	-1.1
7256 InsideCity Winter-Tier 3	895,084	1,127,092	1,127,092	1,127,092	1,114,294	-12,798	-1.1
7257 InsideCity Fire Protctn	750,000	842,540	842,540	842,540	842,540	0	0.0

15.25

GRAIL ANALYSIS

MSI:

DEPARTMENT: Water and Power

	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ADOPTED	FY 2006 REVISED	FY 2007 RECOMMENDED	\$ CHANGE	%
7258 OutsideCity Standby Chgs	1,318,680	1,030,232	1,030,232	1,030,232	1,030,232	0	0.0
7259 OutsideCity Sum-Tier 1	365,023	352,885	352,885	352,885	348,878	-4,007	-1.1
7260 OutsideCity Sum-Tier 2	1,377,909	1,435,805	1,435,805	1,435,805	1,419,501	-16,304	-1.1
7261 OutsideCity Sum Tier 3	719,156	905,562	905,562	905,562	895,280	-10,282	-1.1
7262 OutsideCity Win-Tier 1	274,151	265,034	265,034	265,034	262,025	-3,009	-1.1
7263 OutsideCity Win-Tier 2	794,486	827,868	827,868	827,868	818,468	-9,400	-1.1
7264 OutsideCity Win-Tier 3	273,584	344,497	344,497	344,497	340,585	-3,912	-1.1
7266 CIC-Inside City	4,959,629	5,123,526	5,123,526	5,123,526	6,398,032	1,274,506	24.8
7267 CIC-Outside City	1,222,174	1,279,506	1,279,506	1,279,506	1,597,801	318,295	24.8
7268 CIC-Municipal	244,375	252,974	252,974	252,974	315,903	62,929	24.8
7269 MunicipSls Summer-Tier 3	287,534	122,133	122,133	122,133	120,746	-1,387	-1.1
7270 MunicipSls Winter-Tier 1	48,056	56,169	56,169	56,169	55,532	-637	-1.1
7271 MunicipSls Winter-Tier 2	124,699	191,027	191,027	191,027	188,858	-2,169	-1.1
7272 MunicipSls Winter-Tier 3	155,484	57,597	57,597	57,597	56,943	-654	-1.1
7285 PWAC Public Wtr Access Ch	1,416,007	2,903,223	2,903,223	2,903,223	2,077,105	-826,118	-28.4
7291 Recovd Trans-Over/Under	0	0	0	0	-4,500,000	-4,500,000	0.0
7292 Whsle Energy Sales - ISO	3,216,838	1,557,290	1,557,290	1,557,290	750,000	-807,290	-51.8
7295 Recvd Trans Costs (Resid)	3,692,643	3,819,167	3,819,167	3,819,167	3,838,263	19,096	0.5
7296 Rec Trans Ct-Sm Comm&Ind	2,028,707	2,138,316	2,138,316	2,138,316	2,149,008	10,692	0.5
7297 Rec Trans Ct - ST&TS	233,821	216,828	216,828	216,828	217,912	1,084	0.4
7299 Rec Trans Ct-Lrg C&I Pri	1,357,366	1,389,904	1,389,904	1,389,904	1,396,853	6,949	0.5
7301 Mrchndise Jobng & Cntrct	334,000	340,000	340,000	340,000	350,000	10,000	2.9
7302 Misc Non-Op Income	539,357	420,000	420,000	420,000	230,000	-190,000	-45.2
7305 Bad Debt Recovery	160,752	201,752	201,752	201,752	266,448	64,696	32.0
7306 Fire Hydrant Installatio	40,000	90,000	90,000	90,000	200,000	110,000	122.2
7310 JPL VOC Reimbursement	200,000	200,000	200,000	200,000	225,000	25,000	12.5
7315 Service Fees-intrafund	454,000	425,000	425,000	425,000	0	-425,000	-100.0
7316 Service Fees-Interfund	45,000	45,000	45,000	45,000	0	-45,000	-100.0
7318 Reclaimed Water Reimb.	0	25,000	25,000	25,000	0	-25,000	-100.0
7966 Bank Merchant Fees	-162,395	-210,000	-210,000	-210,000	-260,000	-50,000	23.8
*** TOTAL FUNDING	187,523,135	204,144,862	204,144,862	204,144,862	213,369,646	9,224,784	4.5

15.26



**PASADENA WATER AND POWER DEPARTMENT**  
**Light and Power Fund Income Statement**  
**For the 9 Months Ended March 31, 2005**

