



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: May 1, 2009 REPORT NO: 09-058
CORRECTED

ATTENTION: Budget and Finance Committee
Agenda of May 8, 2009

SUBJECT: Fiscal Year 2009 Year-End Budget Monitoring Report

REFERENCE: Fiscal Year 2009 Mid-Year Budget Monitoring Report, #09-013
Fiscal Year 2009 Budget Amendment Report, #081-166
Amendments to the FY 2009 Appropriation Ordinance, O-19822 and
O-19832
Financial Performance Report (Charter Section 39 Report) Period 9 Fiscal
Year 2009

REQUESTED ACTION:

1. Accept the Report from the Mayor on Fiscal Year 2009 Year-End Budget Monitoring.
2. Amend the Fiscal Year 2009 Appropriation Ordinance (O-19774) to authorize the City Comptroller to:
 - a. Reduce General Fund (100) expenditure appropriations and revenue budget by \$2,605,000, as follows:
 - i. Increase Fire-Rescue Department (120) expenditure appropriations by up to \$4,250,000 with an equal increase in revenue budget,
 - ii. Increase City Auditor (51) expenditure appropriations by up to \$1,000,000,
 - iii. Increase City Attorney Department (45) expenditure appropriations by up to \$256,000,
 - iv. Increase Development Services Department, Neighborhood Code Compliance Division (75) expenditure appropriations by up to \$174,000 with an equal increase in revenue budget,
 - v. Increase Real Estate Assets Department (70) expenditure appropriations by up to \$17,000,
 - vi. Reduce Police Department (110) expenditure appropriations by \$2,300,000 with an equal reduction in revenue budget,
 - vii. Reduce Engineering and Capital Projects Department (various) expenditure appropriations by \$3,247,000 with an equal reduction in revenue budget,
 - viii. Reduce City Comptroller Department (50) expenditure appropriations by \$741,000,
 - ix. Reduce Environmental Services Department (various) expenditure appropriations by \$595,000,
 - x. Reduce Storm Water Department (533) expenditure appropriations by \$492,000,
 - xi. Reduce Personnel Department (60) expenditure appropriations by \$480,000,

- xii. Reduce City Treasurer Department (52) expenditure appropriations by \$447,000 with an equal reduction in revenue budget,
- xiii. Reduce Major General Fund Revenues (1) revenue budget by \$1,035,000;
- b. Transfer terminal leave appropriations from Council Administration to the City Council Districts in the amounts listed in Table 13: FY 2009 Year-End Appropriation Adjustments within the General Fund (100);
- c. Transfer fringe appropriations from Citywide Program Expenditures to other General Fund (100) departments as necessary, to include the amounts listed in Table 13: FY 2009 Year-End Appropriation Adjustments;
- d. Transfer available appropriations within the General Fund (100) from Office of Ethics and Integrity (230) and Public Safety (270) to City Planning and Development (250), Community Services (290), Customer Services (890) and Human Resources (61) as necessary;
- e. Transfer appropriations between General Fund (100) departments as necessary where the net transfer does not result in an increase to either department's current budget;
- f. Transfer Council Districts 1 through 8 (General Fund 100) available budget to the respective Infrastructure Improvement Fund and increase the appropriations of the Infrastructure Improvement Fund for purposes identified by the individual Council Districts.
- g. Transfer available funds from the New and Expanded Library Operation and Maintenance Fund (10180) to the General Fund (100);
- h. Increase Central Stores Internal Service Fund (50010) expenditure appropriations by up to \$4,865,000 from an equal amount of additional revenues;
- i. Increase Police Decentralization Fund (10355) expenditure appropriations by \$2,100,000 from an equal amount of additional revenues;
- j. Increase Zoological Exhibits Fund (10222) appropriations from available fund balance;
- k. Increase appropriations from appropriate available sources for any additional, unforeseen needs and to make any additional appropriation adjustments and fund transfers that may be necessary to reconcile revenues to expenditures;
- l. Remove \$12,638,973 of TransNet Extension Commercial Paper (Fund 30313) appropriations in the Capital Improvements Program in the projects and amounts listed in Table 14: FY 2009 TransNet Extension Commercial Paper.

STAFF RECOMMENDATION:

1. Accept the Report from the Mayor on Fiscal Year 2009 Year-End Budget Monitoring.
2. Authorize the City Comptroller to complete the financial transactions listed in this report.

SUMMARY:

The following report presents projections of year-end revenues and expenditures. Projections are determined using actual (unaudited) data through period nine (July 1, 2008 to March 6, 2009) and departmental information regarding spending trends and operations. The reductions to appropriations and changes in operations that were implemented as part of the first quarter report have been included. The revised budget throughout this report reflects Council's actions taken on December 9, 2008 (Ordinance O-19822) and February 3, 2009 (Ordinance O-19832). This report

includes discussion of year-end projections that vary significantly from the revised annual budget for the General Fund and other budgeted funds with staff. For this report, a significant variance is defined as under or over budget revenues or expenditures of 10 percent or greater, with a minimum variance of \$100,000, or more than \$500,000 for a General Fund department and any variance over \$500,000 for a non-general fund.

GENERAL FUND

The General Fund is estimated to conclude the fiscal year with revenues exceeding expenditures by \$1.4 million due to projected savings from vacancies and conservative spending offsetting the projected shortfall in revenues. Revenues are projected to end the fiscal year within 1 percent of the revised budget while expenditures are projected to be within 2 percent, as reflected in Table 1: Summary of FY 2009 General Fund Projections. Expenditures are projected to conclude the year \$18.5 million below the revised budget due primarily to vacancies throughout General Fund departments and conservative spending, while revenues are expected to be \$17.1 million under budget due to the continued slowdown in the economy. At year-end, revenues and expenditures are anticipated to total \$1.139 billion and \$1.138 billion, respectively.

Summary of FY 2009 General Fund Projections				
Table 1				
Revenue/Expenditures	Revised Budget	Year-End Projection	Variance Amount	Variance %
Projected Revenue	\$ 1,156,053,109	\$ 1,138,944,776	\$ (17,108,333)	1%
Projected Expenditures				
Salaries	\$ 530,879,833	\$ 520,166,666	\$ 10,713,167	2%
Fringe and Non-Personnel	<u>625,173,276</u>	<u>617,347,746</u>	<u>7,825,530</u>	<u>1%</u>
Subtotal	\$ 1,156,053,109	\$ 1,137,514,412	\$ 18,538,697	2%
Net Year-End Projection		\$ 1,430,364		

Note: This table does not include the Appropriated Reserve.

To address the significant revenue deficit projected earlier this fiscal year, the Mayor recommended corrective actions to reduce expenses. City Council approved budget adjustments in December 2008 and February 2009 that reduced General Fund expenditure appropriations by \$36.6 million. The revisions approved by City Council in Ordinances O-18822 and O-19832 are reflected in Attachment I: General Fund Corrective Actions. The expenditure adjustments reflect reductions in services, changes in operations, and managerial reductions, which include the reduction of 146.95 FTE positions. Additional one-time revenues of \$6.6 million were added in the Fiscal Year 2009 Revised Budget to minimize the required expenditure reductions.

As a result of the budget revisions earlier this fiscal year, the net year-end projection is \$1.4 million. This is similar to the net projection of \$1.7 million presented in the Fiscal Year 2009 Mid-Year Budget Monitoring Report (#09-013) in February. However, both the expected revenue and expenditures have declined by over \$8.0 million since the Mid-Year Report. This change in projections is summarized in Table 2: Comparison of FY 2009 General Fund

Projections. Revenue projections have declined by \$8.4 million, representing a 1 percent change from the Mid-Year Report, due to the continued decline in the economy. In response to the current economic conditions, departments are spending conservatively, resulting in a reduction in expenditure projections of \$8.1 million, or 1 percent, from the Mid-Year Report. The projected decline in revenues is offset by the increased anticipated expenditure savings.

Comparison of FY 2009 General Fund Projections				
Table 2				
Revenue/Expenditures	Mid-Year (as of period 6)	Year-End (as of period 9)	Change Amount	Change %
Projected Revenue	\$ 1,147,299,716	\$ 1,138,944,776	\$ (8,354,940)	1%
Projected Expenditures				
Salaries	\$ 521,051,618	\$ 520,166,666	\$ (884,952)	0%
Fringe and Non-Personnel	<u>624,516,176</u>	<u>617,347,746</u>	<u>(7,168,430)</u>	<u>1%</u>
Subtotal	\$ 1,145,567,794	\$ 1,137,514,412	\$ (8,053,382)	1%
Net Year-End Projection	\$ 1,731,922	\$ 1,430,364		

Expenditure projections include the discontinuation of collection of certain fringe accounts as discussed in the Mid-Year Report. At the previous rate of collections, the fund balances for long-term disability, Risk Management Administration, and workers' compensation would have exceeded operational needs and Reserve Policy guidelines. Therefore, the Citywide collection of these fringe accounts was discontinued prior to the release of this report. The combined impacts of the corrective actions taken earlier this fiscal year, discontinued collection of the previously listed fringe accounts, continued salary savings, and conservative spending results in projected expenditures that are within 2 percent of the revised budget and a net year-end projection of \$1.4 million of revenue in excess of expenditures.

GENERAL FUND REVENUES

The revised General Fund revenue budget for Fiscal Year 2009 is \$1.156 billion. Revenues through period nine are under the period-to-date budget by \$45.8 million or 7 percent due to timing of receipts, the impact of the economic downturn, and reduced reimbursable services due to vacancies. However, as displayed in Table 3: FY 2009 Actual and Projected General Fund Revenue, year-end revenues are projected to be below budget by only \$17.1 million. This is primarily due to the budget adjustments implemented in December 2008 and February 2009 that aligned the budget with projected revenues in the first quarter. Although a further decline in revenues is projected, the variance is within 1 percent of the revised budget.

FY 2009 Actual and Projected General Fund Revenue
Table 3

Actual/Projection	Budget	Actual/ Projection	Over Budget/ (Under Budget)	Variance %
Actual through Period 9	\$ 659,675,499	\$ 613,837,970	\$ (45,837,529)	7%
Year-End Projection	1,156,053,109	1,138,944,776	(17,108,333)	1%

Departmental revenues are projected to be under budget by \$7.0 million, or 2 percent, as shown in Table 4: FY 2009 General Fund Revenue Projections by Category and detailed in Attachment II: General Fund Projected Revenues. Similarly, major General Fund revenues are projected to conclude the fiscal year 1 percent, or \$10.1 million, under budget. In combination, current revenue projections of \$1.139 billion reflect a reduction from the \$1.147 billion reported in the Mid-Year Report. The following sections discuss the variances between revenue projections and the revised annual budget.

FY 2009 General Fund Revenue Projections by Category
Table 4

Revenue Source	Revised Budget	Year-End Projection	Over Budget/ (Under Budget)	Variance %
Major General Fund Revenues	\$ 860,822,616	\$ 850,691,378	\$ (10,131,238)	1%
Departmental Revenue	295,230,493	288,253,398	(6,977,095)	2%
Total	\$1,156,053,109	\$1,138,944,776	\$ (17,108,333)	1%

Major Revenues

The Fiscal Year 2009 year-end projection for the General Fund major revenues is \$850.7 million, or 1 percent below the revised budget, as reflected below in Table 5: FY 2009 Major General Fund Revenue Projections.

FY 2009 Major General Fund Revenue Projections

Table 5

Revenue Source	Revised Budget	Year-End Projection	Over Budget/ (Under Budget)	Variance %
Property Tax	\$ 396,620,386	\$ 395,640,205	\$ (980,181)	0%
Sales Tax	216,223,910	213,182,656	(3,041,254)	1%
Transient Occupancy Tax ¹	82,189,398	78,580,804	(3,608,594)	4%
Franchise Fees ²	68,211,068	66,210,423	(2,000,645)	3%
Safety Sales Tax	7,394,458	7,107,679	(286,779)	4%
Property Transfer Tax	6,452,301	5,253,532	(1,198,769)	19%
Motor Vehicle License Fees	6,029,889	4,265,725	(1,764,164)	29%
Other Major Revenue	77,701,206	80,450,354	2,749,148	4%
Total	\$ 860,822,616	\$ 850,691,378	\$ (10,131,238)	1%

¹ Total City transient occupancy tax revised revenue budget for FY 2009 is \$156.9 million and the projection is \$150.0 million. The balance is budgeted in the Transient Occupancy Tax Fund.

² Total City FY 2009 revised franchise fees revenue budget is \$81.9 million and the projection is \$79.8 million. The balance is budgeted in the Environmental Growth Funds.

The economic conditions in the local, State, and national economies have not changed significantly since the release of the Mid-Year Report. Among the largest economic factors that have been the cause for downward revisions of revenue throughout this fiscal year include price declines in the local housing market, a significant decline in business and consumer spending and confidence, increasing unemployment, and a drop in tourism and convention business. The downturn in these areas of the economy are still persisting. Though these factors have deteriorated over the past year and have remained at depressed levels, there are signs of a tentative stabilization in reviewed economic indicators; however, this stabilization is not anticipated to have a positive impact the current fiscal year.

