

# FINANCIAL PERFORMANCE REPORT FISCAL YEAR 2008

PERIOD 5



Department of Finance  
City Comptroller's Office  
11/16/07

## ***Performance at a Glance***

General Fund Revenues  
General Fund Expenditures  
Water Department Revenues  
Water Department Expenses  
Sewer Funds Revenue  
Sewer Funds Expenses

	<i>Period Performance</i>	<i>Year-to-Date Performance</i>	<i>See Page Number</i>
General Fund Revenues	▼	▼	5
General Fund Expenditures	▼	▲	7
Water Department Revenues	▲	▲	9
Water Department Expenses	▼	▲	9
Sewer Funds Revenue	▲	▲	10
Sewer Funds Expenses	▲	▲	10

## ***Purpose and Scope***

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This report is designed to provide city management with the financial information necessary to assess the current financial position of the City of San Diego. Information is also provided to assist in the evaluation of departmental performance. However, we note that the analysis of budgetary performance, and the review of the achievement of departmental objectives, is traditionally the role of the Financial Management division of the Department of Finance.

The General Fund is the primary focus of this report, although other budgeted funds are also included. However, it does not contain the operating results of numerous unbudgeted special revenue funds, debt service funds, or fiduciary funds; the results of component units; or capital project funds.

The attached statements were not prepared in accordance with Generally Accepted Accounting Principles (GAAP) for external financial reporting. Financial information contained in this report is unaudited, and should not be used as the basis of investment decisions. Likewise, this report is not a replacement for the City of San Diego's Comprehensive Annual Financial Report (CAFR). The CAFR, as well as other financial reports, can be accessed via the internet at: <http://www.sandiego.gov/auditor/reports/index.shtml>.

In both the body of this report and its supporting schedules the primary analysis tool is a comparison of current year activity against the previous year's activity. This provides a variance of two definite values, rather than between one definite value and an estimate. Comparisons against departmental estimates, also referred to as Period-to-Date Budgets, continue to be important, and we include them in the supporting schedules for the General Fund as an informational item. In the General Fund Revenue and General Fund Expenditure sections of this report we also include a summary table of the top five variances between departmental period-to-date estimates and actual balances.

The focus of this report is financial activity through Period 5 of Fiscal Year 2008 (ended November 16, 2007). Unless stated otherwise, the balances discussed are as of this date. Likewise, references to the previous year, or last year, are as of Period 5 Fiscal Year 2007 (ended November 17, 2006).

## ***The General Fund***

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### **GENERAL FUND SUMMARY**

General Fund activity in Period 5 is highlighted by three major points of interest:

- the Mount Soledad landslide continued to impact operations,
- a series of catastrophic wildfires burned through San Diego County,
- and the creation of an appropriated reserve.

The impact on operating expenditures of the Mount Soledad landslide and the wildfires has primarily been emergency response and assessment. Most of the major costs related to these events will be in debris removal and the rebuilding stages. More details for each event will be provided in the Additional Items of Interest section of this report (see page 10).

Through the period ended November 16, 2007, General Fund revenues totaled \$153.8 million, which marks a \$19.1 million decrease from last year. While this seems like a dramatic reduction in revenue, the majority of this difference is attributable to the timing differences of specific transactions. These transactions are discussed in more detail in the General Fund Revenues section of this report (see page 5). The majority of these timing differences were resolved in Period 6.

Expenditures for the General Fund totaled \$388.5 million, an \$11.7 million increase from last year. This marks an increase of 3.1% from last year. This suggests that expenditures are following a pattern somewhat consistent with that experienced last fiscal year. Additional information on expenditures is contained in the General Fund Expenditures section (see page 7).

Total expenditures, along with \$31.8 million of encumbrances, exceed revenue by \$266.6 million. This relationship is demonstrated on the table below, as well as more thoroughly in the General Fund Summary table on page 4.

<b>General Fund Status Summary</b>			
	Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 1,111,439,952	\$ 1,111,439,952	\$ 153,758,648
Total Expenditures	1,111,439,952	1,121,108,292	388,517,021
	\$ -	\$ (9,668,340)	(234,758,373)
Total Encumbrances			31,826,943
Net Impact			<u>\$ (266,585,316)</u>

After revisions, the General Fund expenditure budget exceeds the revenue budget by \$9.7 million. This is due to the creation of an appropriated reserve and other actions that were funded by unallocated reserves. Increases in expenditure appropriations from these sources did not include an offsetting increase in the revenue budget. Budget revisions are detailed in the General Fund Budget Reconciliation section of this report (see page 5).

## General Fund Summary

	Adopted Budget	Revised Budget	Current Year-to-Date Actuals	% of Revised Budget	CY/PY Change	Prior Year-to-Date Actuals	FY07 Year-End Totals	% of FY07 Year-End Total
<b>Revenues</b>								
Property Tax	\$ 385,688,853	\$ 385,688,853	\$ 25,248,730	7%	\$ 5,073,656	\$ 20,175,074	\$ 360,400,407	6%
Safety Sales Tax	8,401,528	8,401,528	2,021,626	24%	(680,163)	2,701,789	7,940,313	34%
Sales Tax	239,485,958	239,485,958	28,845,810	12%	(13,764,577)	42,610,387	225,841,450	19%
General Fund TOT	85,184,936	85,184,936	25,908,559	30%	4,376,465	21,532,094	80,702,830	27%
Property Transfer Taxes	7,570,860	7,570,860	2,770,616	37%	1,233,790	1,536,826	9,307,713	17%
Licenses and Permits	34,456,484	34,456,484	10,980,411	32%	762,012	10,218,399	31,478,210	32%
Fines and Forfeitures	34,769,264	34,769,264	6,912,310	20%	(1,366,872)	8,279,182	36,452,196	23%
Interest & Dividends	10,437,122	10,437,122	3,388,918	32%	1,284,607	2,104,311	10,151,728	21%
Franchises	69,585,776	69,585,776	2,452,862	4%	(258,097)	2,710,959	64,633,832	4%
Rents & Concessions	38,405,313	38,405,313	12,756,204	33%	(326,667)	13,082,871	35,270,989	37%
Motor Vehicle License Fees	7,938,333	7,938,333	2,681,783	34%	(1,388,983)	4,070,766	8,101,184	50%
Revenues From Other Agencies	7,203,056	7,203,056	881,382	12%	(1,839,491)	2,720,873	11,644,797	23%
Charges for Current Services	28,850,177	28,850,177	13,382,443	46%	1,522,609	11,859,834	32,308,468	37%
Services and Transfers	151,243,445	151,243,445	14,508,899	10%	(13,776,816)	28,285,715	135,949,263	21%
Miscellaneous Revenues	2,218,847	2,218,847	1,018,095	45%	66,878	951,217	3,036,190	31%
<b>Total General Fund Revenue</b>	<b>\$ 1,111,439,952</b>	<b>\$ 1,111,439,952</b>	<b>\$ 153,758,648</b>	<b>14%</b>	<b>\$ (19,081,649)</b>	<b>\$ 172,840,297</b>	<b>\$ 1,053,219,570</b>	<b>16%</b>
<b>Expenditures</b>								
Personnel Services	\$ 499,182,982	\$ 499,191,888	\$ 187,542,374	38%	\$ 7,038,102	\$ 180,504,272	\$ 461,185,650	39%
<b>Total PE</b>	<b>499,182,982</b>	<b>499,191,888</b>	<b>187,542,374</b>	<b>38%</b>	<b>7,038,102</b>	<b>180,504,272</b>	<b>461,185,650</b>	<b>39%</b>
Fringe Benefits	271,654,326	271,645,420	100,396,468	37%	3,859,569	96,536,899	254,201,849	38%
Supplies / Services	267,000,178	277,196,565	79,735,529	29%	6,502,021	73,233,508	195,302,910	37%
Data Processing	37,185,579	37,074,493	10,259,985	28%	(1,951,916)	12,211,901	29,328,720	42%
Energy	25,655,302	25,791,406	9,017,764	35%	(832,157)	9,849,921	29,425,581	33%
Outlay	10,761,585	10,208,520	1,564,901	15%	(2,950,190)	4,515,091	13,195,796	34%
<b>Total NPE</b>	<b>612,256,970</b>	<b>621,916,404</b>	<b>200,974,647</b>	<b>32%</b>	<b>4,627,327</b>	<b>196,347,320</b>	<b>521,454,856</b>	<b>38%</b>
<b>Total General Fund Expenditures</b>	<b>\$ 1,111,439,952</b>	<b>\$ 1,121,108,292</b>	<b>\$ 388,517,021</b>	<b>35%</b>	<b>\$ 11,665,429</b>	<b>\$ 376,851,592</b>	<b>\$ 982,640,506</b>	<b>38%</b>
<b>General Fund Encumbrances</b>			31,826,943		(9,068,191)	40,895,134	28,636,895	
<b>Net Impact</b>	<b>\$ -</b>	<b>\$ (9,668,340)</b>	<b>\$ (266,585,316)</b>		<b>\$ (21,678,887)</b>	<b>\$ (244,906,429)</b>	<b>\$ 41,942,169</b>	

## GENERAL FUND BUDGET RECONCILIATION

Three actions were executed in Period 5 which affected the Adopted Budget. This activity is detailed in the table presented below. All three actions, totaling \$9.7 million, were funded from General Fund unallocated reserves.