	FY 2006		Percent of
	Budget	Actual	Budget
<b>Operating revenues</b>			
Base rate revenue	34,096,108	25,946,615	76.10%
Recovered Transmission costs	14,082,546	10,990,713	78.04%
Recovered Energy Cost revenue	78,234,525	63,085,956	80.64%
Wholesale revenue	1,032,307	785,280	76.07%
Public Benefit Charge	3,550,000	2,481,463	69.90%
ISO-Transmission Revenue	250,000	17,918	7.17%
PTO-TRR	12,980,004	7,278,547	56.08%
Ancillary services revenue	5,557,290	3,695,079	66.49%
Service fees	470,000	-	0.00%
<b>Total operating revenues</b>	<u>150,252,780</u>	<u>114,281,571</u>	76.06%
<b>Operating expenses</b>			
General Manager's Office	3,083,266	1,294,485	41.98%
Power Supply	78,771,422	73,760,352	93.64%
Power Production	7,180,897	3,976,717	55.38%
Power Delivery	13,850,380	9,056,813	65.39%
Public Benefit Charge	2,450,000	1,228,000	50.12%
Finance and Administration	8,359,043	4,918,757	58.84%
Depreciation	13,899,984	10,674,015	76.79%
<b>Total operating expenses</b>	<u>127,594,992</u>	<u>104,909,139</u>	82.22%
<b>Total operating income (loss)</b>	<u>22,657,788</u>	<u>9,372,432</u>	41.37%
<b>Non-operating revenues (expenses)</b>			
Federal Emergency Mgmt Agency	-	-	
Services To Sewer Fund	15,937	11,953	75.00%
Svcs To Undergrnd Utilities Fd	21,481	16,111	75.00%
Svcs To Refuse Collection Fund	106,836	80,127	75.00%
Transfer from Other Projects	-	233,522	
Investment Earnings	2,933,186	1,781,172	60.72%
Gain/Loss on Pooled Investment	250,000	(686,639)	-274.66%
Invest Earn-Stranded Investmnt	6,196,141	4,760,951	76.84%
S.I.R.-Unrealized Gain/(Loss)	750,000	(3,680,599)	-490.75%
Rental Income	27,430	(15,646)	-57.04%
Salvage Sales	41,006	43,649	106.45%
Other Contributions - Private	2,205,000	1,643,941	74.56%
Garnishment fees	1,000	-	0.00%
Rose Parade Float Donations	-	11,000	
Misc Svc Revenue-Reconnection	125,000	203,939	163.15%
Other Sales Or Service	20,000	9,628	48.14%
Diversion Penalty Revenues	-	1,385	
Merchandise Jobbing & Contract	300,000	189,739	63.25%
Miscellaneous Non-Operating	240,000	646,636	269.43%
Bad Debt Recovery	151,752	138,953	91.57%
Bank Merchant Fees	(150,000)	(197,372)	131.58%
Interest Expense	(6,218,865)	(4,624,848)	74.37%
Amortized Discount	102,633	76,975	75.00%
<b>Total non-operating revenues (expenses)</b>	<u>7,118,537</u>	<u>644,577</u>	9.05%
<b>Income (Loss) Before Operating Transfers</b>	29,776,325	10,017,009	33.64%
Transfers from (to) other funds	(14,973,809)	(14,798,764)	98.83%
<b>NET INCOME (LOSS)</b>	<u>14,802,516</u>	<u>(4,781,755)</u>	-32.30%