The local housing market has declined 27 percent over the last twelve months and is down 44 percent from the 2005 peak of the housing market as measured by the median house price of monthly sales of new and existing homes in San Diego County. However, over the last three months (January – March), the median San Diego County home price has not changed, compared to the average monthly decline of 3 percent over the previous 12 months. The Consumer Confidence Index has also improved 3 percent from February to March compared to an average decline of 7 percent per month over the twelve preceding months. National consumer spending has also increased 1 percent and 0.2 percent in January and February, respectively, as the consumer savings rate has declined.

Despite some signs of stabilization in certain economic factors, other factors still continue to show signs of weakness in the economy. The local unemployment rate has increased from 5 percent to 9 percent over the last twelve months, compared to the State unemployment level that has grown from 6 percent to 11 percent over the same time period. Additionally, other economic factors remain weak, such as forecasts for visitor demand to San Diego as provided by the San Diego Convention and Visitor’s Bureau. These forecasts continue to show a further slowdown of visitor demand to the San Diego area, further affecting both transient occupancy tax (TOT) revenue and consumer spending in the local economy.

While there are certain areas in the economy showing some signs of stabilization, the Fiscal Year 2009 year-end projections still reflect the expectation that these economic factors will remain at their low levels for the remainder of the fiscal year.

Projections for major revenue have declined by \$3.5 million, or less than 1 percent, from mid-year projections. Table 6: Comparison of FY 2009 Major General Fund Revenue Projections summarizes the change in Fiscal Year 2009 projections for the major revenue sources.

Comparison of FY 2009 Major General Fund Revenue Projections				
Table 6				
Revenue Source	Mid-Year (as of period 6)	Year-End (as of period 9)	Change Amount	Change %
Property Tax	\$ 395,451,517	\$ 395,640,205	\$ 188,688	0%
Sales Tax	216,223,910	213,182,656	(3,041,254)	1%
Transient Occupancy Tax	79,971,199	78,580,804	(1,390,395)	2%
Franchise Fees	66,831,213	66,210,423	(620,790)	1%
Safety Sales Tax	7,317,082	7,107,679	(209,403)	3%
Property Transfer Tax	5,892,303	5,253,532	(638,771)	11%
Motor Vehicle License Fees	3,874,797	4,265,725	390,928	10%
Other Major Revenue	78,644,340	80,450,354	1,806,014	2%
Total	\$ 854,206,361	\$ 850,691,378	\$ (3,514,983)	0%

Property Tax

The Fiscal Year 2009 year-end projection is \$395.6 million, which is \$980,000, or less than a percent, lower than the Fiscal Year 2009 Revised Budget. This reflects a decline of \$189,000, or less than a percent, from the mid-year projection.

The projection for property tax has experienced minor revisions since mid-year due to specific factors that make property tax a less volatile revenue source during the fiscal year. Property tax bills are based on updated assessed values for real property in San Diego County and are prepared by the County Assessor's Office in January of each year, which the City uses to prepare the upcoming fiscal year property tax budget. During the year, these values are revised by the County based on new construction or other changes, thus affecting total real property values and City tax receipts. Once these updated figures are prepared, property tax revenues are subject to less volatility for the remainder of the fiscal year. Due to no major revisions by the County Assessor to property tax receivables following the mid-year projections, estimates for property tax revenue remain relatively unchanged.

Financial Management continues to closely monitor monthly receipts and evaluate relevant economic factors that impact the receipt of property tax revenues.

Property Transfer Tax

The year-end projection for property transfer tax is \$5.3 million, which is a 19 percent or \$1.2 million decrease from the Fiscal Year 2009 Revised Budget. This is a \$639,000, or 11 percent, decrease from the mid-year projection.

Property transfer taxes are based on the number of home sales and home prices. Because the City's property transfer tax revenue is based on \$0.55 per \$1,000 of sales price for transferred homes, lower home sale prices and lower volume of home sales equate to lower property transfer taxes being collected. The volume of home sales has dropped by 39 percent since the highs in 2004/2005 and prices have also dropped 44 percent from the highs in 2005. This decline in median price is attributable to a number of factors, such as home foreclosures. Over the last twelve months, since April 2008, there has been a 29 percent increase in foreclosure notices. The lack of consumer confidence is also affecting the number of home buyers in the market, as buyers are reluctant to enter the market to purchase a home due to the fear that prices will continue to decline. In addition, home owners are not motivated to sell their homes due to the reduction or elimination of their home equity.

Despite the recent stabilization in median home prices since January, the lower number of homes sold in the market and reduction in median prices as compared to previous years has led to revisions of property transfer tax projections. In addition, the timing of the recovery of the residential market has been revised from the later part of Fiscal Year 2009 to Fiscal Year 2010 which further impacts the Fiscal Year 2009 year-end projection.

Sales Tax

The Fiscal Year 2009 year-end projection for sales tax revenue is \$213.2 million, which is 1 percent or a \$3.0 million decrease from both the Fiscal Year 2009 Revised Budget and the Fiscal Year 2009 mid-year projection.

The change from the mid-year projection to the current year-end projection is based on revised growth rates for sales tax receipts from the State of California in addition to the continued decline in consumer and business spending in the local economy. These revised growth rates in consumer spending, published by the State, reflect a more pessimistic assumption about spending and the corresponding sales tax revenue for the upcoming months.

The uncertain nature of sales tax due to rapidly changing economic conditions leads to vulnerability in the sales tax revenue received by the City. The growth rates published by the State (which are used as guidance for sales tax revenue projections) and economic research (monitored by the City on an ongoing basis) differ widely on expected consumer savings, consumer sentiment, personal income growth, and housing market trends, amongst other economic factors. Financial Management has revised sales tax projections for the remainder of the fiscal year, as reflected in Table 7: Sales Tax Growth Rate Comparison, as these economic indicators continued to deteriorate. These factors have resulted in the projected sales tax revenue shortfall of \$3.0 million compared to the mid-year projection. Financial Management will continue to monitor sales tax receipts closely, as receipts from the upcoming apportionments could result in additional adjustments to our forecast.

FY 2009 Sales Tax Growth Rate Comparison
Table 7

Quarter	Adopted Budget	Revised Budget	Mid-Year Projections	Year-End Projections
First Quarter	0.75%			
Second Quarter	0.75%	-4.00%		
Third Quarter	0.75%	-4.92%	-4.92%	
Fourth Quarter	0.75%	-4.92%	-4.92%	-9.00%

Safety Sales Tax

The Fiscal Year 2009 year-end projection for safety sales tax is \$7.1 million, which is 4 percent or \$287,000 below the revised budget. This is a 3 percent or \$209,000 reduction from the mid-year projection. Sales tax has been coming in slightly lower than projected in the last few periods. The estimated growth rate for the fourth quarter has decreased from 4 percent to 9 percent since mid-year. This decrease is due to the weak performance of taxable sales in the local retail sector. The primary difference between safety sales tax receipts and sales tax performance is that the former is based on the County of San Diego’s share of taxable sales, which on a whole, underperforms the City of San Diego’s net growth of taxable sales.

Transient Occupancy Tax (TOT)

The Fiscal Year 2009 year-end projection for General Fund TOT revenue is \$78.6 million, which is a 4 percent or \$3.6 million decrease from the revised budget. This reflects a further reduction of 2 percent or \$1.4 million from the mid-year projection. The total City of San Diego’s TOT revenue projections for year-end is \$150.0 million.

Tourism and business travel in San Diego continue to be negatively affected by the current economic environment. According to data from the San Diego Convention and Visitors Bureau (CONVIS), the year-to-year percent growth forecast for total visitors through December 2008 was down 1.5 percent and the average hotel occupancy rate declined by 3 percent. Additionally, estimates prepared by CONVIS forecast the total visitors to San Diego in the fourth quarter of Fiscal Year 2009 to decline 6 percent compared to the fourth quarter of Fiscal Year 2008. The average hotel occupancy rate is forecasted to be 62 percent in calendar year 2009, which is drop from the calendar year 2008 occupancy rate of 70 percent. These projected industry declines were factored into the current year-end projections for TOT.

Franchise Fee Revenue

The Fiscal Year 2009 year-end projection for franchise fee revenue is \$66.2 million, which is a 3 percent or \$2.0 million decrease from the revised budget. This projection is 1 percent or \$621,000 lower than the mid-year projection. The revised revenue projection is due primarily to lower than anticipated revenue from refuse collection franchise fees. Based on actual tonnage data of refuse collected through the first three quarters of Fiscal Year 2009 compared to the same period in Fiscal Year 2008, refuse franchise fee revenue projections were adjusted downwards by \$1.0 million. This negative adjustment to refuse collection revenue was partially offset by an

increase in cable franchise revenue due to a slight increase in revenues from Cox Communication, Time-Warner, and AT&T.

Motor Vehicle License Fees (MVLFF)

The Fiscal Year 2009 year-end projection for MVLFF is \$4.3 million, which is 29 percent or \$1.8 million lower than the revised budget. This reflects a 10 percent or \$391,000 increase from the mid-year projection which assumed that the City would not receive payments from the State for January and February of 2009. However, a small amount was received by the City for both months, slightly increasing the projections from the Mid-Year Report. The continued decline in auto sales through the beginning of calendar year 2009 has reduced the amount of revenue received by the City due to unfavorable credit conditions, unemployment, and overall uncertainty in the economy.

Other Major Revenue

The positive revenue change in the other revenues category is comprised mainly of one-time revenue that was not included in the mid-year projection. The projections include three significant deposits into the General Fund totaling \$2.8 million: 1) \$775,000 for tenant improvements on City owned properties; 2) \$1.0 million of fund balance from the New and Expanded Library Operating and Maintenance Fund; and 3) \$1.1 million reimbursement for the repair of Soledad Mountain Road. Offsetting this gain in revenue for the General Fund was a reduction in business taxes for refuse haulers in the amount of \$1.0 million. Other revenue sources aggregated in this account have remained at or near the levels forecasted in the Mid-Year Report.

Department Revenues

Combined departmental revenues are projected to be under budget by \$7.0 million, contributing to the \$17.1 million projected shortfall in General Fund revenues. This is a decline of \$4.8 million in departmental revenue from what was reported in the Mid-Year Report, which is primarily due to a decline in the Police Department's parking citation revenue and Engineering and Capital Projects Department's vacant revenue generating positions. Table 8: FY 2009 Significant General Fund Revenue Variances by Department displays departments with projected under or over budget revenue variances of \$500,000 or greater, or 10 percent or more with a minimum variance of \$100,000. These variances are discussed following the table.

FY 2009 Significant General Fund Revenue Variances by Department

Table 8

Department	Revised Budget	Year-End Projection	Over Budget/ (Under Budget)	Variance %
Fire-Rescue	\$ 9,683,902	\$ 15,083,117	\$ 5,399,215	56%
Engineering and Capital Projects	63,064,976	58,150,705	(4,914,271)	8%
City Treasurer	29,048,691	27,036,273	(2,012,418)	7%
Park and Recreation	31,787,126	29,942,675	(1,844,451)	6%
Police	44,897,451	43,602,150	(1,295,301)	3%
City Planning and Community Inv.	4,246,117	3,257,310	(988,807)	23%
City Attorney	5,001,558	4,115,317	(886,241)	18%
DSD - Neighborhood Code Comp.	730,267	1,555,600	825,333	100%
Real Estate Assets	43,604,594	42,906,071	(698,523)	2%
City Comptroller	3,870,654	4,263,730	393,076	10%
Office of Homeland Security	765,895	373,177	(392,718)	51%
Library	1,745,548	1,375,803	(369,745)	21%
Office of the Chief Financial Officer	350,000	454,235	104,235	30%

Fire-Rescue

Reflecting improvement over the revenue projection provided in the Mid-Year Report, the Fire-Rescue Department is projecting to receive \$5.4 million of over budget revenue. This represents a 56 percent variance from the department's revised revenue budget of \$9.7 million. The additional revenue is primarily due to reimbursement for Strike Team deployment and wildfire support that took place during the first part of the fiscal year.

Engineering and Capital Projects

The Engineering and Capital Projects Department's revenue budget is \$63.1 million and is primarily comprised of reimbursements for work performed on capital projects. The department is projecting revenues to be under budget at year-end by \$4.9 million or 8 percent. The revenue projection has declined from the status reported at mid-year. The unfavorable variance is the result of vacant revenue generating positions and is offset by projected expenditure savings of \$5.2 million due to these vacancies.

City Treasurer

The City Treasurer Department's revenue budget is \$29.0 million. The department is projecting to conclude the fiscal year \$2.0 million, or 7 percent, under budget in revenues. This is partially due to the timing in invoicing new accounts from the 2006 Franchise Tax Board data that identifies businesses operating without a valid Business Tax Certificate. As a result, a portion of the budgeted Fiscal Year 2009 revenue is expected to be realized in Fiscal Year 2010. Additionally, State withholdings of levied tax refunds and vacant revenue generating positions contribute to this projected shortfall.