### General Fund Budget Reconciliation

Action	Estimated Revenue	Authority	Amount
FY2008 Adopted Budget		O-19525	\$ 1,111,439,952
Final FY2008 Revised Budget			<u>\$ 1,111,439,952</u>

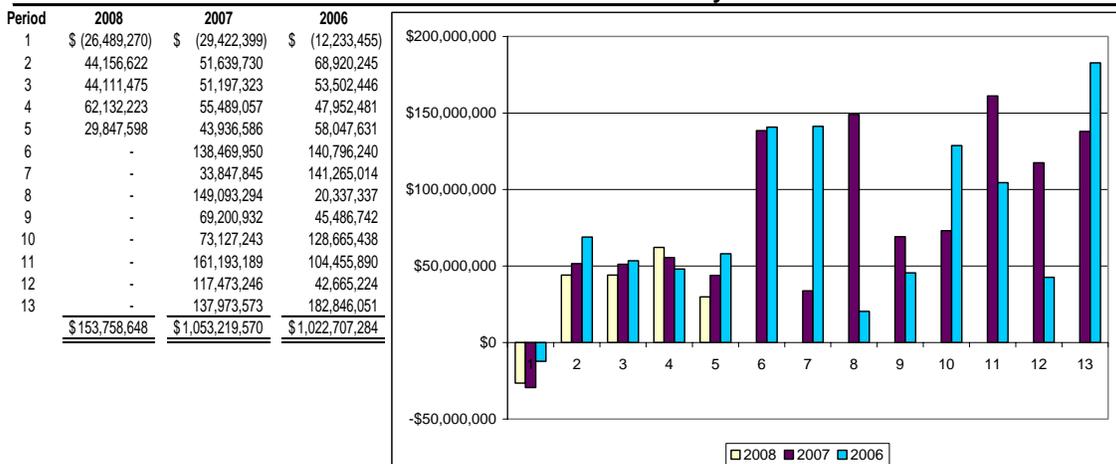
Action	Expenditure Appropriations	Authority	Amount
FY2008 Adopted Budget		O-19525	\$ 1,111,439,952
Retention of Macias Gini & O'Connell, LLP		O-19660	688,000
Arbitration settlement with the San Diego Chargers		O-19672	1,980,340
Establishment of Appropriated Reserve		O-19679	7,000,000
Final FY2008 Revised Budget			<u>\$ 1,121,108,292</u>

## GENERAL FUND REVENUES

As stated in the General Fund Summary section of this report, General Fund revenues totaled \$153.8 million. This is a \$19.1 million decrease from last year, and results in a \$51.7 million unfavorable variance when compared to the Period-to-Date Budget. The discussion below addresses individual revenue categories that contributed to this shortfall.

Revenue balances in the early periods of a fiscal year are usually lower than the amounts anticipated in later periods. To date, this year's receipts follow a pattern of receipts similar to that experienced in previous years. (This is illustrated in the General Fund Revenue Analysis below.)

### General Fund Revenue Analysis



Revenue categories with either significant year-to-year changes or variances when compared to Period-to-date Budgets are:

- *Property Tax* revenue totaled \$25.2 million, and is up \$5.1 million from last year. A favorable variance of \$4.3 million results when compared to the Period-to-Date Budget. (In Period 6 the General Fund received its first large apportionment of the year totaling \$95.6 million. This brings total receipts through Period 6 within \$116,140 of the Period-to-Date Budget.)
- *Sales Tax* revenue totaled \$28.8 million, which marks a \$13.8 million decrease from last year. This category is also \$15.7 million below the Period-to-Date Budget. This shortfall is attributable to the timing of an apportionment (\$16.8 million) anticipated in the Period-to-Date Budget to be received in Period 5, but was not posted until Period 6.
- *Transient Occupancy Tax* revenue is up \$4.4 million from last year to \$25.9 million. However, this total is \$6.9 million lower than the Period-to-Date Budget. This is primarily due to delays in the posting of receipts.
- *Fines and Forfeitures* revenue totaled \$6.9 million, which is \$1.4 million lower than last year. When compared to Period-to-Date Budgets the result is an unfavorable variance of \$5.7 million. This shortfall is primarily driven by Parking Citations Revenue which is \$4.5 million below the Period-to-Date Budget. The Financial Management department has plans to work with the responsible department to revise the Period-to-Date Budget to better capture the timing of this revenue stream.
- *Revenues from Other Agencies* totaled \$881,382, which is down \$1.8 million because of reimbursements for Hurricane Katrina relief received last year. This category is on track with estimates, posting totals \$83,491 higher than its Period-to-Date Budget.
- Revenue from *Services and Transfers* totaled \$14.5 million. This is \$13.8 million lower than last year, and \$28.3 million lower than the Period-to-Date Budget. The majority of these differences are due to the timing of specific transactions, such as a \$9.7 million transfer for reimbursement from tobacco funds and a \$4.6 million transfer from gas tax funds. These transfers were transacted in Period 6, but were anticipated to occur earlier in the fiscal year.

The table on the following page shows how the actual receipt of revenue compares to period-to-date estimates. It contains the categories with the five largest variances, as well as the General Fund total.

**General Fund Revenue Period-to-Date Variance Analysis**

	PTD	FY08	Variance	%
	Budget	Actuals		
Services & Transfers	\$ 42,837,226	\$ 14,508,899	\$ (28,328,327)	-66%
General Fund Sales Taxes	44,569,742	28,845,810	(15,723,932)	-35%
General Fund TOT	32,805,096	25,908,559	(6,896,537)	-21%
Fines & Forfeitures	12,564,761	6,912,310	(5,652,451)	-45%
Property Taxes	20,981,273	25,248,730	4,267,457	20%
Remaining Revenue Categories	51,717,428	52,334,340	616,912	1%
<b>Total General Fund Revenues</b>	<b>\$ 205,475,526</b>	<b>\$ 153,758,648</b>	<b>\$ (51,716,878)</b>	<b>-25%</b>

Additional details of General Fund revenues can be found on Schedule 1- General Fund Revenue Status Report.

**GENERAL FUND EXPENDITURES**

General Fund expenditures totaled \$388.5 million; this is \$11.7 million more than last year. Despite this increase, this is \$32.8 million less than the Period-to-Date Budget. The discussion below addresses individual departments that contribute to these totals.

The following discussion addresses the expenditure categories with significant changes from last year.

