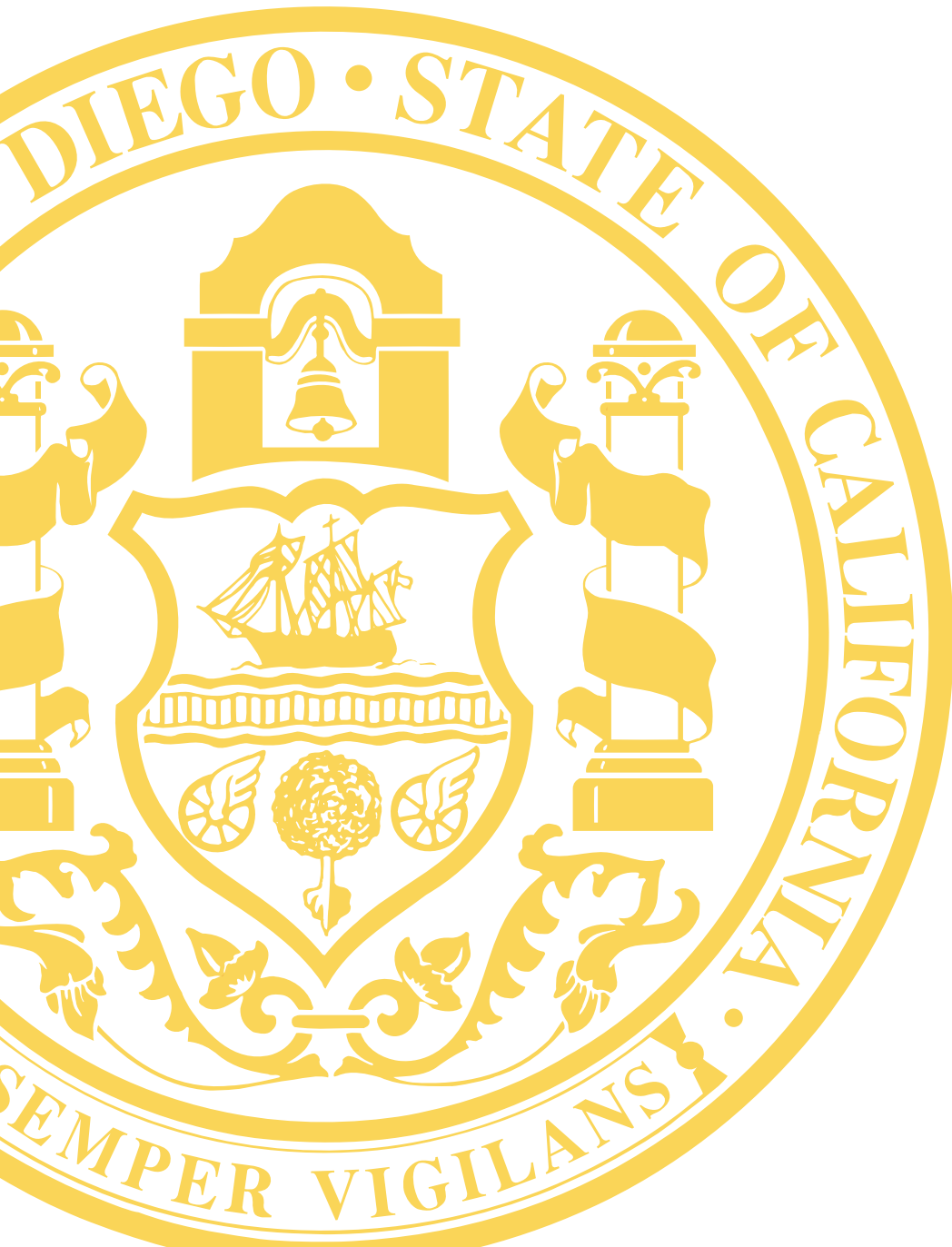


# ANNUAL BUDGET FINANCIAL SUMMARY

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# Financial Summary

## General Fund Revenue

### General Fund Revenue

Total General Fund revenue in the Fiscal Year 2006 Budget is \$864.9 million, a 5.8 percent increase over the Annual Fiscal Year 2005 Budget. The Annual Fiscal Year 2006 Budget includes \$9.9 million in carryover from Fiscal Year 2005. General Fund revenues fund core City services including police, fire, refuse collection, library services and parks and recreation programs.

Four major General Fund revenue sources – property tax, sales tax, Transient Occupancy Tax (TOT), and franchise fees – comprise 65.4 percent, or \$565.4 million, of the City’s General Fund. This figure includes an estimated reduction of \$16.9 million in property tax revenue resulting from the second part of a two-year contribution from local governments to the State of California. In past years, Motor Vehicle License Fees (VLF) revenue was considered one of the City’s major General Fund revenue sources, but a revenue shift enacted by the State of California in Fiscal Year 2005 shifted nearly 91.7 percent of VLF revenue to property tax. These major revenue sources, as well as several other General Fund revenue sources, are highly sensitive to State and local economic conditions. Accordingly, this section largely focuses on the economic conditions that are relevant to each of the major General Fund revenue sources, and describes the assumptions behind the Fiscal Year 2006 revenue projections. In addition, this section discusses General Fund revenue sources that are less affected by economic conditions, such as Licenses and Permits, Fines, Forfeitures and Penalties, and Revenue from Other Agencies.

### Economic Environment

In calendar year 2004, the national economy enjoyed the strongest growth in several years. According to the Bureau of Economic Analysis, real Gross Domestic Product (GDP) increased by 4.4 percent in 2004, following 3.0 percent growth in 2003 and 1.9 percent in 2002. The 4.4 percent growth in 2004 was the highest rate of growth since a 4.5 percent increase in 1999. Consumer spending was the largest contributor to the growth in 2004, increasing 3.8 percent over 2003. Business spending on equipment and software increased 13.6 percent, marking the highest annual growth since 1997. Residential investment increased 9.7 percent, the largest increase since a 13.8 percent jump in 1992.

Despite the gains in 2004, it is anticipated that the economy will be unable to maintain such a robust rate of growth in 2005. The UCLA Anderson Forecast predicts that the national economy will begin to cool off in 2005, with the likelihood of a more pronounced slowdown in future years. The Forecast attributes the slowdown in 2005 primarily to a decline in the housing market, as rising interest rates are expected to depress home sales and construction. The Forecast predicts that residential investment will increase just 1.4 percent in 2005 and decline by 4.4 percent in 2006, following growth rates of 15.6 percent and 13.5 percent in 2004 and 2003.

Despite the cloudy outlook for the future, the UCLA Anderson Forecast still expects moderate growth in 2005. The Forecast projects GDP to grow by 3.1 percent in 2005, while the unemployment rate is projected to decline slightly to 5.4 percent.

#### Property Tax

#### Other Local Tax

- Sales Tax
- Safety Sales Tax
- Transient Occupancy Tax
- Property Transfer Tax

#### Licenses and Permits

#### Fines, Forfeitures, and Penalties

#### Revenue from Money and Property

- Interest Earning
- Franchise Fees
- Rents and Concessions

#### Revenue from Other Agencies

- Motor Vehicle License Fees
- Other

#### Charges for Current Services

# Financial Summary

## General Fund Revenue

In 2004, the State of California's unemployment rate averaged 6.2 percent, higher than the national rate but a marked decrease from the 6.8 percent in 2003. According to the State's Employment Development Department, total non-farm payroll employment increased by a net 146,500 million jobs in 2004, a 1.02 percent increase over 2003, and the first year since 2001 that the State had a net annual increase in payroll jobs. A separate survey of households revealed that the total number of employed persons in 2004 increased by 236,400 over 2003, the largest gain since 2000. The difference between the two measures of employment is due to employment in small businesses, self-employment, and informal employment such as under-the-table workers, which are all excluded from the payroll employment figures.

The UCLA Anderson Forecast for California projects that the State's unemployment rate will drop to 6.0 percent in 2005, while total non-farm employment and real personal income are expected to increase by 1.5 percent and 2.3 percent respectively. According to the Forecast, the largest concern for the State's economy is the housing sector. Over the past two years, the housing sector has been responsible for nearly half of the new private sector jobs that were added to the workforce, either through construction, real estate, or credit intermediation. In addition, the Forecast postulates that the rapid appreciation of housing prices has stimulated consumer spending by making homeowners feel wealthier. The Forecast warns that a sudden rise in interest rates that may cause the housing sector bubble to "implode" could lead to another recession.

San Diego County added 18,500 net new jobs in 2004, a 1.5 percent increase over 2003, marking the fastest pace of job growth since 2001. According to Marney Cox, chief economist for the San Diego Association of Governments, the County is expected to add approximately 25,000 new jobs in 2005. In July 2005, the County's unemployment rate was 4.4 percent, down from a revised 4.6 percent in February and 5.2 percent in March 2004. Between July 2004 and July 2005, total non-farm employment increased by 18,900 jobs, an increase of 1.5 percent. Despite the optimistic outlook, the projected job gains for 2005 still lag the gains during the late 1990s, which averaged nearly 50,000 net new jobs per year. Furthermore, as with the State economy, the local economy has been dependent on the housing market for the bulk of its job growth. Of the 18,500 jobs created in San Diego County in 2004, 7,200 were in construction while another 1,300 were in real estate and credit intermediation. Altogether, job growth in these categories accounted for nearly 46 percent of all new jobs created in 2004. A sudden weakening of the residential real estate market may put downward pressure on job growth in these categories.

The remainder of this section discusses in detail each of the major General Fund revenue sources and revenue categories. Included in these discussions are the methodologies employed in developing the major revenue projections, State legislation and its impacts on local revenues, and the economic factors that are relevant to each of the major revenue sources in the Fiscal Year 2006 Annual Budget.

## Property Tax

The City of San Diego receives property tax revenue based upon a one percent levy on the assessed value of all real property. Property tax revenue is collected by the County of San Diego, which allocates the revenue to a number of agencies within the City's geographic area, including the County itself, the City of San Diego, school districts, and special districts.

Prior to 1979, each local jurisdiction had the authority to levy its own property tax. Thus, a single residence might have been subject to a separate tax levy by the City, the County, the local school district, and any special districts that served the residence. In 1979, California voters passed Proposition 13, dramatically changing the face of State and local public finance. Proposition 13 limited the

**Total City Budget  
\$299.1 million**

**General Fund  
Budget  
\$290.4 million**

**Percent of  
General Fund  
33.6%**

# Financial Summary

## General Fund Revenue

aggregate property tax rate to one percent of assessed value, and specifies that the assessed value of any real property may increase by a maximum of two percent per year unless the property is improved or sold, at which time the property is reassessed at market value. Under the current system established by Proposition 13, all local jurisdictions receive a share of the one percent tax levy.

Over the past decade, many factors have contributed to reductions in the amount of property tax revenue the City has received. In Fiscal Years 1993 and 1994, the State took action to reduce its obligation for school funding by shifting local property tax revenue to school districts in what is now referred to as the Educational Revenue Augmentation Fund (ERAF) shifts. This reallocation of funds caused a permanent shift in the City's property tax that has resulted in an estimated cumulative loss of over \$401.6 million through Fiscal Year 2005. In addition, the State authorized counties to charge administrative fees to cities for collecting and distributing property tax. For the City of San Diego, that action has further reduced annual property tax receipts by approximately \$2.1 million per fiscal year. In Fiscal Year 2005, the State enacted a two-year ERAF shift (ERAF III) whereby local governments would contribute \$1.3 billion per year to the State in exchange for the Governor's support of Proposition 1A, which passed in the November 2004 election. For the City of San Diego, this agreement will result in a property tax loss of approximately \$16.9 million in Fiscal Years 2005 and 2006. Lastly, increases in assessed valuation in Redevelopment Areas do not increase the General Fund's share of property tax revenue, as any increase in property tax due to redevelopment must stay in the Redevelopment zone.

In Fiscal Year 2005 the State of California imposed a revenue shift on local governments, whereby the VLF backfill was eliminated and replaced dollar-for-dollar with property tax. As a result, the City's property tax revenue increased by approximately \$69.1 million in Fiscal Year 2005. Beginning in Fiscal Year 2006 and continuing in the future, this "property tax in-lieu of VLF" revenue will grow annually at the rate of growth in assessed valuation.

The Fiscal Year 2006 Budget projects General Fund property tax at \$290.4 million. This projection is composed of three parts: a base projection of \$233.0 million, the estimated property tax in-lieu VLF payment of \$74.3 million, and the \$16.9 million reduction for the City's ERAF III contribution to the State. This composition is shown in the table below:

<b>Fiscal Year 2006 General Fund Property Tax Budget</b>	
Base Property Tax	\$233.0 million
Property Tax in-lieu of VLF	74.3 million
ERAF III Shift	(16.9 million)
<b>TOTAL PROPERTY TAX</b>	<b>\$290.4 million</b>

The \$233.0 million base property tax projection reflects a housing market that has remained persistently strong to date, but is anticipated to slow in the near future. The UCLA Anderson Forecast maintains that the residential real estate market is overvalued, and projects that the market will begin to cool off in 2005 as rising interest rates translate into higher mortgage payments. Alan Nevin, the director of economic research at MarketPoint Realty Advisors, predicts that both new and resale home prices in San Diego

# Financial Summary

## General Fund Revenue

County will increase between five and six percent in 2005, compared to a record 21 percent increase in the overall median home price in 2004.

Despite the projected slowdown in market, property tax revenues in Fiscal Year 2006 will be buoyed largely by the strength of the market in 2004. According to DataQuick Information Systems, the median price of all transactions in 2004 stood at a record \$459,000, while the number of sales totaled 60,886, behind only the 62,350 sales registered in 1988 when the median price in the County was \$139,000. The gains in the housing market in 2004 should result in a substantial increase in the assessed valuation base in 2005, while any slowdown in the market should be reflected in the supplemental assessed valuation, an incremental increase in assessed valuation based on reassessment of properties as the result of a transaction of substantial renovation. The Fiscal Year 2006 property tax projection attempts to incorporate these two effects by assuming a 7.5 percent growth rate in the property tax categories that rely on the assessed valuation base, and a 6.5 percent growth in the categories that rely on the supplemental assessment.

Property tax is also collected for purposes other than supporting the General Fund. As allowed by Proposition 13, an additional levy above the one percent rate is collected to pay for debt service on voter approved debt. In June 1990, voters approved a \$25.5 million debt issuance to finance a public safety communication system for the City. With a current balance of \$14.4 million, the Fiscal Year 2005 tax levy is \$1.70 per \$100,000 of assessed valuation. In addition, a special tax levy of \$5.00 per \$100,000 of assessed valuation is used to fund zoological exhibits. The zoological exhibits property tax was first approved by the City Council in 1934.

## Other Local Taxes

### Sales Tax

Sales tax is the City's second largest source of General Fund revenue. Collected at the point of sale, sales tax receipts are remitted to the State Board of Equalization, which allocates tax revenue owed to the City in the form of monthly payments. According to the Bradley-Burns Sales and Use Tax law, cities are to receive one cent (or 13.0 percent) of the total 7.25 cent statewide sales tax levied on each dollar of taxable sales. In addition to the Bradley-Burns sales tax, San Diego County voters approved a half-cent supplemental sales tax in 1987 to fund the San Diego Transportation Improvement Program (TransNet), resulting in a total countywide sales tax of 7.75 percent. This tax rate includes a ½-cent tax that was passed by California voters in 1993 for the purpose of funding local public safety expenditures. The revenue from this ½-cent sales tax, known as safety sales tax, is discussed in the next section.

**Total City Budget  
\$218.4 million**

**General Fund  
Budget  
\$144.1 million**

**Percent of  
General Fund  
16.8%**

The Fiscal Year 2006 Budget for General Fund sales tax is \$144.1 million, reflecting 4.5 percent growth in total Citywide sales tax over Fiscal Year 2005 year-end estimates. In addition to being allocated to the General Fund, sales tax revenue is also allocated to various non-General Funds such as the Special Promotional Program, the Police Decentralization Fund, and the Street Division. General Fund sales tax is determined not only by the growth in total Citywide sales tax, but also by the needs of the various non-General Funds to which sales tax revenue is allocated.

# Financial Summary

## General Fund Revenue

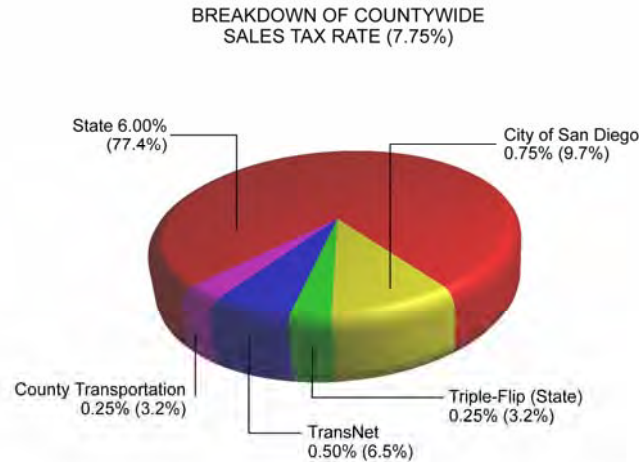


The Fiscal Year 2006 sales tax projection reflects ongoing strength in Citywide taxable sales, but takes into account several uncertainties about the future. The UCLA Anderson Forecast projects that total non-farm payroll employment in California will increase by a net 222,000 in 2005, a gain of 1.5 percent over 2004. Personal income is projected to increase 4.9 percent, following a 5.7 percent increase in 2004. San Diego County is projected to add 25,000 jobs in 2005, compared to an increase of 18,500 in 2004, while the unemployment rate is projected to be in the 4.0 – 4.5 percent range, still far below that of the State of the nation.

Despite these positive signs, a few precautions have resulted in a somewhat conservative sales tax projection. First, evidence suggests that many of the new jobs being created in San Diego are in the lower-income categories, such as the leisure and hospitality industry. An analysis by the San Diego Union-Tribune shows that from 2001 to 2003, 61 percent of the region's new jobs have been in sectors that average less than \$25,000 per year. Second, persistently high oil prices will pass through to consumers in the form of higher fuel and energy costs, taking a larger chunk out of consumers' discretionary spending budget. According to University of San Diego economist Alan Gin, each 10-cent increase in gasoline prices takes roughly \$7 million per month out of the local economy. Third, higher interest rates will result in higher monthly payments for consumers with variable interest debt such as credit cards or mortgages, as well as persuade consumers to save more of their discretionary income. Finally, a slowdown in the housing market may have psychological effects on consumer attitudes, as dramatic increases in housing prices over the last several years have made homeowners feel wealthier. The UCLA Anderson Forecast estimates that over the past four years, the State's housing stock increased in value by some \$400 billion per year, an amount equal to approximately one-third of the total annual personal income in the State.

# Financial Summary

## General Fund Revenue



As in Fiscal Year 2005, the sales tax projection includes the property tax reimbursement that the City will receive as a result of the triple-flip, a revenue shift enacted by the State in Fiscal Year 2005 whereby local governments shift ¼-cent of their Bradley-Burns Sales and Use Tax to the State in exchange for an equivalent amount of property tax. The chart below shows the composition of the total Citywide sales tax projection:

### Fiscal Year 2006 Total City Sales Tax Budget

Sales Tax Revenue	\$164.7 million
Property Tax Reimbursement	\$53.7 million
<b>Total Sales Tax Budget</b>	<b>\$218.4 million</b>

The property tax reimbursement is included in the sales tax budget for two principal reasons. First, the year-over-year growth in the reimbursement amount will be equivalent to the growth in taxable sales, not the growth in assessed valuation. As such, it should be considered a subset of sales tax, not a subset of property tax. Secondly, once the Economic Recovery Bonds are paid off, cities will no longer receive the property tax reimbursement, but will instead regain the ¼-cent sales tax that was diverted to the State by the triple-flip. In these two ways, the property tax reimbursement from the triple-flip is markedly different than the VLF-property tax swap, as described in the previous section. In the case of the latter, the VLF-property tax swap marks a permanent shift of revenues from VLF to property tax. Beginning in Fiscal Year 2006, this shift will no longer be considered a revenue swap, but rather a permanent increase in property tax revenue, with year-over-year growth being based on the growth in assessed valuation.

### Safety Sales Tax

Safety sales tax revenue is derived from a half-cent sales tax that resulted from the passage of Proposition 172 on November 2, 1993, and must be utilized solely for local public safety purposes. The State Controller's Office disburses safety sales tax revenue to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the Fund, which is allocated among the cities based upon their proportionate loss of Property Tax revenue in 1993-94 ERAF shift. Subsequent legislation (Senate Bill 8) changed the allocation system

**Total City Budget  
\$7.7 million**

**General Fund  
Budget  
\$6.1 million**

**Percent of  
General Fund  
0.7%**

# Financial Summary

## General Fund Revenue

for Proposition 172 revenue and lifted the cap on the share that the City of San Diego and other cities within the County could receive. Total revenues reflect additional funds received by the City as a result of this legislation.

The Fiscal Year 2006 Annual Budget for total safety sales tax revenue is \$7.7 million, a five percent growth over Fiscal Year 2005 year-end estimates. Approximately \$1.6 million will be allocated to the Fire and Lifeguard Facilities Fund for debt service payments on fire facility improvements, a reduction from past years due to the delay in anticipated debt issuances. The remainder, or approximately \$6.1 million, is allocated for public safety expenditures within the General Fund. City Council Policy 500-07 directs the use of Proposition 172 funds for new public safety expenditures to ensure an augmentation of existing General Fund public safety expenditure levels. Increases to public safety expenditures in the Police and San Diego Fire-Rescue departments have far exceeded the revenue growth of safety sales tax, ensuring the City's compliance with Council Policy 500-07. Further discussion of public safety expenditures can be found in the Public Safety section of this document.

As with the Bradley-Burns sales tax revenue, safety sales tax revenue is sensitive to economic conditions, particularly factors that influence taxable sales, such as employment levels, per-capita income, and business investment. However, safety sales tax is allocated first to counties in proportion to their share of taxable sales, and then to the cities within the county. As a result, the City of San Diego's share of total countywide safety sales tax revenue depends not on taxable sales within the City, but rather on San Diego County's share of total statewide taxable sales.

### Transient Occupancy Tax

Transient Occupancy Tax (TOT) is levied on the daily rental price of rooms in hotels and motels used by visitors staying in San Diego for less than one month. Also known as the hotel tax or room tax, San Diego's TOT is levied at 10.5 cents per dollar of the daily room price. Currently, an equivalent of five cents of the TOT, approximately 48 percent, is allocated to Special Promotional Programs for the promotion of tourism and other purposes designated by City Council policy. The remaining 5.5 cents, approximately 52 percent, is allocated directly to the General Fund for general government purposes. The TOT was last raised in August 1994, when the rate was increased by 1.5 cents per dollar.

**Total City Budget**  
**\$128.6 million**

**General Fund Budget**  
**\$67.3 million**

**Percent of General Fund**  
**7.8%**

The Fiscal Year 2006 Annual Budget for General Fund TOT revenue is \$67.3 million, a five percent growth over Fiscal Year 2005 year-end estimates. This projection reflects a conservative growth assumption for San Diego's lodging industry, as competing tourist destinations continue to recover from the post-9/11 decline in travel.

San Diego continues to be one of the top travel destinations in the country. According to Smith Travel Research (STR), San Diego County's occupancy rate in calendar year 2004 was 70.9 percent, up from 69.6 percent in 2003, and the fourth highest among the top 25 travel destinations. The average daily room rate (ADR) likewise increased, gaining 2.3 percent from the previous year, while revenue per available room (RevPAR) was up 4.2 percent. Despite these impressive figures, the summer months accounted for the majority of the year-over-year gains. In August 2004, San Diego County's occupancy rate was 85.1 percent, the highest rate among the top 25 markets; ADR and RevPAR were up 6.5 percent and 7.1 percent, respectively. Since then, San Diego has fallen behind many other locations in terms of occupancy rate, and the growth in ADR and RevPAR has consistently been below the average. The occupancy rate has actually declined in each of the past four months, dating back through November 2004.