Park and Recreation

The Park and Recreation Department's revenue budget is \$31.8. The department is projecting revenues to be under budget at year-end by \$1.8 million or 6 percent, which reflects a significant

decline from the status reported in the Mid-Year Report. The unfavorable variance is primarily the result of lower than anticipated reimbursement from the Environmental Growth Fund due to a decrease in franchise fee revenue. The reduced revenue will be offset by projected expenditure savings of \$1.1 million.

Police

Projecting a significant decline in revenue since mid-year, the Police Department expects to conclude the fiscal year with \$1.3 million or 3 percent of revenue under budget due to continued decline in parking citation revenue. In addition, the projections include a \$2.3 million reduction in revenue reimbursement from the Seized and Forfeited Assets Fund for helicopter lease payments and aging computer terminal replacements, as the expenditures will be directly incurred in the Seized and Forfeited Assets Fund. A corresponding savings is reflected in the department's expenditures projections.

City Planning and Community Investment

The City Planning and Community Investment Department is projecting revenue to be under budget by nearly \$989,000. This is a variance of 23 percent from the department's revised revenue budget of \$4.2 million. This projection is primarily due to a reduction in current service charges resulting from vacant reimbursable positions for Community Development Block Grant and parking meter assignments, as well as the reassignment of staff to new priorities which impacts reimbursements to the department. In addition, revenue generated from building permit activity has slowed down due to the current economic downturn.

City Attorney

The Office of the City Attorney is projecting \$886,000 or 18 percent, of revenue under the revised budget of \$5.0 million. The unfavorable variance is attributed to the department not receiving budgeted Service Level Agreements (SLA) revenue.

Development Services - Neighborhood Code Compliance

Similar to the variance projected in the Mid-Year Report, the Neighborhood Code Compliance Division of the Development Service Department is projecting \$825,000 additional revenue or more than double the revised budget. The additional estimated revenue is from four agreements that were entered into after the start of the fiscal year, two of which were not anticipated when the budget was developed. The agreements provide proactive and focused code enforcements funded by Community Development Block Grant funds to ensure compliance with all applicable Housing and Urban Development regulations in these areas: the City Heights and Crossroads Redevelopment Project areas; the Downtown Community Plan area; and the Southeastern Economic Development Corporation project area. Additional unbudgeted revenue was also received for the graffiti code enforcement.

Real Estate Assets

The Real Estate Assets Department is projecting revenue to be under budget by \$699,000. This is a 2 percent variance from the department's revised budget of \$43.6 million. Mission Bay rents and concessions were projected in the Mid-Year Report to have an unfavorable variance, but updated projections anticipate revenues to be within budget. However, Pueblo Land lease revenues are now projected to be lower than anticipated.

City Comptroller

The City Comptroller is projecting \$393,000, or 10 percent, of revenue over the revised budget of \$3.9 million. The additional anticipated revenue is due to an increase in accounting services provided to the Redevelopment Agency as well as reimbursements for staff working on the OneSD project.

Office of Homeland Security

The Office of Homeland Security is projecting revenue to be under budget by \$393,000 at year-end. This represents a 51 percent variance from the department's revised budget of \$766,000. This is primarily due to vacancies in grant reimbursable positions and the delay of the Federal Emergency Management Agency reimbursement until Fiscal Year 2010. The decrease revenue will be offset by projected expenditure savings of \$215,000 due to vacancies savings.

Library

The Library Department's revenue budget is \$1.7 million. The department is projecting to conclude the fiscal year \$370,000, or 21 percent under budget in revenues. Revenues are projected to be below budget primarily due to changes in operations to better serve the public that resulted in a decrease in revenues. For example, the department has implemented an email reminder to notify borrowers of the due date of books or articles in advance. As a result, more items are being returned on time and less late fees are being assessed.

Office of the Chief Financial Officer

The Office of the Chief Financial Officer is projecting to receive \$104,000 of additional revenue which is 30 percent above the department's revised revenue budget of \$350,000. This is primarily due to a new partnership with Evolution Film & Tape, Inc. to produce a documentary series about the San Diego Lifeguard Service which will air on TruTV.

GENERAL FUND EXPENDITURES

The total Fiscal Year 2009 General Fund revised expenditure budget is \$1.156 billion. This reflects the \$36.6 million reduction in expenditure appropriations implemented earlier this fiscal year to balance the projected shortfall in revenue. Total expenditures through period nine are below the period-to-date budget by \$52.7 million or 7 percent. This is primarily due to conservative spending and vacancies earlier in the year as departments anticipated possible budget reductions. Year-end projections show under budget expenditures of \$18.5 million or 2 percent as shown in Table 9: FY 2009 Actual and Projected General Fund Expenditures. This is an increase \$8.1 million in projected savings from what was reported in the Mid-Year Report, which is primarily due to Police Department's vacancy savings, Engineering and Capital Projects Department's vacant revenue generating positions, and Environmental Services Department's lower than anticipated expenditures associated with decrease tonnage and the Preferred Disposal Rate.

FY 2009 Actual and Projected General Fund Expenditures

Table 9

Actual/Projection	Budget	Actual/ Projection	Under Budget/ (Over Budget)	Variance %
Actual through Period 9	\$ 803,547,141	\$ 750,799,167	\$ 52,747,974	7%
Year-End Projection	1,156,053,109	1,137,514,412	18,538,697	2%

Note: This table does not include the Appropriated Reserve.

To provide as thorough and meaningful information as possible about departments, additional information regarding the period-to-date expenditures of several departments discussed in the Comptroller's Charter Section 39 report is included. While the main purpose of this report is to present the projected year-end status of departments and funds in comparison to annual appropriations, the coordination of reported data and explanations allows for a more informed review and analysis. Following is a table presented in the Comptroller's Financial Performance Report (Charter Section 39 Report): Period 9 Fiscal Year 2009 which highlights period-to-date variances of select departments as of March 6, 2009.

General Fund Expenditure Period-to-Date Variance Analysis

	PTD Budget	FY09 YTD Actuals	Variance	%
Storm Water	\$ 29,175,922	\$ 14,491,713	\$ 14,684,209	50.3%
Police	277,893,979	263,650,287	14,243,692	5.1%
General Services	46,385,745	38,108,570	8,277,175	17.8%
Engineering and Capital Projects	44,410,640	39,142,129	5,268,511	11.9%
San Diego Fire-Rescue	130,415,447	134,772,968	(4,357,521)	-3.3%
All Other Departments	275,609,004	262,221,203	13,387,801	4.9%
Total General Fund Expenditure	\$ 803,890,737	\$ 752,386,870	\$ 51,503,867	6.4%

Source: Financial Performance Report (Charter Section 39 Report) Period 9 Fiscal Year 2009.

Expenditures by Category

The under budget expenditure projection in the General Fund is primarily due to under budget salary and fringe expenditures, projected to be under budget by \$14.6 million. Equipment Outlay is also projected to be significantly under budget primarily due to conservative spending in order to offset shortfall in revenue. This data is displayed in Table 10: FY 2009 General Fund Expenditure Projections by Category. Further, detailed discussion of expenditure variances follows.

FY 2009 General Fund Expenditure Projections by Category

Table 10

Expenditure Type	Revised Budget	Year-End Projection	Under Budget/ (Over Budget)	Variance %
Salaries and Wages	\$ 530,879,833	\$ 520,166,666	\$ 10,713,167	2%
Fringe Benefits	284,034,676	280,186,588	3,848,088	1%
Supplies and Services	267,700,104	267,531,427	168,677	0%
Information Technology	37,432,677	37,297,517	135,160	0%
Energy and Utilities	27,880,895	28,057,563	(176,668)	1%
Equipment Outlay	8,124,925	4,274,651	3,850,274	47%
Total	\$1,156,053,109	\$1,137,514,412	\$ 18,538,697	2%

Note: This table does not include the Appropriated Reserve.

Salaries and Wages

Similar to the variance projected in the Mid-Year Report, the General Fund is projecting salaries to be \$10.7 million, or 2 percent, under budget at year-end. This is in addition to the budgeted vacancy savings of \$27.5 million, which reduces the salary budget to account for attrition, and is in addition to the positions reduced from the budget earlier this fiscal year. The Police Department is projecting a \$6.9 million variance from the department's salary budget due to the timing of filling vacancies. Although the department has been filling academies, 177.75 sworn positions are vacant. The Engineering and Capital Projects Department is projecting \$2.9 million of salary savings due to vacant engineer positions, whereas, the Fire-Rescue Department is projected to go over budget in salaries by \$2.6 million primarily due to overtime related to the Strike Team deployment and wildfire activities.

The General Fund budget includes \$3.2 million of salaries for terminal leave. In the past, the City did not budget this additional expense and departments were required to absorb the cost. As of period nine, nearly \$3.3 million had been expended for terminal leave salaries in the General Fund.

Fringe Benefits

Fringe benefits are projected to end the year \$3.8 million or 1 percent under the revised budget of \$284.0 million. As a result of first quarter projections, an additional \$4.0 million was added to the General Fund fringe budget. This was determined based upon the large amount of vacancies being experienced in non-general fund departments that shifted more of the burden of fixed fringe expenses, such as the annual required contribution (ARC) for retirement, other post employment benefits, workers' compensation, and Risk Management Administration, to the General Fund. In addition, the retirement contribution for the Police Department is being expensed at a rate higher than budgeted. The fringe reserve, set aside in the Citywide Program Expenditures Department, is intended to offset projected overages in departments.

The ARC into the San Diego City Employees' Retirement System (SDCERS) is defined by the SDCERS actuary. The Fiscal Year 2009 ARC is \$161.7 million and the full amount will be collected by year end. The position reductions that resulted from the budget amendment earlier this fiscal year affected the amount expensed in each department. The General Fund is projected

to contribute \$132.8 million to the ARC this fiscal year, which is greater than the \$127.0 million budgeted; whereas the combined contribution from non-general funds is projected to be under budget by \$6.0 million. These variances are due to the actual number of positions and total City salaries compared to amounts budgeted.

In order to offset the increases in fringe expenses, fringe accounts were analyzed to determine if any rate adjustments could be applied in Fiscal Year 2009. At the previous rate of collections, the fund balances for long-term disability, Risk Management Administration, and workers' compensation would have exceeded operational needs and Reserve Policy guidelines. The rate adjustments total approximately \$6.2 million (\$2.8 million workers' compensation, \$1.9 million Risk Management Administration, and \$1.5 million long-term disability) of reduced expenditures for the General Fund and \$8.1 million Citywide. As a result of these rate adjustments, and based upon updated fringe projections, the full \$4.0 million fringe reserve will not be expended at year-end.

Supplies and Services, Information Technology and Energy and Utilities

General Fund projections reflect spending in the areas of supplies and services, information technology and energy and utilities to be on target with the revised budget. The supplies and services category is projecting less than 1 percent favorable variance, or \$169,000, from the revised budget of \$267.7 million. Similarly, the information technology category is projecting less than 1 percent positive variance, or \$135,000, from the revised budget of \$37.4 million. However, projections for energy and utilities show a negative variance \$177,000, or 1 percent, which will be offset by expenditure savings in the supplies and services and information technology categories.

Equipment Outlay

General Fund departments are projected to be \$3.9 million, or 47 percent, under budget in equipment outlay at year-end. The positive variance is primarily due to the Park and Recreation Department's policy to limit equipment outlay purchases for priority maintenance and safety equipment and the Police Department's budgetary correction to shift helicopter lease payments to the Seized and Forfeited Assets Fund. In addition, there are small savings across many departments, which attribute to the positive variance in this category.

Department Expenditures

Table 11: FY 2009 Significant General Fund Expenditure Variances by Department, displays the departments with projected over or under budget expenditure variances of \$500,000 or greater, or 10 percent or more with a minimum variance of \$100,000. These variances are discussed following the table. Attachment III: General Fund Projected Expenditures includes projections for all General Fund departments.

FY 2009 Significant General Fund Expenditure Variances by Department

Table 11

Department	Revised Budget	Year-End Projection	Under Budget/ (Over Budget)	Variance %
Police	\$ 405,114,193	\$ 398,184,349	\$ 6,929,844	2%
Engineering and Capital Projects	64,950,437	59,754,853	5,195,584	8%
Fire-Rescue	188,411,827	192,661,193	(4,249,366)	2%
Storm Water	43,146,521	41,359,833	1,786,688	4%
Environmental Services	38,994,116	37,228,821	1,765,295	5%
General Services	63,260,284	61,554,343	1,705,941	3%
City Comptroller	12,097,492	10,993,095	1,104,397	9%
Park and Recreation	86,815,764	85,740,363	1,075,401	1%
City Treasurer	14,164,860	13,292,127	872,733	6%
City Auditor	1,677,628	2,549,913	(872,285)	52%
Personnel	6,231,202	5,563,512	667,690	11%
Citywide Program Expenditures	60,754,745	60,148,624	606,121	1%
Library	36,710,701	36,106,607	604,094	2%
Debt Management	2,753,916	2,401,404	352,512	13%
Business Office	1,482,172	1,236,206	245,966	17%
Office of Homeland Security	1,520,107	1,305,434	214,673	14%
Public Safety	720,903	581,110	139,793	19%
Office of Ethics and Integrity	1,022,588	901,183	121,405	12%
Office of the Assistant COO	180,753	68,808	111,945	62%

Due to the economic uncertainty, at the start of this fiscal year the Chief Operating Officer directed departments to minimize discretionary spending as the revised budget for Fiscal Year 2009 was being developed to balance the budget in light of the projected revenue shortfall. In addition, the departments were requested to propose additional budget reductions for the Fiscal Year 2010 budget. As a result of conservative and prudent spending this fiscal year, several departments are projected to end the fiscal year under budget.