15.27

**PASADENA WATER AND POWER DEPARTMENT**  
**Water Fund Income Statement**  
**For the Period Ended March 31, 2006**

	Budget	Actual	Percent of Budget
<b>Operating Revenue</b>			
Sales Within City Limits	20,962,716	15,689,182	74.84%
Sales Outside City Limits	5,161,883	3,465,095	67.13%
Municipal Sales	982,559	617,304	62.83%
Fire Protection Services	842,540	684,056	81.19%
Misc - Svcs & Connection	75,000	137,086	182.78%
Other Sales & Svc	120,000	129,137	107.61%
Diversion Penalty Rev	-	1,575	n/a
Water Sales/Leases to Other Agen	-	381,448	n/a
CIC Revenue-Inside City	5,123,526	3,873,666	75.61%
CIC Revenue-Outside City	1,279,506	845,449	66.08%
CIC Revenue-Municipal	252,974	132,340	52.31%
PWAC Revenue	<u>2,903,223</u>	<u>1,549,698</u>	<u>53.38%</u>
<b>Total Operating Revenue</b>	<u>37,703,927</u>	<u>27,506,036</u>	<u>72.95%</u>
<b>Operating Expenses By Business Unit</b>			
General Manager's Office & Legal	1,706,059	712,520	41.76%
Water Delivery	8,525,268	6,295,134	73.84%
Purchased Water	12,579,990	7,963,818	63.31%
Fuel Power Purchased	2,303,752	1,644,007	71.36%
Finance & Admin Business Unit	2,244,719	886,880	39.51%
Depreciation-Finance & Admin	390,000	346,654	88.89%
Depreciation-Water Delivery	2,210,000	1,733,186	78.42%
Interest	2,165,058	1,623,794	75.00%
Amortized Discount	-	41,099	n/a
General Expense - Fin & Admin	<u>1,759,607</u>	<u>1,045,067</u>	<u>59.39%</u>
<b>Total Operating Expenses</b>	<u>33,884,453</u>	<u>22,292,159</u>	<u>65.79%</u>
<b>Total Operating Income (Loss)</b>	<u>3,819,474</u>	<u>5,213,877</u>	<u>136.51%</u>
<b>Non-Operating Rev (Exp)</b>			
Income from Sewer Fund	8,582	6,437	75.01%
Svcs Underground Utility Fund	11,567	8,675	75.00%
Svcs Refuse Collection Fund	57,526	43,145	75.00%
Pooled Cash -Interest/Realized	125,000	331,457	265.17%
Bonds - Interest/Realized	727,710	-	0.00%
Rental Inc - JPL Parking	540,000	405,000	75.00%
Rental Income	16,000	2,140	13.38%
Salvage Sales	1,000	1,625	162.50%
Reimbursement From Developers	-	18,400	n/a
Other Contributions-Private	876,000	568,727	64.92%
Fire Protection Surchg-Inside	50,000	140,798	281.60%
Fire Protection Surchg-Outside	15,000	15,984	106.56%
Refuse Fee-1 Time/Mnth Arrears	-	23,775	n/a

Merchandise Jobbing & Contract	40,000	28,798	72.00%
Misc Non-Op Income	180,000	3,898	2.17%
Gain (Loss) on Asset Disposal	-	(20,941)	n/a
Bad Debt Recovery	50,000	34,646	69.29%
Fire Hydrant Installation	90,000	198,040	220.04%
JPL Reimbursements	200,000	157,113	78.56%
Reclaimed Water	25,000	-	0.00%
Bank Merchant Fees	(60,000)	(65,791)	109.65%
Pooled Inv - Unrealized Gain (Loss)	-	(127,368)	n/a
<b>Total Non-Operating Rev (Exp)</b>	<u>2,953,385</u>	<u>1,774,558</u>	<u>60.09%</u>
<b>Income (Loss) Before Operating Transfers</b>	<u>6,772,859</u>	<u>6,988,435</u>	<u>103.18%</u>
<b>Transfers To (From) Other Funds</b>			
Transfers to Capital Projects	-	-	n/a
General Fund Transfers	2,141,566	2,056,466	96.03%
Transfers to HOC	540,000	405,000	75.00%
<b>Total Transfers</b>	<u>2,681,566</u>	<u>2,461,466</u>	<u>91.79%</u>
<b>Net Income (Loss)</b>	<u>4,091,293</u>	<u>4,526,969</u>	<u>110.65%</u>

**AFFILIATED AGENCIES**



**DEPARTMENT  
SUMMARY**

**Pasadena Center Operating Company**

**Mission Statement**

The mission of the Pasadena Center Operating Company is to generate revenues for Pasadena by marketing and providing quality facilities and services for meetings, shows and cultural events.

**Program Description**

Services provided by the Pasadena Center Operating Company (PCOC) include operations and maintenance of one of California's entertainment venues – the Pasadena Civic Auditorium. The Auditorium serves as a home for symphony, ballet, musical comedy, popular music, and other international, national, and local special events. The 47,000-square-foot Exhibition Hall and Annex and 21-room Conference Building (28,000 square feet) provide ideal settings for conventions, trade shows, conferences, theater presentations and dinners. Other services include an automated Box Office, telephone, facsimile, copy services, audio/visual, teleconferencing and other technology conveniences for clients. The Center's client-retention level is high and the Center offers dates more than one year in the future to higher-rated conventions and trade shows which bring ancillary revenue to Pasadena. Space rental discounts are offered to encourage usage and generate Transient Occupancy Tax and Tourism Business Improvement District revenue. The Parking Garage provides convenient, adjacent parking for 825 cars at the Center. Boston Culinary Group, the on-site catering service, provides presentation of banquets, cocktail receptions, weddings, event snack areas and beverage service.

Services offered by the Convention and Visitors Bureau promote Pasadena as a preferred destination. The services include promotion of conventions and corporate business, development of close working relationships with various associations to hold meetings and symposiums, assistance with local tourism efforts, promotion of leisure visitation, general public relations and regional marketing efforts to maximize Pasadena's appeal as a major, world-class destination.