# Financial Summary

## General Fund Revenue

According to the San Diego Convention and Visitors Bureau (ConVis) 2005 Visitor Industry Forecast, the San Diego's visitor industry has been experiencing a decline in market share, as measured by the number of persons that visit a destination times the number of days they stayed. According to D.K. Shifflet and Associates, a travel market research and consulting firm, San Diego rose to number four in market share in 2002 with a total of 85.3 million person-days, but has since declined. The decline is evident in the STR data: in calendar year 2004 the growth in occupancy, ADR and RevPAR in San Diego County were all below the average growth for the top 25 travel markets.

Despite the apparent decline in market share, ConVis expects that San Diego's visitor industry will see moderate growth in 2005. A strong world economy, a weakening dollar, and the long-awaited return of business travel will help offset San Diego's decline in market share. ConVis projects the total number of visitors to reach 27.5 million in 2005, an increase of 1.7 percent over 2004 estimates. Hotel occupancy is expected to remain flat due to a two percent increase in inventory, but the ADR for calendar year 2005 is projected to increase to \$116.17, which would be an increase of three percent over calendar year 2004.

On March 2, 2004, a proposal to increase the City's TOT rate to 13.0 percent failed to win the necessary two-thirds approval by San Diego voters. Another proposal to increase the TOT rate to 13 percent appeared on the November 2, 2004 ballot, and failed to receive the majority voter approval necessary to implement the proposed general purpose tax increase.

## Property Transfer Tax

The property transfer tax is levied on the sale of real estate property. The County charges \$1.10 per \$1,000 of sale price when any real property is transferred.

The City of San Diego charges \$0.55 per \$1,000, which is credited against the County's charge, so that the City and the County both receive \$0.55 per \$1,000. The funds are collected by the County for property transfers that occur within City limits, and transferred to the City in 13 apportionments throughout the year.

The Fiscal Year 2006 Annual Budget for property transfer tax is \$14.9 million, a ten percent growth over Fiscal Year 2005 year-end estimates. This projection is based on the anticipated strength in the commercial real estate market, and continued growth, albeit at a slower pace, in the residential real estate market. In calendar year 2004, total home sales numbered 60,886, the second highest number of transactions on record. While rising interest rates are expected to cool the market somewhat, sales are projected to remain high, and the level of appreciation in the housing market over the last several years will result in greater revenue for each transaction.

**Total City Budget**  
**\$14.9 million**

**General Fund Budget**  
**\$14.9 million**

**Percent of General Fund**  
**1.7%**

Despite the anticipated slowdown in the residential market, San Diego's commercial real estate market is poised for substantial growth. According to a recent report by business consultant and advisory firm Pricewaterhousecoopers, San Diego has the second strongest commercial real estate market in the country, behind only Washington D.C. In 2004, San Diego experienced a 53 percent increase in the number of commercial real estate transactions, while commercial investment totaled \$181.4 billion, up from \$118.8 billion in 2003. According to Burnham Real Estate, office vacancy fell to 11.7 percent in 2004, down from 12.1 percent a year earlier. Torto Wheaton, the research arm of commercial brokerage CB Richard Ellis, projects that office rents will increase an average of 8.8 percent in 2005. San Diego's retail vacancy rate is estimated to be less than three percent, one of the lowest rates of any major city in the nation.

# Financial Summary

## General Fund Revenue

While commercial real estate sales are fewer in number than residential sales, each transaction generates a greater amount of property transfer tax. Notable commercial sales in 2004 include the Pfizer Campus, located just north of the University of California, San Diego campus, at \$372 million; Wells Fargo Plaza at \$148.3 million; SBC Plaza at \$121.3 million, and the Promenade Rio Vista in Mission Valley, at \$101.5 million.

### Licenses and Permits

The Licenses and Permits category reflects revenue generated to recover costs associated with performing regulatory functions. These functions are typically performed by government due to public safety considerations. The Fiscal Year 2006 Annual Budget for General Fund Licenses and Permits is \$28.7 million, a 7.4 percent increase over the Fiscal Year 2005 Annual Budget. Major budgeted revenues in this category include general business license taxes, rental unit taxes, parking meter collections, and the refuse collector business license tax.

The general business license tax for companies with 12 or fewer employees is a flat rate of \$34. Companies with 13 or more employees pay a flat fee of \$125 plus \$5 per employee. Rental unit taxes are calculated as a flat rate plus a fee per rental unit. Currently, the rental unit tax has three rate tiers for residential properties and two rate tiers for hotel/motel properties. On June 28, 2004, the Mayor and City Council approved a Business Tax and Rental Unit Tax Processing Fees, which are estimated to generate a combined \$3.3 million for the City's General Fund in Fiscal Year 2006.

**Total City Budget**  
**\$67.7 million**

**General Fund Budget**  
**\$28.7 million**

**Percent of General Fund**  
**3.3%**

### Fines, Forfeitures, and Penalties

Fines, Forfeitures, and Penalties include revenue generated from monetary sanctions associated with the violation of a law or regulation such as California Vehicle Code violations, City parking and ordinance violations, and litigation awards. The Fiscal Year 2006 Annual General Fund Budget for Fines, Forfeitures, and Penalties is \$32.4 million, a 1.1 percent increase from the Fiscal Year 2005 Annual Budget.

**Total City Budget**  
**\$33.5 million**

**General Fund Budget**  
**\$32.4 million**

**Percent of General Fund**  
**3.7%**

### Revenue from Money and Property

#### Franchise Fees

Franchise fees are paid to the City of San Diego by private utility companies in exchange for the permission to use the City's rights-of-way. Franchise fees are usually charged as a percentage of gross sales, although other types of charges are common. Rates are set through Franchise Agreements that are negotiated with individual utility companies, which often contain provisions for renegotiation after a standard period of time. The City of San Diego currently has Franchise Agreements with San Diego Gas & Electric (SDG&E), Cox Communications, and Time Warner Cable. In addition, the City collects a refuse hauler franchise fee from private refuse haulers.

**Total City Budget**  
**\$118.1 million**

**General Fund Budget**  
**\$63.5 million**

**Percent of General Fund**  
**7.3%**

The Fiscal Year 2006 Annual Budget for General Fund franchise fees is \$63.5 million. This projection assumes a 7.5 percent increase in franchise revenue from Cox Communication and Time Warner over Fiscal Year 2005 Budget. Franchise revenue from SDG&E is based on the utility company's calendar year gas and electric sales, which are projected to increase 7.5 percent in calendar

# Financial Summary

## General Fund Revenue

year 2005. The Franchise Agreement with Time Warner Cable was recently amended to increase the franchise rate from three percent to five percent of gross sales, which became effective on January 8, 2004. The Franchise Agreement with Cox Communications was renegotiated in 2002, increasing the franchise fee from three to five percent. In addition, the refuse hauler franchise fee was increased by \$1 in July 2003 to an effective rate of \$11 per ton for Class I haulers (less than 75,000 tons per year) and \$12 per ton for Class II haulers (more than 75,000 tons per year).

SDG&E, the single largest generator of franchise fee revenue, is charged three percent of gross sales from gas and electricity within the City of San Diego. Three-fourths of total SDG&E franchise revenue is allocated to the General Fund, while one-fourth is required to be allocated to the Environmental Growth Fund (EGF). One-third of the SDG&E revenue in the EGF is used to finance various environmental programs such as regional park and open space maintenance; the remaining two-thirds is used for debt service on open space acquisition bonds. In Fiscal Year 2005, the City of San Diego sold its VLF receivables to the California Statewide Communities Development Authority for a minimum sales price of \$20 million. The proceeds from this were used to pay down a majority of the outstanding principal and accrued interest on the Open Space G.O. Refunding Bond, series 1994. As a result, the debt service requirement has been reduced from approximately \$7.3 million in Fiscal Year 2005 to just over \$700,000 in Fiscal Year 2006.

In addition to the current three percent franchise fee, the City Council approved a 3.53 percent surcharge on electricity sales for the undergrounding of electric utility lines. The surcharge was approved by the California Public Utilities Commission in December 2002. In Fiscal Year 2006, the Utility Undergrounding surcharge is estimated to raise \$41.9 million for the City, which will be deposited into the Underground Utility District Fund to be used solely for the purpose of placing utility lines underground.

## Interest Earnings

The City Treasurer is responsible for investing the City's cash assets exclusive of City Pension Trust Funds. All City funds are pooled and invested together in a Pooled Investment Fund ("Fund") to facilitate increased flexibility in the management of the City's cash flow requirements and the overall management of the Fund for the purpose of maximizing interest earnings. Fund investments must be consistent with the City Treasurer's Investment Policy and the State of California Government Code guidelines and restrictions. The maximum maturity of any investments may not exceed five years. Selection of an investment is based on safety, liquidity, risk, interest rate environment and the cash flow requirements of the City. Major deviations in returns from one fiscal year to the next can generally be attributed to changes in market interest rates or the actual average amount invested during the fiscal year. Past interest earnings performance is no guarantee or indicator of future results.

**Total City Budget**  
**\$14.3 million**

**General Fund Budget**  
**\$1.2 million**

**Percent of General Fund**  
**0.1%**

Interest rates have been rising since June 2003. This change in the overall level of interest rates will be reflected in the estimated interest earnings for Fiscal Year 2006, which will take into account the realization of any capital gains or losses on portfolio securities which occur as securities are regularly turned over during the fiscal year. In a rising interest rate environment the value of securities held in the portfolio declines, while the opposite is true in a declining interest rate environment. When this change in portfolio value occurs, the impact on overall interest earnings, whether positive or negative, is mitigated to some degree by the earnings derived from the reinvestment of cash from coupon payments, the

# Financial Summary

## General Fund Revenue

turnover of portfolio securities and the investment of new revenues at higher current market rates of interest.

Interest rates are expected to continue to rise through most of Fiscal Year 2006. The adverse effect of rising interest rates on the market value of the securities held in the portfolio will be mitigated, to some extent, by the reinvestment of coupon payments, maturing investments and proceeds of sold securities at higher reinvestment rates. This reinvestment activity will result in higher portfolio earnings in the future. It should be noted that interest rates continue to be volatile and subject to a number of uncontrollable or unpredictable factors. Citywide interest earnings are budgeted at \$14.3 million in the Fiscal Year 2006 Annual Budget, with the General Fund's share being \$1.2 million, unchanged from the Annual Fiscal Year 2005 Budget.

### Rents and Concessions

The Rents and Concessions category includes General Fund revenue generated from Mission Bay Park, Balboa Park and Torrey Pines Golf Course. The Fiscal Year 2006 Annual Budget for General Fund Rents and Concessions is \$34.2 million, a 0.5 percent decline from the Annual Fiscal Year 2005 Budget. The largest component of this category is Mission Bay Park rents and concessions revenue, the majority of which is generated from leases with Sea World, Marina Village Conference Center, and hotels and marinas within Mission Bay Park. This revenue source is projected to generate \$22.9 million in Fiscal Year 2006. The Mission Bay Ordinance requires that one-half of all revenue from Mission Bay rents and concessions in excess of \$20 million is to be allocated to the Mission Bay Improvement Fund and the Regional Park Improvement Fund; however, this requirement will be waived in Fiscal Year 2006, thereby allocating the entire amount to the General Fund. Another component of the Rents and Concessions category relates to revenue generated from lease agreements on City Pueblo lands, which in Fiscal Year 2006 is projected to be \$3.0 million.

**Total City Budget**  
**\$53.6 million**

**General Fund Budget**  
**\$34.2 million**

**Percent of General Fund**  
**4.0%**

### Revenue from Other Agencies

#### Motor Vehicle License Fees

Motor vehicle license fees (VLF) are levied as a percentage of an automobile's purchase price, subject to depreciation, and are paid annually to the Department of Motor Vehicles at the time of registration. The fees are forwarded to the State Controller's Office, which allocates the funds to local governments. Prior to Fiscal Year 2004, approximately 25 percent of total statewide VLF revenues were allocated to counties in order to fund realignment of various health and social service programs, while the remaining 75 percent was allocated to cities and counties on a per capita basis. Notably, because statewide revenues are distributed on a per capita basis, increases to local vehicle sales do not directly translate into local VLF revenue increases.

**Total City Budget**  
**\$9.5 million**

**General Fund Budget**  
**\$9.5 million**

**Percent of General Fund**  
**1.1%**

Beginning in 1999, the VLF underwent a series of offsets, first initiated by the State legislature as part of the 1998-1999 Budget agreement. These offsets ultimately resulted in a 67 percent reduction in the effective VLF rate, from two percent of a vehicle's value to 0.65 percent. To compensate cities and counties for the tax offset, the State began providing General Fund revenue to cities and counties on a dollar-for-dollar basis, in what became known as the VLF backfill. As part of the 2004-2005 Budget agreement, the VLF rate was statutorily reduced to 0.65 percent, thereby eliminating the VLF backfill.

# Financial Summary

## General Fund Revenue

As described in the property tax section, cities were compensated for this loss with increased property tax revenues. In Fiscal Year 2005, approximately \$69.1 million was shifted from VLF to property tax. As a result of this revenue shift, VLF is no longer considered a major General Fund revenue source for the City of San Diego. The Fiscal Year 2006 Annual Budget for VLF is \$9.5 million, a five percent growth over Fiscal Year 2005 year-end estimates.

### Other

A significant amount of revenue received by the City is initially collected by other agencies and then returned (or subvended) to the City. Within the General Fund, Revenues from Other Agencies include federal and State grants, and reimbursement for general City services provided to the Unified Port District.

The Fiscal Year 2006 Annual General Fund Budget includes revenue totaling approximately \$9.9 million in this category, including \$5.2 million in State reimbursements for booking fee expenses. The Fiscal Year 2006 Annual Budget also includes \$1.5 million from the State for the Community Policing Services (COPS) Program and \$400,000 million in Local Law Enforcement Block Grant. The State Police Officer Standards and Training (POST) grant reimbursement, included in the General Fund beginning in Fiscal Year 1995, is budgeted at \$100,000.

**Total City Budget  
\$105.9 million**

**General Fund  
Budget  
\$9.9 million**

**Percent of  
General Fund  
1.1%**

### Charges for Current Services

Charges for Current Services includes revenue generated by General Fund departments resulting from services provided to other City funds. General Fund departments regularly incur expenses in the process of performing services for other City funds and receive reimbursement for direct, indirect, and overhead costs. Such instances include general government services and facilities maintenance services provided to other City funds. The Fiscal Year 2006 Annual Budget for Charges for Current Services within the General Fund is \$72.4 million,

an 12.3 percent decrease from the Annual Fiscal Year 2005 Budget. Refer to Schedule III of this Financial Summary for a breakdown of the budgetary data by subcategory.

**Total City Budget  
\$771.8 million**

**General Fund  
Budget  
\$72.4 million**

**Percent of  
General Fund  
8.4%**

### Transfers from Other Funds

The Fiscal Year 2006 Annual General Fund Budget for Transfers from Other Funds is \$89.5 million. Revenue in this category reflects transfers to the General Fund from various other funds including a transfer from Special Promotional Programs to cover the costs of maintenance of tourist-oriented facilities.

**Total City Budget  
\$307.2 million**

**General Fund  
Budget  
\$89.5 million**

**Percent of  
General Fund  
10.3%**

### Other Revenue

Other Revenue represents less than 0.1 percent of total General Fund revenue and consists mainly of refunds and revenue generated from the sale of publications and excess inventory. However, this category represents a substantial portion of the revenue in other funds.

**Total City Budget  
\$218.6 million**

**General Fund  
Budget  
\$0.8 million**

**Percent of  
General Fund  
0.1%**

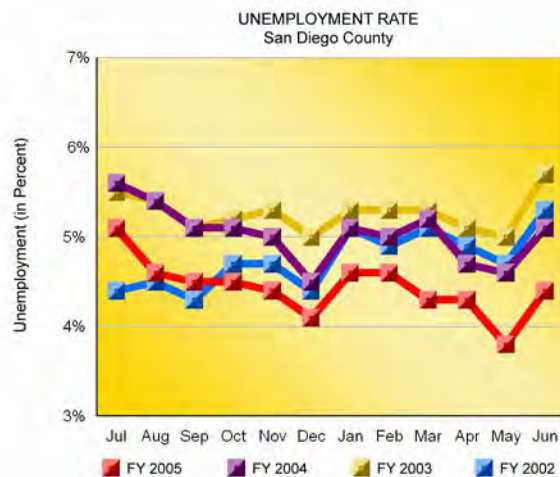
### Economic Indicators

Growth in the City’s General Fund revenues depends primarily on the state of the economy. When the economy is expanding rapidly, revenue growth is strong; when the economy slows, revenue growth declines. Given this relationship, key economic indicators, such as unemployment rates, housing starts and hotel occupancy rates are helpful in assessing current revenue trends, and how revenues might trend in the future. Although the City’s revenues are most directly impacted by the local economy, trends in the State and national economies are also important since they affect such revenues as the Transient Occupancy Tax (TOT) and Motor Vehicle License Fees.

As indicated in the following charts, the San Diego economy performed relatively well in 2004, and shows continued growth in 2005. San Diego should also benefit from moderate improvements in the U.S. economy, as reflected by stronger growth in the Gross Domestic Product (GDP). While the pace of new job growth in the U.S. economy since the 2001 recession has been somewhat slow to date, steady declines in initial unemployment insurance claims, recent growth in durable goods orders, growth in the Institute for Supply Management’s overall index of non-manufacturing business activity, and strong job growth in 2004 all point to faster overall employment growth in 2005. As the job outlook improves, consumer sentiment should also improve, and businesses are expected to move ahead with investment plans.

### Labor Market Trends

The unemployment rate is a critical indicator of relative strength in the local economy. After rising to an annual average of 5.3 percent in Fiscal Year 2003, San Diego County’s unemployment rate trended lower to an annual average of 5.0 percent in Fiscal Year 2004, and 4.7 percent in Fiscal Year 2005. San Diego’s unemployment rate remains well below both California’s rate of 6.2 percent, and the U.S. at 5.4 percent in Fiscal Year 2005.<sup>1</sup>



<sup>1</sup> San Diego County’s unemployment rate, as well as the rest of California, was substantially revised because of methodology changes implemented by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). The revision indicates San Diego’s unemployment rate was nearly a full percentage point higher than previously reported, although the relative standing with other counties in the state remained about the same.

# Financial Summary

## Economic Indicators

Between July 2004 and July 2005, total nonfarm employment was up by 18,900 jobs in San Diego County, with an increase of 1.5 percent over prior year, according to the California Employment Development Department.

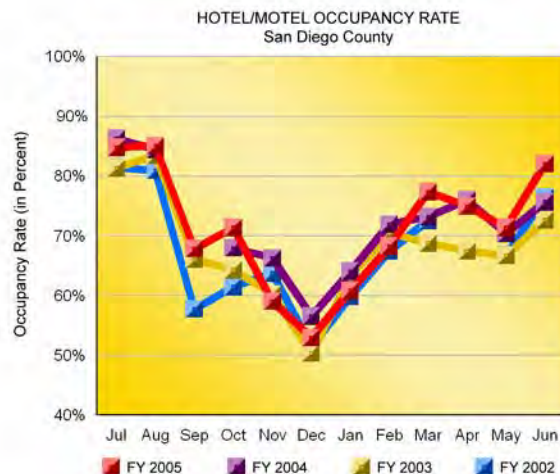
In Fiscal Year 2005, government employment increased by 3,600 jobs. Employment losses in federal government were offset by gains in State and local government, led by advances in local government education.

Manufacturing remains the largest component of San Diego's economic base (approximately one-fourth of Gross Regional Product), although the industry is buffeted by numerous factors throughout the state, from competition of lower cost states and countries to technological advances requiring less labor. Employment among local manufacturing companies further declined in 2004 for the sixth consecutive year. A positive aspect was the loss of 1,500 manufacturing jobs in Fiscal Year 2005 was much lower than annual losses recorded the previous three years averaging almost 6,000 per year. Job levels in 2005 appear to have stabilized and are not showing further declines.

Construction is another important sector for high wage job growth supporting other sectors of the local economy. Construction led all major categories of San Diego's economy in terms of job growth with 5,800 jobs added during Fiscal Year 2005.

## Tourism

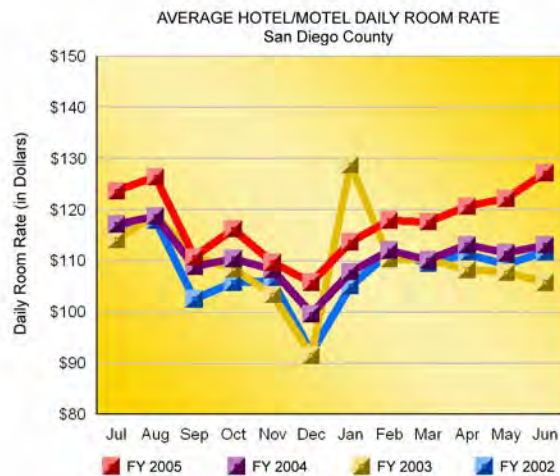
The trend of average occupancy rates among San Diego hotels and motels is an indicator of potential TOT revenue growth in recent years. Despite nationwide struggles following the 9-11 terrorist attacks and cutbacks in business travel, San Diego maintained one of the healthiest hotel markets in the nation. During the summer of 2004, San Diego reported several weeks as having the highest occupancy rate for several weeks among the top 25 hotel markets in the nation according to Smith Travel Research. For the entire year, San Diego ranked fourth with an average occupancy rate of 70.9 percent and revenue per room of \$80.97.



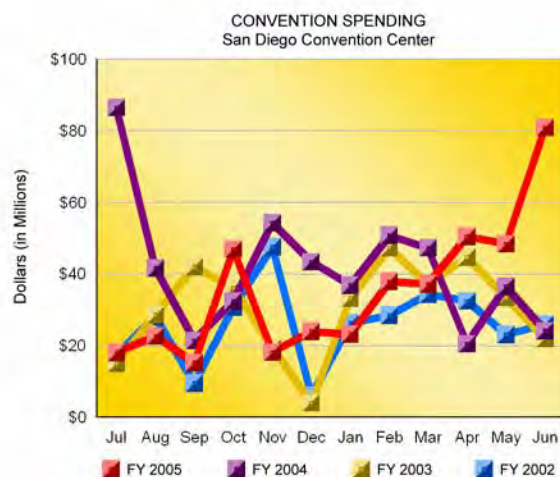
# Financial Summary

## Economic Indicators

The average daily room rate is another determinant of TOT revenue. In June 2005 the average daily room rate for San Diego hotels was \$127.26, which is 12.5 percent higher than in June 2004, according to the San Diego Convention and Visitors Bureau (SDCVB), and the average occupancy has increased by 8.5% for over June 2005. According to the annual forecast prepared by SDCVB, the hotel industry in San Diego County will experience a moderate growth with increases in all indicators, from numbers of visitors to room demand. However, it is not expected that San Diego will outperform competitors in 2005. Overnight visitors are projected to increase by approximately 1.8%. Inflation will help increase visitor spending an additional 4.9 percent in 2005 to \$5.9 billion. Hotel occupancy will remain flat due to supply and demand both rising by 2 percent. San Diego is expected to sell an estimated 13.8 million room nights in 2005, a 2 percent increase.



The hosting of conventions is a key factor for the long-term growth of San Diego's tourism industry. San Diego Convention Center (SDCC) was recently recognized as the best overall meetings and conventions destination by the well-known meeting planner, the Watkins/Flashpoler Survey. During Fiscal Year 2005, the SDCC experienced an enormous success with booking of 71 events representing 914,717 hotel room nights for future years.