Police

The Police Department, which now includes the Family Justice Center, is projecting to end the year with expenditures under budget by \$6.9 million or 2 percent of the revised budget of \$405.1 million which is a significant projected increase in savings from what was reported in the Mid-Year Report. This variance is attributed to \$6.9 million in projected salary savings resulting from 177.75 vacant sworn positions. The department plans to fill 50.00 sworn vacant positions by the end of the fiscal year. This projection also includes \$2.5 million of projected over budget expenditures in fringe benefits. The large number of vacancies in the department is directly affecting the department's fixed fringe expenses, such as the annual required contribution (ARC) for retirement, other post employment benefits, workers' compensation, and Risk Management Administration. In addition, the projections include a \$2.3 million reduction in reimbursable expenditures from the Seized and Forfeited Assets Fund for helicopter lease payments and aging mobile computer terminal replacements. The expenses will be directly incurred in the Seized and Forfeited Assets Fund and a corresponding adjustment to department's revenue is included in the projections. The period-to-date favorable variance of \$14.2 million or 5 percent is primarily due

to timing difference of the budgeted transfer to the Police Decentralization Fund, salary and fringe savings, and supplies and services expenditures.

Engineering and Capital Projects

Projecting a significant increase in expenditure savings compared to what was presented in the Mid-Year Report, the Engineering and Capital Projects Department is projecting expenditures to be \$5.2 million under budget. This is an 8 percent variance from the department's revised budget of \$65.0 million. The period-to-date positive variance of \$5.3 million or 12 percent consists of savings from vacant positions and timing of expenditures. The favorable year-end variance is mainly attributed to the current vacancies throughout the department which are anticipated to be filled by the end of the fiscal year. Due to these vacancies, the department is also projecting a shortfall of \$4.9 million in revenue.

Fire-Rescue

Similar to the variance projected in the Mid-Year Report, the Fire-Rescue Department is projecting \$4.2 million, or 2 percent, of expenditures over the department's revised budget of \$188.4 million. This is primarily due to the increase in overtime related to Strike Team activities for the wildfires and other Federal Emergency Management Agency requirements. The period-to-date unfavorable variance of \$4.4 million or 3 percent is reflective of the overtime incurred earlier this fiscal year. Fire-Rescue is projecting \$5.4 million of revenue reimbursement to partially offset the projected over budget expenditures.

Storm Water

The Storm Water Department's revised budget is \$43.1 million. The department projects to end the fiscal year with \$1.8 million, or 4 percent, of expenditures under budget. The period-to-date favorable variance of \$14.7 million or 50 percent is due to delays in expenditures related to contracts. The projected positive expenditure variance is due to significant vacancies in this department throughout the year. The remainder of the variance is due to conservative spending.

Environmental Services

Projecting a significant surplus in expenditures from what was presented mid-year, the Environmental Services Department is projecting to end the year with expenditures under budget by \$1.8 million or 5 percent. This is primarily due to the Preferred Disposal Rate, vacancy savings, and a decrease in tipping fee expenses related to a decrease in tonnage collected and disposed.

General Services

The General Services Department is projecting expenditures to be \$1.7 million under budget. This is a 3 percent variance from the department's revised budget of \$63.3 million and is due primarily to vacant positions in the Street Division. The department plans to fill most of the vacancies before the end of the fiscal year. The period-to-date positive variance of \$8.3 million or 18 percent is primarily due to vacancy savings and timing differences in supplies and services expenditures.

City Comptroller

The City Comptroller's revised expenditure budget is \$12.1 million. The department is projecting expenditures to be 9 percent, or \$1.1 million, under the revised budget. This is primarily due to vacancies in the department and conservative spending in supplies and services.

Park and Recreation

The Park and Recreation Department is projecting to end the fiscal year with expenditures under budget by \$1.1 million or 1 percent. The projected savings is a result of conservative spending in order to offset reduced revenue reimbursement from the Environmental Growth Fund that is experiencing decrease franchise fee revenue. The under budget expenditures will be offset by projected under budget revenue of \$1.8 million.

City Treasurer

The City Treasurer is projecting expenditures to be under budget by \$873,000 or 6 percent of the revised annual budget of \$14.2 million. The variance is primarily due to vacant positions, of which half are anticipated to be filled by the end of this fiscal year. Conservative spending and delay in contracts also contribute to the year-end projection.

City Auditor

The City Auditor projected expenditure savings of \$128,000 or 8 percent. However, in order to establish a contract by year-end for the Fiscal Year 2009 annual audit, the City Auditor expenditure projections are proposed to be increased by up to \$1.0 million. . As reflected in Table 13: FY 2009 Year-End Appropriation Adjustments, item a-ii, it is requested that the department's appropriation be adjusted to absorb this unanticipated contract expense.

Personnel

The Personnel Department is projecting to conclude the fiscal year with expenditures \$668,000, or 11 percent, under the revised budget of \$6.2 million. The projected savings is due to vacant positions, an employee on medical leave, staff re-assigned to the OneSD project, and employees underfilling positions at a lower salary than budgeted. The department plans to fill the vacancies in the near future.

Citywide Program Expenditures

The total year-end projection for Citywide Program Expenditures is \$60.1 million, which represents a favorable variance of \$606,000 or 1 percent of the revised budget of \$60.8 million. Citywide Elections are expected to cost the City nearly \$1.9 million less than budgeted due to fewer propositions on the November ballot and not having a run-off election, while Property Tax Administration is projected to be over budget by \$1.5 million due to increased fees from the County of San Diego.

A \$4.0 million variance is reflected in the General Fund Fringe Reserve line item. This appropriation was added during the first quarter budget amendment to offset the General Fund fringe expenses that were projected to exceed fringe appropriations. The \$4.0 million fringe budget in Citywide Program Expenditures will be allocated to departments experiencing overages in fringe expenses; however, it is not anticipated that the full \$4.0 million will be needed.

The budget for the General Fund Reserve Contribution was removed during the first quarter budget adjustments. At that time, the estimated reserve balance was sufficient to meet the 6.5 percent goal for this fiscal year. The current estimated reserve balance is \$71.5 million as of April 23, 2009. In order to achieve the 6.5 percent reserve goal based upon current year-end revenue projections, an additional \$2.5 million needs to be added to the General Fund reserves this fiscal year.

An additional \$1.6 million in expenditures is anticipated to reimburse other funds for wildfire related activities. Last fiscal year, both Environmental Services and Development Services received City Council's approval to waive certain permit and disposal fees for those impacted by the fires. Due to the restrictions on those enterprise funds, the General Fund must reimburse those funds for the waivers. The total estimated expense for this fiscal year is \$2.3 million.

Library

The Library Department is projecting to end the year with expenditures under budget by \$604,000 or 2 percent. The department's revised expenditure budget is \$36.7 million. The department projects to have salary savings due to vacant positions and conservative spending.

Debt Management

The Debt Management Department is projecting expenditures to be under budget by \$353,000 at year-end. This is a 13 percent variance from the revised expenditure budget of \$2.8 million. The variance is primarily due to vacancies, some of which are expected to be filled before the end of the fiscal year, and conservative spending in supplies and services.

Business Office

The Business Office is projecting to end the fiscal year with \$246,000, or 17 percent, of expenditures under the revised budget of \$1.5 million. This is due to vacancy savings and a delay in contract services for the Managed Competition Program as the City is currently involved in ongoing negotiations with the City's labor unions.

Office of Homeland Security

Expenditures for the Office of Homeland Security are projected to be under budget by \$215,000 or 14 percent from the revised budget of \$1.5 million. The projected variance is due to vacant positions. The vacant positions are reimbursable and, as a result, the Office of Homeland Security is also projecting revenues to be under budget by \$393,000.

Public Safety

The Public Safety Department is projected to end the fiscal year \$140,000 under budget or 19 percent. This department was eliminated as part of the restructuring implemented during the first quarter budget amendment. The remaining variance will be used to offset negative variances in other General Fund departments.

Office of Ethics and Integrity

The Office of Ethics and Integrity is projected to end the fiscal year \$121,000 under budget or 12 percent. This department was eliminated as part of the restructuring implemented during the first

quarter budget amendment. The remaining variance will be used to offset negative variances in other General Fund departments.

Office of the Assistant Chief Operating Officer

The Office of the Assistant Chief Operating Officer is projecting to end the year with expenditures under budget by \$112,000 or 62 percent. The department's revised expenditure budget is \$181,000. The department projects to have salary savings due to the timing of the start date of the Assistant Chief Operating Officer.

NON-GENERAL FUNDS

Projections based on the first nine periods of Fiscal Year 2009 are provided in Attachment IV: Non-General Fund Projections for all non-general funds with staff. Those funds with significant budgetary variances in revenues or expenditures of \$500,000 or more are displayed in Table 12: FY 2009 Significant Non-General Fund Expenditure Variances and are discussed below.

FY 2009 Significant Non-General Fund Expenditure Variances

Table 12

Fund	Revenue/Expenditure	Revised Budget	Year-End Projection	Variance Amount	Variance %
Central Stores Internal Service	Rev	\$ 23,773,316	\$ 28,998,445	\$ 5,225,129	22%
	Exp	23,773,316	28,637,864	(4,864,548)	20%
City Airport	Rev	4,550,218	5,145,063	594,845	13%
	Exp	5,580,953	4,618,887	962,066	17%
Development Serv. Enterprise	Rev	49,537,998	43,734,695	(5,803,303)	12%
	Exp	49,281,163	46,390,181	2,890,982	6%
Emergency Medical Services	Rev	7,327,295	6,616,439	(710,856)	10%
	Exp	7,105,288	5,637,104	1,468,184	21%
Fleet Services Internal Service	Rev	52,795,829	53,549,854	754,025	1%
	Exp	52,795,829	45,997,572	6,798,257	13%
Golf Course Enterprise	Rev	15,458,000	16,547,666	1,089,666	7%
Information Technology	Exp	15,155,819	14,500,431	655,388	4%
PETCO Park	Rev	15,500,447	12,507,313	(2,993,134)	19%
	Exp	17,668,821	16,899,493	769,328	4%
QUALCOMM Stadium Oper.	Rev	17,088,498	17,617,010	528,512	3%
Recycling	Rev	20,208,540	19,098,224	(1,110,316)	5%
	Exp	23,079,294	20,741,229	2,338,065	10%
Refuse Disposal	Rev	34,519,892	32,768,979	(1,750,913)	5%
	Exp	33,646,204	27,616,954	6,029,250	18%
Risk Management Admin.	Rev	6,599,088	3,894,693	(2,704,395)	41%
Sewer	Rev	486,768,000	382,273,072	(104,494,928)	21%
	Exp	618,966,696	328,506,958	290,459,738	47%
Utilities Undergrounding Prog.	Rev	48,490,966	49,311,957	820,991	2%
Water	Rev	510,410,016	467,201,743	(43,208,273)	8%
	Exp	709,062,549	521,460,843	187,601,706	26%

Central Stores Internal Service Fund

Year-end expenditure projections for the Central Stores Internal Service Fund are \$4.9 million, or 20 percent, over the revised annual budget of \$23.8 million. Similarly, revenues are projected to be \$5.2 million, or 22 percent, over the revenue budget. The expenditure variance is due to increased demand for inventory from customer departments, which will be offset by revenues from associated sales.

City Airport Fund

The City Airport Fund is projecting expenditures to end the year \$962,000, or 17 percent, under the revised expenditure budget of \$5.6 million. This variance is the result of capital improvement project expenditures that will carry forward into future years. The fund is also projecting revenues to end the year \$595,000, or 13 percent, over budget due to unanticipated rent revenue. Projected year-end revenues in the City Airport Fund exceed projected expenditures by approximately \$526,000.

Development Services Enterprise Fund

Year-end expenditures for the Development Services Enterprise Fund are estimated to be \$2.9 million, or 6 percent, under the revised budget of \$49.3 million. Revenues for this fund are projected to end the year under budget by \$5.8 million or 12 percent, which reflects a significant decline from \$3.8 million variance reported mid-year. The positive expenditure variance is due to conservative spending in supplies and services to offset the projected under budget revenue. The under budget revenue is due to continue decrease in licenses and permits as a result of the current economic downturn.

Emergency Medical Services Fund

The Emergency Medical Services Fund's expenditure projection is under budget by \$1.5 million or 21 percent of the revised budget of \$7.1 million and the revenue projection is under budget by \$711,000 or 10 percent. This favorable expenditure projection variance is primarily due to vacancies, anticipated overtime savings, and conservative spending in supplies and services. The under budget revenue is due to less than anticipated reimbursable service provided. Similar to the Mid-Year Report, the fund projects to end the year with \$979,000 of revenue in excess of expenditures.