**Departmental Relationship to City Council Goals**

• **Foster Economic Prosperity**

Two of PCOC's results statements, visitors and tourists will select Pasadena for their destination, and exhibitors and convention planners will hold their events at the Pasadena Convention Center, target the intended outcome of fostering continued economic growth and prosperity. During the first nine months of fiscal year 2006, 90,096 tentative and 15,844 definite hotel room bookings were made which were 75% and 45% of the annual targets set, respectively. In addition, nearly 22 million national readers were reached through media exposure efforts that reflect 44% of the annual target established. In the first nine months of fiscal year 2006 the Exhibition and Conference Buildings earned \$794,841 or 85.9% of the annual target, in sales revenue; the Civic Auditorium earned \$341,103 or 65.6% of the annual target in sales revenue.

**Major Accomplishments**

The Convention and Visitors Bureau (CVB) substantially enhanced the economy of Pasadena by working closely with hotels and Center Operations, thus contributing to an average hotel occupancy rate of 77.4% for calendar year 2005.

The Pasadena City Council unanimously approved the concept of an expansion to the Pasadena Conference Center on December 2, 2002. The project has been through full design development with bid opening expected in the second quarter of 2006. Assuming the Pasadena City Council issues final approval in mid-2006, construction will begin shortly thereafter. The expansion is expected to be completed in 2009.

**Pasadena Center Operating Company**

The Pasadena Convention & Visitors Bureau operated the 22nd Annual Holiday Hotline from December 29, 2005 through January 4, 2006. Over this period, 70 volunteers answered more than 3,000 calls from visitors coming to the Rose Parade and Rose Bowl Game. Through the CVB's intense publicity efforts, the Holiday Hotline information reached more than 2.9 million television viewers over the course of its operation.

**Summary of Appropriations and Revenues**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2006 Revised	FY 2007 Recommended
FTEs	101.00	99.00	98.00	98.00	98.00
Appropriations	9,116,934	9,838,234	9,129,000	9,129,000	10,046,328
<b>Sources By Fund</b>					
PCOC Share of TOT	4,297,241	4,590,702	4,598,100	4,598,100	5,165,380
Tourism Business Imp District Tax	1,612,947	1,713,507	1,725,900	1,725,900	2,004,218
PCOC Space Rental	976,465	1,084,883	925,000	925,000	925,000
PCOC Civic Auditorium	413,042	430,218	520,000	520,000	550,000
PCOC Other Rental Income	77,337	66,983	75,000	75,000	75,000
PCOC Parking Fees	1,197,070	1,244,469	750,000	750,000	713,000
PCOC Box Office Income	93,517	88,192	85,000	85,000	85,000
PCOC Misc./Other Income	245,811	361,437	250,000	250,000	328,730
PCOC Food & Beverage Comm	203,504	239,843	200,000	200,000	200,000
<b>Total Sources</b>	<b>9,116,934</b>	<b>9,838,234</b>	<b>9,129,000</b>	<b>9,129,000</b>	<b>10,046,328</b>

**Departmental Results Statements**

**Result 1: Visitors and tourists will select Pasadena for their destination.**

		FY 2005			FY 2006	FY 2007
		Actual	Target	% Target	Target	Target
<b>Measure 1.1 Hotel occupancy</b>						
	A. Develop 75,000 tentative hotel room bookings annually	152,823	120,000	127%	120,000	75,000
	B. Develop 25,000 definite hotel room bookings annually	28,596	50,000	82%	35,000	25,000
<b>Measure 1.2 Media exposure</b>						
	A. Reach 50 million readers nationally	61,900,188	50,000,000	124%	50,000,000	50,000,000

**Pasadena Center Operating Company**

**Result 2: Exhibitors and convention planners will hold their events at the Pasadena Convention Center.**

		FY 2005			FY 2006	FY 2007
		Actual	Target	% Target	Target	Target
<b>Measure 2.1 Use of Conference Building</b>						
	A. 330-day annual use of Conference Building	322	330	98%	330	330
<b>Measure 2.2 Use of Exhibition Building</b>						
	A. 220-day annual use of Exhibition Building	230	220	105%	220	220
<b>Measure 2.3 Gross revenue for Conference and Exhibition Buildings</b>						
	A. \$925,000 in gross rental revenue	\$1,082,503	\$925,000	117%	\$925,000	\$925,000
<b>Measure 2.4 Use of Civic Auditorium and Gold Room</b>						
	A. 207-day use of Civic Auditorium and Gold Room	180	197	91%	221	207
	B. \$550,000 in gross rental revenue	\$430,218	\$475,000	91%	\$520,000	\$550,000