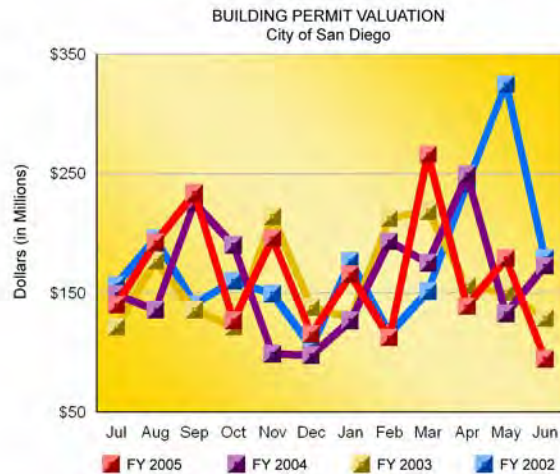


# Financial Summary

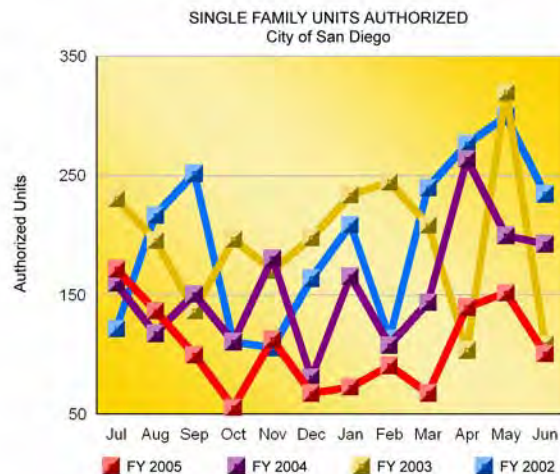
## Economic Indicators

### Construction and Real Estate Trends

Total building permit valuation (residential and nonresidential) is an indicator for overall construction activity. During 2004, the value of permits issued totaled nearly \$2.1 billion, 8.5 percent more than in 2003. For the Fiscal Year 2005, total permit valuation is 40.9 percent higher than in Fiscal Year 2004.



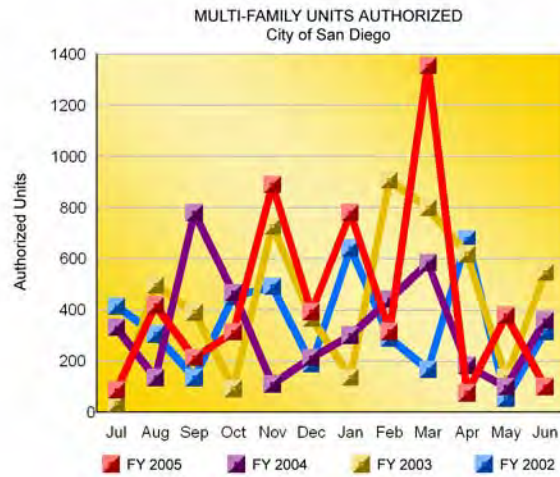
New residential construction is an indicator of trends in both the construction industry and the overall economy. Permits were issued for 1,721 single family units in 2004, down 15.1 percent from 2003. For Fiscal Year 2005, however, multi-units authorized for construction increased by 4.2 percent from Fiscal Year 2004.



The volume of new multi-family units authorized is the other major component of residential building activity. Permits were issued for 4,282 multi-family units in 2004, a 17.7 percent decline from 2003. For Fiscal Year 2005, however, multi-units authorized for construction jumped 58.8 percent compared to Fiscal Year 2004.

# Financial Summary

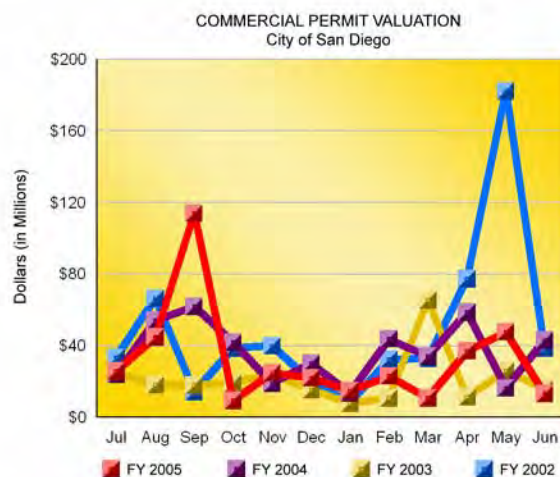
## Economic Indicators



The total for all residential units authorized (single family and multi-family) in 2004 was 6,003 units, 17 percent lower than in 2003, a sufficient number to support the relatively high level of construction related employment in 2005. With a boost of multi-units in 2005, total units authorized for Fiscal Year 2005 showed an increase of 44.2 percent than in Fiscal Year 2004.

The City of San Diego’s population added 12,650 residents in 2004 (in spite of a loss of 2,007 group quarters population within the City from military deployments). As measured by the growth in median home prices, San Diego builders should continue to have a strong incentive to keep building. The median price paid for a San Diego home was \$496,000 in July 2005 according to DataQuick Information Systems. The increase over the year was 5.08 percent from \$472,000 in July 2004.

The total value of permits for commercial construction, including retail, office, and industrial buildings, is a key economic indicator of present and future economic conditions. New commercial construction recorded strong growth through 2004, with the valuation of permits issued totaling approximately \$452.4 million, 22.2 percent more than the \$370.4 million in 2003. In Fiscal Year 2005, commercial valuation increased by 20.2 percent over Fiscal Year 2004.

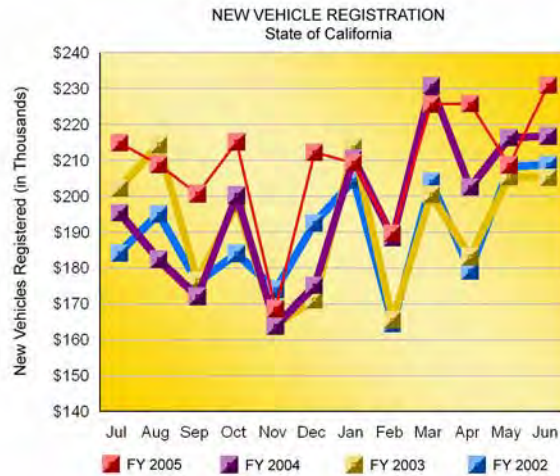


# Financial Summary

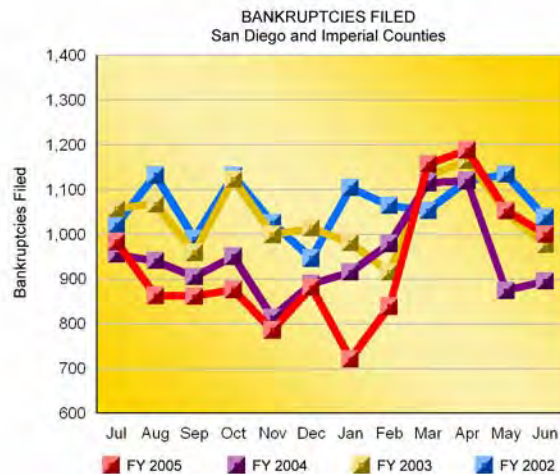
## Economic Indicators

### Other Indicators

The number of Statewide new vehicle registrations is one of the factors partially determining the amount of Motor Vehicle License Fees (MVLFF). In Fiscal Year 2005, vehicle registrations were up 6.6 percent compared to Fiscal Year 2004.



Bankruptcy filings are another measure of economic well-being. Bankruptcies filed in the U.S. Bankruptcy Court - San Diego and Imperial County District continued to decline in 2004, with total filings down 4.5 percent from 2003.



# Financial Summary

## Economic Indicators

The number of new business tax certificates issued is an indicator of general business activity. The number of new certificates issued by the City of San Diego during 2004 totaled 16,017, an increase of 1.6 percent from 2003.





# Annual Budget Financial Summary

## Budget Summary Schedules

### Budget Summary Schedules

The following schedules summarize key information in the City's budget, specifically revenues, expenditures, and positions for all departments and funds, and reflects the funding sources and spending areas of the Capital Improvements Program. In addition, these schedules provide the City's Total Combined Budget, summarizing all of this information.

Note: At the time of publication, audited financial statements for Fiscal Year 2004 were not available. Therefore, the Fiscal Year 2004 column in the budget schedules reflect the Annual Fiscal Year 2004 Budget amounts.

### Schedule I – Summary of City Funds

This schedule summarizes all City funds by fund type for three fiscal years, first by operating funds, and then capital, specifically as follows:

1. General Fund
2. Debt Service and Tax Funds
3. Special Revenue Funds
4. Enterprise Funds
5. Internal Service Funds
6. Capital Improvements Program

General Fund revenues and expenditures are listed by department. Total General Fund revenues must match General Fund expenditures. Internal Service Funds and Interfund Transactions are subtracted from the Gross Total Operating Expenditures, to arrive at the Net Total Combined Budget, which is the same on all schedules.

### Schedule II – Summary of Positions by Department

This schedule summarizes all positions, by department, by fund type as follows:

- General Fund
- Special Revenue Fund
- Enterprise Funds
- Internal Service Funds
- Other Funds
- Unbudgeted Positions – Grant Funded Programs

### Schedule III – Analysis of Financing Dollars

This schedule summarizes the City's revenue sources by fund type, and by revenue source, for three fiscal years, first by operating funds and then by capital, as follows:

- General Fund
- Debt Service and Tax Funds
- Special Revenue Funds
- Enterprise Funds
- Capital Improvements Program Funds

This schedule also provides the Total Combined and Net Total Combined Budgets.

# **Annual Budget Financial Summary**

## **Budget Summary Schedules**

### **Schedule IV – Summary of Revenues by Category by Fund**

This schedule provides an overview of the entire City budget and displays all budgeted revenues by revenue category. The information reflected summarizes the information contained in the revenue detail for each department found in Schedules II-V.

### **Schedule V – Summary of Revenues, Expenditures and Fund Balances**

This schedule displays fund balances, reserves, and total revenues, reflecting total available resources by fund, grouped by fund type. In addition, this schedule shows operating and capital expenses and total budgeted expenditures, as well as the projected expenditures of prior year funds, and resulting reserves and fund balances projected for fiscal year-end. From this schedule, the budgeted expenditures of the Capital Improvements Program can be viewed, as well as total revenues and expenditures, and the Gross Total Combined Budget. In addition, reserves and fund balances are summarized for the entire City budget.

### **Schedule VI – Summary of Expenditures**

This schedule reflects total operating and capital expenditures, grouped by program area for the General Fund. Program areas include budget priorities, including public safety, park and recreation, sanitation and health, neighborhood services, and support services. This schedule also provides the Total Combined and Net Total Combined Budgets. The amounts listed on this schedule may not correspond to a specific department's budgeted expenditures.

### **Schedule VII – Summary of Expenditures by Category by Fund**

This schedule provides an overview of the entire City budget and displays all budgeted funds by fund type, showing the allocation of each fund's budgeted expenditures by major expenditure category, specifically Salaries and Wages, Fringe Benefits, Supplies and Services, Data Processing, Energy and Utilities and Equipment Outlay.

### **Schedule VIII – Capital Improvements Program by Revenue Source**

This schedule breaks down one year of actual expenditures, the current budgeted year, the next fiscal year's proposed budget, and ten years of projected expenditures by the revenue sources utilized.

### **Schedule IX – Capital Improvements Program by Improvement Type**

This schedule breaks down one year of actual expenditures, the current budgeted year, the fiscal year's proposed budget, and ten years of projected expenditures by improvement type.

# **Annual Budget Financial Summary**

## **Budget Summary Schedules**

### **\*\*\*NOTE\*\*\***

**AT THE TIME OF PUBLICATION, AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2004 WERE NOT AVAILABLE. THEREFORE, THE FISCAL YEAR 2004 COLUMN IN THE BUDGET SCHEDULES REFLECTS THE ANNUAL FISCAL YEAR 2004 BUDGET AMOUNTS.**



# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE I SUMMARY OF CITY FUNDS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>GENERAL FUND REVENUE</b>			
Property Tax <sup>(1)</sup>	\$ 199,750,958	\$ 269,553,640	\$ 290,444,405
Sales Tax	124,550,024	135,780,787	144,142,130
Safety Sales Tax	3,397,853	3,932,596	6,087,926
Transient Occupancy Tax	57,998,226	62,781,514	67,337,368
Property Transfer Tax	8,472,719	10,573,253	14,906,437
Interest Earnings	1,200,223	1,200,223	1,200,223
Franchises	52,086,577	56,782,641	63,489,876
Motor Vehicle License Fees <sup>(1)</sup>	74,893,491	9,865,939	9,516,832
Licenses and Permits	1,400,000	1,180,000	865,000
Transfers from Other Funds	66,451,116	88,956,457	89,471,714
City Attorney	\$ 6,067,196	\$ 7,114,550	\$ 8,014,550
City Auditor and Comptroller	2,036,049	2,268,051	2,333,769
City Clerk	29,968	30,368	32,100
City Manager	80,000	80,000	80,000
City Treasurer	12,590,201	16,085,600	17,549,500
Citywide Program Expenditures	903,643	759,312	893,812
Community and Economic Development	2,554,887	4,089,074	1,466,593
Engineering and Capital Projects	24,001,381	25,822,393	24,823,563
Environmental Services	80,000	80,000	80,000
Equal Opportunity Contracting	1,538,552	2,782,677	2,215,711
Financial Management <sup>(2)</sup>	822,758	983,414	1,096,757
General Services <sup>(2)</sup>	29,325,648	29,399,189	29,051,077
Governmental Relations	106,907	106,907	106,907
Human Resources	100,000	100,000	100,000
Library	2,106,099	1,931,460	1,625,000
Mayor	184,255	184,255	184,255
Neighborhood Code Compliance	967,494	1,218,207	932,050
Office of Homeland Security <sup>(3)</sup>	-	487,317	332,391
Park and Recreation	11,711,772	13,829,485	20,796,820
Personnel	34,994	34,994	34,994
Planning	2,841,034	3,047,608	3,104,298
Police	19,970,500	22,042,500	21,802,718
Real Estate Assets	27,624,000	31,044,000	31,057,000
Risk Management	340,000	340,000	185,000
San Diego Fire-Rescue	5,181,450	12,040,436	8,273,829
Special Projects	1,115,916	495,360	856,525
Stormwater Pollution Prevention <sup>(2)</sup>	497,378	428,782	428,782
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$ 743,013,269</b>	<b>\$ 817,432,989</b>	<b>\$ 864,919,912</b>

<sup>(1)</sup> In Fiscal Year 2005, State Legislation eliminated the Vehicle License Fee Backfill and increased the City's share of Property Tax by an equivalent amount. The Fiscal Year 2005 and 2006 Property Tax Budgets also reflects the City's "contribution" to the state of \$17.3 million and \$16.9 million, respectively.

<sup>(2)</sup> Reflects Fiscal Year 2005 restructuring. Includes transfer of the Purchasing Division from the General Services Department to the Financial Management Department and transfer of the Storm Water Pollution Prevention Program from General Services to the Metropolitan Wastewater Department.

<sup>(3)</sup> The Office of Homeland Security was budgeted within the San Diego Fire-Rescue Department in Fiscal Year 2004.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE I SUMMARY OF CITY FUNDS

GENERAL FUND EXPENDITURES	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
Citizens Assistance	\$ 199,097	\$ 331,417	\$ 353,134
City Attorney	29,051,877	32,153,174	34,182,145
City Auditor and Comptroller	8,520,757	9,272,977	10,273,502
City Clerk	3,378,520	3,585,995	3,762,362
City Council District 1	803,039	803,039	850,000
City Council District 2	855,731	927,951	850,000
City Council District 3	807,767	892,703	850,000
City Council District 4	860,197	958,945	850,000
City Council District 5	785,936	862,595	850,000
City Council District 6	785,754	867,938	850,000
City Council District 7	838,639	935,323	850,000
City Council District 8	871,042	941,735	850,000
City Manager	409,685	444,944	470,297
City Treasurer	9,318,574	10,492,898	11,438,993
Citywide Program Expenditures	41,788,060	46,192,540	48,344,440
Community and Economic Development	12,646,120	9,296,863	3,792,711
Council Administration	805,869	810,017	946,328
Engineering and Capital Projects	27,780,801	30,941,416	31,771,442
Environmental Services	33,811,535	34,523,010	36,368,960
Equal Opportunity Contracting	2,354,021	2,294,013	2,453,858
Ethics Commission	479,046	428,373	670,426
Family Justice Center <sup>(1)</sup>	-	-	556,964
Financial Management <sup>(2)</sup>	4,143,816	4,140,778	4,369,276
General Services <sup>(2)</sup>	22,553,802	22,316,028	22,885,576
Governmental Relations	745,740	716,429	749,479
Human Resources	1,161,804	1,256,571	1,331,687
Library	35,891,707	35,448,368	36,647,886
Mayor	2,690,199	2,690,199	2,507,141
Neighborhood Code Compliance	5,396,465	5,403,363	5,319,473
Office of Homeland Security <sup>(3)</sup>	228,585	433,381	589,284
Park and Recreation	73,238,722	77,291,010	80,498,356
Personnel	5,718,465	5,977,150	5,908,910
Planning	7,126,325	7,384,625	6,846,564
Police	272,136,716	308,776,673	336,477,474
Public and Media Affairs	353,362	192,283	215,265
Real Estate Assets	4,279,833	4,214,238	3,988,523
San Diego Fire-Rescue	123,937,695	149,549,130	160,337,603
Special Projects	3,476,857	1,341,704	1,313,468
Stormwater Pollution Prevention <sup>(2)</sup>	2,781,109	2,343,193	2,748,385
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 743,013,269</b>	<b>\$ 817,432,989</b>	<b>\$ 864,919,912</b>

<sup>(1)</sup> The Family Justice Center was budgeted within the City Attorney's Office in Fiscal Year 2005.

<sup>(2)</sup> Reflects Fiscal Year 2005 restructuring. Includes transfer of the Purchasing Division from the General Services Department to the Financial Management Department and transfer of the Storm Water Pollution Prevention Program from General Services to the Metropolitan Wastewater Department.

<sup>(3)</sup> The Office of Homeland Security was budgeted within the San Diego Fire-Rescue Department in Fiscal Year 2004.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE I SUMMARY OF CITY FUNDS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>DEBT SERVICE AND TAX FUNDS</b>			
Bond Interest and Redemption	\$ 2,348,786	\$ 2,333,935	\$ 2,329,135
Tax Anticipation Notes	2,787,618	1,614,405	2,130,000
Zoological Exhibits	5,645,781	9,188,632	6,642,067
<b>TOTAL DEBT SERVICE AND TAX FUND EXPENDITURES</b>	<b>\$ 10,782,185</b>	<b>\$ 13,136,972</b>	<b>\$ 11,101,202</b>
<b>SPECIAL REVENUE FUNDS</b>			
AB 2928 - Transportation Relief	\$ 3,700,000	\$ -	\$ -
Centre City Maintenance Program	980,090	1,007,754	1,022,777
City Redevelopment Administration <sup>(1)</sup>	-	-	2,496,358
Community Development Block Grant	1,298,000	1,326,000	1,436,000
Convention Center Complex	13,996,642	14,102,650	14,089,576
Energy Conservation Program	1,073,449	1,062,434	1,192,740
Environmental Growth - 1/3	2,802,332	4,099,134	4,040,379
Environmental Growth - 2/3	7,176,418	7,311,468	7,317,191
Facilities Financing	2,125,159	2,244,162	2,377,012
Fire/Emergency Medical Services Transport Program	9,617,217	10,535,419	8,166,918
Fire and Lifeguard Facilities Fund	1,733,245	1,753,471	1,748,371
Gas Tax	23,504,180	23,791,501	23,877,748
Library Grant Funds	2,010,375	1,434,030	670,119
Los Peñasquitos Canyon Preserve	162,369	194,476	207,981
New Convention Facility	4,197,880	4,564,172	4,039,198
Office of the CIO	7,916,331	8,376,179	8,274,041
Optimization Program	760,411	686,898	-
PETCO Park	6,590,071	13,393,478	19,344,317
Police Decentralization	8,283,089	8,717,669	8,935,823
Public Art	118,800	60,129	52,882
QUALCOMM Stadium	20,916,355	19,343,760	14,127,604
Seized and Forfeited Assets	1,220,000	1,220,000	1,223,348
Solid Waste Local Enforcement Agency	731,922	771,606	824,131
Special Districts Administration	755,428	806,500	897,425
Special Promotional Programs	89,633,622	97,025,977	104,066,841
Storm Drain	6,035,911	6,046,746	6,046,746
Street Division Operating	49,187,321	46,742,114	48,896,116
TransNet	14,839,716	16,164,384	15,967,771
Trolley Extension Reserve	3,765,606	3,836,619	4,106,264
Undergrounding Utility District	1,206,881	1,292,229	1,358,461
Unlicensed Driver Vehicle Impound	1,320,000	1,320,000	1,353,179
Vehicle Replacement	119,236	-	-
<b>TOTAL SPECIAL REVENUE FUND EXPENDITURES</b>	<b>\$ 287,778,056</b>	<b>\$ 299,230,959</b>	<b>\$ 308,157,337</b>

<sup>(1)</sup> Beginning in Fiscal Year 2006 the City Redevelopment Administration was added to the Special Revenue Funds.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE I SUMMARY OF CITY FUNDS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>ENTERPRISE FUNDS</b>			
Airports	\$ 2,709,624	\$ 2,851,710	\$ 2,724,514
Development Services	55,732,433	59,237,401	62,386,873
Golf Course	8,829,373	10,326,252	11,075,636
Recycling	21,518,750	23,288,685	23,907,460
Refuse Disposal	32,635,118	33,956,507	34,605,602
Sewer	346,233,727	340,195,377	386,812,863
Water	290,924,366	301,052,417	311,103,533
<b>TOTAL ENTERPRISE FUND EXPENDITURES</b>	<b>\$ 758,583,391</b>	<b>\$ 770,908,349</b>	<b>\$ 832,616,481</b>
<b>INTERNAL SERVICE FUNDS</b>			
Central Stores	\$ 18,972,436	\$ 19,153,264	\$ 19,267,575
Diversity	546,096	588,270	524,244
Balboa/Mission Bay Improvements Fund	7,375,636	6,939,700	7,395,545
Engineering and Capital Projects - Water/Wastewater	28,833,483	29,782,027	29,887,611
Equipment Division	39,022,769	40,037,705	40,809,871
Publishing Services	4,499,466	4,696,705	4,749,298
Risk Management <sup>(1)</sup>	7,227,607	8,589,303	8,710,275
Special Training <sup>(1)</sup>	918,997	1,045,308	1,092,938
<b>TOTAL INTERNAL SERVICE FUND EXPENDITURES</b>	<b>\$ 107,396,490</b>	<b>\$ 110,832,282</b>	<b>\$ 112,437,357</b>
<b>GROSS TOTAL OPERATING EXPENDITURES</b>	<b>\$ 1,907,553,391</b>	<b>\$ 2,011,541,551</b>	<b>\$ 2,129,232,289</b>
Less: Internal Service Funds	\$ (107,396,490)	\$ (110,832,282)	\$ (112,437,357)
<b>NET TOTAL OPERATING EXPENDITURES</b>	<b>\$ 1,800,156,901</b>	<b>\$ 1,900,709,269</b>	<b>\$ 2,016,794,932</b>