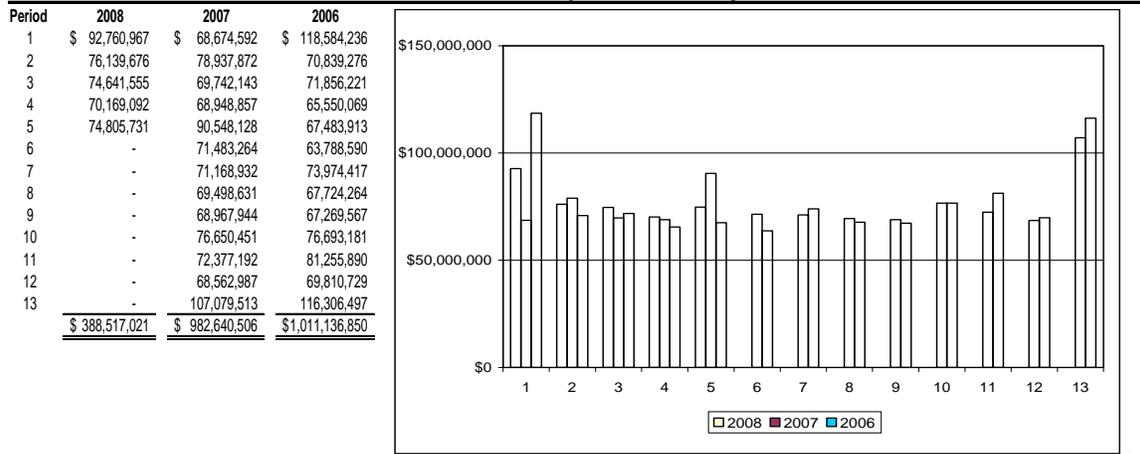
- *Personnel Services* and the related Fringe Benefits have both increased from last year, with the biggest increase being in the Police Department where Personnel Services have increased \$4.9 million to date from last year.
- *Supplies and Services* is up by \$6.5 million from last year, primarily due to a large initial budgeted transfer to Public Liability.
- *Data Processing* charges are down \$2.0 million because of budgeted transfers that occurred earlier in Fiscal Year 2007 than they are planned to occur this year.
- *Outlay* expenditures are down \$3.0 million from last year, primarily due to master lease payments paid early last fiscal year.

**General Fund Expenditures by Category**

Category	Revised	Current Year-to-	Prior Year-to-	Change	%
	Budget	Date Actuals	Date Actuals		
Personnel Services	\$ 499,191,888	\$ 187,542,374	\$ 180,504,272	\$ 7,038,102	4%
Fringe Benefits	271,645,420	100,396,468	96,536,899	3,859,569	4%
Supplies / Services	277,196,565	79,735,529	73,233,508	6,502,021	9%
Data Processing	37,074,493	10,259,985	12,211,901	(1,951,916)	-16%
Energy	25,791,406	9,017,764	9,849,921	(832,157)	-8%
Outlay	10,208,520	1,564,901	4,515,091	(2,950,190)	-65%
<b>Total Expenditures</b>	<b>\$ 1,121,108,292</b>	<b>\$ 388,517,021</b>	<b>\$ 376,851,592</b>	<b>\$ 11,665,429</b>	<b>3%</b>

The exhibit on the following page demonstrates the extent to which expenditures occur through the course of the year.

### General Fund Expenditure Analysis



Departments with either significant year-to-year changes or variances when compared to Period-to-Date Budgets are:

- Citywide Program* expenditures totaled \$25.1 million, which marks an increase of \$5.2 million from last year. The primary cause of this increase is a larger budgeted transfer to the Public Liability Fund in Fiscal Year 2008. When compared to the Period-to-Date Budget, the result is a favorable variance of \$531,316.
- Office of the Chief Information Officer* expenditures totaled \$8.4 million. This is \$2.8 million higher than last year, and is primarily due to increased centralization of data processing costs; these expenditures are offset by decreases in data processing expenditures in other General Fund departments.
- City Planning and Community Investment* expenditures are down \$2.5 million from last year to \$4.1 million. This department is also \$2.5 million lower than the Period-to-Date Budget. This is due to a \$2.0 million transfer for lease payments anticipated to occur in Period 5, but were not transacted.
- The *Police Department* incurred expenditures totaling \$138.1 million, marking a \$1.0 million decrease from last year. This department's expenditures are also \$5.6 million lower than the Period-to-Date Budget. This variance is primarily in the Supplies and Services category, as well as Personnel Services, which is the result of vacancies.
- San Diego Fire and Rescue* expenditures totaled \$74.5 million, which is an increase of \$6.4 million from last year. Most of this increase is in the

Supplies and Services expenditure category, and is the result of restructuring related to the Equipment Division.

- The *General Services* department expenditures increased \$102,092 from last year to \$22.1 million. This total yields a variance of \$13.4 million when compared to the Period-to-Date Budget. This is primarily due to the delay in bringing forward contracts (department estimates these actions to total \$10.0 million) intended to be executed by Period 4, which have been reprioritized due to the Mt. Soledad landslide.

The following table shows how actual expenditures compare to period-to-date estimates. It contains the departments with the five largest variances.

<b>General Fund Expenditure Period-to-Date Variance Analysis</b>				
	PTD Budget	FY08 Actuals	Variance	%
General Services	\$ 35,553,241	\$ 22,137,675	\$ 13,415,566	38%
Office the Chief Information Officer	15,165,656	8,359,609	6,806,047	45%
Police	143,709,797	138,128,930	5,580,867	4%
San Diego Fire-Rescue	69,953,468	74,492,157	(4,538,689)	-6%
City Planning and Community Investment	6,551,558	4,091,708	2,459,850	38%
Remaining Departments	150,369,770	141,306,942	9,062,828	6%
<b>Total General Fund Expenditures</b>	<b>\$ 421,303,490</b>	<b>\$ 388,517,021</b>	<b>\$ 32,786,469</b>	<b>8%</b>

Additional details of General Fund expenditure can be found on Schedule 2- General Fund Expenditure Status Report.

### ***Other Budgeted Funds***

#### **WATER DEPARTMENT**

Water Department revenues totaled \$149.3 million, which is a \$17.2 million increase from last year. For the same period, Water Department operating expenses totaled \$107.7 million. This is an increase of \$2.9 million from last year. As the table below indicates, revenues have exceeded expenses by \$41.7 million, but once operation related encumbrances are taken into account, the difference drops to \$32.7 million.

The Water Department Fund's adopted revenue budget exceeds the adopted operating expense budget by \$105.2 million. The difference is due to the effect of the excluding CIP related activity from expense totals, as well as the use of fund equity to finance appropriations.

**Water Department Summary**

	Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 462,174,462	\$ 462,174,462	\$ 149,344,994
Operating Expenses	356,966,131	356,932,473	107,659,248
	<u>\$ 105,208,331</u>	<u>\$ 105,241,989</u>	<u>\$ 41,685,746</u>
Operating Encumbrances			8,964,398
<b>Net Impact</b>			<b><u><u>\$ 32,721,348</u></u></b>

**SEWER FUNDS**

Sewer Funds realized revenues totaling \$153.3 million. This marks an increase of \$33.2 million from last fiscal year. Operating expenses total \$94.9 million, up \$1.7 million from last year. The table below indicates revenues have exceeded expenses by \$58.4, but once operating encumbrances are considered, the difference falls to \$26.8 million.

The Sewer Funds' adopted operating expense budget exceeds the adopted revenue budget by \$15.7 million. One of the reasons for this difference is the exclusion of CIP related expenses. In addition to that, Sewer Funds are required to include in its annual budget a contingency reserve to enhance its bond creditworthiness profile. This year's contingency reserve was budgeted at \$31.7 million which is another cause of the difference between revenue and expense budgets.