Fleet Services Internal Service Fund

The Fleet Services Internal Service Fund's expenditure projection is under budget by \$6.8 million or 13 percent of the revised budget of \$52.8 million. This projected positive variance is primarily due to savings in fuel costs and vacancies in the department. Revenues are projected to be \$754,000 or 1 percent over budget due to unanticipated reimbursable work requests for equipment fitting and modifications.

Golf Course Enterprise Fund

The Golf Course Enterprise Fund projects a year-end positive revenue variance of \$1.1 million, or 7 percent, above the \$15.5 million budget. The positive revenue variance is primarily due to increased demand resulting from the 2008 US Open and improved turf conditions. The fund projects to end the year with \$3.3 million of revenue in excess of expenditures.

Information Technology Fund

The Information Technology Fund is projecting expenditures to end the year with a positive variance of \$655,000, or 4 percent. This variance is primarily due to vacancy savings and conservative spending. Year-end expenditures are projected to exceed revenues by approximately \$1.7 million, which will be covered by fund balance.

PETCO Park Fund

Similar to the variance projected in the Mid-Year Report, the PETCO Park Fund projects under budget revenues of \$3.0 million or 19 percent of the \$15.5 million budget. As part of the first quarter budget adjustment, \$3.2 million of transient occupancy tax revenue that supports PETCO Park was reduced from the Special Promotional Programs Budget; however, the budget for PETCO Park was not adjusted. The fund projects expenditures to be under budget by \$769,000 or 4 percent due to less than anticipated maintenance costs. This fund projects year-end expenditures to exceed revenues by \$4.4 million, which will be covered by fund balance.

QUALCOMM Stadium Operating Fund

The QUALCOMM Stadium Operating Fund is projecting over budget revenues of \$529,000 or 3 percent. This is the result of the Charger's playoff game, reimbursement from the San Diego State University Aztecs for expenses related to the 2008 season, and other special events. The fund projects to end the year with \$1.0 million of expenditures in excess of revenues, which will be covered by fund balance.

Recycling Fund

The Recycling Fund projects expenditures to end the year \$2.3 million, or 10 percent, under the revised budget of \$23.1 million. Similarly, a \$1.1 million, or 5 percent, unfavorable variance is projected in revenue. The positive variance in expenditures is primarily attributed to vacant positions in the department due to efficiencies. The projected under budget revenue is due to the economic downturn which has resulted in decreased tonnage. The fund projects to end the year with \$1.6 million of expenditures in excess of revenues, which will be covered by fund balance.

Refuse Disposal Fund

The Refuse Disposal Fund projects \$6.0 million, or 18 percent, of expenditures to end the year under the revised budget of \$33.6 million. This variance is attributed to a projected decline in overall tonnage being deposited in the City landfill. Similarly, revenues are projected to be \$1.8 million under budget, or 5 percent, due to the decline in tonnage. The fund is projected to end the year with \$5.2 million of revenues in excess of expenditures.

Risk Management Administration Fund

The Risk Management Administration Fund's revenues are projected to be under budget by \$2.7 million or 41 percent. The reduction in revenue is due to discontinuing collection of the Risk Management Administration fringe rate for the remainder of the fiscal year, as discussed in the fringe benefits section earlier in this report. This reduced fringe expenditures for all City departments. This fund projects year-end expenditures to exceed revenues by \$4.5 million, which will be covered by fund balance.

Sewer Funds

The Sewer Funds are projecting year-end expenditures to be below the \$619.0 million budget by \$290.5 million or 47 percent. Under budget revenues of \$104.5 million, or 21 percent, are also projected. The positive variance in expenditures is due to capital improvement projects budgeted in Fiscal Year 2009 that are not expected to be fully expended by year-end, \$32.3 million budgeted contingency reserve that is not planned to be spent, vacancies in the department, a decrease in bond repayments, as well as efficiencies resulting from the restructure with the Water

Department. The under budget revenue is primarily due to a decrease in commercial and residential permit activities as well as capital improvement project bond receipts. The fund is projected to end the year with \$53.8 million of revenues in excess of expenditures.

Utilities Undergrounding Program Fund

The Utilities Undergrounding Program Fund is projecting revenues to end the year \$821,000, or 2 percent, over the revised revenue budget of \$48.5 million. This variance is the result of unanticipated interest revenue earnings and request for additional reimbursable services.

Water Department Fund

The Water Department Fund projects year-end under budget expenditures of \$187.6 million, or 26 percent, of the \$709.1 million revised budget. An unfavorable revenue variance of \$43.2 million, or 8 percent, is also projected. The expenditure variance is primarily due to capital improvement project funding budgeted in Fiscal Year 2009 that is not expected to be fully expended by year-end and a \$19.9 million budgeted contingency reserve that is not planned to be spent. This funding will carry forward and be expended in future years as projects progress. Additionally, there is a decrease in bond repayments and expected personnel savings resulting from the restructure with the Metropolitan Wastewater Department. The unfavorable revenue variance is due to lower than anticipated capital improvement project bond receipts. The fund is projecting to end the year with \$54.3 million of expenditures in excess of revenues, which will be covered by fund balance.

REQUESTED AUTHORITIES AND APPROPRIATION ADJUSTMENTS

The following appropriation adjustments, as reflected in Table 13: FY 2009 Year-End Appropriation Adjustments, and authorities are requested to bring the General Fund, departments, and other funds into balance at year-end.

FY 2009 Year-End Appropriation Adjustments

Table 13

Fund/Department	Expenditures	Revenue	Net Impact
	Increase/(Decrease)		
General Fund (a)			
Fire-Rescue (i)	\$ 4,250,000	\$ 4,250,000	\$ -
City Auditor (ii)	1,000,000	-	(1,000,000)
City Attorney (iii)	256,000	-	(256,000)
Neighborhood Code Comp. (iv)	174,000	174,000	-
Real Estate Assets (v)	17,000	-	(17,000)
Police (vi)	(2,300,000)	(2,300,000)	-
Engineering & Capital Projects (vii)	(3,247,000)	(3,247,000)	-
City Comptroller (viii)	(741,000)	-	741,000
Environmental Services (ix)	(595,000)	-	595,000
Storm Water (x)	(492,000)	-	492,000
Personnel (xi)	(480,000)	-	480,000
City Treasurer (xii)	(447,000)	(447,000)	-
Major General Fund Revenues (xiii)	-	(1,035,000)	(1,035,000)
Transfer Council Terminal Leave (b)			
City Council - District 1	33,849	-	
City Council - District 3	64,572	-	
City Council - District 5	38,824	-	
City Council - District 7	90,408	-	
Council Administration	(227,653)	-	
Subtotal	\$ -	\$ -	\$ -
Transfer Fringe (c)			
City Council - District 8	13,369	-	
Council Administration	50,305	-	
Ethics Commission	6,016	-	
Office of the IBA	4,716	-	
Citywide Program Exp.	(74,406)	-	
Subtotal	\$ -	\$ -	\$ -
Restructuring Transfers (d)			
City Planning & Development	13,000	-	
Community Services	85,000	-	
Customer Services	109,000	-	
Human Resources	47,000	-	
OEI and/or Public Safety	(254,000)	-	
Subtotal	\$ -	\$ -	\$ -
General Fund Total	\$ (2,605,000)	\$ (2,605,000)	\$ -
Non-General Funds/Other			
Central Stores Internal Service (h)	\$ 4,865,000	\$ 4,865,000	\$ -
Police Decentralization (i)	2,100,000	2,100,000	-
TransNet Ext. Commercial Paper (l)	(12,638,973)		

GENERAL FUND APPROPRIATION ADJUSTMENTS AND REQUESTED AUTHORITIES

It is requested that a total of \$2.6 million of expenditure appropriations and revenue budget be reduced from the General Fund. This will have no impact on General Fund reserves and maintains the projected positive year-end variance of \$1.4 million. Appropriation increases are requested for departments projecting over budget expenditures. Where possible, these are offset by either revenue adjustments or transfers from other departments. Departments with large projected positive expenditure variances (over 3 percent of department budget and over \$500,000) are recommended for appropriation reductions in order to minimize the variance between year-end projections and actual year-end expenditures. Finally, a reduction in the Major General Fund Revenues budget is requested to ensure that total General Fund revenues are adjusted equal to expenditures in order to maintain a balanced budget.

Fire-Rescue (item a-i)

The Fire-Rescue Department requires a \$4.3 million increase in expenditure appropriations with an offsetting increase in revenue. The projected negative expenditure variance is primarily attributed to Strike Team activities that are cost-recoverable.

City Auditor (item a-ii)

The City Auditor requires an increase of up to \$1.0 million in expenditure appropriations to fund the Fiscal Year 2009 audit.

City Attorney (item a-iii)

The City Attorney Department requires a \$256,000 increase in expenditure appropriations due to leave payouts resulting from the change in administration.

Development Services – Neighborhood Code Compliance (item a-iv)

The Neighborhood Code Compliance Division of the Development Services Department requires a \$174,000 increase in expenditure appropriations with an offsetting increase in revenue budget. The projected unfavorable expenditure variance is due to a vacancy factor that was too high. The over budget revenue is due to additional grants and reimbursements for code enforcement services as discussed in the revenue section of this report.

Real Estate Assets (item a-v)

The Real Estate Assets Department requires a \$17,000 increase in expenditure appropriations. As part of the General Fund corrective actions earlier this fiscal year, appropriations to support a position were reduced in the Real Estate Assets Department. However, the position was reduced from the Concourse and Parking Garages Operating Fund. The resulting savings in the Concourse and Parking Garages Operating Fund will be transferred to the General Fund. Although this transfer offsets the over budget expense in the Real Estate Assets Department, significant shortfalls in lease revenues result in net unfavorable revenue variance in the Department.

Police (item a-vi)

The Fiscal Year 2009 revised budget for the Police Department includes \$2.3 million in revenue from the Seized and Forfeited Assets Fund for the \$1.8 million helicopter lease payments and

\$500,000 for the replacement of aging mobile computer terminals. Rather than transfer the funds to the General Fund to make these expenditures, the expenses will be incurred directly in the Seized and Forfeited Assets Fund. As a result, \$2.3 million of expenditures will not occur in the General Fund and it is requested that the Police Department expenditure appropriations and revenue budget be reduced by \$2.3 million.

Reductions (items a-vii through a-xii)

It is requested that expenditure appropriations be reduced in departments with significant projected under budget expenditures. These adjustments will partially offset the expenditure appropriation increases needed in other General Fund departments and should minimize the variance between year-end projections and actual year-end expenditures. The reductions are recommended for departments with a projected positive variance of over \$500,000 and over 3 percent. The reduction amounts will not reduce the projected variance below 3 percent of the department's budget, allowing for any unforeseen year-end expenditures. If the department is also projecting under budget revenue, a revenue adjustment is included. The departments recommended for adjustment are: Engineering and Capital Projects (\$3.2 million in expenditures and revenue), City Comptroller (\$741,000 in expenditures), Environmental Services (\$595,000 in expenditures), Storm Water (\$492,000 in expenditures), Personnel (\$480,000 in expenditures), and City Treasurer (\$447,000 in expenditures and revenue). The combined reductions are \$6.0 million in expenditure appropriations and \$3.7 million in revenue budget.

Major General Fund Revenues (item a-xiii)

A reduction of \$1,035,000 in budgeted Major General Fund Revenues is requested. This will balance the General Fund revenue budget adjustments with the expenditure appropriation adjustments requested.

Transfer Council Terminal Leave Appropriations (item b)

Authority is requested to transfer terminal leave appropriations from Council Administration to Council Districts 1, 3, 5, and 7. Terminal leave was incurred in these Council Districts as a result of the election of new Council members. The Fiscal Year 2009 revised budget includes appropriations for these terminal leave expenses in the Council Administration Department. The transfer of budget from Council Administration will offset the over budget expenditures in these Council Districts.

Transfer General Fund Fringe Appropriations (item c)

As part of the General Fund corrective actions approved by City Council in December in Ordinance O-19822, \$4.0 million of expenditure appropriations were added to Citywide Program Expenditures to offset projected overages in fringe throughout the General Fund. Due to reductions in fringe collection rates and changes in staffing levels, the full \$4.0 million is no longer anticipated to be needed. However, certain General Fund departments are experiencing over budget fringe expenses causing the departments to exceed their total appropriations. Authority is requested to transfer fringe appropriations from Citywide Program Expenditures to other General Fund departments as needed to offset over budget fringe expenses. This budgetary correction will allow departments to continue operations and end the year within budget. The departments currently requiring this adjustment are: City Council District 8 (\$13,369), Council

Administration (\$50,305), Ethics Commission (\$6,016), and Office of the Independent Budget Analyst (\$4,716). This action will have no net impact on the General Fund.

Transfer of Appropriations Among Restructured General Fund Departments (item d)

The General Fund corrective actions implemented earlier this fiscal year restructured programs among departments and eliminated departments. The associated appropriation adjustments approved by Council in December were estimates and, as a result, certain departments do not have sufficient appropriations to cover program expenditures. The Human Resources Department requires a transfer of \$47,000 of appropriations from the Office of Ethics and Integrity to support the programs that were transferred. It is also requested to transfer remaining available appropriations from the eliminated Office of Ethics and Integrity and Public Safety Departments to the other eliminated departments to offset over budget expenditures.