<sup>(1)</sup> Reflects transfer of the Employees Assistance Program from the Risk Management Internal Service Fund to the Special Training Internal Service Fund in Fiscal Year 2005.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE I SUMMARY OF CITY FUNDS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>CAPITAL IMPROVEMENTS PROGRAM FUNDS</b>			
Airports Fund	\$ 490,000	\$ 490,000	\$ 400,000
Capital Outlay - Sales Tax and Other	380,860	125,000	834,046
City General Fund	-	755,000	2,103,103
Community Development Block Grant Funds	2,492,438	2,025,326	1,771,326
Congestion Mitigation and Air Quality Developer <sup>(1)</sup>	500,000	1,788,600	400,000
Developer <sup>(1)</sup>	(6,320)	9,894,047	18,025,875
Development Impact Fees	235,111	970,000	1,089,000
DIF - Planned Urbanizing Communities	1,700,000	1,682,924	-
Environmental Growth Funds	350,030	300,030	390,000
Environmental Services	5,663,000	5,150,000	5,067,000
Facilities Benefit Assessment	39,379,162	57,534,382	51,706,376
Federal Grants	6,988,240	8,055,719	350,000
Golf Course Enterprise Fund	778,000	3,200,000	3,700,000
Highway Bridge Replacement/Repair Fund	1,813,400	6,778,959	12,531,271
Housing and Urban Development Section 108 Loan	10,550,500	-	-
Lease Revenue Bonds	52,376,444	77,024,881	104,211,079
Other Funding	5,887,679	10,281,480	11,853,775
Park Development Fees	-	-	894,549
Park Service District Fees	26,044	44,000	99,564
Police Decentralization	5,012,893	2,411,351	-
Private Contributions	43,087,330	32,427,860	3,779,064
Public/Private Partnership	166,827	68,925	-
QUALCOMM Stadium	625,400	500,000	750,000
Redevelopment	3,829,100	20,000,000	10,000,000
San Diego Association of Governments (SANDAG)	-	-	103,000
Sewer Revenue - Expansion	24,835,540	16,402,606	6,221,155
Sewer Revenue - Replacement	93,926,559	136,547,874	30,424,711
Sludge Mitigation Fund	227,000	4,018,070	74,655
State Grants	12,472,148	22,423,127	18,038,105
Surface Transportation Program	6,154,315	6,154,315	-
Transient Occupancy Tax	-	80,984	58,000
TransNet	14,333,600	15,193,657	15,397,130
TransNet Commercial Paper	29,345,662	19,622,152	28,388,825
TransNet Other	600,000	-	-
Undergrounding Utility District	37,593,119	64,453,586	51,258,323
Water Revenue - Expansion	15,156,956	15,483,751	3,933,193
Water Revenue - Replacement	50,596,199	41,403,745	5,795,683
<b>TOTAL CAPITAL IMPROVEMENTS PROGRAM</b>	<b>\$ 467,567,236</b>	<b>\$ 583,292,351</b>	<b>\$ 389,648,808</b>
<b>TOTAL COMBINED BUDGET EXPENDITURES</b>	<b>\$ 2,267,724,137</b>	<b>\$ 2,484,001,620</b>	<b>\$ 2,406,443,740</b>
Less: Interfund Transactions	\$ (175,076,662)	\$ (191,245,207)	\$ (205,544,013)
<b>NET TOTAL COMBINED BUDGET</b>	<b>\$ 2,092,647,475</b>	<b>\$ 2,292,756,413</b>	<b>\$ 2,200,899,727</b>

<sup>(1)</sup> The Fiscal Year 2004 figure reflects net impact of developer contributions and developer reimbursement.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE II SUMMARY OF POSITIONS BY DEPARTMENT

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>GENERAL FUND</b>			
Citizens Assistance	2.00	4.00	4.00
City Attorney	322.94	323.11	326.11
City Auditor and Comptroller	97.87	98.82	98.82
City Clerk	46.00	46.00	45.00
City Council District 1	9.00	9.00	9.00
City Council District 2	11.00	11.00	11.00
City Council District 3	10.00	10.00	10.00
City Council District 4	10.00	10.00	10.00
City Council District 5	9.00	9.00	9.00
City Council District 6	9.00	9.00	10.00
City Council District 7	10.00	10.00	10.00
City Council District 8	10.00	10.00	10.00
City Manager	2.00	2.00	2.00
City Treasurer	97.86	105.85	100.37
Citywide Program Expenditures	13.00	12.00	11.00
Community and Economic Development	51.42	57.02	26.12
Council Administration	7.00	7.00	7.00
Engineering and Capital Projects	276.44	272.58	255.18
Environmental Services	145.86	144.08	132.57
Equal Opportunity Contracting	26.50	24.50	22.50
Ethics Commission	4.00	3.75	4.75
Family Justice Center	-	-	5.00
Financial Management <sup>(1)</sup>	48.54	45.38	43.59
General Services <sup>(1)</sup>	245.06	234.53	221.53
Governmental Relations	4.00	3.00	3.00
Human Resources	10.17	10.17	9.19
Library	419.68	408.53	397.42
Mayor	29.00	29.00	25.00
Neighborhood Code Compliance	65.02	62.02	57.12
Office of Homeland Security <sup>(2)</sup>	1.60	1.60	1.60
Park and Recreation	920.34	878.89	828.25
Personnel	58.28	57.88	55.88
Planning	72.60	66.60	55.68
Police	2,749.06	2,746.06	2,712.00
Public and Media Affairs	3.52	1.02	1.00
Real Estate Assets	46.64	43.14	38.08
San Diego Fire-Rescue	1,155.70	1,161.35	1,171.23
Special Projects	20.08	7.08	7.02
Stormwater Pollution Prevention <sup>(1)</sup>	22.36	20.35	18.35
<b>TOTAL GENERAL FUND</b>	<b>7,042.54</b>	<b>6,955.31</b>	<b>6,765.36</b>

<sup>(1)</sup> Reflects Fiscal Year 2005 restructuring. Includes transfer of the Purchasing Division from the General Services Department to the Financial Management Department and transfer of the Storm Water Pollution Prevention Program from General Services to the Metropolitan Wastewater Department.

<sup>(2)</sup> The Office of Homeland Security was budgeted within the San Diego Fire-Rescue Department in Fiscal Year 2004.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE II SUMMARY OF POSITIONS BY DEPARTMENT

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>SPECIAL REVENUE FUNDS</b>			
Centre City Maintenance Coordination	5.39	5.39	5.39
City Redevelopment Administration <sup>(1)</sup>	0.00	0.00	22.70
Community Development Block Grant	13.50	13.50	13.50
Energy Conservation Program	7.85	6.85	6.85
Facilities Financing	15.02	15.02	15.06
Fire/Emergency Medical Service Transport Program	121.50	110.60	87.90
Office of the CIO	73.42	72.91	66.88
Library Grant Funds	29.80	20.80	8.60
Los Peñasquitos Canyon Preserve	2.00	2.00	2.00
Optimization Program	7.66	6.66	-
PETCO Park	0.00	1.00	1.00
QUALCOMM Stadium	35.33	21.33	20.97
Solid Waste Local Enforcement Agency	5.00	5.00	5.00
Special Districts Administration	7.15	7.15	7.09
Special Promotional Programs	9.00	7.50	6.77
Street Division Operating	359.49	314.49	306.57
Undergrounding Utilities District	9.15	9.15	9.15
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>701.26</b>	<b>619.35</b>	<b>585.43</b>
<b>ENTERPRISE FUNDS</b>			
Airports	22.50	22.00	18.50
Development Services	533.06	532.03	507.39
Golf Course	76.00	92.00	92.00
Recycling	153.49	152.74	150.11
Refuse Disposal	201.17	200.63	190.25
Sewer	1,054.72	1,045.36	1,055.18
Water	860.74	857.87	889.39
<b>TOTAL ENTERPRISE FUNDS</b>	<b>2,901.68</b>	<b>2,902.63</b>	<b>2,902.82</b>
<b>INTERNAL SERVICE FUNDS</b>			
Central Stores	29.02	29.01	29.42
Diversity	4.00	4.00	4.00
Engineering and Capital Projects - Water/Wastewater	222.43	217.78	203.78
Equipment Division	171.06	171.03	171.03
Publishing Services	35.52	35.51	35.01
Risk Management <sup>(2)</sup>	77.77	77.77	78.17
Special Training <sup>(2)</sup>	9.00	9.00	9.00
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>548.80</b>	<b>544.10</b>	<b>530.41</b>

<sup>(1)</sup> Beginning in Fiscal Year 2006 the City Redevelopment Administration was added to the Special Revenue Funds.

<sup>(2)</sup> Reflects transfer of the Employees Assistance Program from the Risk Management Internal Service Fund to the Special Training Internal Service Fund in Fiscal Year 2005.

# Annual Budget Financial Summary

## Budget Summary Schedules

**SCHEDULE II**  
**SUMMARY OF POSITIONS BY DEPARTMENT**

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>OTHER FUNDS</b>			
City Retirement Office	50.00	50.00	50.00
Maintenance Assessment Districts	15.50	15.50	15.50
Maintenance Assessment Districts Management	9.25	9.25	8.25
<b>TOTAL OTHER FUNDS</b>	<u>74.75</u>	<u>74.75</u>	<u>73.75</u>
<b>TOTAL BUDGETED POSITIONS</b>	<u>11,269.03</u>	<u>11,096.14</u>	<u>10,857.77</u>



# Annual Budget Financial Summary

## Budget Summary Schedules

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CITY EMPLOYEES PER 1,000 POPULATION

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FISCAL YEAR	NUMBER OF EMPLOYEES <sup>(1)</sup>		CITY POPULATION	EMPLOYEES PER 1,000 POPULATION <sup>(1)</sup>	
	<i>General Fund</i>	<i>Total City</i>		<i>General Fund</i>	<i>Total City</i>
1970	4,570	5,407	697,027 <sup>(2)</sup>	6.56	7.76
1980	5,246	6,187	875,538 <sup>(2)</sup>	5.99	7.07
1990	6,565	8,852	1,110,623 <sup>(2)</sup>	5.91	7.97
2000	6,650	10,083	1,223,400 <sup>(2)</sup>	5.44	8.24
2001	6,836 <sup>(4)</sup>	10,576	1,238,500 <sup>(3)</sup>	5.51	8.53
2002	7,100	11,000	1,251,700 <sup>(3)</sup>	5.67	8.79
2003	7,172	11,236	1,281,400 <sup>(3)</sup>	5.62	8.82
2004	7,043	11,269	1,294,000 <sup>(3)</sup>	5.45	8.72
2005	6,955	11,096	1,314,000 <sup>(5)</sup>	5.29	8.44
2006	6,765	10,858	1,306,000 <sup>(5)</sup>	5.18	8.10

<sup>(1)</sup> Fiscal Years 1980 and 1990 include both regular and grant-funded employees. See Schedule II for a breakdown by funding category.

<sup>(2)</sup> Census counts for April 1 of that year, as reported by the U.S. Department of Commerce, Federal Bureau of the Census.

<sup>(3)</sup> These January 1 estimates reflect the most current figures available from the State Department of Finance, Demographic Research Unit, and are subject to revision.

<sup>(4)</sup> Number revised due to internal restructuring.

<sup>(5)</sup> Figure is January 1 projection for that year. Prepared by the City of San Diego, Planning Department, Urban Analysis section and is subject to revision.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>GENERAL FUND</b>			
CARRYOVER FROM PRIOR YEAR	\$ 11,581,568	\$ 11,600,000	\$ 9,930,966
<b>PROPERTY TAX REVENUE <sup>(1)</sup></b>	<b>\$ 199,750,958</b>	<b>\$ 269,553,640</b>	<b>\$ 290,444,405</b>
<b>NON-PROPERTY TAX REVENUE</b>			
<b>OTHER LOCAL TAXES</b>			
Sales Tax	\$ 124,550,024	\$ 135,780,787	\$ 144,142,130
Safety Sales Tax	3,397,853	3,932,596	6,087,926
Property Transfer Tax	8,472,719	10,573,253	14,906,437
Transient Occupancy Tax	57,998,226	62,781,514	67,337,368
Subtotal Other Local Taxes	<u>\$ 194,418,822</u>	<u>\$ 213,068,150</u>	<u>\$ 232,473,861</u>
<b>LICENSES AND PERMITS</b>			
General Business Taxes	\$ 10,039,000	\$ 12,935,000	\$ 13,734,000
Other Regulatory Licenses	379,500	379,500	876,122
Bicycle Licenses	16,250	16,250	16,250
Street and Curb Permits	64,000	64,080	125,500
Other Licenses and Permits	5,686,521	6,650,545	7,033,444
Parking Meter Revenue	7,236,815	6,636,815	6,868,315
Subtotal Licenses and Permits	<u>\$ 23,422,086</u>	<u>\$ 26,682,190</u>	<u>\$ 28,653,631</u>
<b>FINES, FORFEITURES, AND PENALTIES</b>			
California Vehicle Code Violations	\$ 6,230,000	\$ 7,344,809	\$ 7,344,809
Other California and Municipal Violations	1,517,642	596,642	596,642
City Parking Violations	17,159,472	17,171,472	17,171,472
Litigation Awards and Cost Recovery	4,464,633	6,890,941	7,247,000
Subtotal Fines, Forfeitures, and Penalties	<u>\$ 29,371,747</u>	<u>\$ 32,003,864</u>	<u>\$ 32,359,923</u>
<b>REVENUE FROM MONEY AND PROPERTY</b>			
Interest Earnings	\$ 1,200,223	\$ 1,200,223	\$ 1,200,223
Franchises	52,086,577	56,782,641	63,489,876
Balboa Park Rents and Concessions	923,000	969,000	578,100
Mission Bay Park Rents and Concessions	20,044,000	23,181,000	22,950,355
Other Parks and Recreation Facilities Rents and Concessions	2,329,408	2,012,775	2,091,485
Centre City Rents	1,541,000	1,571,000	2,035,631
Other Rents and Concessions	6,571,228	6,611,419	6,508,457
Subtotal Revenue from Money and Property	<u>\$ 84,695,436</u>	<u>\$ 92,328,058</u>	<u>\$ 98,854,127</u>
<b>REVENUE FROM OTHER AGENCIES</b>			
Motor Vehicle License Fees <sup>(1)</sup>	\$ 74,893,491	\$ 9,865,939	\$ 9,516,832
Other State Grants and Allocations	9,121,533	9,161,533	7,296,533
Federal Grants	-	487,317	508,587
Revenue from Other Sources	458,124	1,193,094	1,227,170
Unified Port District Reimbursement	833,765	833,765	833,765
Subtotal Revenue from Other Agencies	<u>\$ 85,306,913</u>	<u>\$ 21,541,648</u>	<u>\$ 19,382,887</u>

<sup>(1)</sup> In Fiscal Year 2005, State Legislation eliminated the VLF Backfill and increased the City's share of Property Tax by an equivalent amount. The Fiscal Year 2005 Property Tax Budget also reflects the City's \$17.3 million "contribution" to the State.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>CHARGES FOR CURRENT SERVICES</b>			
Library Revenue	\$ 2,056,099	\$ 1,836,460	\$ 1,345,000
Golf Course Revenue	209,000	265,000	255,902
Swimming Pool Revenue	1,287,920	1,806,715	1,864,758
Miscellaneous Recreation Revenue	3,301,478	3,233,305	3,087,904
Cemetery Revenue	700,600	804,600	904,600
Repair and Damage Recoveries	60,000	60,000	30,000
Election Fees	11,500	4,500	8,100
Planning and Miscellaneous Filing Fees	192,580	193,880	193,880
Police Services	2,710,000	3,042,000	3,232,597
Emergency Medical Services	183,000	152,500	170,333
Fire Services	1,927,550	7,770,736	3,947,292
Engineering Services	4,798,710	5,934,213	5,378,339
Redevelopment Services	1,592,321	1,800,694	-
Services to Unified Port District	2,832,000	3,000,000	3,250,000
Parking Citation Processing	145,000	145,000	145,000
Other Services	3,400,262	3,809,979	3,703,643
Services to Transient Occupancy Tax Fund	611,086	611,086	519,204
Engineering Services to Other City Funds	13,916,990	12,574,080	12,319,945
Facilities Maintenance Services to Other City Funds	3,649,060	3,674,577	3,674,577
Community Services to Other City Funds	265,000	272,950	281,139
General Government and Financial Services to Other City Funds	22,357,112	25,183,071	22,496,573
Real Estate Assets Services to Other City Funds	1,127,832	1,137,380	730,000
Miscellaneous Services to Other City Funds	3,567,194	5,289,800	4,878,678
Subtotal Charges for Current Services	\$ 70,902,294	\$ 82,602,526	\$ 72,417,464
<b>TRANSFERS FROM OTHER FUNDS</b>			
Transient Occupancy Tax Fund	\$ 18,716,357	\$ 32,841,197	\$ 39,110,036
Engineering Services to Other City Funds	6,847,153	7,093,379	7,070,365
Street Maintenance Services to Other City Funds	5,032,589	5,042,385	4,988,967
General Government and Financial Services to Other City Funds	247,850	247,850	2,435,457
Miscellaneous Services to Other City Funds	939,372	1,677,537	1,833,781
Environmental Growth Fund	691,932	2,191,932	8,791,932
Other Transfers and Contributions	10,215,224	18,079,765	15,355,443
Subtotal Transfers from Other Funds	\$ 42,690,477	\$ 67,174,045	\$ 79,585,981
<b>OTHER REVENUE</b>			
Sale of Personal Property	\$ 180,968	\$ 186,868	\$ 135,000
Miscellaneous Revenue	692,000	692,000	681,667
Subtotal Other Revenue	\$ 872,968	\$ 878,868	\$ 816,667
TOTAL NON-PROPERTY TAX REVENUE	\$ 531,680,743	\$ 536,279,349	\$ 564,544,541
TOTAL GENERAL FUND BALANCE AND REVENUE	\$ 743,013,269	\$ 817,432,989	\$ 864,919,912

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>DEBT SERVICE AND TAX FUNDS</b>			
BALANCES FROM PRIOR YEAR	\$ 5,230,635	\$ 5,644,635	\$ 2,375,832
<b>PROPERTY TAX REVENUE</b>			
Bond Interest and Redemption	\$ 2,093,501	\$ 2,143,541	\$ 2,095,449
Zoological Exhibits	5,407,910	5,843,760	6,522,188
Total Property Tax Revenue	\$ 7,501,411	\$ 7,987,301	\$ 8,617,637
<b>NON-PROPERTY TAX REVENUE</b>			
Tax Anticipation Notes	\$ 3,211,118	\$ 1,614,405	\$ 2,137,500
Total Non-Property Tax Revenue	\$ 3,211,118	\$ 1,614,405	\$ 2,137,500
REVENUE RESERVED FOR FUTURE OBLIGATIONS	\$ (5,160,979)	\$ (2,109,369)	\$ (2,029,767)
TOTAL DEBT SERVICE AND TAX FUND BALANCES AND REVENUE	<u>\$ 10,782,185</u>	<u>\$ 13,136,972</u>	<u>\$ 11,101,202</u>
<b>SPECIAL REVENUE FUNDS</b>			
BALANCES FROM PRIOR YEAR	\$ 54,252,817	\$ 86,155,985	\$ 50,966,112
<b>NON-PROPERTY TAX REVENUE</b>			
<b>OTHER LOCAL TAXES</b>			
Sales Tax	\$ 64,735,394	\$ 64,098,658	\$ 69,713,606
Safety Sales Tax	2,800,200	2,796,600	1,646,408
Transient Occupancy Tax	61,092,733	57,074,104	61,215,789
Facilities Benefits Assessments	1,410,073	1,625,010	1,627,762
Subtotal Other Local Taxes	\$ 130,038,400	\$ 125,594,372	\$ 134,203,565
<b>REVENUE FROM MONEY AND PROPERTY</b>			
QUALCOMM Stadium	\$ 12,089,200	\$ 9,938,737	\$ 6,279,000
Midway and Sports Arena Leases	3,068,554	3,223,545	3,320,251
Franchises	48,948,209	50,015,590	54,614,671
Interest Earnings	1,233,478	1,187,818	1,396,861
Miscellaneous	417,011	397,781	506,000
Subtotal Revenue from Money and Property	\$ 65,756,452	\$ 64,763,471	\$ 66,116,783
<b>REVENUE FROM OTHER AGENCIES</b>			
Gas Tax	\$ 23,075,619	\$ 23,532,052	\$ 23,538,467
TransNet Funds	57,083,661	29,341,467	30,782,249
Storm Drain Fees	6,035,911	6,046,746	6,046,746
Miscellaneous	414,466	714,496	328,959
Federal Seized Assets	800,000	800,000	800,000
Library Grant	1,306,897	565,103	514,346
CDBG Federal Grant	1,298,000	1,326,000	1,326,000
AB 2928 - Transportation Relief	2,600,000	-	-
Other Agencies <sup>(1)</sup>	4,603,000	4,695,100	6,770,321
Subtotal Revenue from Other Agencies	\$ 97,217,554	\$ 67,020,964	\$ 70,107,088

<sup>(1)</sup> Beginning in Fiscal Year 2006 the City Redevelopment Administration was added to the Special Revenue Funds.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>TRANSFERS FROM OTHER FUNDS</b>			
Transfers from Transient Occupancy Tax Fund	\$ 23,304,849	\$ 33,528,420	\$ 36,521,455
Transfers Miscellaneous	823,621	9,073,852	8,480,257
Transfers from Landscape Maintenance Districts	426,022	483,469	488,971
Transfers from General Fund	2,478,789	1,400,913	1,626,073
Transfers from Gas Tax Fund	19,548,124	18,994,953	18,338,562
Transfers from TransNet Fund	9,237,466	10,877,297	12,728,673
Transfers from AB 2928 - Transportation Relief Fund	3,700,000	-	-
Transfers from Water and Sewer Funds	3,040,466	3,300,795	816,996
Subtotal Transfers from Other Funds	\$ 62,559,337	\$ 77,659,699	\$ 79,000,987
<b>OTHER REVENUE</b>			
Unlicensed Driver Vehicle Impound Fee	\$ 1,200,000	\$ 1,165,000	\$ 1,165,000
Facility Fees	250,000	246,465	246,465
Tonnage Fees	265,335	317,200	317,200
Permit Application Fees	2,800	-	-
Paramedic Limited Liability Company Fees	7,823,188	9,091,052	6,115,709
Bond Proceeds	-	19,622,151	28,388,825
Miscellaneous	11,608,595	4,171,690	3,054,256
Subtotal Other Revenue	\$ 21,149,918	\$ 34,613,558	\$ 39,287,455
TOTAL NON-PROPERTY TAX REVENUE	\$ 376,721,661	\$ 369,652,064	\$ 388,715,878
REVENUE RESERVED FOR FUTURE OBLIGATIONS	\$ (143,196,422)	\$ (156,577,090)	\$ (131,524,653)
TOTAL SPECIAL REVENUE FUND BALANCES AND REVENUE	\$ 287,778,056	\$ 299,230,959	\$ 308,157,337
<b>ENTERPRISE FUNDS</b>			
<b>AIRPORTS FUND</b>			
BALANCE FROM PRIOR YEAR	\$ 7,333,159	\$ 8,413,300	\$ 6,431,788
<b>REVENUE</b>			
CIP Grants	\$ 400,000	\$ -	\$ 1,710,000
Interest	200,000	300,000	300,000
Leases - Aviation/Non-Aviation	2,641,588	2,975,845	3,050,249
Leases to Other City Departments	265,923	295,169	310,968
Airport Fees	396,482	469,262	483,741
Miscellaneous Revenue	272,228	20,000	19,900
Revenue For Future Obligations/CIP	(8,799,756)	(9,621,866)	(9,582,132)
TOTAL AIRPORTS FUND BALANCE AND REVENUE	\$ 2,709,624	\$ 2,851,710	\$ 2,724,514