**Sewer Funds**

	Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 354,030,423	\$ 354,030,423	\$ 153,299,560
Operating Expenses	369,767,582	369,767,582	94,862,107
	<u>\$ (15,737,159)</u>	<u>\$ (15,737,159)</u>	<u>\$ 58,437,453</u>
Operating Encumbrances			31,685,873
<b>Net Impact</b>			<b><u><u>\$ 26,751,580</u></u></b>

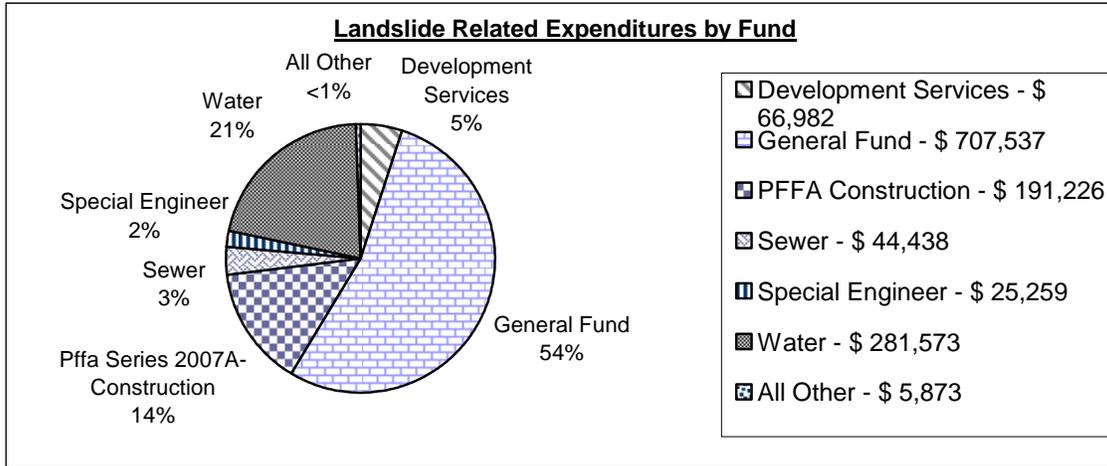
***Additional Items of Interest***

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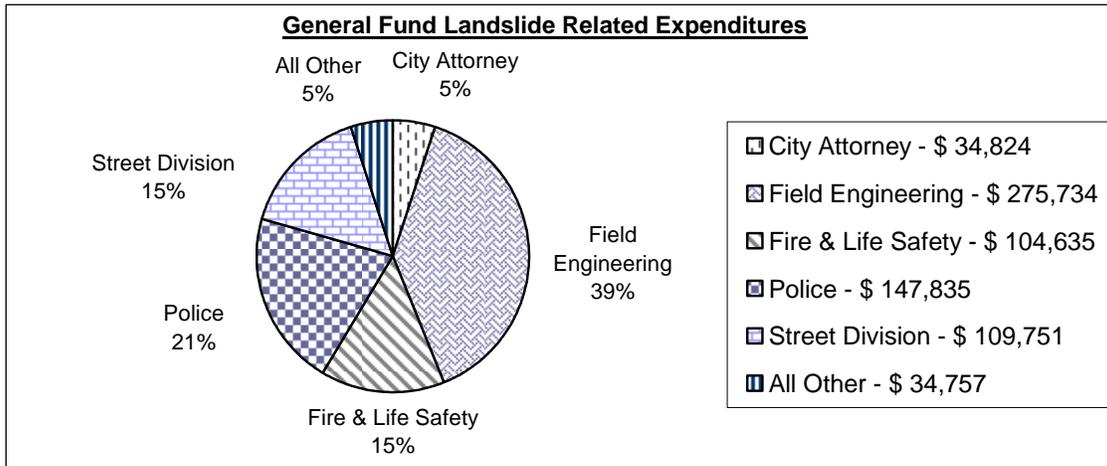
**MT. SOLEDAD LANDSLIDE**

On Wednesday, October 3, a landslide occurred on Mt. Soledad prompting the closure of Soledad Mountain Road between Desert View Drive and Palomino Circle. A Preliminary Damage Assessment Summary was filed on October 5 with the Federal Emergency Management Agency which estimated total costs of \$26.0 million.

The chart below illustrates Mt. Soledad related expenditures by Fund. As of November 16, expenditures totaled \$1.3 million. The majority of which was incurred by the General Fund.



The following chart breaks down the General Fund landslide related costs through Period 5 by department.



**WILDFIRES**

On Sunday, October 21, the County of San Diego was besieged by numerous wildfires. Many City entities will be involved in restoring the City to its pre-fire state. The Office of Homeland Security estimated total fire related costs at \$31.2 million. The table on the following page breaks this estimate down by responsible department, and will also summarize expenditures through November 16.

**Summary of Wildfire Costs**

<b>Responsible Department</b>	<b>Estimated Costs</b>	<b>Expenditures (As of 11/16/07)</b>
Environment Services	\$ 19,511,500	\$ -
Fire Rescue Department	3,488,000	3,046,793
Police	2,636,165	3,204,624
Engineering & Capital Projects	1,775,000	-
Water Department	1,418,456	-
Sewer Department	1,241,825	-
Office of Homeland Security	274,286	38,507
General Services Department	216,683	-
Park & Recreation Department	76,216	-
Office of Chief Information Officer	32,534	-
Various	500,000	-
<b>Total</b>	<b>\$ 31,170,665</b>	<b>\$ 6,289,924</b>

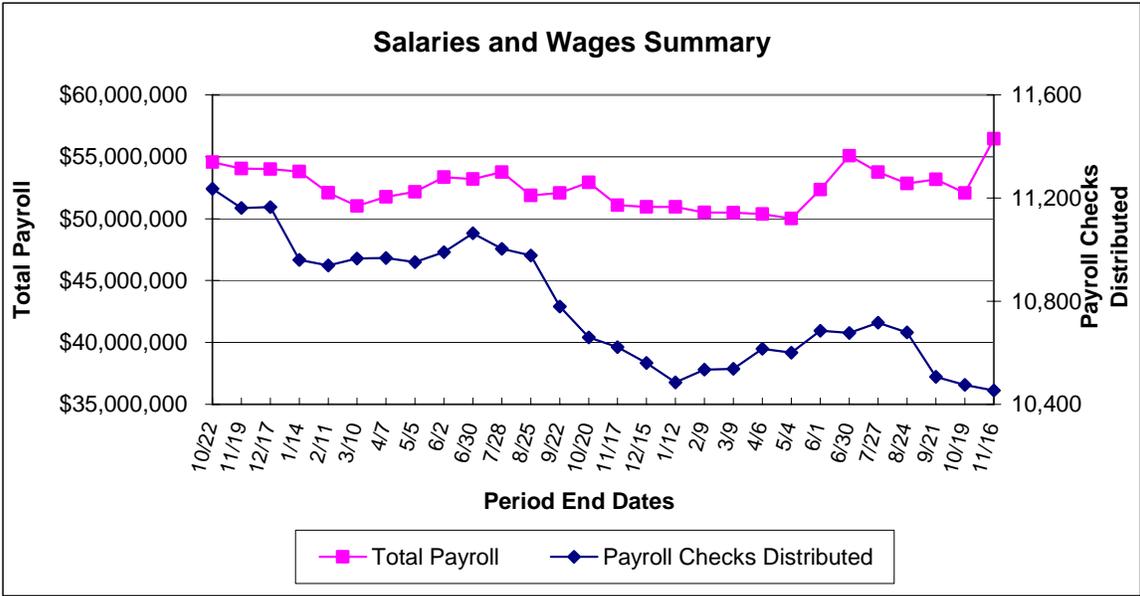
**PERSONNEL EXPENDITURE ANALYSIS**

Personnel related expenditures are the largest expenditure category\* for the City of San Diego. Because of the impact these expenditures have on the fiscal operation of the City, it is worthwhile to not only regularly monitor this activity, but also to periodically explore them in more detail. The information presented below provides this additional detail.