Transfer of Appropriations Among General Fund Departments (item e)

Authority is requested to transfer salary appropriations in one General Fund department for fringe and/or non-personnel appropriations in another General Fund department with no net increase to either departments' total budget. This will allow departments to remain balanced, within the Charter Section 73 requirement that salary appropriations may not be used for any other purpose. For example, non-personnel savings in department A may be transferred to department B with an offsetting transfer of salary savings from department B to department A. Both departments' total budgets remain as approved by Council; however, department B would receive non-personnel appropriations to balance its over budget expenditures in that category.

Carryover to Council Infrastructure Improvement Fund (item f)

The authority is requested to carryover any available budget balances for Council Districts 1 through 8 into their respective Infrastructure Improvement Fund. The purpose of this carryover is to finance capital improvements and major maintenance of streetlights, sidewalks, traffic signals, libraries, park and recreation facilities, roadways, or other purposes as identified by individual Council Districts. The estimated reduction to the General Fund is approximately \$665,000.

Return Funds from New and Expanded Library Operation and Maintenance Fund (item g)

The New and Expanded Library Operation and Maintenance Fund was established in November 2002 in Resolution R-297353 to fund the operation and maintenance expenses for library facilities constructed or expanded after December 2002. Council Policy 100-19 authorizes funds to be transferred from the General Fund to this new fund. The Council Policy further authorizes the return of funds to the General Fund for the operations and maintenance of new (after December 2002) or expanded library facilities. As the operations and maintenance of both existing and new library facilities are fully funded by the General Fund, it is requested to return the funds in the New and Expanded Library Operation and Maintenance Fund to the General Fund where the expenditures are incurred.

OTHER APPROPRIATION ADJUSTMENTS AND REQUESTED AUTHORITIES

Central Stores Internal Service Fund (item h)

The Central Stores Internal Service Fund requires a \$4.9 million increase in expenditure appropriations with an equal increase in revenue budget. Central Stores is projecting \$4.9 million

of over budget expenditures due to increased demand for inventory from other City departments. The over budget expenditures are offset by additional revenue. These adjustments will have no net impact on the fund.

Police Decentralization Fund (item i)

As part of the General Fund corrective actions approved by City Council in Ordinance O-18822, summarized in Attachment I: General Fund Corrective Actions, \$2.1 million was added to the General Fund Police Department for to allow for a \$5.2 million booking fees payment to the County of San Diego for the jail in Fiscal Year 2009. These funds are transferred from the General Fund to the Police Decentralization Fund where the payment is made. However, the corresponding increase in the Police Decentralization Fund was not requested at that time. The Police Decentralization Fund requires a \$2.1 million increase in expenditure appropriations with an equal increase in revenue budget in order to make the projected Fiscal Year 2009 payment. These adjustments will have no net impact on the fund.

Increase Appropriations for Zoological Exhibits (item j)

City Charter Section 77A requires that a portion of property tax revenue be used exclusively for the maintenance of zoological exhibits in Balboa Park. In accordance with this requirement, the annual budget includes a transfer to the Zoological Society of San Diego. In previous years, revenue has been received in excess of the authorized transfer. As a result, a balance remains in the fund. An expenditure appropriation increase is necessary in order to transfer the balance of funds to the Zoological Society of San Diego.

Increase Appropriations from Available Sources (item k)

This authority is requested in order to allow the City Comptroller to adjust appropriations as needed for unforeseen events in order to close Fiscal Year 2009 with funds in balance.

TransNet Extension Commercial Paper (item l)

Any commercial paper not issued in Fiscal Year 2009 must be de-appropriated and reprogrammed in the new fiscal year. The affected projects have been reprogrammed and/or reprioritized as reflected in the Fiscal Year 2010 Proposed Budget. The affected projects and amounts are listed below in Table 14: FY 2009 TransNet Extension Commercial Paper.

FY 2009 TransNet Extension Commercial Paper
Table 14

CIP Project	Appropriation
13-502.0 Fashion Valley Road Restoration	\$ 300,000
29-865.0 Home Avenue Park	50,000
52-293.0 Installation of City-Owned Street Lights	106,460
52-409.0 43rd Street Widening	5,000,000
52-455.0 State Route 163 and Friar's Road	3,000,000
52-555.0 Georgia Street Bridge	421,000
52-588.0 Streamview Drive Improvements	250,000
52-700.0 Rancho Bernardo Street and Road Improvement	80,000
52-719.0 Mission Beach Boardwalk Bulkhead	149,500
52-743.0 Euclid Avenue Corridor Improvements	116,000
52-763.0 Skyline Drive Improvements	325,000
52-764.0 Palm Avenue Roadway Improvements	150,000
52-775.0 Old Otay Mesa Road Sidewalk	200,000
59-021.0 Transportation Grant Matches	827,464
59-023.0 Preliminary Engineering for Congestion Relief	600,000
61-001.0 Annual Allocation-Traffic Calming	428,789
68-006.0 Annual Allocation-Guardrails	168,125
68-010.0 Annual Allocation-Traffic Signal Modifications	56,635
68-011.0 Annual Allocation-Traffic Signals	250,000
Surplus due to Savings	160,000
Total	\$ 12,638,973

FISCAL CONSIDERATIONS: The net impact of the General Fund year-end projections is \$1.4 million of revenue in excess of expenditures. Appropriation increases are requested for General Fund departments to cover over budget expenditures and are offset by expenditure reductions in other departments and revenue adjustments. The result is a requested reduction of \$2.6 million to both General Fund revenue and expenditure appropriations, maintaining a balanced budget. Adjustments are requested for the Central Stores Internal Service Fund, Police Decentralization Fund, and Zoological Exhibits Fund. In addition, de-appropriation of TransNet Extension Commercial Paper is requested.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: City Council approved changes to the budget as a result of the Fiscal Year 2009 Budget Amendment Report, #081-166 in Resolution R-304447 and Ordinance O-19822, approved on December 9, 2008. City Council subsequently restored the fire pit program and 3.00 FTE painters in Ordinance O-19832 on February 3, 2009.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: None.

Nader Tirandazi
Financial Management Director

Mary Lewis
Chief Financial Officer

Angela Colton
Financial Manager

- Attachments:
- I. General Fund Corrective Actions
 - II. General Fund Projected Revenues
 - III. General Fund Projected Expenditures
 - IV. Non-General Fund Projections

General Fund Corrective Actions
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Business Center/Department	Revenue	Expenditures
Major General Fund Revenues		
Reduction in Property Tax	\$ (14,521,369)	\$ -
Reduction in Transfers from Other Funds ¹	(9,093,441)	-
Reduction in Transient Occupancy Tax	(8,439,428)	-
Reduction in Sales Tax	(5,857,642)	-
Reduction in Property Transfer Tax	(2,449,019)	-
Reduction in Interest Earnings	(1,668,979)	-
Reduction in Franchise Fees	(1,271,091)	-
Reduction in Motor Vehicle License Fees	(845,331)	-
Reduction in Safety Sales Tax	(719,797)	-
Transfer Fund Balance from the Transient Occupancy Tax Fund	2,399,890	-
Transfer Library System Improvement Fund Balance from TOT Fund ¹	3,232,151	-
TOTAL	\$ (39,234,056)	\$ -
Community and Legislative Services		
Community and Legislative Services		
Reduce Funding for Supplies and Services	-	(112,000)
Reduce 2.00 Council Representative II and 1.00 Clerical Assistant II	-	(91,799)
TOTAL	\$ -	\$ (203,799)
Economic Growth Services		
Transfer BEAR and Gov't Incentives from City Planning and Comm Inv	394,391	633,382
Non-Mayoral		
City Clerk		
Increase Vacancy Factor	-	(50,000)
Eliminate Production of Hard-Copy Docket	-	(40,000)
Reduce Funding for Outside Counsel	-	(26,000)
Reduce Funding for ADA Redesign of City Clerk Lobby	-	(23,000)
Reduce Funding for Information Technology	-	(20,000)
Reduce Funding for Provisional Employment	-	(10,000)
Reduce Funding for Overtime	-	(10,000)
Additional Reduction	-	(48,946)
TOTAL	\$ -	\$ (227,946)
City Council - District 1		
Reduce Funding for Personnel Expenses and Supplies and Services	-	(49,500)
City Council - District 2		
Reduce Funding for Supplies and Services	-	(49,500)
City Council - District 3		
Reduce Funding for Personnel Expenses and Supplies and Services	-	(49,500)
City Council - District 4		
Transfer from Infrastructure Improvement Fund	49,500	-
City Council - District 5		
Reduce Funding for Personnel Expenses and Supplies and Services	-	(49,500)
City Council - District 6		
Transfer from Infrastructure Improvement Fund	49,500	-

General Fund Corrective Actions
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Business Center/Department	Revenue	Expenditures
Non-Mayoral (continued)		
City Council - District 7		
Reduce Funding for Personnel Expenses and Supplies and Services	\$ -	\$ (49,500)
City Council - District 8		
Transfer from Infrastructure Improvement Fund	49,500	-
Council Administration		
Reduce Funding for Personnel Expenses and Supplies and Services	-	(90,122)
Additional Reduction	-	(8,636)
TOTAL	\$ -	\$ (98,758)
Ethics Commission		
Reduce 1.00 Associate Management Analyst	-	(47,872)
Reduce Funding for Supplies and Services	-	(10,000)
TOTAL	\$ -	\$ (57,872)
Office of the Independent Budget Analyst		
Increase Vacancy Factor by Maintaining 1.00 Analyst Vacant	-	(149,011)
Personnel		
Increase Vacancy Factor	-	(119,695)
Reduce 1.00 Associate Personnel Analyst	-	(100,018)
Reduce Funding for Supplies and Services	-	(7,500)
TOTAL	\$ -	\$ (227,213)
Office of the Assistant Chief Operating Officer		
Office of the Assistant Chief Operating Officer		
Transfer 1.00 position from City Planning and Development	-	180,753
Administration		
Reduce 1.00 Associate Management Analyst	-	(95,983)
Transfer Public Information from Customer Services Department	-	47,153
Transfer Citizens Review Board from Office of Ethics and Integrity	-	84,070
Transfer Emergency Medical Services from Public Safety Department	80,832	943,750
TOTAL	\$ 80,832	\$ 978,990
Business Office		
Reduce Funding for Managed Competition Contract	-	(250,000)
Reduce 1.00 Associate Engineer - Civil	-	(117,225)
Reduce 1.00 Organization Effective Specialist II	-	(99,527)
TOTAL	\$ -	\$ (466,752)
Human Resources		
Transfer Training from Customer Services Department	-	151,730
Transfer Human Relations Commission from Office of Ethics and Integrity	-	89,047
Transfer Diversity from Office of Ethics and Integrity	242,051	131,535
Transfer Disability Services from Office of Ethics and Integrity	60,000	319,301
TOTAL	\$ 302,051	\$ 691,613
Office of the Chief Information Officer		
Reduce General Fund Support for Office of the Chief Information Officer	-	(136,845)

General Fund Corrective Actions
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Business Center/Department	Revenue	Expenditures
Office of the Chief Financial Officer		
Office of the Chief Financial Officer		
Reduce 1.00 Director of Major Gifts/Planned Giving	\$ -	\$ (69,777)
City Treasurer		
Reduce Funding for Supplies and Services	-	(381,469)
Reduce 3.00 Collection Investigator I positions	-	(251,207)
Reduce 1.00 Account Clerk and 1.00 Clerical Assistant II	-	(120,038)
TOTAL	\$ -	\$ (752,714)
Citywide Program Expenditures		
Remove Funding for Leverage of Employee Pick-Up Savings	-	(7,600,000)
Remove Funding for General Fund Reserve Contribution	-	(3,687,718)
Add Funding for Vernal Pool Settlement	-	500,000
Increase Funding for Fringe Benefits throughout the General Fund	-	4,000,000
TOTAL	\$ -	\$ (6,787,718)
Financial Management		
Reduce Funding for Information Technology	(136,000)	(200,000)
Reduce 2.00 Associate Management Analysts	-	(111,980)
Increase Vacancy Factor	-	(50,000)
Reduce Funding for Supplies and Services	-	(23,464)
TOTAL	\$ (136,000)	\$ (385,444)
Purchasing and Contracting		
Reduce 1.00 Purchasing Agent	-	(86,047)
Reduce Funding for Supplies and Services	-	(50,000)
TOTAL	\$ -	\$ (136,047)
Office of the Mayor and Chief Operating Officer		
City Planning and Community Investment		
Reduce Funding for Uptown Cluster Community Plan Updates	-	(200,000)
Reduce 1.00 Program Manager, Planning Division	-	(123,970)
Reduce 1.00 Community Development Specialist IV	-	(118,904)
Reduce Funding for Public Information Support	-	(50,000)
Transfer BEAR and Gov't Incentives to Economic Growth Services Dept	(394,391)	(633,382)
TOTAL	\$ (394,391)	\$ (1,126,256)
Development Services - Neighborhood Code Compliance		
Reduce 3.00 Code Compliance Officers	-	(109,230)
Reduce 1.00 Public Information Clerk	-	(62,201)
TOTAL	\$ -	\$ (171,431)