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>DEVELOPMENT SERVICES FUND</b>			
BALANCE FROM PRIOR YEAR	\$ (1,073,256)	\$ 6,790,206	\$ 10,439,224
<b>REVENUE</b>			
Building Permits/Plan Check Fees	\$ 12,816,850	\$ 12,456,070	\$ 11,873,889
Structural, Electrical, Mechanical and Combination Permits	16,302,663	14,504,723	13,471,142
Engineering and Development Fees	291,408	344,460	904,156
Interest	-	530,000	427,249
Other Fees and Revenue	1,837,939	1,581,515	7,949,490
Zoning and Sign Permit Revenue	506,173	598,324	571,662
Development and Environmental Planning	4,512,012	5,207,648	5,796,491
Fire Plan Check and Inspection	1,895,000	1,974,271	4,237,867
TransNet	530,000	548,550	493,695
Water/Sewer Reimbursement	2,298,951	2,653,390	332,117
Subdivision Permits	16,970,561	19,586,990	17,748,654
Revenue for Future Obligations	(1,155,867)	(7,538,746)	(11,858,763)
<b>TOTAL DEVELOPMENT SERVICES FUND BALANCE AND REVENUE</b>	<b>\$ 55,732,433</b>	<b>\$ 59,237,401</b>	<b>\$ 62,386,873</b>
<b>GOLF COURSE FUND</b>			
BALANCE FROM PRIOR YEAR	\$ 7,299,215	\$ 10,402,511	\$ 12,750,215
<b>REVENUE</b>			
Golf Fees	\$ 10,536,491	\$ 10,059,929	\$ 10,200,000
Rents and Concessions	995,011	1,464,045	1,617,000
Interest	215,900	215,900	175,000
Revenue Reserved for Transfer - CIP	(580,000)	(3,200,000)	(3,700,000)
Revenue For Future Obligations	(9,637,244)	(8,616,133)	(9,966,579)
<b>TOTAL GOLF COURSE FUND BALANCE AND REVENUE</b>	<b>\$ 8,829,373</b>	<b>\$ 10,326,252</b>	<b>\$ 11,075,636</b>
<b>RECYCLING FUND</b>			
BALANCE FROM PRIOR YEAR	\$ 7,818,019	\$ 8,182,796	\$ 6,469,941
<b>REVENUE</b>			
Recycling Fees	\$ 11,025,000	\$ 11,380,000	\$ 11,480,000
Interest Revenue	650,000	400,000	140,000
SB 332 Revenue	800,000	800,000	800,000
Transfer of Navy and Other Exempt Tonnage Subsidy	620,000	860,000	1,040,000
Facility Franchise Fee Apportionment	2,300,000	1,700,000	2,000,000
Curbside Recycling Revenue	1,100,000	2,100,000	2,400,000
State Grants	536,000	487,000	387,000
Other Revenue	40,000	153,400	165,400
Revenue for Future Obligations	(3,370,269)	(2,774,511)	(974,881)
<b>TOTAL RECYCLING FUND BALANCE AND REVENUE</b>	<b>\$ 21,518,750</b>	<b>\$ 23,288,685</b>	<b>\$ 23,907,460</b>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>REFUSE DISPOSAL FUND</b>			
BALANCE FROM PRIOR YEAR	\$ 6,862,958	\$ 16,199,934	\$ 15,195,243
<b>REVENUE</b>			
Interest	\$ 1,700,000	\$ 1,550,000	\$ 1,025,000
Green Fees	1,608,000	1,640,000	1,640,000
General Fund Loan Repayment for Operations Station	960,124	960,124	1,845,196
Miscellaneous Revenue	1,440,000	1,335,311	1,258,716
Disposal Fees	28,386,000	29,660,000	29,770,000
Revenue Reserved for Transfer - CIP	(6,363,000)	(5,150,000)	(5,067,000)
Revenue for Future Obligations	(1,958,964)	(12,238,862)	(11,061,553)
<b>TOTAL REFUSE DISPOSAL FUND BALANCE AND REVENUE</b>	<b>\$ 32,635,118</b>	<b>\$ 33,956,507</b>	<b>\$ 34,605,602</b>
<b>SEWER FUND</b>			
BALANCE FROM PRIOR YEAR	\$ 159,982,975	\$ 163,301,398	\$ 173,451,638
<b>REVENUE</b>			
Bond Proceeds	\$ 213,110,000	\$ 313,627,118	\$ -
Contributions in Aid	7,083,111	5,482,698	-
Grant Receipts	963,198	605,718	100,000
Capacity Charges	18,000,000	17,000,000	12,000,000
State Revolving Fund Proceeds	3,163,039	20,980,158	-
Sewer Service Charges	208,488,168	224,000,000	239,347,319
New Sewer Service Connections	200,000	200,000	200,000
Sewage Treatment Plant Services	69,043,573	63,104,427	64,464,863
Services Rendered to Others	7,385,170	6,872,066	7,188,634
Other Revenue	287,400	261,497	241,533
Interest	14,500,000	5,000,000	5,000,000
Cogeneration Electric Power Sales	1,009,000	1,101,870	1,075,896
Revenue Reserved for Transfer - CIP	(240,615,173)	(308,595,214)	(36,645,866)
Revenue Reserved for Future Obligations	(116,366,734)	(172,746,359)	(79,611,154)
<b>TOTAL SEWER FUND BALANCE AND REVENUE</b>	<b>\$ 346,233,727</b>	<b>\$ 340,195,377</b>	<b>\$ 386,812,863</b>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE III ANALYSIS OF FINANCING DOLLARS

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>WATER FUND</b>			
BALANCE FROM PRIOR YEAR	\$ 160,785,154	\$ 176,185,695	\$ 162,751,571
<b>REVENUE</b>			
Bond Proceeds	\$ 78,326,200	\$ 66,074,570	\$ -
Capacity Charges	17,243,300	16,916,000	16,574,000
Contributions in Aid	2,936,632	175,000	675,000
Grant Receipts	3,754,963	4,372,495	5,782,828
Change in Anticipated Contributions	93,276	-	-
Reimbursement from Capital Outlay Fund	114,700	114,700	3,157,700
Water Sales	225,460,239	243,698,739	261,391,273
Reclaimed Water	2,661,000	3,279,000	3,513,700
Land and Building Rentals	3,742,872	3,871,032	4,121,333
New Water Services	1,648,000	2,100,000	2,100,000
Sale of Discarded Materials and Facilities	14,000	14,000	14,000
Interest	9,408,000	4,532,000	2,532,000
Damages Recovered	290,200	290,200	290,200
Services Rendered to Others	7,362,716	7,723,195	10,170,391
Service Charges	453,400	509,000	600,000
Other Revenue	1,255,454	379,685	322,615
Lakes Recreation	1,422,200	1,402,600	1,454,300
Revenue Reserved for Transfer - CIP	(68,026,994)	(57,563,517)	(11,440,376)
Revenue Reserved for Future Obligations	(158,020,946)	(173,021,977)	(152,907,002)
<b>TOTAL WATER FUND BALANCE AND REVENUE</b>	<b>\$ 290,924,366</b>	<b>\$ 301,052,417</b>	<b>\$ 311,103,533</b>
<b>TOTAL ENTERPRISE FUND BALANCES AND REVENUE</b>	<b>\$ 758,583,391</b>	<b>\$ 770,908,349</b>	<b>\$ 832,616,481</b>
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 1,800,156,901</b>	<b>\$ 1,900,709,269</b>	<b>\$ 2,016,794,932</b>



# Annual Budget Financial Summary

## Budget Summary Schedules

**SCHEDULE III**  
**ANALYSIS OF FINANCING DOLLARS**

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>CAPITAL IMPROVEMENTS PROGRAM FUNDS</b>			
<b>OTHER LOCAL TAXES</b>			
Sales Tax/Capital Outlay	\$ 380,860	\$ 125,000	\$ 834,046
<b>REVENUE FROM OTHER AGENCIES</b>			
Reimbursements From Other Agencies	\$ 5,642,500	\$ 26,847,884	\$ 22,634,271
Federal Grants	26,685,493	18,023,960	2,521,326
TransNet	14,333,600	15,193,657	15,397,130
Proposition A Bikeways	600,000	-	-
State Grants	12,472,148	22,423,127	18,038,105
Subtotal Revenue From Other Agencies	\$ 59,733,741	\$ 82,488,628	\$ 58,590,832
<b>OTHER REVENUES</b>			
Special Assessments	\$ 39,379,162	\$ 57,534,382	\$ 52,041,376
Revenue From Other Funds	7,906,430	13,702,100	10,793,219
Miscellaneous Revenue	56,336,564	58,503,646	35,018,866
Lease Revenue Bonds	52,376,444	77,024,881	104,637,079
Commercial Paper	29,345,662	19,622,152	28,388,825
Undergrounding Utility District	37,593,119	64,453,586	51,258,323
Subtotal Other Revenues	\$ 222,937,381	\$ 290,840,747	\$ 282,137,688
<b>REVENUE FROM UTILITIES</b>			
Sewer Revenue	\$ 118,762,099	\$ 152,950,480	\$ 36,645,866
Water Revenue	65,753,155	56,887,496	11,440,376
Subtotal Revenue from Utilities	\$ 184,515,254	\$ 209,837,976	\$ 48,086,242
TOTAL CAPITAL IMPROVEMENTS REVENUE	\$ 467,567,236	\$ 583,292,351	\$ 389,648,808
TOTAL COMBINED BUDGET REVENUES	<u>\$ 2,267,724,137</u>	<u>\$ 2,484,001,620</u>	<u>\$ 2,406,443,740</u>
Less: Interfund Transactions	\$ (175,076,662)	\$ (191,245,207)	\$ (205,544,013)
NET TOTAL COMBINED BUDGET REVENUES	<u>\$ 2,092,647,475</u>	<u>\$ 2,292,756,413</u>	<u>\$ 2,200,899,727</u>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE IV SUMMARY OF REVENUES BY CATEGORY BY FUND

Fund Type / Title	Property Taxes	Sales and Other Local Taxes	Licenses and Permits	Fines, Forfeitures, and Penalties	Revenue from Money and Property
<b>GENERAL FUND</b>	<b>\$ 290,444,405</b>	<b>\$ 232,473,861</b>	<b>\$ 28,653,631</b>	<b>\$ 32,359,923</b>	<b>\$ 98,854,127</b>
<b>Debt Service and Tax Funds</b>					
Bond Interest and Redemption	\$ 2,095,449	\$ -	\$ -	\$ -	\$ -
Tax Anticipation Notes	-	-	-	-	2,137,500
Zoological Exhibits	6,522,188	-	-	-	-
<b>TOTAL</b>	<b>\$ 8,617,637</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,137,500</b>
<b>Special Revenue Funds</b>					
Centre City Maintenance Program	\$ -	\$ 888,549	\$ -	\$ -	\$ 9,000
City Redevelopment Administration	-	-	-	-	-
Community Development Block Grant (CDBG)	-	-	-	-	-
Convention Center Complex	-	-	-	-	200,000
Energy Conservation Program	-	-	-	-	-
Environmental Growth - 1/3	-	-	-	-	4,283,801
Environmental Growth - 2/3	-	-	-	-	8,514,103
Facilities Financing	-	35,000	1,629,262	-	13,600
Fire/Emergency Medical Services Transport Program	-	-	-	-	-
Fire and Lifeguard Facilities Fund	-	1,646,408	-	-	-
Gas Tax	-	-	-	-	339,282
Library Grant Funds	-	-	-	-	-
Los Peñasquitos Canyon Preserve	-	-	-	-	6,000
New Convention Facility	-	-	-	-	-
Office of the CIO	-	-	-	-	-
PETCO Park	-	-	-	-	1,304,205
Police Decentralization	-	8,918,861	-	-	-
Public Art	-	-	-	-	-
QUALCOMM Stadium	-	-	-	-	9,525,951
Seized and Forfeited Assets	-	-	-	-	-
Solid Waste Local Enforcement Agency	-	-	563,665	-	8,500
Special Districts Administration	-	-	-	-	-
Special Promotional Programs	-	104,066,841	-	-	-
Storm Drain	-	-	-	-	-
Street Division Operating	-	17,020,144	-	-	-
TransNet	-	30,782,249	-	-	-
Trolley Extension Reserve	-	-	-	-	-
Undergrounding Utility District	-	-	-	-	42,258,323
Unlicensed Driver Vehicle Impound	-	-	-	1,165,000	35,000
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 163,358,052</b>	<b>\$ 2,192,927</b>	<b>\$ 1,165,000</b>	<b>\$ 66,497,765</b>
<b>Enterprise Funds</b>					
Airports	\$ -	\$ -	\$ -	\$ -	\$ 3,670,217
Development Services	-	-	36,840,250	-	427,250
Golf Course	-	-	-	-	1,352,000
Recycling	-	-	-	-	205,400
Refuse Disposal	-	-	-	12,000	1,025,000
Sewer	-	-	-	-	5,100,533
Water	-	-	1,000	-	6,653,333
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,841,250</b>	<b>\$ 12,000</b>	<b>\$ 18,433,733</b>
<b>Capital Project Funds</b>	<b>\$ -</b>	<b>\$ 834,046</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal Service Funds</b>					
Central Stores	\$ -	\$ -	\$ -	\$ -	\$ -
Diversity	-	-	-	-	-
Balboa/Mission Bay Improvement Fund	-	-	-	-	-
Engineering and Capital Projects - Water/Wastewater	-	-	-	-	-
Equipment Division	-	-	-	-	-
Publishing Services	-	-	-	-	-
Risk Management	-	-	-	-	-
Special Training	-	-	-	-	-
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GROSS TOTAL COMBINED BUDGET REVENUES</b>	<b>\$ 299,062,042</b>	<b>\$ 396,665,959</b>	<b>\$ 67,687,808</b>	<b>\$ 33,536,923</b>	<b>\$ 185,923,125</b>
Percent of Total	12.5%	16.6%	2.8%	1.4%	7.8%

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE IV SUMMARY OF REVENUES BY CATEGORY BY FUND

Revenue from Other Agencies	Charges for Current Services	Other Revenue	Transfers from Other Funds	Total Revenues	Fund Type / Title
\$ 19,382,887	\$ 72,417,464	\$ 816,667	\$ 89,516,947	\$ 864,919,912	<b>GENERAL FUND</b>
					<b>Debt Service and Tax Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 2,095,449	Bond Interest and Redemption
-	-	-	-	2,137,500	Tax Anticipation Notes
-	-	-	-	6,522,188	Zoological Exhibits
\$ -	\$ -	\$ -	\$ -	\$ 10,755,137	<b>TOTAL</b>
					<b>Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 897,549	Centre City Maintenance Program
-	-	-	2,085,221	2,085,221	City Redevelopment Administration
-	1,326,000	-	-	1,326,000	Community Development Block Grant (CDBG)
4,500,000	-	-	9,721,006	14,421,006	Convention Center Complex
-	-	-	1,192,740	1,192,740	Energy Conservation Program
-	-	-	-	4,283,801	Environmental Growth - 1/3
-	-	-	-	8,514,103	Environmental Growth - 2/3
-	186,000	700	259,222	2,123,784	Facilities Financing
220,000	1,802,444	6,115,709	-	8,138,153	Fire/Emergency Medical Services Transport Program
-	-	-	-	1,646,408	Fire and Lifeguard Facilities Fund
23,538,466	-	-	-	23,877,748	Gas Tax
514,346	-	-	-	514,346	Library Grant Funds
-	-	-	170,000	176,000	Los Peñasquitos Canyon Preserve
-	-	-	4,039,198	4,039,198	New Convention Facility
-	238,679	-	7,926,889	8,165,568	Office of the CIO
-	-	190,000	15,629,197	17,123,402	PETCO Park
-	-	-	-	8,918,861	Police Decentralization
-	-	-	52,882	52,882	Public Art
-	-	14,100	3,000,000	12,540,051	QUALCOMM Stadium
800,000	-	-	-	800,000	Seized and Forfeited Assets
-	-	-	195,100	767,265	Solid Waste Local Enforcement Agency
-	488,971	-	321,897	810,868	Special Districts Administration
-	-	-	-	104,066,841	Special Promotional Programs
-	6,046,746	-	-	6,046,746	Storm Drain
20,000	-	165,000	31,690,972	48,896,116	Street Division Operating
-	13,000	28,958,477	-	59,753,726	TransNet
-	-	-	4,079,172	4,079,172	Trolley Extension Reserve
-	-	-	-	42,258,323	Undergrounding Utility District
-	-	-	-	1,200,000	Unlicensed Driver Vehicle Impound
\$ 29,592,812	\$ 10,101,840	\$ 35,443,986	\$ 80,363,496	\$ 388,715,878	<b>TOTAL</b>
					<b>Enterprise Funds</b>
\$ -	\$ 494,641	\$ 400,000	\$ -	\$ 4,564,858	Airports
-	22,807,099	123,180	3,608,635	63,806,412	Development Services
-	10,640,000	-	-	11,992,000	Golf Course
1,287,000	14,520,000	2,400,000	-	18,412,400	Recycling
-	31,901,247	195,000	2,405,665	35,538,912	Refuse Disposal
100,000	319,106,339	211,373	5,100,000	329,618,245	Sewer
6,457,828	288,521,788	3,679,400	7,385,991	312,699,340	Water
\$ 7,844,828	\$ 687,991,114	\$ 7,008,953	\$ 18,500,291	\$ 776,632,167	<b>TOTAL</b>
\$ 58,590,832	\$ -	\$ 174,157,310	\$ 2,115,103	235,697,291	<b>Capital Project Funds</b>
					<b>Internal Service Funds</b>
\$ -	\$ -	\$ 30,000	\$ 19,267,359	\$ 19,297,359	Central Stores
-	-	-	459,096	459,096	Diversity
-	-	-	7,271,298	7,271,298	Balboa/Mission Bay Improvement Fund
-	-	-	29,887,611	29,887,611	Engineering and Capital Projects - Water/Wastewater
-	1,280,000	1,111,500	45,341,110	47,732,610	Equipment Division
-	-	-	4,749,298	4,749,298	Publishing Services
-	5,000	-	8,702,480	8,707,480	Risk Management
-	15,000	-	1,031,496	1,046,496	Special Training
\$ -	\$ 1,300,000	\$ 1,141,500	\$ 116,709,748	\$ 119,151,248	<b>TOTAL</b>
\$ 115,411,359	\$ 771,810,418	\$ 218,568,416	\$ 307,205,585	\$ 2,395,871,633	<b>GROSS TOTAL COMBINED BUDGET REVENUES</b>
4.8%	32.2%	9.1%	12.8%	100.0%	Percent of Total

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE V SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCES

Fund Type / Title	Fund Balances and Reserves	CIP and Operating Revenue	Total Resources	CIP Project Expense
<b>GENERAL FUND</b>	<b>\$ 9,930,966</b>	<b>\$ 854,988,946</b>	<b>\$ 864,919,912</b>	<b>\$ -</b>
<b>Debt Service and Tax Funds</b>				
Bond Interest and Redemption	\$ 2,238,453	\$ 2,095,449	\$ 4,333,902	\$ -
Tax Anticipation Notes	17,500	2,137,500	2,155,000	-
Zoological Exhibits	119,879	6,522,188	6,642,067	-
<b>TOTAL</b>	<b>\$ 2,375,832</b>	<b>\$ 10,755,137</b>	<b>\$ 13,130,969</b>	<b>\$ -</b>
<b>Special Revenue Funds</b>				
Centre City Maintenance Program	617,102	897,549	1,514,651	-
City Redevelopment Administration	411,137	2,085,221	2,496,358	-
Community Development Block Grant	110,020	1,326,000	1,436,020	-
Convention Center Complex	7,682,472	14,421,006	22,103,478	-
Energy Conservation Program	476,677	1,192,740	1,669,417	-
Environmental Growth - 1/3	1,593,784	4,283,801	5,877,585	390,000
Environmental Growth - 2/3	2,788,372	8,514,103	11,302,475	-
Facilities Financing	253,228	2,123,784	2,377,012	-
Fire/Emergency Medical Services Transport Program	1,853,532	8,138,153	9,991,685	-
Fire and Lifeguard Facilities Fund	1,668,603	1,646,408	3,315,011	-
Gas Tax	-	23,877,748	23,877,748	-
Library Grant Funds	240,563	514,346	754,909	-
Los Peñasquitos Canyon Preserve	125,397	176,000	301,397	-
New Convention Facility	613,223	4,039,198	4,652,421	-
Office of the CIO	2,087,264	8,165,568	10,252,832	513,997
PETCO Park	12,130,598	17,123,402	29,254,000	-
Police Decentralization	67,510	8,918,861	8,986,371	-
Public Art	121,163	52,882	174,045	-
QUALCOMM Stadium	3,408,122	12,540,051	15,948,173	750,000
Seized and Forfeited Assets	429,905	800,000	1,229,905	-
Solid Waste Local Enforcement Agency	526,784	767,265	1,294,049	-
Special Districts Administration	86,557	810,868	897,425	-
Special Promotional Programs	-	104,066,841	104,066,841	-
Storm Drain	-	6,046,746	6,046,746	-
Street Division Operating Fund	-	48,896,116	48,896,116	-
TransNet	-	59,753,726	59,753,726	43,785,955
Trolley Extension Reserve	2,130,456	4,079,172	6,209,628	-
Undergrounding Utility District	10,358,461	42,258,323	52,616,784	51,258,323
Unlicensed Driver Vehicle Impound	1,185,182	1,200,000	2,385,182	-
<b>TOTAL</b>	<b>\$ 50,966,112</b>	<b>\$ 388,715,878</b>	<b>\$ 439,681,990</b>	<b>\$ 96,698,275</b>
<b>Enterprise Funds</b>				
Airports	\$ 6,431,788	\$ 4,564,858	\$ 10,996,646	\$ 400,000
Development Services	10,439,224	63,806,412	74,245,636	-
Golf Course	12,750,215	11,992,000	24,742,215	3,700,000
Recycling	6,469,941	18,412,400	24,882,341	-
Refuse Disposal	15,195,243	35,538,912	50,734,155	5,067,000
Sewer	173,451,638	329,618,245	503,069,883	36,645,866
Water	162,751,571	312,699,340	475,450,911	11,440,376
<b>TOTAL</b>	<b>\$ 387,489,620</b>	<b>\$ 776,632,167</b>	<b>\$ 1,164,121,787</b>	<b>\$ 57,253,242</b>
<b>Capital Project Funds</b>	<b>\$ -</b>	<b>\$ 235,697,291</b>	<b>\$ 235,697,291</b>	<b>\$ 235,697,291</b>
<b>Internal Service Funds</b>				
Central Stores	\$ 1,643,911	\$ 19,297,359	\$ 20,941,270	\$ -
Diversity	144,289	459,096	603,385	-
Balboa/Mission Bay Improvement Funds	3,413,530	7,271,298	10,684,828	-
Engineering and Capital Projects - Water/Wastewater	-	29,887,611	29,887,611	-
Equipment Division	42,074,256	47,732,610	89,806,866	-
Publishing Services	317,833	4,749,298	5,067,131	-
Risk Management	2,795	8,707,480	8,710,275	-
Special Training	46,442	1,046,496	1,092,938	-
<b>TOTAL</b>	<b>\$ 47,643,056</b>	<b>\$ 119,151,248</b>	<b>\$ 166,794,304</b>	<b>\$ -</b>
<b>GROSS TOTAL COMBINED BUDGET</b>	<b>\$ 498,405,586</b>	<b>\$ 2,385,940,667</b>	<b>\$ 2,884,346,253</b>	<b>\$ 389,648,808</b>
Unappropriated Reserve*	\$ 32,886,371	\$ 3,113,826	\$ 36,000,197	\$ -

\* The City maintains a General Fund unappropriated reserve to fund major General Fund emergencies and to assist in achieving a favorable bond rating.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE V SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCES