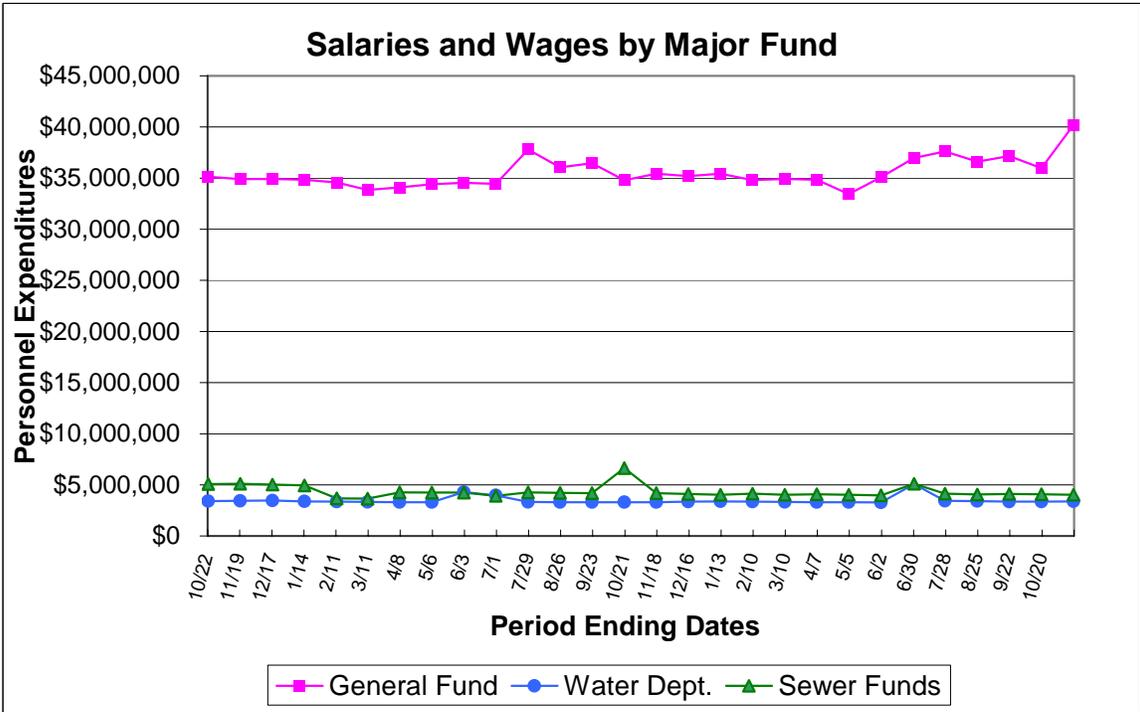
\*In this context, personnel related expenditures are both the Salaries and Wages of employees, as well as the associated Fringe costs.

**SALARIES AND WAGES**

The first point of discussion is the trend of the City's bi-weekly payroll distribution. The chart on the following page shows the trend line of total city wide Salaries and Wages for the past 28 periods. This chart also shows the total number of payroll checks distributed each pay period. As one can see, the total number of checks issued each pay period has decreased while total payroll has remained somewhat constant.



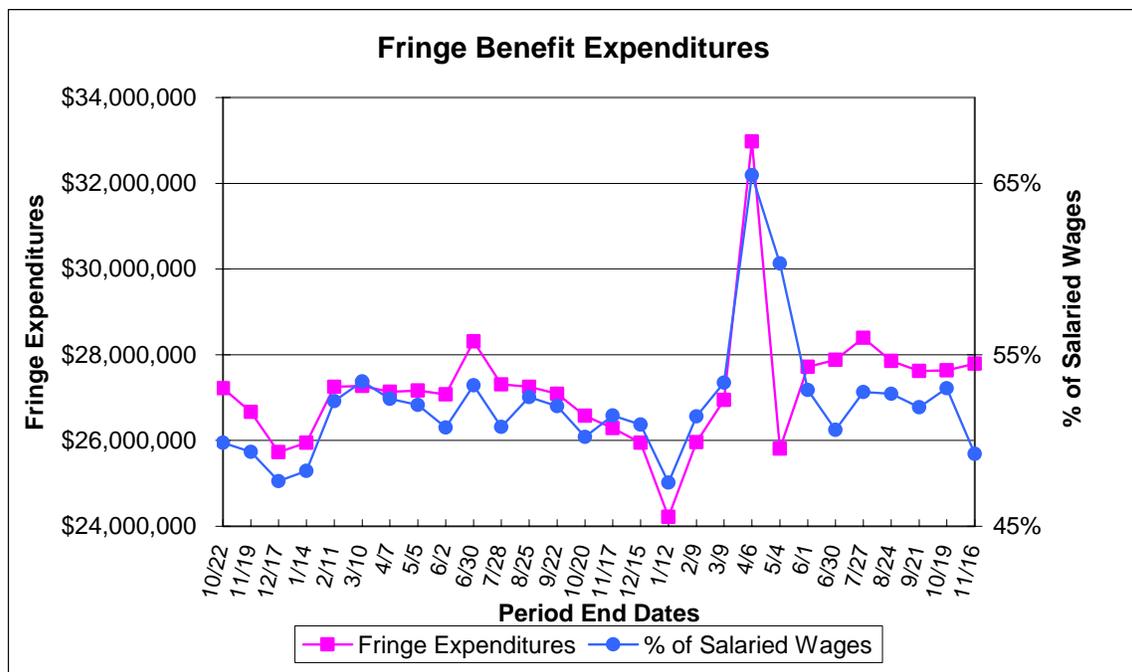
Three funds comprise approximately 84% of the City's total Salaries and Wages expenditures. The chart below demonstrates the individual Salaries and Wages expenditure trends for the General Fund, Water Department, and Sewer Funds. What is demonstrated here is regularity in expenditures experienced by each fund.



## FRINGE

Salaries and Wages are not the only expenditure type driven by City personnel. Another major expenditure type are those expenditures in the Fringe category. These expenditures include benefits received by employees, as well as other costs, such as worker's compensation insurance and retirement fund contributions. The following discussion of Fringe expenditures addresses the aggregate as these costs per employee vary widely depending on the bargaining unit to which that position belongs (such as the Municipal Employees Association) as well as job duties and responsibilities.

The chart below illustrates the trend of total Fringe expenditures, as well as the trend of the ratio of Fringe as a percentage of Salaries and Wages (also referred to as fringe rate).



One can see how both trend lines have increased over time. This is primarily due to increasing insurance costs, as well as a higher retirement contribution per employee. The City is obligated to contribute a set dollar amount each year to the retirement fund. (This amount is \$165.0 million in Fiscal Year 2008.) The expenditures related to this contribution are allocated across the city based on pensionable salaries. (The large spike experienced in pay period ended 4/6 is from the annual transfer for Other Post Employment Benefits.) As the number of City employees has decreased, the amount allocated to each employee has increased leading to a higher overall "fringe rate."

The table on the following page demonstrates the "fringe rate" experienced by the General Fund (presented by department), Water Department, and the Sewer Funds for Fiscal Years 2006 and 2007, as well as that through Period 5 of Fiscal

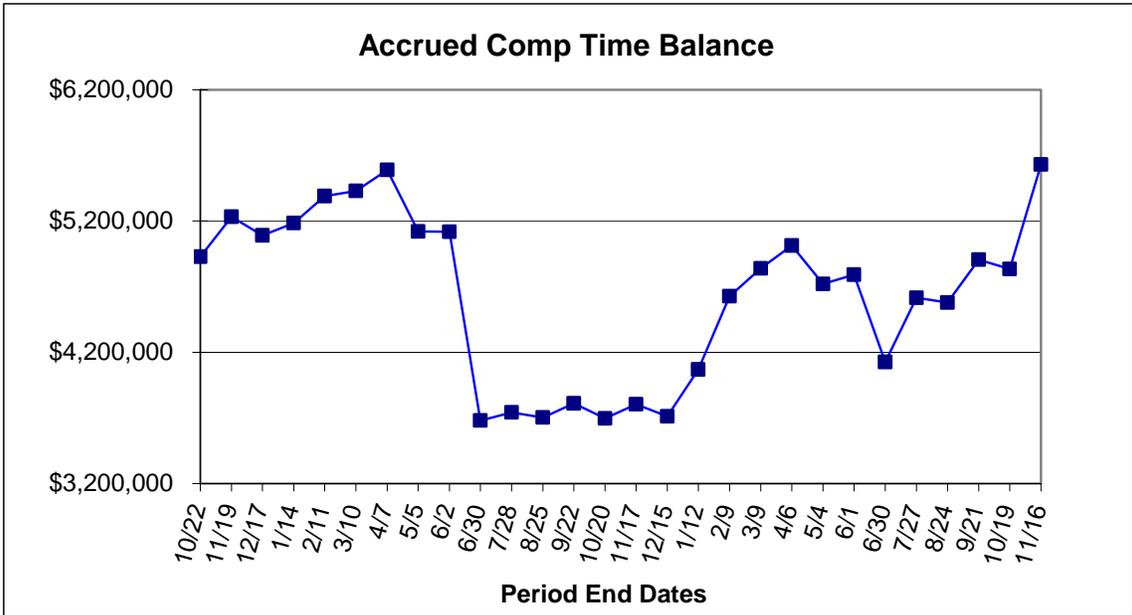
Year 2008. It is included to show how fringe applies to different employee groups. There are many variables that play into this rate, such as worker compensation insurance rates and pension contribution rates. Fiscal Year 2008 rates do not include the once-annual transfer for Other Post Employment Benefits (OPEB). This one-time transfer will increase rates across all contributing funds.