General Fund Corrective Actions
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Business Center/Department	Revenue	Expenditures
Office of the Mayor and Chief Operating Officer (continued)		
Fire-Rescue		
Eliminate One Fire Recruit Academy	\$ -	\$ (715,731)
Cross-Staff One Helicopter During Non-Wildfire Season	-	(384,364)
Eliminate Medic Rescue 9	-	(274,456)
Reduce 2.00 Clerical Assistant II positions and 1.00 Senior Clerk/Typist	-	(186,116)
Reduce 2.00 Code Compliance Officers	-	(145,638)
Increase Vacancy Factor by Maintaining 1.00 Deputy Fire Chief Vacant	-	(106,794)
Reduce 1.00 Project Assistant	-	(103,431)
Reduce 2.00 Lifeguard II positions (Lifeguard Division)	-	(98,086)
Reduce Hours of Light and Air Unit Overtime Staffing	-	(81,500)
Reduce Lifeguard Seasonal Hours	-	(70,000)
Reduce Funding for Community Outreach	-	(63,945)
Reclassify Positions	-	(42,490)
Reduce Funding for Supplies and Services (Lifeguard Division)	-	(12,400)
Increase Fees for the Junior Lifeguard Program (Lifeguard Division)	109,489	-
TOTAL	\$ 109,489	\$ (2,284,950)
Library		
Reduce Funding for Donation Matches	-	(250,000)
Reduce 1.00 Associate Management Analyst	-	(52,856)
TOTAL	\$ -	\$ (302,856)
Office of Homeland Security		
Reduce Funding for Reverse 911 System	-	(83,801)
Park and Recreation		
Eliminate Funding for CIP Grant Matches	-	(446,955)
Convert Skate Parks to Unsupervised, including 8.70 positions	(74,000)	(255,246)
Eliminate 6.25 Assistant Center Directors at Recreation Centers	-	(188,664)
Reduce 1.00 Assistant Director	-	(159,153)
Eliminate Grounds Maintenance at Various Locations, incl 3.00 positions	-	(137,718)
Eliminate or Reduce Security Services at Various Locations	-	(74,961)
Reduce Hours/Support at Gyms/Activity Centers, incl 2.00 positions	-	(70,781)
Reduce 1.00 Supervising Custodian in Balboa Park	-	(60,899)
Eliminate Competitive Level Swim Team, including 1.00 position	(4,500)	(20,045)
Eliminate Power Washing and Sweeping at Ocean Beach Pier	-	(11,250)
Funding for Fire Rings at Beaches and Bays, including 2.00 positions ¹	86,525	-
Return Prior Year Funding for Balboa Park Tram Grant Match	350,000	-
Return Prior Year Funding for CIP Grant Matches	398,000	-
TOTAL	\$ 756,025	\$ (1,425,672)

General Fund Corrective Actions
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Business Center/Department	Revenue	Expenditures
Office of the Mayor and Chief Operating Officer (continued)		
Police		
Increase Vacancy Factor and Reduce 35.00 Non-Sworn Positions	\$ -	\$ (3,800,000)
Reduce Funding for Supplies and Services	-	(1,800,000)
Reduce Police Academy Attendance to 25 Recruits	-	(1,500,000)
Reduce Funding for Overtime	-	(500,000)
Reduce Funding for Equipment Outlay	-	(500,000)
Reduce Funding for Information Technology	-	(200,000)
Reduce 1.00 Director and 1.00 Clerical Assistant II (Family Justice Ctr)	-	(95,826)
Add Funding for Booking Fees	-	2,100,000
Transfer Gang Commission from Public Safety Department	52,076	95,492
TOTAL	\$ 52,076	\$ (6,200,334)
Public Works		
Engineering and Capital Projects		
Reduce Funding for Supplies and Services	-	(209,496)
Environmental Services		
Reduce Funding for Landfill Disposal Fees	-	(701,581)
Establish Preferred Landfill Disposal Fee Rates for City Tonnage	-	(360,000)
Reduce 4.00 Positions and Related Support due to Efficiencies	-	(234,564)
Reduce Funding for Refuse Container Purchases	-	(200,000)
Discontinue Extra Summer Refuse Collection in Mission Beach	-	(21,060)
Increase Transfer of Facility Franchise Revenue	2,160,000	-
TOTAL	\$ 2,160,000	\$ (1,517,205)
General Services		
Reductions in Street Division, including 3.00 positions	-	(4,507,768)
Reductions in Facilities Division, including 5.00 positions ¹	-	(1,296,052)
Reductions in Contracts Division, including 1.00 position	-	(260,773)
TOTAL	\$ -	\$ (6,064,593)
Real Estate Assets		
Reduce Funding for Supplies and Services	-	(73,000)
Reduce 1.00 Associate Management Analyst	-	(47,991)
Reduce 1.00 Associate Property Agent	-	(47,326)
Transfer 0.50 Ball Park Administrator to PETCO Park	-	(40,336)
Reduce 1.00 Word Processing Operator	-	(30,840)
TOTAL	\$ -	\$ (239,493)
Storm Water		
Reduce Funding for Storm Drain Repairs	-	(2,250,000)
Reduce Funding for Contracts, Use Prior Year Encumbrances	-	(1,400,000)
Reduce Funding for Pollution Prevention Education and Outreach	-	(1,054,250)
Reduce 10.00 positions	-	(969,565)
TOTAL	\$ -	\$ (5,673,815)

General Fund Corrective Actions
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Business Center/Department	Revenue	Expenditures
Eliminated Departments		
City Planning and Development		
Eliminate Business Center, including 1.00 position	\$ -	\$ (86,297)
Transfer 1.00 position to Office of the Assistant Chief Operating Officer	-	(180,753)
TOTAL	\$ -	\$ (267,050)
Community Services		
Eliminate Business Center, including 2.00 positions	-	(170,961)
Customer Services		
Eliminate all Functions except Citywide Training, including 18.00 positions	(352,011)	(940,320)
Transfer Training to Human Resources Department	-	(151,730)
Transfer Public Information to Administration Department	-	(47,153)
TOTAL	\$ (352,011)	\$ (1,139,203)
Office of Ethics and Integrity		
Eliminate Business Center, including 3.00 positions	-	(276,835)
Reduce 1.00 Executive Secretary from Citizens Review Board	-	(40,609)
Reduce 1.00 Executive Secretary from Human Relations Commission	-	(40,609)
Reduce 1.00 Administrative Aide II from Disability Services	-	(39,078)
Transfer Disability Services to Human Resources Department	(60,000)	(319,301)
Transfer Diversity to Human Resources Department	(242,051)	(131,535)
Transfer Human Relations Commission to Human Resources Department	-	(89,047)
Transfer Citizens Review Board to Administration Department	-	(84,070)
TOTAL	\$ (302,051)	\$ (1,021,084)
Public Safety		
Eliminate Business Center, including 2.00 positions	(22,981)	(170,934)
Transfer Emergency Medical Services to Administration Department	(80,832)	(943,750)
Transfer Gang Commission to Police Department	(52,076)	(95,492)
TOTAL	\$ (155,889)	\$ (1,210,176)
Total General Fund Corrective Actions		\$ (36,571,034) \$ (36,571,034)

This table reflects budget adjustments approved by City Council on December 9, 2008, O-19822, unless otherwise noted.

¹ Reflects reinstatement of fire pit program and 3.00 FTE painters as approved by City Council on February 2, 2009, O-19832.

General Fund Projected Revenues
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Business Center/Department	Adopted Budget	Revised Budget	Year-End Projection	Over Budget/ (Under Budget)	Variance %
Major General Fund Revenues					
Charges for Current Services	\$ 20,519,925	\$ 20,519,925	20,519,925	\$ -	0%
Franchise Fees ¹	69,482,159	68,211,068	66,210,423	(2,000,645)	3%
Interest Earnings	9,613,317	7,944,338	8,295,884	351,546	4%
Miscellaneous and Unbudgeted	1,250,143	1,250,143	1,614,556	364,413	29%
Motor Vehicle License Fees	6,875,220	6,029,889	4,265,725	(1,764,164)	29%
Property Tax	411,141,755	396,620,386	395,640,205	(980,181)	0%
Property Transfer Tax	8,901,320	6,452,301	5,253,532	(1,198,769)	19%
Refuse Collector Business Tax	1,800,000	1,800,000	780,000	(1,020,000)	57%
Revenue from Other Agencies	7,900,000	7,900,000	7,900,000	-	0%
Safety Sales Tax	8,114,255	7,394,458	7,107,679	(286,779)	4%
Sales Tax	222,081,552	216,223,910	213,182,656	(3,041,254)	1%
Transfers from Other Funds	41,748,200	38,286,800	41,339,989	3,053,189	8%
Transient Occupancy Tax ²	90,628,826	82,189,398	78,580,804	(3,608,594)	4%
TOTAL	\$ 900,056,672	\$ 860,822,616	850,691,378	\$ (10,131,238)	1%
Community and Legislative Services					
Community and Legislative Services	266,900	266,900	269,124	2,224	1%
Economic Growth Services	-	394,391	394,391	-	0%
Non-Mayoral					
City Attorney	5,001,558	5,001,558	4,115,317	(886,241)	18%
City Auditor	-	-	53,202	53,202	100%
City Clerk	29,477	29,477	73,818	44,341	100%
City Council - District 1	-	-	23,031	23,031	100%
City Council - District 2	-	-	-	-	0%
City Council - District 3	-	-	-	-	0%
City Council - District 4 ³	-	65,252	65,252	-	0%
City Council - District 5	-	-	-	-	0%
City Council - District 6	-	49,500	49,500	-	0%
City Council - District 7	-	-	-	-	0%
City Council - District 8	-	49,500	49,500	-	0%

General Fund Projected Revenues

Business Center/Department	Adopted Budget	Revised Budget	Year-End Projection	Over Budget/ (Under Budget)	Variance %
Non-Mayoral (continued)					
Council Administration	\$ -	\$ -	-	\$ -	0%
Ethics Commission	-	-	3,300	3,300	100%
Office of the Independent Budget Analyst	-	-	-	-	0%
Personnel	147,000	147,000	128,881	(18,119)	12%
Office of the Assistant Chief Operating Officer					
Office of the Assistant Chief Operating Officer	-	-	-	-	0%
Administration	103,074	183,906	175,314	(8,592)	5%
Business Office	-	-	57	57	100%
Human Resources	-	509,550	513,546	3,996	1%
Office of the Chief Information Officer	-	-	-	-	0%
Office of the Chief Financial Officer					
Office of the Chief Financial Officer	350,000	350,000	454,235	104,235	30%
City Comptroller	3,870,654	3,870,654	4,263,730	393,076	10%
City Treasurer	29,048,691	29,048,691	27,036,273	(2,012,418)	7%
Citywide Program Expenditures	-	-	-	-	0%
Debt Management	1,243,485	1,243,485	1,131,928	(111,557)	9%
Financial Management	652,784	516,784	419,941	(96,843)	19%
Purchasing and Contracting	865,121	865,121	955,159	90,038	10%
Office of the Mayor and Chief Operating Officer					
Office of the Mayor and Chief Operating Officer	-	-	-	-	0%
City Planning and Community Investment	4,640,508	4,246,117	3,257,310	(988,807)	23%
Development Services - Neighborhood Code Compliance	730,267	730,267	1,555,600	825,333	100%
Fire-Rescue	9,574,413	9,683,902	15,083,117	5,399,215	56%
Library	1,745,548	1,745,548	1,375,803	(369,745)	21%
Office of Homeland Security	765,895	765,895	373,177	(392,718)	51%
Park and Recreation	31,031,101	31,787,126	29,942,675	(1,844,451)	6%
Police	44,845,375	44,897,451	43,602,150	(1,295,301)	3%

Business Center/Department	Adopted Budget	Revised Budget	Year-End Projection	Over Budget/ (Under Budget)	Variance %
Public Works					
Public Works	\$ -	\$ -	-	\$ -	0%
Engineering and Capital Projects	63,064,976	63,064,976	58,150,705	(4,914,271)	8%
Environmental Services	1,665,653	3,825,653	3,883,761	58,108	2%
General Services	41,424,657	41,424,657	41,225,565	(199,092)	0%
Real Estate Assets	43,604,594	43,604,594	42,906,071	(698,523)	2%
Storm Water	6,260,091	6,260,091	6,154,912	(105,179)	2%
Eliminated Departments					
City Planning and Development	-	-	-	-	0%
Community Services	-	-	-	-	0%
Customer Services	704,021	352,010	352,010	-	0%
Office of Ethics and Integrity	604,101	94,551	94,551	-	0%
Public Safety	311,775	155,886	120,491	(35,395)	23%
Total General Fund Revenues	\$ 1,192,608,391	\$ 1,156,053,109	1,138,944,776	\$ (17,108,333)	1%

The revised budget presented in this table is as of period nine, March 6, 2009, unless otherwise noted.