**Changes From Prior Year**

- Cost Changes:** PCOC's budget increase for expenses is primarily reflected in the areas of Promotion and Advertising. These include website upgrades and increased advertising efforts. Although revenues have been reduced for the Parking Garage due to the expansion, labor costs in the Parking Garage cannot be reduced due to the additional challenges of getting patrons to surrounding parking structures. Personnel will be posted on the streets and corners surrounding the Garage to direct patrons to these ancillary structures. It will be important to address patron-parking issues prior to their reaching the Garage entrance. The Garage will continue to be operated on a 24/7 basis. Funds have also been allocated in fiscal year 2007 in the area of employee training to ensure compliance with governmental training requirements.
- Revenue Changes:** PCOC's total revenue is based on non-operating revenue (Transit Occupancy Tax and Tourism Business Improvement District Tax collected by the City) and operating revenue (generated by the Center). PCOC's share of the Transient Occupancy Tax is expected to increase by \$567,280 in fiscal year 2007 (when compared to the budgeted amount for fiscal year 2006) based on estimates of the actual amount to be collected. In addition, PCOC's revenue generated by the Tourism Business Improvement District Tax is estimated to be \$2,004,218 for fiscal year 2007. Operating revenue is expected to remain at current levels with the exception of the Parking Garage. The Parking Garage revenue has been reduced to \$713,000 for fiscal year 2007. This is due to expansion construction beginning during the fiscal year. The Garage will be impacted throughout the project. It is anticipated that only the parking located under the Pasadena Sheraton and on the east side of the structure will be available to the Center. Parking revenue has been reduced based on the number of remaining parking stalls available, contractual obligations to the Sheraton, and historic usage during the impacted months.

**Future outlook**

The PCOC/CVB will continue to promote the image of Pasadena as an excellent destination for visitors, with a heightened emphasis on tourism. PCOC will continue to develop measures that optimize and expand facility usage



**Pasadena Center Operating Company**

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through enhanced services and seek new resources for providing attractive, competitive and functional meeting space and adequate parking for guests and public.

**Pasadena Center Operating Company**

REVENUE AND EXPENSE STATEMENT  
ADOPTED BUDGET – FISCAL YEAR 2007

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2006 Revised	FY 2007 Recommended
<b>Support &amp; Revenues:</b>					
<b>Operating Revenues:</b>					
Rental-Ex/Conf Bldgs	\$976,465	\$1,084,883	\$925,000	\$925,000	\$925,000
Rental-Civic Auditorium	\$413,042	\$430,218	\$520,000	\$520,000	\$550,000
Rental-Ice Skating Center	\$77,337	\$66,983	\$75,000	\$75,000	\$75,000
Rental-Parking Garage	\$1,197,070	\$1,244,469	\$750,000	\$750,000	\$713,000
Income-Box Office Fees	\$93,517	\$88,192	\$85,000	\$85,000	\$85,000
Income-Miscellaneous/Center	\$245,811	\$361,438	\$250,000	\$250,000	\$328,730
Income Food and Beverage Comm	\$203,504	\$239,843	\$200,000	\$200,000	\$200,000
Total Operating Revenues	\$3,206,746	\$3,516,025	\$2,805,000	\$2,805,000	\$2,876,730
<b>Non-Operating Revenues:</b>					
Transient Occupancy Tax	\$4,297,241	\$4,590,702	\$4,598,100	\$4,598,100	\$5,165,380
Tourism Business Imp District Tax	\$1,612,947	\$1,731,507	\$1,725,900	\$1,725,900	\$2,004,218
Total PCOC Revenues	\$9,116,934	\$9,838,234	\$9,129,000	\$9,129,000	\$10,046,328
<b>Expenses:</b>					
<b>Convention Operations:</b>					
Wages & Benefits	\$2,909,753	\$2,959,636	\$3,126,605	\$3,126,605	\$3,195,795
Advertising	\$2,510	\$13,576	\$10,000	\$10,000	\$12,000
Other Promotional Exp	\$71,499	\$59,997	\$65,000	\$65,000	\$69,000
Other Operating Expenses	\$1,541,337	\$1,611,131	\$1,566,300	\$1,566,300	\$1,728,678
Eng Repairs/Maintenance	\$116,672	\$112,098	\$115,000	\$115,000	\$115,000
Interest Expense	\$61,054	\$58,001	\$75,000	\$75,000	\$52,836
Deferred Maint/Equipment	\$0	\$0	\$0	\$0	\$0
Pre-Expansion Costs	\$0	\$0	\$0	\$0	\$0
Total Center Expenses	\$4,702,825	\$4,814,439	\$4,957,905	\$4,957,905	\$5,173,309
<b>Convention &amp; Visitors Bureau:</b>					
Wages & Benefits	\$949,525	\$953,976	\$959,660	\$959,660	\$988,559
Advertising	\$273,594	\$283,191	\$280,000	\$280,000	\$280,000
Other Promotional Exp	\$346,804	\$372,537	\$359,000	\$359,000	\$442,000
Other Operating Expenses	\$223,885	\$247,184	\$293,700	\$293,700	\$280,400
Total CVB Expenses	\$1,793,808	\$1,856,888	\$1,892,360	\$1,892,360	\$1,990,959
<b>Parking Garage:</b>					
Wages & Benefits	\$365,551	\$370,899	\$382,900	\$382,900	\$390,491
Other Operating Expenses	\$7,843	\$6,836	\$11,950	\$11,950	\$11,950
Total Garage Expenses	\$373,394	\$377,735	\$394,850	\$394,850	\$402,441
Total PCOC Expenses	\$6,870,027	\$7,049,062	\$7,245,115	\$7,245,115	\$7,566,709
Net PCOC Operations	\$2,246,907	\$2,789,172	\$1,883,885	\$1,883,885	\$2,479,619
Allocated to Expansion Costs Reserve (from TOT Revenues)	\$2,246,907	\$2,789,172	\$1,883,885	\$1,883,885	\$2,479,619
Net PCOC Operations	\$0	\$0	\$0	\$0	\$0