<b>Fringe Rates by Major Fund</b>			
	<b>FY08</b>	<b>FY07</b>	<b>FY06</b>
	<b>(as of 11/16/07)</b>	<b>(as of 06/30/07)</b>	<b>(as of 06/30/06)</b>
<b>General Fund</b>			
Police	54%	57%	57%
San Diego Fire-Rescue	50%	55%	48%
Park and Recreation	56%	56%	53%
General Services	56%	57%	54%
City Attorney	48%	52%	48%
Library	50%	53%	49%
Engineering and Capital Projects	43%	46%	45%
Environmental Services	46%	54%	53%
Remaining Category Total	47%	52%	50%
<b>Total General Fund</b>	<b>50%</b>	<b>53%</b>	<b>51%</b>
<b>Water Department</b>	52%	51%	49%
<b>Sewer Funds</b>	50%	48%	48%

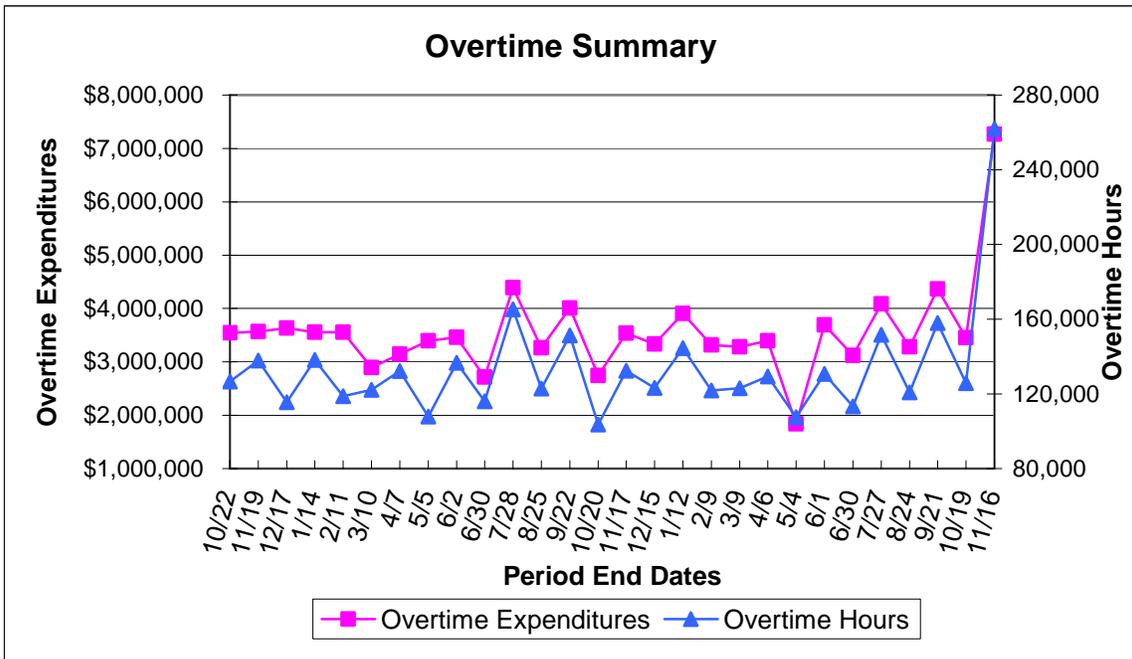
Not all of these expenditures have an immediate cash affect, as there are a number of liabilities, associated with personnel related expenditures (post-retirement benefits are excluded as they are beyond the scope of this discussion). Three major liabilities are accrued each pay period; they are Accrued Comp Time, Accrued Annual Leave, and Accrued Old Sick Time. While these balances are regularly reported in the Financial Performance Report, this edition will discuss each in further detail.

**ACCRUED COMP TIME**

When an employee of the City of San Diego works overtime, he or she has the option of receiving overtime pay, or accruing the time to be used later. This accrued time is referred to as Comp Time, and it gives the employee the ability to take paid time-off without using his or her Annual Leave. Since it is in effect a form of deferred compensation, and would need to be paid to the employee in the event of termination, it is recorded as a liability. The trend of citywide Accrued Comp Time balance is illustrated in the table on the following page.

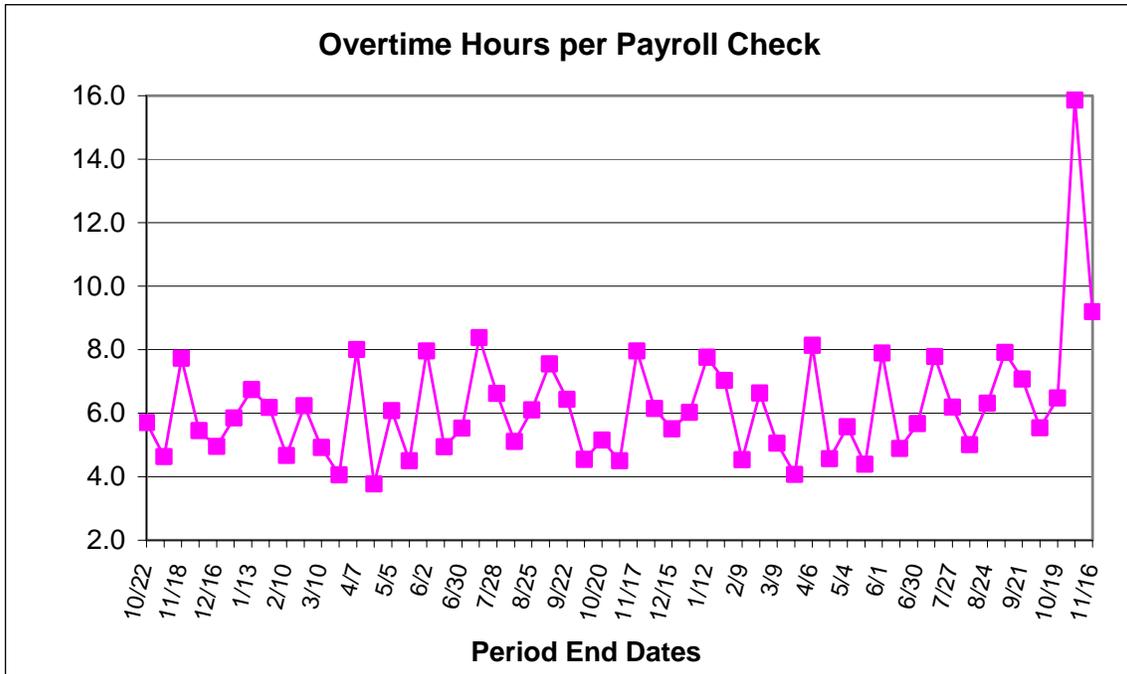


Because of the relationship between Accrued Comp Time and overtime, it is logical to examine overtime in the same analysis. The chart below illustrates overtime hours worked, as well as total overtime expenditures.