Operating Expense	Total Expense	Expenditure of Prior Year Funds	Reserves	Estimated Fund Balance as of 6/30/05	Fund Type / Title
\$ 864,919,912	\$ 864,919,912	\$ -	\$ -	\$ -	<b>GENERAL FUND</b>
					<b>Debt Service and Tax Funds</b>
\$ 2,329,135	\$ 2,329,135	\$ -	\$ -	\$ 2,004,767	Bond Interest and Redemption
2,130,000	2,130,000	-	-	25,000	Tax Anticipation Notes
6,642,067	6,642,067	-	-	-	Zoological Exhibits
<b>\$ 11,101,202</b>	<b>\$ 11,101,202</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,029,767</b>	<b>TOTAL</b>
					<b>Special Revenue Funds</b>
1,022,777	1,022,777	-	67,082	424,792	Centre City Maintenance Program
2,496,358	2,496,358	-	-	-	City Redevelopment Administration
1,436,020	1,436,020	-	-	-	Community Development Block Grant
14,089,576	14,089,576	-	6,850,531	1,163,371	Convention Center Complex
1,192,740	1,192,740	-	476,677	-	Energy Conservation Program
4,040,379	4,430,379	-	535,671	911,535	Environmental Growth - 1/3
7,317,191	7,317,191	-	-	3,985,284	Environmental Growth - 2/3
2,377,012	2,377,012	-	-	-	Facilities Financing
8,166,918	8,166,918	-	500,000	1,324,767	Fire/Emergency Medical Services Transport Program
1,748,371	1,748,371	-	-	1,566,640	Fire and Lifeguard Facilities Fund
23,877,748	23,877,748	-	-	-	Gas Tax
670,119	670,119	-	-	84,790	Library Grant Funds
207,981	207,981	-	69,250	24,166	Los Peñasquitos Canyon Preserve
4,039,198	4,039,198	-	505,490	107,733	New Convention Facility
8,274,041	8,788,038	-	1,250,000	214,794	Office of the CIO
19,344,317	19,344,317	-	7,520,345	2,389,338	PETCO Park
8,935,823	8,935,823	-	-	50,548	Police Decentralization
52,882	52,882	-	93,971	27,192	Public Art
14,127,604	14,877,604	-	-	1,070,569	QUALCOMM Stadium
1,223,348	1,223,348	-	-	6,557	Seized and Forfeited Assets
824,131	824,131	-	250,000	219,918	Solid Waste Local Enforcement Agency
897,425	897,425	-	-	-	Special Districts Administration
104,066,841	104,066,841	-	-	-	Special Promotional Programs
6,046,746	6,046,746	-	-	-	Storm Drain
48,896,116	48,896,116	-	-	-	Street Division Operating Fund
15,967,771	59,753,726	-	-	-	TransNet
4,106,264	4,106,264	-	-	2,103,364	Trolley Extension Reserve
1,358,461	52,616,784	-	-	-	Undergrounding Utility District
1,353,179	1,353,179	-	-	1,032,003	Unlicensed Driver Vehicle Impound
<b>\$ 308,157,337</b>	<b>\$ 404,855,612</b>	<b>\$ -</b>	<b>\$ 18,119,017</b>	<b>\$ 16,707,361</b>	<b>TOTAL</b>
					<b>Enterprise Funds</b>
\$ 2,724,514	\$ 3,124,514	\$ -	\$ 3,591,859	\$ 4,280,273	Airports
62,386,873	62,386,873	50,000	2,550,000	9,258,763	Development Services
11,075,636	14,775,636	869,730	5,695,840	3,401,009	Golf Course
23,907,460	23,907,460	-	974,881	-	Recycling
34,605,602	39,672,602	500,000	10,561,553	-	Refuse Disposal
386,812,863	423,458,729	-	5,000,000	74,611,154	Sewer
311,103,533	322,543,909	-	144,189,191	8,717,811	Water
<b>\$ 832,616,481</b>	<b>\$ 889,869,723</b>	<b>\$ 1,419,730</b>	<b>\$ 172,563,324</b>	<b>\$ 100,269,010</b>	<b>TOTAL</b>
\$ -	\$ 235,697,291	\$ -	\$ -	\$ -	<b>Capital Project Funds</b>
					<b>Internal Service Funds</b>
\$ 19,267,575	\$ 19,267,575	\$ -	\$ -	\$ 1,673,695	Central Stores
524,244	524,244	-	-	79,141	Diversity
7,395,545	7,395,545	-	649,853	2,639,430	Balboa/Mission Bay Improvement Funds
29,887,611	29,887,611	-	-	-	Engineering and Capital Projects - Water/Wastewater
40,809,871	40,809,871	2,501,091	121,753	46,374,151	Equipment Division
4,749,298	4,749,298	-	-	317,833	Publishing Services
8,710,275	8,710,275	-	-	-	Risk Management
1,092,938	1,092,938	-	-	-	Special Training
<b>\$ 112,437,357</b>	<b>\$ 112,437,357</b>	<b>\$ 2,501,091</b>	<b>\$ 771,606</b>	<b>\$ 51,084,250</b>	<b>TOTAL</b>
<b>\$ 2,129,232,289</b>	<b>\$ 2,518,881,097</b>	<b>\$ 3,920,821</b>	<b>\$ 191,453,947</b>	<b>\$ 170,090,388</b>	<b>GROSS TOTAL COMBINED BUDGET</b>
\$ -	\$ -	\$ -	\$ 36,000,197	\$ -	Unappropriated Reserve

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VI SUMMARY OF EXPENDITURES

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>GENERAL FUND</b>			
<b>PUBLIC SERVICES</b>			
<b>Public Safety</b>			
Paramedics (Citywide)	\$ 2,572,505	\$ 2,737,107	\$ 2,152,184
Police	272,136,716	308,776,673	336,477,474
San Diego Fire-Rescue	123,937,695	149,549,130	160,337,603
<b>Subtotal Public Safety</b>	<b>\$ 398,646,916</b>	<b>\$ 461,062,910</b>	<b>\$ 498,967,261</b>
<b>Office of Homeland Security <sup>(1)</sup></b>	<b>228,585</b>	<b>433,381</b>	<b>589,284</b>
<b>Park and Recreation</b>	<b>\$ 71,931,953</b>	<b>\$ 75,913,573</b>	<b>\$ 79,030,543</b>
<b>Sanitation and Health</b>			
Animal Regulation (Citywide)	\$ 4,871,287	\$ 5,290,810	\$ 5,290,810
Environmental Services	33,811,535	34,523,010	36,368,960
Mt. Hope Cemetery (Park and Recreation)	1,306,769	1,377,437	1,467,813
Stormwater Pollution Prevention (Metropolitan Wastewater)	2,781,109	2,343,193	2,748,385
<b>Subtotal Sanitation and Health</b>	<b>\$ 42,770,700</b>	<b>\$ 43,534,450</b>	<b>\$ 45,875,968</b>
<b>Transportation (General Services)</b>	<b>\$ 7,332,944</b>	<b>\$ 7,162,975</b>	<b>\$ 8,167,602</b>
<b>Library</b>	<b>\$ 35,891,707</b>	<b>\$ 35,448,368</b>	<b>\$ 36,647,886</b>
<b>Neighborhood Services</b>			
Community and Economic Development	\$ 12,646,120	\$ 9,296,863	\$ 3,792,711
Family Justice Center	-	-	556,964
Neighborhood Code Compliance	5,396,465	5,403,363	5,319,473
Planning	7,126,325	7,384,625	6,846,564
Small Business Enhancement-Citywide (Citywide)	1,185,301	1,123,730	550,004
Small Business Enhancement-Districts (Citywide)	-	-	561,007
<b>Subtotal Neighborhood Services</b>	<b>\$ 26,354,211</b>	<b>\$ 23,208,581</b>	<b>\$ 17,626,723</b>
<b>TOTAL PUBLIC SERVICES EXPENDITURES</b>	<b>\$ 583,157,016</b>	<b>\$ 646,764,238</b>	<b>\$ 686,905,267</b>

<sup>(1)</sup> The Office of Homeland Security was budgeted within the San Diego Fire-Rescue Department in Fiscal Year 2004.

<sup>(2)</sup> Reflects Fiscal Year 2005 restructuring. Includes transfer of the Storm Water Pollution Prevention Program from General Services to the Metropolitan Wastewater Department.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VI SUMMARY OF EXPENDITURES

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>GENERAL FUND</b>			
<b>OPERATIONS SUPPORT</b>			
City Attorney	\$ 29,051,877	\$ 32,153,174	\$ 34,182,145
Citywide Operations Support	33,142,548	37,040,893	39,790,435
Engineering and Capital Projects	27,780,801	30,941,416	31,771,442
General Services <sup>(1)</sup>	15,220,858	15,153,053	14,717,974
Real Estate Assets	4,279,833	4,214,238	3,988,523
<b>TOTAL OPERATIONS SUPPORT EXPENDITURES</b>	<b>\$ 109,475,917</b>	<b>\$ 119,502,774</b>	<b>\$ 124,450,519</b>
<b>INTERNAL SUPPORT/MANAGEMENT</b>			
Citizens Assistance	\$ 199,097	\$ 331,417	\$ 353,134
City Auditor and Comptroller	8,520,757	9,272,977	10,273,502
City Clerk	3,378,520	3,585,995	3,762,362
City Council District 1	803,039	803,039	850,000
City Council District 2	855,731	927,951	850,000
City Council District 3	807,767	892,703	850,000
City Council District 4	860,197	958,945	850,000
City Council District 5	785,936	862,595	850,000
City Council District 6	785,754	867,938	850,000
City Council District 7	838,639	935,323	850,000
City Council District 8	871,042	941,735	850,000
City Manager	409,685	444,944	470,297
City Treasurer	9,334,993	10,492,898	11,438,993
Council Administration	805,869	810,017	946,328
Equal Opportunity Contracting	2,354,021	2,294,013	2,453,858
Ethics Commission	479,046	428,373	670,426
Financial Management <sup>(1)</sup>	4,143,816	4,140,778	4,369,276
Governmental Relations	745,740	716,429	749,479
Human Resources	1,161,804	1,256,571	1,331,687
Mayor	2,690,199	2,690,199	2,507,141
Personnel	5,718,465	5,977,150	5,908,910
Public and Media Affairs	353,362	192,283	215,265
Special Projects	3,476,857	1,341,704	1,313,468
<b>TOTAL INTERNAL SUPPORT/MANAGEMENT EXPENDITURES</b>	<b>\$ 50,380,336</b>	<b>\$ 51,165,977</b>	<b>\$ 53,564,126</b>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 743,013,269</b>	<b>\$ 817,432,989</b>	<b>\$ 864,919,912</b>

<sup>(1)</sup> Reflects Fiscal Year 2005 restructuring. Includes transfer of the Purchasing Division from the General Services Department to the Financial Management Department.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VI SUMMARY OF EXPENDITURES

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>DEBT SERVICE AND TAX FUNDS</b>			
Bond Interest and Redemption	\$ 2,348,786	\$ 2,333,935	\$ 2,329,135
Tax Anticipation Notes	2,787,618	1,614,405	2,130,000
Zoological Exhibits	5,645,781	9,188,632	6,642,067
<b>TOTAL DEBT SERVICE AND TAX FUND EXPENDITURES</b>	<b>\$ 10,782,185</b>	<b>\$ 13,136,972</b>	<b>\$ 11,101,202</b>
<b>SPECIAL REVENUE FUNDS</b>			
AB 2928 - Transportation Relief	\$ 3,700,000	\$ -	\$ -
Centre City Maintenance Program	980,090	1,007,754	1,022,777
City Redevelopment Administration <sup>(1)</sup>	-	-	2,496,358
Community Development Block Grant	1,298,000	1,326,000	1,436,020
Convention Center Complex	13,996,642	14,102,650	14,089,576
Energy Conservation Program	1,073,449	1,062,434	1,192,740
Environmental Growth - 1/3	2,802,332	4,099,134	4,040,379
Environmental Growth - 2/3	7,176,418	7,311,468	7,317,191
Facilities Financing	2,125,159	2,244,162	2,377,012
Fire/Emergency Medical Services Transport Program	9,617,217	10,535,419	8,166,918
Fire and Lifeguard Facilities Fund	1,733,245	1,753,471	1,748,371
Gas Tax	23,504,180	23,791,501	23,877,748
Library Grant Funds	2,010,375	1,434,030	670,119
Los Peñasquitos Canyon Preserve	162,369	194,476	207,981
New Convention Facility	4,197,880	4,564,172	4,039,198
Office of the CIO	7,916,331	8,376,179	8,274,041
Optimization Program	760,411	686,898	-
PETCO Park	6,590,071	13,393,478	19,344,317
Police Decentralization	8,283,089	8,717,669	8,935,823
Public Art	118,800	60,129	52,882
QUALCOMM Stadium	20,916,355	19,343,760	14,127,604
Seized and Forfeited Assets	1,220,000	1,220,000	1,223,348
Solid Waste Local Enforcement Agency	731,922	771,606	824,131
Special Districts Administration	755,428	806,500	897,425
Special Promotional Programs	89,633,622	97,025,977	104,066,841
Storm Drain	6,035,911	6,046,746	6,046,746
Street Division Operating	49,187,321	46,742,114	48,896,116
TransNet	14,839,716	16,164,384	15,967,771
Trolley Extension Reserve	3,765,606	3,836,619	4,106,264
Undergrounding Utility District	1,206,881	1,292,229	1,358,461
Unlicensed Driver Vehicle Impound	1,320,000	1,320,000	1,353,179
Vehicle Replacement	119,236	-	-
<b>TOTAL SPECIAL REVENUE FUND EXPENDITURES</b>	<b>\$ 287,778,056</b>	<b>\$ 299,230,959</b>	<b>\$ 308,157,337</b>

<sup>(1)</sup> Beginning in Fiscal Year 2006 the City Redevelopment Administration was added to the Special Revenue Funds.



# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VI SUMMARY OF EXPENDITURES

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>ENTERPRISE FUNDS</b>			
Airports	\$ 2,709,624	\$ 2,851,710	\$ 2,724,514
Development Services	55,732,433	59,237,401	62,386,873
Golf Course	8,829,373	10,326,252	11,075,636
Recycling	21,518,750	23,288,685	23,907,460
Refuse Disposal	32,635,118	33,956,507	34,605,602
Sewer	346,233,727	340,195,377	386,812,863
Water	290,924,366	301,052,417	311,103,533
<b>TOTAL ENTERPRISE FUND EXPENDITURES</b>	<b>\$ 758,583,391</b>	<b>\$ 770,908,349</b>	<b>\$ 832,616,481</b>
<b>INTERNAL SERVICE FUNDS</b>			
Central Stores	\$ 18,972,436	\$ 19,153,264	\$ 19,267,575
Diversity	546,096	588,270	524,244
Balboa/Mission Bay Improvements Fund	7,375,636	6,939,700	7,395,545
Engineering and Capital Projects - Water/Wastewater	28,833,483	29,782,027	29,887,611
Equipment Division	39,022,769	40,037,705	40,809,871
Publishing Services	4,499,466	4,696,705	4,749,298
Risk Management <sup>(1)</sup>	7,555,754	8,589,303	8,710,275
Special Training <sup>(1)</sup>	590,850	1,045,308	1,092,938
<b>TOTAL INTERNAL SERVICE FUND EXPENDITURES</b>	<b>\$ 107,396,490</b>	<b>\$ 110,832,282</b>	<b>\$ 112,437,357</b>
<b>GROSS TOTAL OPERATING EXPENDITURES</b>	<b>\$ 1,907,553,391</b>	<b>\$ 2,011,541,551</b>	<b>\$ 2,129,232,289</b>
<b>CAPITAL IMPROVEMENTS PROGRAM</b>			
<b>Public Safety</b>			
Fire	\$ 8,467,158	\$ 25,654,053	\$ 23,472,146
Lifeguard Services	263,649	3,024,627	7,639,299
Police	2,998,200	2,497,000	-
Police Decentralization	5,012,893	5,007,814	2,478,998
Subtotal Public Safety	\$ 16,741,900	\$ 36,183,494	\$ 33,590,443
<b>Park and Recreation</b>			
Balboa Park	\$ 320,574	\$ 440,000	\$ 1,105,000
Golf Courses	778,000	3,200,000	3,700,000
Mission Bay	492,286	5,486,054	149,655
Other Parks	14,020,140	22,775,730	30,986,357
Subtotal Park and Recreation	\$ 15,611,000	\$ 31,901,784	\$ 35,941,012
<b>Sanitation and Health</b>			
Energy Program	\$ 500,000	\$ 500,000	\$ -
Refuse Disposal	5,163,000	4,650,000	5,067,000
Storm Water Program	2,341,937	2,230,800	-
Subtotal Sanitation and Health	\$ 8,004,937	\$ 7,380,800	\$ 5,067,000

<sup>(1)</sup> Reflects transfer of the Employees Assistance Program from the Risk Management Internal Service Fund to the Special Training Internal Service Fund in Fiscal Year 2005.

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VI SUMMARY OF EXPENDITURES

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>Other Public Services</b>			
Bikeways	\$ 1,334,259	\$ 5,296,100	\$ 615,000
Communications	1,900,000	9,000,000	3,473,997
Facilities	179,400	66,591,446	53,325,063
Library	90,117,453	103,124,344	99,902,434
Storm Drains and Flood Control	3,033,450	2,435,285	1,005,099
Streets and Bridges	129,764,891	95,426,456	99,489,238
Traffic Control	7,332,845	6,141,206	4,677,414
Subtotal Other Public Services	<u>\$ 233,662,298</u>	<u>\$ 288,014,837</u>	<u>\$ 262,488,245</u>
<b>Community and Economic Development</b>			
Centre City Development Corporation	\$ 1,700,000	\$ 1,475,000	\$ 1,476,280
Community Services	1,809,438	1,791,326	1,491,326
Economic Development	3,547,356	1,319,194	358,260
Subtotal Community and Economic Development	<u>\$ 7,056,794</u>	<u>\$ 4,585,520</u>	<u>\$ 3,325,866</u>
<b>Airports</b>			
Montgomery Field and Brown Field Airports	\$ 490,000	\$ 490,000	\$ 400,000
<b>Special Revenue Funds</b>			
QUALCOMM Stadium	\$ 625,400	\$ 500,000	\$ 750,000
<b>Sewer and Water</b>			
Sewer	\$ 117,420,162	\$ 151,125,399	\$ 36,645,866
Water	67,954,745	63,110,517	11,440,376
Subtotal Sewer and Water	<u>\$ 185,374,907</u>	<u>\$ 214,235,916</u>	<u>\$ 48,086,242</u>
<b>TOTAL CAPITAL IMPROVEMENTS PROGRAM</b>	<u>\$ 467,567,236</u>	<u>\$ 583,292,351</u>	<u>\$ 389,648,808</u>
<b>Gross Total Combined Budget Expenditures</b>	<u>\$ 2,375,120,627</u>	<u>\$ 2,594,833,902</u>	<u>\$ 2,518,881,097</u>
Less: Internal Service Funds	\$ (107,396,490)	\$ (110,832,282)	\$ (112,437,357)
<b>Total Combined Budget Expenditures</b>	<u>\$ 2,267,724,137</u>	<u>\$ 2,484,001,620</u>	<u>\$ 2,406,443,740</u>
Less: Interfund Transactions	\$ (175,076,662)	\$ (191,245,207)	\$ (205,544,013)
<b>NET TOTAL COMBINED BUDGET EXPENDITURES</b>	<u>\$ 2,092,647,475</u>	<u>\$ 2,292,756,413</u>	<u>\$ 2,200,899,727</u>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VII SUMMARY OF EXPENDITURES BY CATEGORY BY FUND

Fund Type / Title	Salaries and Wages	Fringe Benefits	Subtotal Personnel Expense	Supplies and Services
<b>GENERAL FUND</b>	\$ 450,065,792	\$ 238,468,160	\$ 688,533,952	\$ 125,003,853
<b>Debt Service and Tax Funds</b>				
Bond Interest and Redemption	\$ -	\$ -	\$ -	\$ 2,329,135
Tax Anticipation Notes	-	-	-	2,130,000
Zoological Exhibits	-	-	-	6,642,067
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ 11,101,202
<b>Special Revenue Funds</b>				
Centre City Maintenance Program	\$ 225,353	\$ 129,547	\$ 354,900	\$ 649,357
City Redevelopment Administration	1,649,398	763,599	2,412,997	58,397
Community Development Block Grant	820,584	412,250	1,232,834	203,186
Convention Center Complex	-	-	-	14,089,576
Energy Conservation Program	452,599	211,020	663,619	118,929
Environmental Growth - 1/3	-	-	-	3,373,947
Environmental Growth - 2/3	-	-	-	7,317,191
Facilities Financing	1,013,078	463,486	1,476,564	797,889
Fire/Emergency Medical Services Transport Program	4,984,958	2,342,168	7,327,126	559,675
Fire and Lifeguard Facilities Fund	-	-	-	1,748,371
Gas Tax	-	-	-	23,877,748
Library Grant Funds	392,388	199,497	591,885	77,876
Los Peñasquitos Canyon Preserve	103,074	55,599	158,673	48,515
New Convention Facility	50,000	-	50,000	3,989,198
Office of the CIO	4,641,253	2,155,117	6,796,370	1,547,619
PETCO Park	111,600	49,608	161,208	19,183,109
Police Decentralization	-	-	-	8,935,216
Public Art	-	-	-	49,882
QUALCOMM Stadium	1,841,608	601,999	2,443,607	10,883,323
Seized and Forfeited Assets	-	-	-	1,207,061
Solid Waste Local Enforcement Agency	339,713	156,297	496,010	291,718
Special Districts Administration	450,554	216,920	667,474	160,940
Special Promotional Programs	457,480	222,998	680,478	103,326,551
Storm Drain	-	-	-	6,046,746
Street Division Operating	14,806,591	8,089,867	22,896,458	19,305,161
TransNet	-	-	-	59,753,726
Trolley Extension Reserve	-	-	-	4,106,264
Undergrounding Utility District	583,210	270,544	853,754	51,684,877
Unlicensed Driver Vehicle Impound	763,179	-	763,179	430,000
<b>TOTAL</b>	\$ 33,686,620	\$ 16,340,516	\$ 50,027,136	\$ 343,822,048
<b>Enterprise Funds</b>				
Airports	\$ 990,832	\$ 492,110	\$ 1,482,942	\$ 1,336,076
Development Services	33,135,697	15,177,352	48,313,049	9,603,786
Golf Course	3,662,402	2,095,449	5,757,851	7,548,063
Recycling	7,927,743	4,142,940	12,070,683	9,114,037
Refuse Disposal	10,442,896	5,197,062	15,639,958	20,497,520
Sewer	61,532,415	29,637,095	91,169,510	297,575,328
Water	50,612,599	23,858,465	74,471,064	227,411,064
<b>TOTAL</b>	\$ 168,304,584	\$ 80,600,473	\$ 248,905,057	\$ 573,085,874
<b>Capital Project Funds</b>	\$ -	\$ -	\$ -	\$ 235,697,291
<b>Internal Service Funds</b>				
Central Stores	\$ 1,186,994	\$ 658,691	\$ 1,845,685	\$ 17,138,896
Diversity	229,109	115,984	345,093	170,699
Balboa/Mission Bay Improvements Fund	-	-	-	7,390,494
Engineering and Capital Projects - Water/Wastewater	13,743,637	6,036,278	19,779,915	4,785,008
Equipment Division	8,633,210	4,603,407	13,236,617	6,608,587
Publishing Services	1,490,282	793,118	2,283,400	2,283,022
Risk Management	4,462,195	2,189,754	6,651,949	724,064
Special Training	550,713	270,589	821,302	222,896
<b>TOTAL</b>	\$ 30,296,140	\$ 14,667,821	\$ 44,963,961	\$ 39,323,666
<b>GROSS TOTAL COMBINED BUDGET EXPENDITURES</b>	\$ 682,353,136	\$ 350,076,970	\$ 1,032,430,106	\$ 1,328,033,934
Percent of Total	27.1%	13.9%	41.0%	52.7%