**Rose Bowl  
Operating Company**

## Rose Bowl Operating Company

### DEPARTMENT SUMMARY Rose Bowl Operating Company

#### Mission Statement

The mission of the Rose Bowl Operating Company (RBOC) is to improve the quality of life in Pasadena by providing top quality entertainment and by generating revenue through the operation of a world-class stadium and a professional quality golf course complex.

#### Vision Statement

The vision of the RBOC is to generate revenue to benefit the City of Pasadena and its citizens. This will be accomplished through maintaining the Rose Bowl's reputation and restoring Brookside golf course, one of the top courses in Southern California. Additional use of the Rose Bowl trademark and image will further enhance the brand equity and association for the Rose Bowl, while increasing revenue to the organization and to the City of Pasadena. The Rose Bowl will continue to attract world-class sporting and recreational events that will appeal to the diverse cultural base of Pasadena and surrounding communities.

#### Program Description

The RBOC is a California non-profit, public benefit corporation, founded in 1995 by an act of the Pasadena City Council. The RBOC's primary purpose is to enhance economic and civic value to the City of Pasadena by managing a world-class stadium and a professional quality golf course complex in a residential open-space neighborhood. The RBOC is responsible to the residents of Pasadena to inform them of potential environmental impacts from the operation of the stadium, to take all reasonable preventive measures and to seek feedback from those impacted.

The Rose Bowl's multifaceted events have included the annual New Year's Rose Bowl Football Game including the 2002 BCS National Championship Game, 1984 Olympics Soccer Finals, 1994 Men's World Cup Soccer, 1999 Women's World Cup Soccer Finals, five (5) Super Bowl football games, UCLA home football games, a variety of concerts and other activities such as the monthly R.G. Canning Flea Market and car shows, all of which generate revenue for the Rose Bowl Fund.

In addition, the RBOC is responsible for the management of the Brookside Golf complex through concessionaire contracts with American Golf Corporation and John Wells Pro Shop.

#### Company Relationship to City Council Goals

- **Operate a More Effective and Cost Efficient Government.**

The specific activities that have contributed to the achievement of this goal include the improvement of customer service and the on-going development and implementation of better financial reporting and oversight.

#### Summary of Appropriations and Revenue

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2006 Revised	FY 2007 Recommended
FTEs	20.0	20.0	20.0	20.0	21.0
Appropriations	8,510,884	9,288,092	8,635,791	8,635,791	9,823,738
<b>Revenue By Fund:</b>					
Rose Bowl	6,106,917	7,355,033	6,050,725	6,050,725	6,113,108
Golf Course	2,588,868	2,994,035	2,883,231	2,883,231	3,076,212
<b>Total Revenue</b>	<b>8,695,785</b>	<b>10,349,068</b>	<b>8,933,956</b>	<b>8,933,956</b>	<b>9,189,320</b>

**Rose Bowl Operating Company**

**Departmental Results Statements**

**Result 1: The Rose Bowl is an excellent stadium that operates competitively with other venues, safely and in harmony with its surrounding neighborhood.**