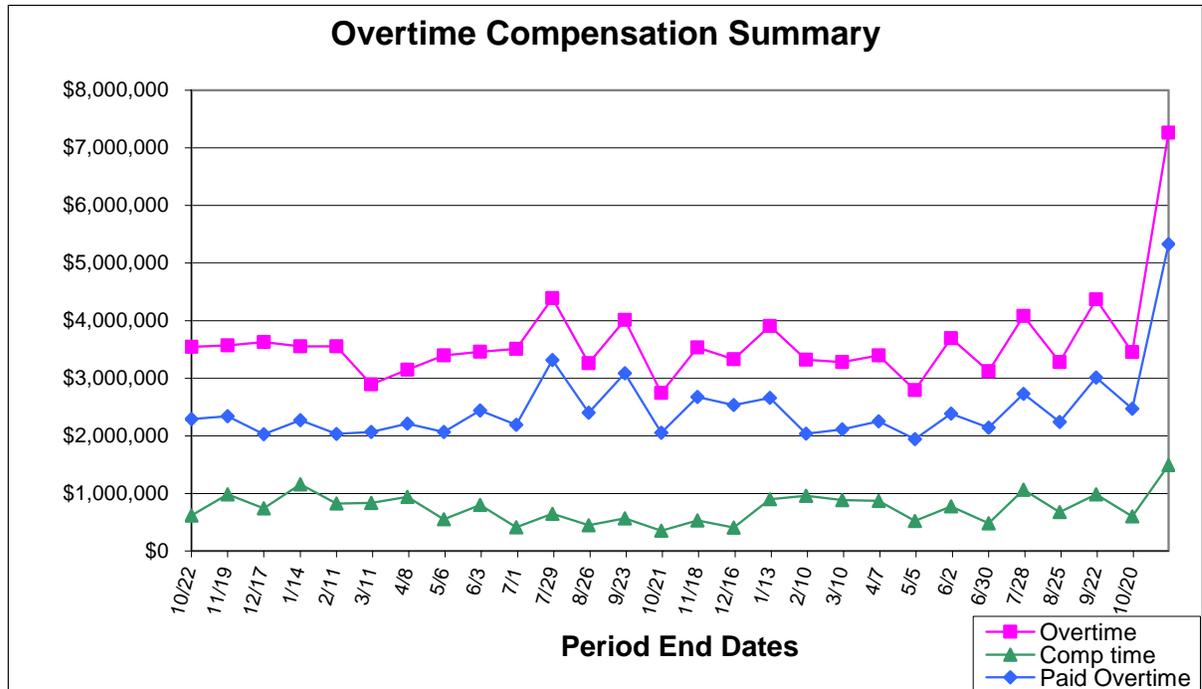


One can see that the total amount of overtime is fairly consistent from period to period. Although, in many of these graphs balances increase dramatically for the period ended November 16. This spike is related to the emergency response to the October Wildfires; during which significant amounts of overtime was logged by San Diego Fire and Rescue and the Police Department.

The chart below demonstrates the trend of overtime worked per employee each pay period. Here too, the trend appears fairly consistent over the period reported.



Increased Accrued Comp Time Balances appear to be the result of regularly occurring cycles, as well as scheduled pay increases. This is demonstrated by the chart on the following page, which illustrates the relationship between overtime pay, comp time, and total overtime. One can see how these trend lines follow very similar patterns, and increases coincide with scheduled increases in pay, while average overtime per payroll check remains consistent.



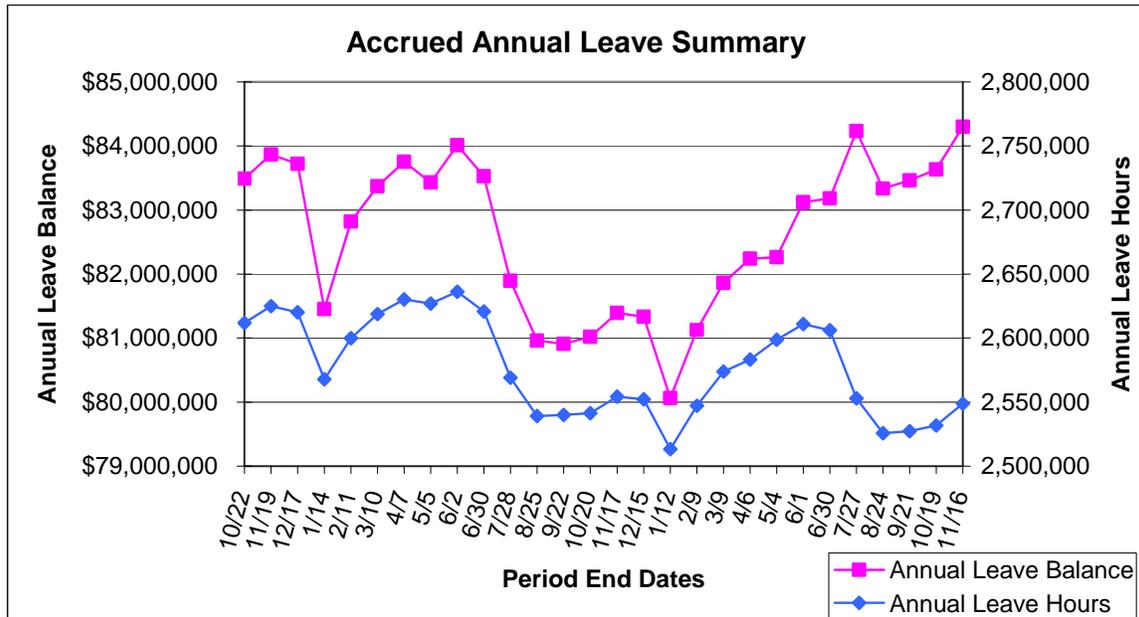
While on the subject of overtime, the following table lists the overtime expenditures for the General Fund (eight highest departments), Water Department, and the Sewer Funds for Fiscal Years 2006, 2007, and through Period 5 of Fiscal Year 2008. It is included to give an idea of where the majority of overtime expenditures occur.

#### Summary of Overtime Expenditures by Major Fund

	FY08 (as of 11/16/07)	FY07 (as of 06/30/07)	FY06 (as of 06/30/06)
<b>General Fund</b>			
Police	\$ 8,657,241	\$ 17,151,373	\$ 16,560,992
San Diego Fire-Rescue	7,819,039	14,105,746	16,184,102
General Services	668,307	1,243,336	1,097,001
Park and Recreation	324,101	554,169	402,521
Environmental Services	201,688	472,916	487,850
Library	107,364	342,974	281,669
Engineering and Capital Projects	101,251	187,533	199,239
City Treasurer	34,482	141,391	165,795
All other departments	215,474	531,695	438,536
<b>General Fund Total</b>	<b>\$ 18,128,947</b>	<b>\$ 34,731,133</b>	<b>\$ 35,817,705</b>
<b>Water Department</b>	<b>\$ 1,003,504</b>	<b>\$ 2,351,847</b>	<b>\$ 2,153,460</b>
<b>Sewer Funds</b>	<b>1,518,641</b>	<b>3,547,354</b>	<b>3,720,012</b>

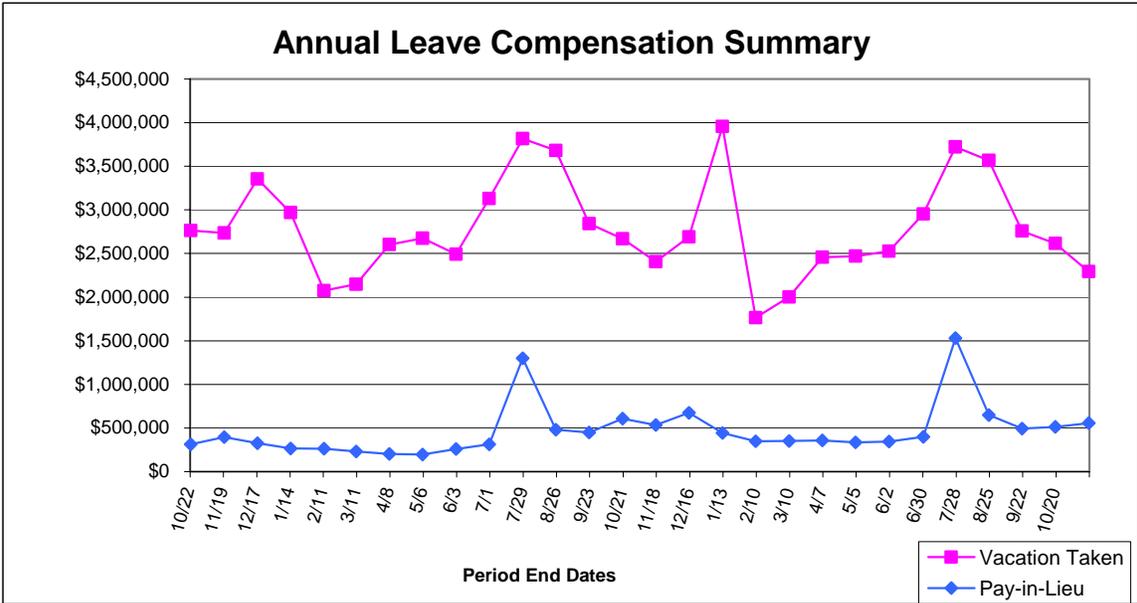
**ACCRUED ANNUAL LEAVE**

Annual Leave is a benefit earned by City employees that also accrues during each pay period. Since it is in effect a form of compensation, and would need to be paid to the employee in the event of termination, it is recorded as a liability. Because it is earned every pay period by every employee, this accrued liability can grow quite large. The graph below illustrates the trend of Accrued Annual Leave. As one can see, accrued balances build throughout the year, and then decrease during the summer and holidays. This trend is also supported by the next graph that demonstrates how Annual Leave used increases during these periods.