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VII SUMMARY OF EXPENDITURES BY CATEGORY BY FUND

Data Processing	Energy and Utilities	Equipment Outlay	Subtotal Non-Personnel Expense	Total Expenditures	Fund Type / Title
\$ 20,615,663	\$ 17,798,177	\$ 12,968,267	\$ 176,385,960	\$ 864,919,912	<b>GENERAL FUND</b>
					<b>Debt Service and Tax Funds</b>
\$ -	\$ -	\$ -	\$ 2,329,135	\$ 2,329,135	Bond Interest and Redemption
-	-	-	2,130,000	2,130,000	Tax Anticipation Notes
-	-	-	6,642,067	6,642,067	Zoological Exhibits
\$ -	\$ -	\$ -	\$ 11,101,202	\$ 11,101,202	<b>TOTAL</b>
					<b>Special Revenue Funds</b>
\$ 2,576	\$ 11,744	\$ 4,200	\$ 667,877	\$ 1,022,777	Centre City Maintenance Program
3,280	11,406	10,278	83,361	2,496,358	City Redevelopment Administration
-	-	-	203,186	1,436,020	Community Development Block Grant
-	-	-	14,089,576	14,089,576	Convention Center Complex
358,446	21,368	30,378	529,121	1,192,740	Energy Conservation Program
1,126	1,055,306	-	4,430,379	4,430,379	Environmental Growth - 1/3
-	-	-	7,317,191	7,317,191	Environmental Growth - 2/3
92,049	7,734	2,776	900,448	2,377,012	Facilities Financing
29,078	33,835	217,204	839,792	8,166,918	Fire/Emergency Medical Services Transport Program
-	-	-	1,748,371	1,748,371	Fire and Lifeguard Facilities Fund
-	-	-	23,877,748	23,877,748	Gas Tax
358	-	-	78,234	670,119	Library Grant Funds
113	680	-	49,308	207,981	Los Peñasquitos Canyon Preserve
-	-	-	3,989,198	4,039,198	New Convention Facility
179,689	192,514	71,846	1,991,668	8,788,038	Information Technology and Communications
-	-	-	19,183,109	19,344,317	PETCO Park
-	607	-	8,935,823	8,935,823	Police Decentralization
3,000	-	-	52,882	52,882	Public Art
90,527	1,393,447	66,700	12,433,997	14,877,604	QUALCOMM Stadium
-	16,287	-	1,223,348	1,223,348	Seized and Forfeited Assets
29,113	7,290	-	328,121	824,131	Solid Waste Local Enforcement Agency
55,166	11,643	2,202	229,951	897,425	Special Districts Administration
51,518	7,294	1,000	103,386,363	104,066,841	Special Promotional Programs
-	-	-	6,046,746	6,046,746	Storm Drain
745,567	4,871,216	1,077,714	25,999,658	48,896,116	Street Division Operating
-	-	-	59,753,726	59,753,726	TransNet
-	-	-	4,106,264	4,106,264	Trolley Extension Reserve
38,167	3,780	36,206	51,763,030	52,616,784	Undergrounding Utility District
-	-	160,000	590,000	1,353,179	Unlicensed Driver Vehicle Impound
\$ 1,679,773	\$ 7,646,151	\$ 1,680,504	\$ 354,828,476	\$ 404,855,612	<b>TOTAL</b>
					<b>Enterprise Funds</b>
\$ 70,102	\$ 217,535	\$ 17,859	\$ 1,641,572	\$ 3,124,514	Airports
3,342,174	730,721	397,143	14,073,824	62,386,873	Development Services
89,819	1,067,253	312,650	9,017,785	14,775,636	Golf Course
1,073,236	68,223	1,581,281	11,836,777	23,907,460	Recycling
1,725,831	1,092,478	716,815	24,032,644	39,672,602	Refuse Disposal
14,899,584	17,603,778	2,210,529	332,289,219	423,458,729	Sewer
11,126,037	8,295,565	1,240,179	248,072,845	322,543,909	Water
\$ 32,326,783	\$ 29,075,553	\$ 6,476,456	\$ 640,964,666	\$ 889,869,723	<b>TOTAL</b>
\$ -	\$ -	\$ -	\$ 235,697,291	\$ 235,697,291	<b>Capital Project Funds</b>
					<b>Internal Service Funds</b>
\$ 156,443	\$ 126,551	\$ -	\$ 17,421,890	\$ 19,267,575	Central Stores
6,412	2,040	-	179,151	524,244	Diversity
-	-	5,051	7,395,545	7,395,545	Engineering and Capital Projects - TOT
4,743,070	189,347	390,271	10,107,696	29,887,611	Engineering and Capital Projects - Water/Wastewater
424,839	5,405,898	15,133,930	27,573,254	40,809,871	Equipment Division
97,013	85,863	-	2,465,898	4,749,298	Publishing Services
1,286,423	39,937	7,902	2,058,326	8,710,275	Risk Management
36,418	8,223	4,100	271,637	1,092,938	Special Training
\$ 6,750,618	\$ 5,857,859	\$ 15,541,254	\$ 67,473,397	\$ 112,437,357	<b>TOTAL</b>
\$ 61,372,837	\$ 60,377,740	\$ 36,666,481	\$ 1,486,450,992	\$ 2,518,881,097	<b>GROSS TOTAL COMBINED BUDGET EXPENDITURES</b>
2.4%	2.4%	1.6%	59.0%	100.0%	Percent of Total

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VIII CAPITAL IMPROVEMENTS PROGRAM BY REVENUE SOURCE

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
Airports Fund	\$ 490,000	\$ 490,000	\$ 400,000
Benjamin Trust Fund	-	-	-
Capital Outlay - Sales Tax and Other	380,860	125,000	834,046
Certificates of Participation	-	-	-
City General Fund	-	755,000	2,103,103
Community Development Block Grants	2,492,438	2,025,326	1,771,326
Congestion Mitigation and Air Quality	500,000	1,788,600	400,000
Contributions to Redevelopment Agency	-	-	-
County of San Diego	-	-	-
Developer	(6,320)	9,894,047	18,025,875
Development Impact Fees	235,111	970,000	1,089,000
DIF - Planned Urbanizing Communities	1,700,000	1,682,924	-
Environmental Growth Funds	350,030	300,030	390,000
Environmental Services	5,663,000	5,150,000	5,067,000
Facilities Benefit Assessment	39,379,162	57,534,382	51,706,376
Federal Grants	6,988,240	8,055,719	350,000
Gas Tax Fund	-	-	-
Golf Course Enterprise Fund	778,000	3,200,000	3,700,000
Highway Bridge Replacement/Repair	1,813,400	6,778,959	12,531,271
Housing and Urban Development 108	10,550,500	-	-
Lease Revenue Bonds	52,376,444	77,024,881	104,211,079
Local Transportation Fund	-	-	-
Other Funding	5,887,679	10,281,480	11,853,775
Park Development Fees	-	-	894,549
Park Service District Fees	26,044	44,000	99,564
Police Decentralization	5,012,893	2,411,351	-
Private Contributions	43,087,330	32,427,860	3,779,064
Public/Private Partnership	166,827	68,925	-
QUALCOMM Stadium	625,400	500,000	750,000
Redevelopment	3,829,100	20,000,000	10,000,000
San Diego Association of Governments	-	-	103,000
Sewer Revenue - Expansion	24,835,540	16,402,606	6,221,155
Sewer Revenue - Replacement	93,926,559	136,547,874	30,424,711
Sludge Mitigation Fund	227,000	4,018,070	74,655
State Grants	12,472,148	22,423,127	18,038,105
Surface Transportation Program	6,154,315	6,154,315	-
Transient Occupancy Tax	-	80,984	58,000
TransNet	14,333,600	15,193,657	15,397,130
TransNet Commercial Paper	29,345,662	19,622,152	28,388,825
TransNet Proposition A Bikeways	600,000	-	-
Utility	37,593,119	64,453,586	51,258,323
Water Revenue - Expansion	16,016,956	15,483,751	3,933,193
Water Revenue - Replacement	49,736,199	41,403,745	5,795,683
<b>Summary Capital Improvements Program</b>			
Subtotal Expenditures	\$ 467,567,236	\$ 583,292,351	\$ 389,648,808
Unidentified Funding	-	-	-
<b>Grand Total</b>	<b>\$ 467,567,236</b>	<b>\$ 583,292,351</b>	<b>\$ 389,648,808</b>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE VIII CAPITAL IMPROVEMENTS PROGRAM BY REVENUE SOURCE

FY 2007 PROJECTED	FY 2008 PROJECTED	FY 2009 PROJECTED	FY 2010 PROJECTED	
\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	Airports Fund
-	-	-	-	Benjamin Trust Fund
125,000	125,000	125,000	125,000	Capital Outlay - Sales Tax and Other
-	-	-	-	Certificates of Participation
-	-	-	-	City General Fund
1,491,326	1,491,326	1,491,326	1,491,326	Community Development Block Grants
5,408,600	-	-	-	Congestion Mitigation and Air Quality
-	-	-	-	Contributions to Redevelopment Agency
-	-	-	-	County of San Diego
588,500	252,250	3,420,000	355,100	Developer
-	-	-	-	Development Impact Fees
822,500	-	-	1,600,000	DIF - Planned Urbanizing Communities
200,000	200,000	200,000	200,000	Environmental Growth Funds
4,707,000	3,457,000	2,485,000	2,500,000	Environmental Services
36,617,340	68,999,069	23,059,000	47,312,901	Facilities Benefit Assessment
-	-	-	-	Federal Grants
-	-	-	-	Gas Tax Fund
-	-	-	-	Golf Course Enterprise Fund
19,790,864	6,736,000	-	-	Highway Bridge Replacement/Repair
-	-	-	-	Housing and Urban Development 108
73,464,775	16,862,243	7,317,272	1,888,978	Lease Revenue Bonds
-	-	-	-	Local Transportation Fund
3,222,206	2,964,802	2,000,000	2,000,000	Other Funding
-	-	-	-	Park Development Fees
-	-	-	-	Park Service District Fees
-	-	-	-	Police Decentralization
2,589,000	-	-	-	Private Contributions
-	-	-	-	Public/Private Partnership
500,000	500,000	500,000	500,000	QUALCOMM Stadium
-	-	-	-	Redevelopment
-	-	-	-	San Diego Association of Governments
28,614,404	47,859,710	79,614,902	46,096,196	Sewer Revenue - Expansion
136,495,290	164,546,062	144,524,051	134,735,352	Sewer Revenue - Replacement
-	-	-	-	Sludge Mitigation Fund
-	-	-	-	State Grants
-	-	-	-	Surface Transportation Program
-	-	-	-	Transient Occupancy Tax
29,400,686	21,553,583	-	-	TransNet
-	-	-	-	TransNet Commercial Paper
973,554	-	-	-	TransNet Proposition A Bikeways
40,100,000	40,100,000	40,100,000	40,100,000	Utility
33,641,014	34,944,759	25,120,603	9,380,882	Water Revenue - Expansion
102,947,613	80,089,420	89,099,015	61,979,549	Water Revenue - Replacement
				<b>Summary Capital Improvements Program</b>
\$ 522,099,672	\$ 491,081,224	\$ 419,456,169	\$ 350,665,284	Subtotal Expenditures
270,322,437	131,513,502	162,544,424	140,513,837	Unidentified Funding
<b>\$ 792,422,109</b>	<b>\$ 622,594,726</b>	<b>\$ 582,000,593</b>	<b>\$ 491,179,121</b>	<b>Grand Total</b>

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## Budget Summary Schedules

### SCHEDULE VIII CAPITAL IMPROVEMENTS PROGRAM BY REVENUE SOURCE

	FY 2011 PROJECTED	FY 2012 PROJECTED	FY 2013 PROJECTED
Airports Fund	\$ 400,000	\$ 400,000	\$ 400,000
Benjamin Trust Fund	-	-	-
Capital Outlay - Sales Tax and Other	125,000	125,000	95,000
Certificates of Participation	-	-	-
City General Fund	-	-	-
Community Development Block Grants	1,491,326	1,491,326	1,491,326
Congestion Mitigation and Air Quality	-	-	-
Contributions to Redevelopment Agency	-	-	-
County of San Diego	-	-	-
Developer	(6,572,216)	772,000	-
Development Impact Fees	-	-	-
DIF - Planned Urbanizing Communities	-	-	-
Environmental Growth Funds	200,000	200,000	200,000
Environmental Services	3,720,000	2,068,000	2,083,000
Facilities Benefit Assessment	28,680,302	22,722,000	4,648,000
Federal Grants	-	-	-
Gas Tax Fund	-	-	-
Golf Course Enterprise Fund	-	-	-
Highway Bridge Replacement/Repair	-	-	-
Housing and Urban Development 108	-	-	-
Lease Revenue Bonds	-	-	-
Local Transportation Fund	-	-	-
Other Funding	2,487,398	1,500,000	1,500,000
Park Development Fees	-	-	-
Park Service District Fees	-	-	-
Police Decentralization	-	-	-
Private Contributions	-	-	-
Public/Private Partnership	-	-	-
QUALCOMM Stadium	500,000	500,000	500,000
Redevelopment	-	-	-
San Diego Association of Governments	-	-	-
Sewer Revenue - Expansion	18,970,699	9,593,224	24,355,049
Sewer Revenue - Replacement	124,212,933	123,665,565	116,404,585
Sludge Mitigation Fund	-	-	-
State Grants	-	172,000	-
Surface Transportation Program	-	-	-
Transient Occupancy Tax	-	-	-
TransNet	-	-	-
TransNet Commercial Paper	-	-	-
TransNet Proposition A Bikeways	-	-	-
Utility	40,100,000	40,100,000	40,100,000
Water Revenue - Expansion	5,366,845	7,038,747	7,240,786
Water Revenue - Replacement	68,103,794	77,211,006	42,968,971
<b>Summary Capital Improvements Program</b>			
Subtotal Expenditures	\$ 287,786,081	\$ 287,558,868	\$ 241,986,717
Unidentified Funding	35,031,393	28,765,470	18,912,200
<b>Grand Total</b>	<b>\$ 322,817,474</b>	<b>\$ 316,324,338</b>	<b>\$ 260,898,917</b>

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## Budget Summary Schedules

### SCHEDULE VIII CAPITAL IMPROVEMENTS PROGRAM BY REVENUE SOURCE

FY 2014 PROJECTED	FY 2015 PROJECTED	FY 2016 PROJECTED	
\$ 400,000	\$ 400,000	\$ -	Airports Fund
-	-	-	Benjamin Trust Fund
95,000	95,000	-	Capital Outlay - Sales Tax and Other
-	-	-	Certificates of Participation
-	-	-	City General Fund
-	-	-	Community Development Block Grants
-	-	-	Congestion Mitigation and Air Quality
-	-	-	Contributions to Redevelopment Agency
-	-	-	County of San Diego
3,343,750	2,531,250	(5,875,000)	Developer
-	-	-	Development Impact Fees
-	-	-	DIF - Planned Urbanizing Communities
200,000	200,000	200,000	Environmental Growth Funds
2,083,000	2,131,000	2,149,000	Environmental Services
4,588,920	870,000	25,100,000	Facilities Benefit Assessment
-	-	-	Federal Grants
-	-	-	Gas Tax Fund
-	-	-	Golf Course Enterprise Fund
-	-	-	Highway Bridge Replacement/Repair
-	-	-	Housing and Urban Development 108
-	-	-	Lease Revenue Bonds
-	-	-	Local Transportation Fund
1,500,000	1,500,000	-	Other Funding
-	-	-	Park Development Fees
-	-	-	Park Service District Fees
-	-	-	Police Decentralization
-	-	-	Private Contributions
-	-	-	Public/Private Partnership
500,000	500,000	500,000	QUALCOMM Stadium
-	-	-	Redevelopment
-	-	-	San Diego Association of Governments
52,255,510	85,479,585	31,788,568	Sewer Revenue - Expansion
117,278,196	109,173,854	105,512,527	Sewer Revenue - Replacement
-	-	-	Sludge Mitigation Fund
-	-	-	State Grants
-	-	-	Surface Transportation Program
-	-	-	Transient Occupancy Tax
-	-	-	TransNet
-	-	-	TransNet Commercial Paper
-	-	-	TransNet Proposition A Bikeways
40,100,000	40,100,000	40,100,000	Utility
13,813,654	11,313,816	8,293,650	Water Revenue - Expansion
30,070,792	47,528,405	52,779,772	Water Revenue - Replacement
\$ 266,228,822	\$ 301,822,910	\$ 260,548,517	<b>Summary Capital Improvements Program</b>
18,912,200	15,727,500	15,749,543	Subtotal Expenditures
<b><u>285,141,022</u></b>	<b><u>317,550,410</u></b>	<b><u>276,298,060</u></b>	Unidentified Funding
			<b>Grand Total</b>



# Annual Budget Financial Summary

## Budget Summary Schedules

SCHEDULE IX  
CAPITAL IMPROVEMENTS PROJECT BY IMPROVEMENT TYPE

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 FINAL
<b>Community &amp; Economic Development</b>			
Centre City Development Corporation	\$ 1,700,000	\$ 1,475,000	\$ 1,476,280
Community Services Program	1,809,438	1,791,326	1,491,326
Economic Development	3,509,356	1,319,194	358,260
Facilities - Eng	-	147,860	76,740
<b>Subtotal Community &amp; Economic Development</b>	<b>\$ 7,018,794</b>	<b>\$ 4,733,380</b>	<b>\$ 3,402,606</b>
<b>Development Services</b>			
	<b>\$ 179,400</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>
<b>Engineering &amp; Capital Projects</b>			
Bikeways	\$ 1,334,259	\$ 5,296,100	\$ 615,000
Facilities - Eng	-	64,453,586	51,258,323
Storm Drains/Flood Control	-	649,142	288,000
Streets and Bridges	38,250,782	93,766,456	93,139,238
Traffic Control	-	5,950,706	4,536,914
<b>Subtotal Engineering &amp; Capital Projects</b>	<b>\$ 39,585,041</b>	<b>\$ 170,115,990</b>	<b>\$ 149,837,475</b>
<b>Environmental Services</b>			
Energy Program	\$ 500,000	\$ 500,000	\$ -
Enviro. Protection	-	-	-
Facilities - Eng	-	1,930,000	1,930,000
Refuse Disposal	5,163,000	4,650,000	5,067,000
<b>Subtotal Environmental Services</b>	<b>\$ 5,663,000</b>	<b>\$ 7,080,000</b>	<b>\$ 6,997,000</b>
<b>General Services</b>			
Balboa Park	\$ -	\$ 265,000	\$ -
Bikeways	-	-	-
Storm Drains/Flood Control	3,033,450	1,361,143	717,099
Streets and Bridges	91,514,109	1,250,000	6,000,000
Traffic Control	7,332,845	190,500	140,500
<b>Subtotal General Services</b>	<b>\$ 101,880,404</b>	<b>\$ 3,066,643</b>	<b>\$ 6,857,599</b>
<b>Library</b>			
	<b>\$ 90,117,453</b>	<b>\$ 103,124,344</b>	<b>\$ 99,902,434</b>
<b>Metropolitan Wastewater</b>			
Sewer - Metropolitan	\$ 25,742,824	\$ 25,914,937	\$ 3,087,486
Sewer - Municipal	91,677,338	125,210,462	33,558,380
Storm Water Program	2,341,937	2,230,800	-
<b>Subtotal Metropolitan Wastewater</b>	<b>\$ 119,762,099</b>	<b>\$ 153,356,199</b>	<b>\$ 36,645,866</b>
<b>Office of the CIO</b>			
	<b>\$ 1,900,000</b>	<b>\$ 9,000,000</b>	<b>\$ 3,473,997</b>
<b>Park &amp; Recreation</b>			
Balboa Park	\$ 320,574	\$ 175,000	\$ 1,105,000
Golf Course	778,000	3,200,000	3,700,000
Mission Bay	492,286	5,486,054	149,655
Other Parks	14,020,140	22,775,730	30,986,357
Storm Drains/Flood Control	-	425,000	-
Streets and Bridges	-	410,000	350,000
<b>Subtotal Park &amp; Recreation</b>	<b>\$ 15,611,000</b>	<b>\$ 32,471,784</b>	<b>\$ 36,291,012</b>
<b>Planning</b>			
Economic Development	\$ 38,000	\$ -	\$ -
Facilities - Eng	-	-	-
<b>Subtotal Planning</b>	<b>\$ 38,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Police</b>			
Police	\$ 2,998,200	\$ 2,497,000	\$ -
Police Decentralization	5,012,893	5,007,814	2,478,998
<b>Subtotal Police</b>	<b>\$ 8,011,093</b>	<b>\$ 7,504,814</b>	<b>\$ 2,478,998</b>
<b>QUALCOMM Stadium</b>			
	<b>\$ 625,400</b>	<b>\$ 500,000</b>	<b>\$ 750,000</b>
<b>Real Estate Assets</b>			
	<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ 400,000</b>
<b>San Diego Fire-Rescue</b>			
Fire	\$ 8,467,158	\$ 25,654,053	\$ 23,472,146
Lifeguard Services	263,649	3,024,627	7,639,299
<b>Subtotal San Diego Fire-Rescue</b>	<b>\$ 8,730,807</b>	<b>\$ 28,678,680</b>	<b>\$ 31,111,445</b>
<b>Water</b>			
Municipal Water	\$ 57,137,325	\$ 55,651,045	\$ 11,440,376
Reclaimed Water	10,817,420	7,459,472	-
<b>Subtotal Water</b>	<b>\$ 67,954,745</b>	<b>\$ 63,110,517</b>	<b>\$ 11,440,376</b>
<b>GRAND TOTAL</b>	<b>\$ 467,567,236</b>	<b>\$ 583,292,351</b>	<b>\$ 389,648,808</b>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE IX CAPITAL IMPROVEMENTS PROJECT BY IMPROVEMENT TYPE