		FY 2005			FY 2006	FY 2007
		Actual	Target	% Target	Target	Target
<b>Measure 1.1 Number of community hotline complaints</b>						
	A. Keep number of community complaints to 5 or fewer per quarter.	2.5	5.0	200%	5.0	5.0
<b>Measure 1.2 Timeliness of clean-up of surrounding neighborhoods</b>						
	A. Clean surrounding neighborhoods within 24 hours of event	24	24	100%	24	24
<b>Measure 1.3 Timeliness of response to reported disturbances related to events</b>						
	A. Respond to disturbances in a very short period of time	100%	100%	100%	100%	100%
<b>Measure 1.4 Stadium Revenue</b>						
	A. Goal for Net Income / (Loss) before Operating Transfers	\$(1,081,479)	\$(807,955)	75%	\$(1,627,548)	\$(2,730,133)

**Result 2: Services at Rose Bowl events satisfy customer requirements.**

<b>Measure 2.1 Survey of tenants, contractors, event participants and attendees regarding satisfaction with services at events</b>						
	A. Develop method of measurement and baseline for satisfaction with services at events with 4.0 being "excellent", 3.0 "above average", 2.0 "average" and 1.0 "poor"	2.37	3.0	79%	3.0	3.0

**Result 3: The playing conditions of the golf course satisfy customer requirements.**

<b>Measure 3.1 Contract requirements for playing conditions of golf courses</b>						
	A. 100% compliance with contract requirements	100%	100%	100%	100%	100%
	B. American Golf completes contracted capital improvements	100%	100%	100%	100%	100%
<b>Measure 3.2 Survey of individual golfers and Men's and Women's golf clubs regarding satisfaction with playing conditions and aesthetics of golf course</b>						
	A. Develop baseline for customer satisfaction	2.68	3.0	89%	3.0	3.0
<b>Measure 3.3 Revenue</b>						
	A. Increase Golf Course Net Income / (Loss) before Operating Transfers by a minimum of 2% in FY 2005	\$2,142,455	\$2,026,014	106%	\$1,865,489	\$2,095,715

## Rose Bowl Operating Company

Measure 3.4 Comparison of revenue figures with those of other golf courses						
	A. Gather data from other golf courses regarding number of rounds played, using RBOC budget as a target	145,742	154,647	94%	100%	100%

		FY 2005			FY 2006	FY 2007
		Actual	Target	% Target	Target	Target
	B. Gather data from other golf courses regarding green fees, using these competitors' average as a target	\$4,153,653	\$3,920,453	106%	100%	100%
	C. Gather data from other golf courses regarding cart rental fees, using these competitors' average as a target	\$1,039,866	\$912,518	114%	100%	100%

### Result 4: Brookside clubhouse pro shop and restaurant are appealing, attractive and clean.

Measure 4.1 Survey of individual golfers satisfaction with quality and appeal of pro shop merchandise						
	A. Develop baseline for customer satisfaction with quality and appeal of pro shop merchandise	3.90	3.0	130%	100%	100%
Measure 4.2 Survey of individual golfers regarding satisfaction with quality and delivery of food services						
	A. Develop baseline for customer satisfaction with quality and delivery of food service	3.20	3.0	107%	100%	100%

### Changes From Prior Year

- **FTE Changes:** There is an increase of 1 FTE for fiscal year ending June 30, 2007. This new position would be for an in house painter for the stadium.
- **Budget Changes:** The change from the fiscal year 2006 budget is an overall expense increase, of \$1,187,947. This is mainly due to the increase in interest and other bond-related expenses relating to the RBOC's new bond, \$598,415. Also, there will be an additional UCLA home game including the UCLA / USC game which will result in higher event expenses, \$550,574. Conversely, UCLA gross event income will be higher. Event income generated from filmings, car shows and other minor events will most likely decrease as this income will be impacted by the construction of the new locker room and media center. Net Income (before operating transfers) generated from the golf course complex should increase by about \$170,002, due to the a percentage increase in rent received from American Golf Corporation and due to higher depreciation expense from recently completed capital improvement projects. Overall net income (before operating transfers) for the RBOC is projected to decrease by about \$932,583.

### Future Outlook

The employees of the RBOC will use their best efforts in continuing to pursue those opportunities that will maximize and improve the RBOC's financial position.

**DIVISION  
SUMMARY  
Brookside Golf Course**

**Mission Statement**

The mission of the Brookside Golf Course is to improve the quality of life in Pasadena by providing top quality entertainment and by generating revenue through the operation of a professional quality golf course complex.

**Program Description**

The RBOC is responsible for the management of the Brookside Golf Course complex through concessionaire contracts with American Golf Corporation and John Wells Pro Shop.