¹ Total City FY 2009 revised franchise fees revenue budget is \$81.9 million and the projection is \$79.8 million. The balance is budgeted in the Environmental Growth Funds.

² Total City transient occupancy tax revised revenue budget for FY 2009 is \$156.9 million and the projection is \$150.0 million. The balance is budgeted in the Transient Occupancy Tax Fund.

³ Revised budget reflects an increase from the Council District 4 Infrastructure Improvement Fund requested on April 13, 2009.

Business Center/Department	Adopted Budget	Revised Budget	Year-End Projection	Under Budget/ (Over Budget)	Variance %
Community and Legislative Services					
Community and Legislative Services	\$ 4,186,805	\$ 3,983,006	\$ 3,981,963	\$ 1,043	0%
Economic Growth Services	-	633,382	616,249	17,133	3%
Non-Mayoral					
City Attorney	36,391,174	36,391,174	36,647,050	(255,876)	1%
City Auditor	1,677,628	1,677,628	2,549,913	(872,285)	52%
City Clerk	4,496,396	4,360,450	4,263,123	97,327	2%
City Council - District 1 ¹	990,000	940,500	940,500	-	0%
City Council - District 2 ¹	990,000	940,500	940,500	-	0%
City Council - District 3 ¹	990,000	940,500	940,500	-	0%
City Council - District 4 ²	990,000	1,005,752	1,005,752	-	0%
City Council - District 5 ¹	990,000	940,500	940,500	-	0%
City Council - District 6 ¹	990,000	990,000	990,000	-	0%
City Council - District 7 ¹	990,000	940,500	940,500	-	0%
City Council - District 8 ¹	990,000	990,000	990,000	-	0%
Council Administration	1,975,158	1,876,400	1,926,705	(50,305)	3%
Ethics Commission	1,006,299	948,427	954,443	(6,016)	1%
Office of the Independent Budget Analyst	1,615,215	1,466,204	1,470,920	(4,716)	0%
Personnel	6,458,415	6,231,202	5,563,512	667,690	11%
Office of the Assistant Chief Operating Officer					
Office of the Assistant Chief Operating Officer	-	180,753	68,808	111,945	62%
Administration	1,897,380	3,367,198	3,310,893	56,305	2%
Business Office	1,948,924	1,482,172	1,236,206	245,966	17%
Human Resources	963,547	1,698,656	1,745,547	(46,891)	3%
Office of the Chief Information Officer	24,963,599	24,826,754	24,824,131	2,623	0%
Office of the Chief Financial Officer					
Office of the Chief Financial Officer	1,025,169	955,392	937,609	17,783	2%
City Comptroller	12,097,492	12,097,492	10,993,095	1,104,397	9%
City Treasurer	14,917,574	14,164,860	13,292,127	872,733	6%

General Fund Projected Expenditures					
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Business Center/Department	Adopted Budget	Revised Budget	Year-End Projection	Under Budget/ (Over Budget)	Variance %
Office of the Chief Financial Officer (continued)					
Citywide Program Expenditures					
Annual Audit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	0%
Assessments to Public Property	425,235	425,235	450,235	(25,000)	6%
Citywide Elections	2,700,000	2,700,000	724,874	1,975,126	73%
Corporate Master Leases Rent	9,023,325	9,023,325	9,343,325	(320,000)	4%
Employee Personal Property Claims	5,000	5,000	3,750	1,250	25%
General Fund Fringe Reserve ³	-	4,000,000	-	4,000,000	100%
General Fund Reserve Contribution	3,687,718	-	2,512,103	(2,512,103)	100%
Insurance	1,365,879	1,365,879	1,215,299	150,580	11%
Local 127 Settlement	-	-	-	-	0%
Leverage of Employee Pick-Up Savings	7,614,000	-	-	-	0%
Memberships	630,000	630,000	689,636	(59,636)	9%
Preservation of Benefits	1,100,000	1,100,000	1,110,078	(10,078)	1%
Property Tax Administration	3,027,643	3,027,643	4,482,661	(1,455,018)	48%
Public Liability Claims Fund Transfer	28,000,000	28,000,000	28,000,000	-	0%
Repayment of Wildfire Fee Waivers to Enterprise Funds	700,000	700,000	2,280,000	(1,580,000)	100%
Special Consulting Services	782,000	796,000	355,000	441,000	55%
TRANS Interest Expense Transfer	2,269,981	2,269,981	2,269,981	-	0%
Transfer to Park Improvement Funds	4,933,605	4,933,605	4,933,605	-	0%
Transportation Subsidy	278,077	278,077	278,077	-	0%
Vernal Pools Settlement	-	500,000	500,000	-	0%
TOTAL	\$ 67,542,463	\$ 60,754,745	\$ 60,148,624	\$ 606,121	1%
Debt Management	2,753,916	2,753,916	2,401,404	352,512	13%
Financial Management	4,271,664	3,886,220	3,878,289	7,931	0%
Purchasing and Contracting	4,440,215	4,304,168	4,113,808	190,360	4%
Office of the Mayor and Chief Operating Officer					
Office of the Mayor and Chief Operating Officer	775,950	775,950	753,088	22,862	3%
City Planning and Community Investment	17,898,126	16,771,870	16,280,062	491,808	3%
Development Services - Neighborhood Code Compliance	6,499,347	6,327,916	6,501,276	(173,360)	3%
Fire-Rescue	190,696,777	188,411,827	192,661,193	(4,249,366)	2%
Library	37,013,557	36,710,701	36,106,607	604,094	2%

Business Center/Department	Adopted Budget	Revised Budget	Year-End Projection	Under Budget/ (Over Budget)	Variance %
Office of the Mayor and Chief Operating Officer (continued)					
Office of Homeland Security	\$ 1,603,908	\$ 1,520,107	\$ 1,305,434	\$ 214,673	14%
Park and Recreation	88,333,436	86,815,764	85,740,363	1,075,401	1%
Police	411,314,527	405,114,193	398,184,349	6,929,844	2%
Public Works					
Public Works	324,388	324,388	310,640	13,748	4%
Engineering and Capital Projects	65,159,933	64,950,437	59,754,853	5,195,584	8%
Environmental Services	40,511,321	38,994,116	37,228,821	1,765,295	5%
General Services	69,324,877	63,260,284	61,554,343	1,705,941	3%
Real Estate Assets	4,062,120	3,822,627	3,838,839	(16,212)	0%
Storm Water	48,820,336	43,146,521	41,359,833	1,786,688	4%
Eliminated Departments					
City Planning and Development	534,098	267,048	279,869	(12,821)	5%
Community Services	348,585	177,624	261,677	(84,053)	47%
Customer Services	2,328,997	1,189,794	1,298,201	(108,407)	9%
Office of Ethics and Integrity	2,087,168	1,022,588	901,183	121,405	12%
Public Safety	2,421,907	720,903	581,110	139,793	19%
Total General Fund Expenditures	\$ 1,192,608,391	\$ 1,156,053,109	\$ 1,137,514,412	\$ 18,538,697	2%
Appropriated Reserve	-	10,000,000	-	10,000,000	100%
Gen Fund Expenditures plus Appropriated Reserve	\$ 1,192,608,391	\$ 1,166,053,109	\$ 1,137,514,412	\$ 28,538,697	2%

The revised budget presented in this table is as of period nine, March 6, 2009, unless otherwise noted.

¹ Projections reflect transfer of year-end savings to the Council District's Infrastructure Improvement Funds.

² Revised budget reflects an increase from the Council District 4 Infrastructure Improvement Fund requested on April 13, 2009.

³ The fringe reserve was established as part of the FY 2009 corrective actions and is offset with fringe projections in other departments.

Non-General Fund Projections						
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Business Center/Fund		Adopted Budget	Revised Budget	Year-End Projection	Variance Amount	Variance %
Community and Legislative Services						
Commission for Arts and Culture ^{1,2}	Revenues	\$ -	\$ -	\$ 40,779	\$ 40,779	100%
	Expenditures	945,855	898,353	898,353	-	0%
Special Events ^{1,2}	Revenues	200,000	200,000	406,901	206,901	100%
	Expenditures	645,851	601,266	599,702	1,564	0%
Office of the Assistant Chief Operating Officer						
Information Technology Fund ²	Revenues	13,216,491	12,967,680	12,816,545	(151,135)	1%
	Expenditures	15,404,630	15,155,819	14,500,431	655,388	4%
Office of the Mayor and Chief Operating Officer						
Development Services Enterprise Fund	Revenues	49,537,998	49,537,998	43,734,695	(5,803,303)	12%
	Expenditures	49,281,163	49,281,163	46,390,181	2,890,982	6%
Emergency Medical Services Fund	Revenues	7,327,295	7,327,295	6,616,439	(710,856)	10%
	Expenditures	7,105,288	7,105,288	5,637,104	1,468,184	21%
Facilities Financing Fund	Revenues	2,655,287	2,655,287	2,390,848	(264,439)	10%
	Expenditures	2,655,287	2,655,287	2,201,189	454,098	17%
Golf Course Enterprise Fund	Revenues	15,458,000	15,458,000	16,547,666	1,089,666	7%
	Expenditures	13,625,300	13,625,300	13,236,284	389,016	3%
Los Peñasquitos Canyon Preserve Fund	Revenues	176,000	176,000	219,000	43,000	24%
	Expenditures	227,838	227,838	216,657	11,181	5%
Redevelopment Fund	Revenues	3,338,616	3,338,616	3,338,616	-	0%
	Expenditures	3,338,616	3,338,616	3,316,981	21,635	1%
Solid Waste Local Enforcement Agency Fund	Revenues	857,528	857,528	674,811	(182,717)	21%
	Expenditures	934,850	934,850	648,033	286,817	31%
Central Stores Internal Service Fund	Revenues	23,773,316	23,773,316	28,998,445	5,225,129	22%
	Expenditures	23,773,316	23,773,316	28,637,864	(4,864,548)	20%
Risk Management Administration Fund	Revenues	6,599,088	6,599,088	3,894,693	(2,704,395)	41%
	Expenditures	8,868,110	8,868,110	8,403,722	464,388	5%

Non-General Fund Projections

Business Center/Fund		Adopted Budget	Revised Budget	Year-End Projection	Variance Amount	Variance %
Public Works						
City Airport Fund	Revenues	\$ 4,550,218	\$ 4,550,218	\$ 5,145,063	\$ 594,845	13%
	Expenditures	5,580,953	5,580,953	4,618,887	962,066	17%
Concourse and Parking Garages Operating Fund	Revenues	3,323,035	3,323,035	3,249,717	(73,318)	2%
	Expenditures	4,592,461	4,592,461	3,926,942	665,519	14%
Energy Conservation Program Fund	Revenues	1,802,168	1,802,168	1,802,168	-	0%
	Expenditures	1,802,168	1,802,168	1,723,001	79,167	4%
Fleet Services Internal Service Fund	Revenues	52,795,829	52,795,829	53,549,854	754,025	1%
	Expenditures	52,795,829	52,795,829	45,997,572	6,798,257	13%
PETCO Park Fund	Revenues	15,500,447	15,500,447	12,507,313	(2,993,134)	19%
	Expenditures	17,668,821	17,668,821	16,899,493	769,328	4%
Publishing Services Internal Service Fund ³	Revenues	4,618,052	5,518,052	5,510,451	(7,601)	0%
	Expenditures	4,544,986	5,444,986	5,444,676	310	0%
QUALCOMM Stadium Operating Fund	Revenues	17,088,498	17,088,498	17,617,010	528,512	3%
	Expenditures	18,712,887	18,712,887	18,654,456	58,431	0%
Recycling Fund	Revenues	20,208,540	20,208,540	19,098,224	(1,110,316)	5%
	Expenditures	23,079,294	23,079,294	20,741,229	2,338,065	10%
Refuse Disposal Fund	Revenues	34,519,892	34,519,892	32,768,979	(1,750,913)	5%
	Expenditures	33,646,204	33,646,204	27,616,954	6,029,250	18%
Utilities Undergrounding Program Fund	Revenues	48,490,966	48,490,966	49,311,957	820,991	2%
	Expenditures	1,146,575	1,146,575	988,494	158,081	14%

Non-General Fund Projections

Business Center/Fund		Adopted Budget	Revised Budget	Year-End Projection	Variance Amount	Variance %
Public Utilities						
Sewer Funds	Revenues	\$ 486,768,000	486,768,000	\$ 382,273,072	\$ (104,494,928)	21%
	Expenditures	533,616,803	618,966,696	328,506,958	290,459,738	47%
Water Department Fund	Revenues	510,410,016	510,410,016	467,201,743	(43,208,273)	8%
	Expenditures	596,244,238	709,062,549	521,460,843	187,601,706	26%

The revised budget presented in this table is as of period nine, March 6, 2009, unless otherwise noted.

¹ The Commission for Arts and Culture and Special Events Department are funded by the Transient Occupancy Tax (TOT) Fund.

² Revised budget reflects budget adjustments approved by City Council on December 9, 2008, O-19822, as part of the General Fund corrective actions.

³ Revised budget reflects an increase to both revenue and expenditures implemented on March 16, 2009 per the authority in section 2.VI.C of the annual appropriations ordinance.