	FY 2007 PROJECTED	FY 2008 PROJECTED	FY 2009 PROJECTED	FY 2010 PROJECTED	
	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	<b>Community &amp; Economic Development</b>
	1,491,326	1,491,326	1,491,326	1,491,326	Centre City Development Corporation
	2,866,042	1,135,000	78,000	-	Community Services Program
	-	-	-	-	Economic Development
	-	-	-	-	Facilities - Eng
	<b>\$ 5,857,368</b>	<b>\$ 4,126,326</b>	<b>\$ 3,069,326</b>	<b>\$ 2,991,326</b>	<b>Subtotal Community &amp; Economic Development</b>
	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>Development Services</b>
					<b>Engineering &amp; Capital Projects</b>
	\$ 31,361,654	\$ 3,392,964	\$ -	\$ 2,238,448	Bikeways
	45,500,000	41,500,000	41,500,000	41,500,000	Facilities - Eng
	205,000	16,000	14,000	12,000	Storm Drains/Flood Control
	130,635,534	166,436,840	84,196,163	111,131,053	Streets and Bridges
	5,200,000	5,890,000	4,410,000	4,410,000	Traffic Control
	<b>\$ 212,902,188</b>	<b>\$ 217,235,804</b>	<b>\$ 130,120,163</b>	<b>\$ 159,291,501</b>	<b>Subtotal Engineering &amp; Capital Projects</b>
					<b>Environmental Services</b>
	\$ -	\$ -	\$ -	\$ -	Energy Program
	533,000	533,000	420,000	392,500	Enviro. Protection
	-	-	-	-	Facilities - Eng
	8,633,549	5,492,700	4,520,700	4,535,700	Refuse Disposal
	<b>\$ 9,166,549</b>	<b>\$ 6,025,700</b>	<b>\$ 4,940,700</b>	<b>\$ 4,928,200</b>	<b>Subtotal Environmental Services</b>
					<b>General Services</b>
	\$ 385,000	\$ -	\$ -	\$ -	Balboa Park
	-	-	-	-	Bikeways
	1,498,000	1,952,920	2,150,000	2,150,000	Storm Drains/Flood Control
	2,900,000	2,900,000	2,900,000	2,900,000	Streets and Bridges
	1,270,000	745,700	300,000	300,000	Traffic Control
	<b>\$ 6,053,000</b>	<b>\$ 5,598,620</b>	<b>\$ 5,350,000</b>	<b>\$ 5,350,000</b>	<b>Subtotal General Services</b>
	<b>\$ 56,764,054</b>	<b>\$ 16,937,243</b>	<b>\$ 9,083,185</b>	<b>\$ 19,574,065</b>	<b>Library</b>
					<b>Metropolitan Wastewater</b>
	\$ 21,210,914	\$ 44,159,262	\$ 70,940,396	\$ 38,890,016	Sewer - Metropolitan
	143,898,780	168,246,510	153,198,557	140,941,532	Sewer - Municipal
	-	-	-	-	Storm Water Program
	<b>\$ 165,109,694</b>	<b>\$ 212,405,772</b>	<b>\$ 224,138,953</b>	<b>\$ 179,831,548</b>	<b>Subtotal Metropolitan Wastewater</b>
	<b>\$ 32,326,058</b>	<b>\$ 29,073,191</b>	<b>\$ 30,204,648</b>	<b>\$ 31,296,050</b>	<b>Office of the CIO</b>
					<b>Park &amp; Recreation</b>
	\$ 972,000	\$ 200,000	\$ 200,000	\$ 200,000	Balboa Park
	1,000,000	1,000,000	5,496,000	1,000,000	Golf Course
	10,683,214	2,000,000	2,000,000	2,000,000	Mission Bay
	118,347,230	11,128,089	7,374,000	3,386,000	Other Parks
	-	-	-	-	Storm Drains/Flood Control
	-	-	-	-	Streets and Bridges
	<b>\$ 131,002,444</b>	<b>\$ 14,328,089</b>	<b>\$ 15,070,000</b>	<b>\$ 6,586,000</b>	<b>Subtotal Park &amp; Recreation</b>
					<b>Planning</b>
	\$ -	\$ -	\$ -	\$ -	Economic Development
	500,000	500,000	500,000	500,000	Facilities - Eng
	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>Subtotal Planning</b>
					<b>Police</b>
	\$ 2,000,000	\$ -	\$ 40,000,000	\$ -	Police
	-	-	-	-	Police Decentralization
	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ 40,000,000</b>	<b>\$ -</b>	<b>Subtotal Police</b>
	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>QUALCOMM Stadium</b>
	<b>\$ 1,710,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>Real Estate Assets</b>
					<b>San Diego Fire-Rescue</b>
	\$ 21,436,414	\$ 350,000	\$ 650,000	\$ 3,925,000	Fire
	10,368,507	-	-	-	Lifeguard Services
	<b>\$ 31,804,921</b>	<b>\$ 350,000</b>	<b>\$ 650,000</b>	<b>\$ 3,925,000</b>	<b>Subtotal San Diego Fire-Rescue</b>
					<b>Water</b>
	\$ 130,665,888	\$ 109,689,724	\$ 112,466,350	\$ 74,021,255	Municipal Water
	5,984,945	4,849,257	5,357,268	834,176	Reclaimed Water
	<b>\$ 136,650,833</b>	<b>\$ 114,538,981</b>	<b>\$ 117,823,618</b>	<b>\$ 74,855,431</b>	<b>Subtotal Water</b>
	<b>\$ 792,422,109</b>	<b>\$ 622,094,726</b>	<b>\$ 582,000,593</b>	<b>\$ 490,179,121</b>	<b>GRAND TOTAL</b>

# Annual Budget Financial Summary

## Budget Summary Schedules

SCHEDULE IX  
CAPITAL IMPROVEMENTS PROJECT BY IMPROVEMENT TYPE

	FY 2011 PROJECTED	FY 2012 PROJECTED	FY 2013 PROJECTED
<b>Community &amp; Economic Development</b>			
Centre City Development Corporation	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Community Services Program	1,491,326	1,491,326	1,491,326
Economic Development	-	-	-
Facilities - Eng	-	-	-
<b>Subtotal Community &amp; Economic Development</b>	<b>\$ 2,991,326</b>	<b>\$ 2,991,326</b>	<b>\$ 2,991,326</b>
<b>Development Services</b>			
<b>Engineering &amp; Capital Projects</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>
<b>Engineering &amp; Capital Projects</b>			
Bikeways	\$ 1,608,668	\$ -	\$ -
Facilities - Eng	41,500,000	41,500,000	41,500,000
Storm Drains/Flood Control	-	-	-
Streets and Bridges	5,699,418	19,095,000	2,207,000
Traffic Control	4,410,000	4,236,000	4,110,000
<b>Subtotal Engineering &amp; Capital Projects</b>	<b>\$ 53,218,086</b>	<b>\$ 64,831,000</b>	<b>\$ 47,817,000</b>
<b>Environmental Services</b>			
Energy Program	\$ -	\$ -	\$ -
Enviro. Protection	326,500	326,500	326,500
Facilities - Eng	-	-	-
Refuse Disposal	5,755,700	4,103,700	4,118,700
<b>Subtotal Environmental Services</b>	<b>\$ 6,082,200</b>	<b>\$ 4,430,200</b>	<b>\$ 4,445,200</b>
<b>General Services</b>			
Balboa Park	\$ -	\$ -	\$ -
Bikeways	-	-	-
Storm Drains/Flood Control	2,150,000	2,150,000	2,150,000
Streets and Bridges	2,900,000	2,900,000	2,900,000
Traffic Control	300,000	300,000	300,000
<b>Subtotal General Services</b>	<b>\$ 5,350,000</b>	<b>\$ 5,350,000</b>	<b>\$ 5,350,000</b>
<b>Library</b>			
	<b>\$ 987,398</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Metropolitan Wastewater</b>			
Sewer - Metropolitan	\$ 12,523,737	\$ 5,489,443	\$ 23,154,386
Sewer - Municipal	130,659,895	127,769,346	117,605,248
Storm Water Program	-	-	-
<b>Subtotal Metropolitan Wastewater</b>	<b>\$ 143,183,632</b>	<b>\$ 133,258,789</b>	<b>\$ 140,759,634</b>
<b>Office of the CIO</b>			
	<b>\$ 15,819,193</b>	<b>\$ 7,303,270</b>	<b>\$ -</b>
<b>Park &amp; Recreation</b>			
Balboa Park	\$ 200,000	\$ 200,000	\$ 200,000
Golf Course	1,000,000	1,000,000	1,000,000
Mission Bay	2,000,000	2,000,000	2,000,000
Other Parks	14,478,000	9,160,000	4,576,000
Storm Drains/Flood Control	-	-	-
Streets and Bridges	-	-	-
<b>Subtotal Park &amp; Recreation</b>	<b>\$ 17,678,000</b>	<b>\$ 12,360,000</b>	<b>\$ 7,776,000</b>
<b>Planning</b>			
Economic Development	\$ -	\$ -	\$ -
Facilities - Eng	500,000	500,000	500,000
<b>Subtotal Planning</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>
<b>Police</b>			
Police	\$ -	\$ -	\$ -
Police Decentralization	-	-	-
<b>Subtotal Police</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>QUALCOMM Stadium</b>			
	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>
<b>Real Estate Assets</b>			
	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>
<b>San Diego Fire-Rescue</b>			
Fire	\$ 2,487,000	\$ -	\$ -
Lifeguard Services	-	-	-
<b>Subtotal San Diego Fire-Rescue</b>	<b>\$ 2,487,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Water</b>			
Municipal Water	\$ 71,573,189	\$ 81,902,139	\$ 45,757,698
Reclaimed Water	1,897,450	2,347,614	4,452,059
<b>Subtotal Water</b>	<b>\$ 73,470,639</b>	<b>\$ 84,249,753</b>	<b>\$ 50,209,757</b>
<b>GRAND TOTAL</b>	<b>\$ 322,817,474</b>	<b>\$ 316,324,338</b>	<b>\$ 260,898,917</b>

# Annual Budget Financial Summary

## Budget Summary Schedules

### SCHEDULE IX CAPITAL IMPROVEMENTS PROJECT BY IMPROVEMENT TYPE

FY 2014 PROJECTED	FY 2015 PROJECTED	FY 2016 PROJECTED	
\$ 1,500,000	\$ 1,500,000	\$ -	<b>Community &amp; Economic Development</b>
-	-	-	Centre City Development Corporation
-	-	-	Community Services Program
-	-	-	Economic Development
-	-	-	Facilities - Eng
<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ -</b>	<b>Subtotal Community &amp; Economic Development</b>
<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>Development Services</b>
-	-	-	<b>Engineering &amp; Capital Projects</b>
\$ 1,409,920	\$ -	\$ -	Bikeways
41,500,000	41,500,000	41,500,000	Facilities - Eng
-	-	-	Storm Drains/Flood Control
1,935,000	1,935,000	1,840,000	Streets and Bridges
4,110,000	4,110,000	4,110,000	Traffic Control
<b>\$ 48,954,920</b>	<b>\$ 47,545,000</b>	<b>\$ 47,450,000</b>	<b>Subtotal Engineering &amp; Capital Projects</b>
-	-	-	<b>Environmental Services</b>
\$ 326,500	\$ 327,500	\$ 327,500	Energy Program
-	-	-	Enviro. Protection
4,118,700	2,131,000	2,149,000	Facilities - Eng
<b>\$ 4,445,200</b>	<b>\$ 2,458,500</b>	<b>\$ 2,476,500</b>	Refuse Disposal
-	-	-	<b>Subtotal Environmental Services</b>
-	-	-	<b>General Services</b>
-	-	-	Balboa Park
-	-	-	Bikeways
2,150,000	2,150,000	-	Storm Drains/Flood Control
2,900,000	2,900,000	2,900,000	Streets and Bridges
300,000	300,000	300,000	Traffic Control
<b>\$ 5,350,000</b>	<b>\$ 5,350,000</b>	<b>\$ 3,200,000</b>	<b>Subtotal General Services</b>
-	-	-	<b>Library</b>
-	-	-	<b>Metropolitan Wastewater</b>
\$ 107,590,080	\$ 107,008,480	\$ 106,508,480	Sewer - Metropolitan
61,943,626	87,644,959	30,792,615	Sewer - Municipal
-	-	-	Storm Water Program
<b>\$ 169,533,706</b>	<b>\$ 194,653,439</b>	<b>\$ 137,301,095</b>	<b>Subtotal Metropolitan Wastewater</b>
-	-	-	<b>Information Technology &amp; Communications</b>
-	-	-	<b>Park &amp; Recreation</b>
\$ 200,000	\$ 200,000	\$ 200,000	Balboa Park
1,000,000	-	-	Golf Course
2,000,000	2,000,000	4,172,043	Mission Bay
6,722,750	3,601,250	19,425,000	Other Parks
-	-	-	Storm Drains/Flood Control
-	-	-	Streets and Bridges
<b>\$ 9,922,750</b>	<b>\$ 5,801,250</b>	<b>\$ 23,797,043</b>	<b>Subtotal Park &amp; Recreation</b>
-	-	-	<b>Planning</b>
-	-	-	Economic Development
500,000	500,000	500,000	Facilities - Eng
<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>Subtotal Planning</b>
-	-	-	<b>Police</b>
-	-	-	Police
-	-	-	Police Decentralization
<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>Subtotal Police</b>
<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>QUALCOMM Stadium</b>
<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>Real Estate Assets</b>
-	-	-	<b>San Diego Fire-Rescue</b>
-	-	-	Fire
-	-	-	Lifeguard Services
<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>Subtotal San Diego Fire-Rescue</b>
-	-	-	<b>Water</b>
\$ 32,648,849	\$ 46,973,531	\$ 44,178,718	Municipal Water
11,235,597	11,868,690	16,894,704	Reclaimed Water
<b>\$ 43,884,446</b>	<b>\$ 58,842,221</b>	<b>\$ 61,073,422</b>	<b>Subtotal Water</b>
<b>\$ 285,141,022</b>	<b>\$ 317,550,410</b>	<b>\$ 276,298,060</b>	<b>GRAND TOTAL</b>



### Introduction

Debt Management is an important component in a large city's overall financial management responsibilities. Cities use the option of debt financing to pay for large projects, such as public buildings, parks, infrastructure and open space acquisition, when paying for these projects out of current revenues would be impractical.

### Credit Ratings

As of February 2006, the City's General Obligation bond ratings are as follows: Moody's Investors Service (A3) and Fitch Ratings (BBB+). On September 20 2004, Standard & Poor's suspended its credit ratings on the City's outstanding bonds. In August 2005, Moody's Investors Service downgraded the City's general obligation bonds (from A1 to A3) retaining its negative outlook on the City's outstanding General Obligations and General Fund bonds, and in May 2005, Fitch Ratings downgraded the City's general obligation bonds (from A to BBB+), retaining a Rating Watch Negative on all the affected issuances.

### Long-Term Financing Techniques

The following categories of financing techniques are frequently used to pay for various capital improvements.

#### General Obligations Bonds

Under the California Constitution, the City may issue General Obligations Bonds subject to the approval of two-thirds of those voting on the bond proposition. General Obligations Bonds represent an indebtedness of the City secured by its full faith and credit. An ad valorem tax on real property is levied to pay principal and interest on General Obligation Bonds.

#### Lease Revenue Bonds and Certificates of Participation

Under State law, the City may also enter into long-term lease obligations without obtaining voter approval. Lease Revenue Bonds and Certificates of Participation are lease obligations secured by an installment sale agreement or by a lease-back arrangement with a public entity, where the general operating revenues are pledged to pay the lease payments, which are, in turn, used to pay debt service on the bonds or Certificates of Participation. These obligations do not constitute indebtedness under the state constitutional debt limitation and, therefore, are not subject to voter approval. Payments to be made under valid leases are payable only in the year in which use and occupancy of the leased property is available, and lease payments may not be accelerated. The governmental lessee is obligated to place in its annual budget the rentals that are due and payable during each fiscal year the lessee has use of the leased property.

#### Revenue Bonds

Revenue Bonds are payable solely from net or gross non ad valorem tax revenues derived from General Fund revenues, tax increment revenues, rates or tolls, or fees, charges or rents paid by users of the facility constructed with the proceeds of the bond issue.

#### Special Assessment/Mello-Roos Bonds

Under various sections of State law, the City may establish Special Assessment or Community Facilities (Mello-Roos) Districts and issue limited obligation bonds to finance infrastructure facilities and other public improvements necessary to facilitate development of the properties within each district. The bonds are secured solely by the properties in the district, and are not personal obligations of the property owners.

# Financial Summary

## Debt Management

The bonds are repaid through revenues generated by the annual levy of special assessments or special taxes on the benefiting properties.

The table that follows summarizes the City's outstanding General Obligation bonded debt, outstanding Lease Revenue Bonds and Certificates of Participation, and Revenue Bonds as of June 30, 2005, showing the debt payment for each issue for Fiscal Year 2006, the department where these funds are budgeted, and the funding source.

# Financial Summary

## Debt Management

### Summary of Debt Obligations

		Principal Outstanding 6/30/2005	Fiscal Year 2006 Bond Payment	BUDGET DEPARTMENT	PRIMARY FUNDING SOURCE
<b>General Obligation Bonds</b>					
1991	Public Safety Communications Project	\$13,010,000	\$2,329,135	Bond Interest & Redemption	Property Tax
1994	San Diego Open Space Facilities District No. 1 Refunding Series <sup>(1)</sup>	\$1,520,000	\$437,988	Park & Rec/Open Space	Franchise Fees
<b>Subtotal General Obligation Bonds</b>		<b>\$14,530,000</b>	<b>\$2,767,123</b>		
<b>General Purpose Revenue Obligations</b>					
<b>Certificates of Participation</b>					
1996A	Certificates of Participation Balboa Park/Mission Bay Park Improvements Program	\$18,070,000	\$3,531,043	Eng/Public Bldgs & Parks	Transient Occupancy Tax
1996B	Refunding Certificates of Participation Balboa Park/Mission Bay Park Improvements Program	\$9,520,000	\$880,065	Eng/Public Bldgs & Parks	Transient Occupancy Tax
2003	1993 Balboa Park/Mission Bay Park Improvements Program Refunding Certificates of Participation	\$15,710,000	\$2,162,649	Eng/Public Bldgs & Parks	Transient Occupancy Tax
<b>Lease Revenue Bonds</b>					
1994	City/MTDB Authority Refunding - Bayside Trolley Extension	\$14,890,000	\$2,926,923	Trolley Extension Reserve	Transient Occupancy Tax
1994	City/MTDB Authority Refunding - Police Improvements	included above	\$2,478,998 <sup>(2)</sup>	Police Decentralization	Sales Tax
1996	Qualcomm (Jack Murphy) Stadium	\$61,720,000	\$5,773,503	Qualcomm Stadium	Stadium Revenues & Midway/Sports Arena Leases
1998	Convention Center Expansion Authority	\$187,980,000	\$13,700,545	Convention Center Complex	Transient Occupancy Tax & Port Authority Contribution
2002A	Ballpark and Redevelopment Project	\$169,685,000	\$15,404,275	Ballpark Facility	Transient Occupancy Tax
2002B	Fire and Life Safety Facilities Project	\$24,235,000	\$1,641,308	Fire and Life Safety Services	Safety Sales Tax
2003	1993 City/MTDB Authority Refunding - Old Town Trolley Extension	\$14,665,000	\$1,152,249	Trolley Extension Reserve	Transient Occupancy Tax
<b>Subtotal General Purpose Revenue Obligations</b>		<b>\$516,475,000</b>	<b>\$49,651,558</b>		
<b>Total General Obligation/General Purpose Revenue Obligations</b>		<b>\$531,005,000</b>	<b>\$52,418,681</b>		
<b>Non-General Fund Commitments</b>					
<i>Sewer Improvements</i>					
1993	Sewer Revenue Bonds	\$189,090,000	\$16,320,651	Metropolitan Wastewater	Net Sewer System Revenues
1995	Sewer Revenue Bonds	\$293,190,000	\$23,584,216	Metropolitan Wastewater	Net Sewer System Revenues
1997	Sewer Revenue Bonds	\$213,950,000	\$16,637,613	Metropolitan Wastewater	Net Sewer System Revenues
1999	Sewer Revenue Bonds	\$283,865,000	\$20,509,483	Metropolitan Wastewater	Net Sewer System Revenues
2004	Sewer Revenue Bonds (Private Placement)	\$152,000,000	\$5,328,252 <sup>(3)</sup>	Metropolitan Wastewater	Net Sewer System Revenues
<i>Water Improvements</i>					
1998	Water Certificates of Undivided Interest	\$279,020,000	\$21,354,860	Water	Net Water System Revenues
2002	Subordinated Water Revenue Bonds	\$286,945,000	\$13,506,433	Water	Net Water System Revenues
<b>Total Non-General Fund Commitments</b>		<b>\$1,698,060,000</b>	<b>\$117,241,508</b>		

(1) On April 21 2005, \$24,360,000 in outstanding principal was redeemed reducing the annual debt service from \$7.4 million to \$437,988 in Fiscal Year 2006. The average annual debt service from Fiscal Year 2007 to Fiscal Year 2009 (the final year) will be approximately \$437,000.

(2) Fiscal Year 2006 is the last payment towards the Police Improvements Lease. In Fiscal Year 2006, no sales tax allocation is required due to the release of the debt service reserve fund associated with these bonds.

(3) Estimated debt payments subject to change based on market conditions and LIBOR periods selected.

The FY 2006 debt service payments are interest-only payments. The bonds were restructured in February 2006; the first principal payment is due in March 2007.



# Financial Summary

## Debt Management

### Legal Debt Limits

Under Section 90 of the City Charter, the City may issue bonds for the purpose of acquiring, constructing, or completing any municipal improvements, not including improvements to the City's water facilities, in an amount not to exceed 10 percent of the total assessed valuation of all real and personal property in the City subject to an annual property tax levy. The City may also issue bonds for the purpose of acquiring, constructing, or completing water facilities in an amount not to exceed 15 percent of the total assessed valuation of all real and personal property in the City subject to an annual property tax levy. The combined limit on outstanding indebtedness for both non-utility related improvements and water related improvements is an amount not to exceed 25 percent of the total assessed valuation.

It should be noted that it has been the City's practice, as provided for in Section 90.1 of the City Charter, to issue Revenue Bonds for the purpose of constructing water facilities. Per Section 90.1 Revenue Bonds do not constitute an indebtedness of the City, but an obligation payable from the revenues received by the utility. Section 90.2 authorizes the issuance of Revenue Bonds for the purpose of constructing improvements to the City's sewer system.

### Statement of Legal Debt Margin – June 30, 2004, Unaudited<sup>(1)</sup> (In Thousands of Dollars)

	General Obligation Bonds <sup>(2)</sup>		
	For Water Purposes	For Other Purposes	Total
Assessed Valuation: July 1, 2004 - \$29,421,956 <sup>(3)(4)</sup>			
Debt Limits <sup>(5)</sup>	\$4,413,293	\$2,942,196	\$7,355,489
Outstanding General Obligation Bonds <sup>(6)</sup>	\$0	\$14,390	\$14,390
Less: Cash Reserve for Matured and Unpaid Bonds	\$0	\$0	\$0
Outstanding General Obligation Bonds Applicable to Debt Limit	\$0	\$14,390	\$14,390
<b>LEGAL DEBT MARGIN</b>	<b>\$4,413,293</b>	<b>\$2,927,806</b>	<b>\$7,341,099</b>
Percentage of Outstanding Debt to Debt Limit	0.00%	0.49%	0.20%

<sup>(1)</sup> It is anticipated that the final Statement of Legal Debt Margin as of June 30, 2004 will be released with the Fiscal Year 2004 Comprehensive Annual Financial Report (CAFR). The unaudited Statement of Legal Debt Margin as of June 30, 2005 is anticipated to be included in the FY 2007 Budget.

<sup>(2)</sup> All City of San Diego General Obligation Bonds are serially numbered and redeemable from special tax levy.

<sup>(3)</sup> Beginning January 1, 1981, a change in State law required the County Assessor to assess all taxable property at 100% of full value as opposed to the prior practice of assessing property at 25% of full value. To be in compliance with the City Charter, the assessed valuation used for this Statement is at 25% of full value.

<sup>(4)</sup> The full value, as of July 1, 2004, was \$117,687,823,000. 25% of the full value was \$29,421,956,000.

<sup>(5)</sup> Section 90 of the City Charter provides that the bonded indebtedness for the development, conservation and furnishings of water shall not exceed 15% of the last preceding assessed valuation of all real and personal property of the City subject to direct taxation and that the bonded indebtedness for other municipal improvements shall not exceed 10% of such valuation.

<sup>(6)</sup> Includes only the 1991 Public Safety Communications Project General Obligation Bonds. These are the only outstanding general obligation bonds for which the City levies an ad valorem tax.

# Financial Summary

## Debt Management

### Short Term Borrowings

The City has issued Tax Anticipation Notes (TANs) or Tax and Revenue Anticipation Notes (TRANs) since Fiscal Year 1968 (except for the Fiscal Year 1979) to meet periodic General Fund cash flow needs. In June 2005, the City Council approved, via Resolution R-300509, a privately placed Note Purchase Agreement with Bank of America authorizing a borrowing of up to \$155 million to meet the cash flow needs for Fiscal Year 2006. The City borrowed \$145 million via this Note Purchase Agreement to meet cash flow needs for Fiscal Year 2006. As of February 2006, the City has paid down \$89.5 million and expects to pay off the remaining portion of the note no later than May 2006. The City has never defaulted on any short-term note issues.

### Assessment and Community Facilities District Financing Policy

The City Council has adopted a formal Special District Financing policy which governs the financing of infrastructure facilities and other public improvements through the use of Special Assessment and Mello-Roos Community facilities Districts. The policy consists of guidelines/requirements for:

- Determining which public facilities qualify for financing
- Initiating district formation proceedings
- Providing impacted property owners with sufficient and appropriate disclosure relating to proposed special districts
- Evaluating the financial feasibility of a proposed special district financing
- Determining and apportioning assessments of special taxes
- Reimbursing the City for all necessary costs associated with the evaluation, establishment, and administration of special districts

The City has issued special assessment and special tax bonds on behalf of developers and other proponents. These bonds are repaid through the annual levy of special assessments and special taxes, and are ultimately secured by the properties within each district. Although the City is not obligated to make debt service payments on special assessment or special tax bonds, the City has, when necessary, taken proactive measures to help protect the interests of these bondholders.