**Major Accomplishments**

- Continued to conduct surveys with customers of the Pro Shop, Restaurant and Golf Course at Brookside to determine where improvements can be made.
- Completed Phase 4 of the Golf Course Master Plan, involving the renovation of the tee boxes on course # 1.
- Designated 12% of the rent income that the RBOC earns from each the Pro Shop, Restaurant and Golf Course, approximately \$200,000, and the "4% of Golf Course Revenue" that the RBOC also earns from American Golf Corporation, approximately \$250,000. Both of these amounts fund the multi-year Golf Course Master Plan.
- Continued to collect and remit to the City, the "10% of Green Fees" revenue line item from American Golf Corporation, which is earmarked for capital improvements in the Arroyo Seco.

**Summary of Appropriations and Revenue**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2006 Revised	FY 2007 Recommended
FTEs	2.85	2.85	2.85	2.85	2.85
Appropriations	824,782	851,580	957,518	957,518	980,497
<b>Golf Course Revenue</b>	<b>2,588,868</b>	<b>2,994,035</b>	<b>2,883,231</b>	<b>2,883,231</b>	<b>3,076,212</b>

**Changes From Prior Year**

- *Budget Changes:* The change from the fiscal year 2006 budget is an overall expense increase of \$22,979 due mainly to inflationary increases and higher depreciation expense from recently completed renovations. Net Income (before operating transfers) should increase about \$170,002, due to the percentage increase in rent received from American Golf Corporation net of higher depreciation expense from recently completed capital improvement projects.

**DIVISION  
SUMMARY  
Rose Bowl Stadium**

**Mission Statement**

The mission of the Rose Bowl Stadium is to improve the quality of life in Pasadena by providing top quality entertainment and by generating revenue through the operation of a world-class stadium.

**Program Description**

The Rose Bowl Stadium's primary purpose is to enhance economic and civic value to City of Pasadena by managing a world-class stadium in a residential open-space neighborhood. The RBOC is responsible to the residents of Pasadena to inform them of potential environmental impacts from the operation of the stadium, to take all reasonable preventative measures and to seek feedback from those impacted. The Rose Bowl's multifaceted events have included the annual New Year's Rose Bowl Football Game, 1984 Olympics Soccer, 1994 Men's World Cup Soccer, 1999 Women's World Cup Soccer, five (5) Super Bowl football games, UCLA home football games, a variety of concerts and other activities such as the monthly R.G. Canning Flea Market and Car Shows, all of which generate revenue for the Rose Bowl Fund.

**Major Accomplishments**

- Continued to expand community outreach through public meetings providing information about the Rose Bowl and the Central Arroyo Seco to Pasadena residents.
- Continued to streamline, improve and customize its financial statements into more of a full-accrual, stadium format particularly by developing and utilizing specialized software.
- In conjunction with the City's Finance Department continued to pool any idle cash with the City's funds in an effort to obtain a better return on its investments.
- Beginning with FY 2000 and combined with the Golf Course operations, the RBOC as a whole, will have generated a Net Income before Operating Transfers for the past 7 fiscal years.
- For the 7<sup>th</sup> consecutive year beginning with FY 1999, obtained an unqualified opinion from the independent auditors on its separate company financial statements and schedules, the latest fiscal year being FY 2005.
- As part of the new 20-year agreement with the UCLA Bruins football team, continued the design construction of the new locker room facilities and media center with construction slated to begin in the Spring of 2006.
- Completed the Seismic Upgrade project.
- Completed the refinancing of its bonds by eliminating the old 1991 and 1996 bonds and obtaining a new bond to fund the new Locker Room and Media project.
- Hosted the UCLA football team which finished the season with a fantastic 9-2 record.
- Continued a now 79 year tradition by staging an annual July 4<sup>th</sup> / Independence Day event. Also booked a similar event for July 4, 2006 for upcoming FY 2007.
- Staged the BCS National Championship / Tournament of Roses football game between previously # 1 ranked USC and # 2 ranked Texas, with Texas prevailing in the final moments of the game.
- Hosted the Mexican National Team in a soccer game also featuring the Venezuelan National Team for a World Cup "Send-off" match.

**Summary of Appropriations and Revenue**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2006 Revised	FY 2007 Recommended
FTEs	17.15	17.15	17.15	17.15	18.15
Appropriations	7,686,102	8,436,512	7,678,273	7,678,273	8,843,241
<b>Rose Bowl Revenue</b>	<b>6,106,917</b>	<b>7,355,033</b>	<b>6,050,725</b>	<b>6,050,725</b>	<b>6,113,108</b>