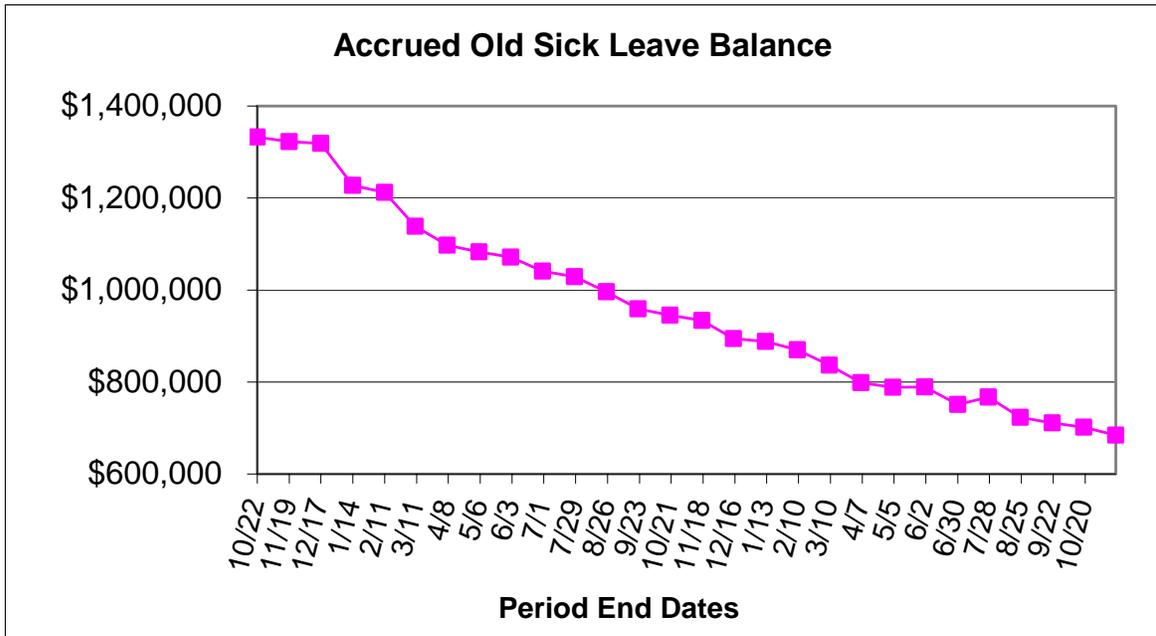
An employee has the option of “cashing out” his or her Accrued Annual Leave, rather than taking time off. The effect of this option is two-fold. By allowing an employee to “cash out” his or her time, it increases expenditures and cash outlay for that period. On the other hand, this option also is a mechanism that helps to limit the growth of the accrued liability. The graph on the following page shows the use of Accrued Annual Leave, broken down by Pay-in-Lieu and the amount taken as time off.

What is demonstrated is that the amount of Annual Leave that is paid out, rather than taken as time off, is fairly consistent. There are two spikes in this trend line which occur at year’s end. These are a result of employees bringing their individual Accrued Annual Leave balances within limits. As discussed earlier, Annual Leave taken as time off increases during the peak holiday seasons.



**ACCRUED OLD SICK LEAVE**

Employees at one point in time accrued Sick Time in a way similar to Annual Leave. This benefit was discontinued, but a very small group of employees are still eligible. Since a portion of the accrued Sick Time must be paid to those employees in the event of termination, it is recorded as a liability. This accrued liability is decreasing over time, as those eligible employees leave the City’s work force. The chart below illustrates this trend.

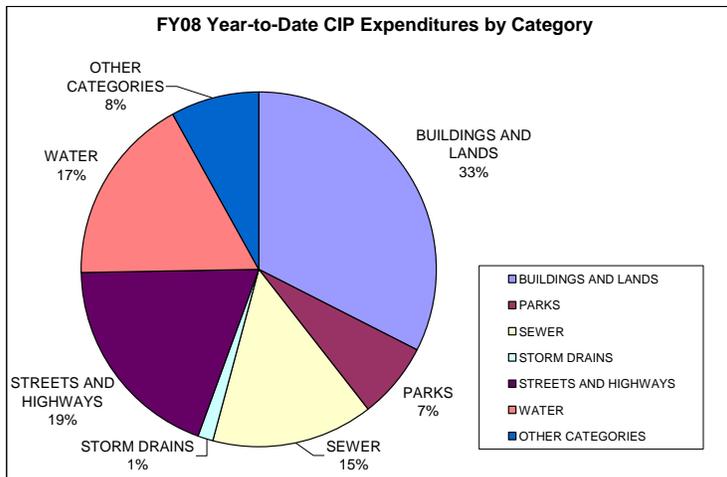


## CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects (CIP) are projects related to the acquisition or development of City capital assets. They do not include maintenance related expenditures, as these are operating expenditures. The Government Finance Officers Association (GFOA) describes CIPs in its publication, *Governmental Accounting, Auditing, and Financial Reporting*, with the following language:

The historical cost of a capital asset should include the cost of any subsequent additions or improvements but exclude the cost of repairs. An addition or improvement, unlike a repair, either enhances a capital asset's functionality (effectiveness or efficiency), or it extends the asset's expected life. (Gauthier, 2005, p253)

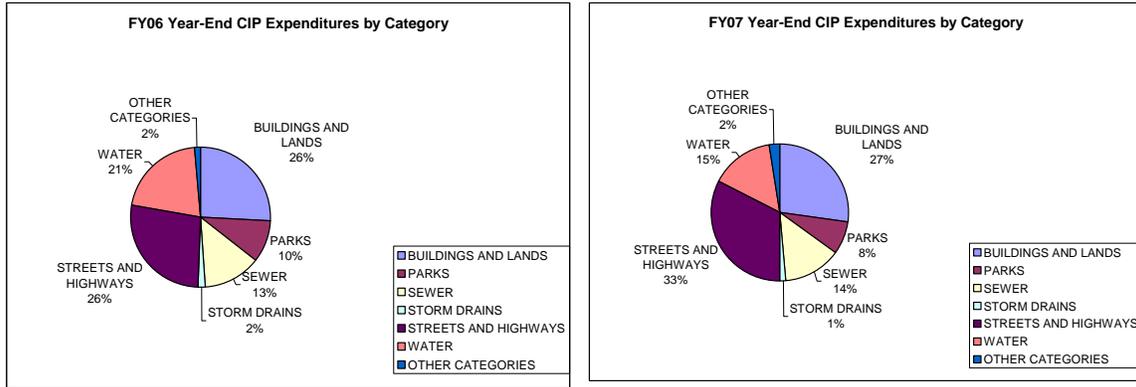
Year-to-date CIP expenditures total \$68.8 million. In Fiscal Year 2007 these expenditures totaled \$244.1 million for the year, and in Fiscal Year 2006 \$283.7 million. These expenditures are incurred in support of a variety of asset categories, illustrated by the following chart and table.



**FY08 Year-to-Date CIP Expenditures  
by Category**

Buildings and Lands	\$ 22,389,433
Parks	4,749,375
Sewer	10,188,352
Storm Drains	893,461
Streets and Highways	13,205,891
Water	11,881,292
Other Categories	5,477,555
<b>Total CIP</b>	<b>\$ 68,785,359</b>

For comparison, CIP expenditures for Fiscal Year 2006 and 2007 are presented below.



The preceding information is the first inclusion of Capital Improvement Projects (CIP) information in this report. Projects of this nature often span several fiscal years, and contain many sub-divisions, which create numerous difficulties in comparing actual expenditures against individual project budgets. The City Comptroller's Office is in the process of developing project-level information, and will present that in later editions of this report.

**General Fund Revenue Status Report** (Schedule 1)  
**For the Period Ending November 16, 2007**  
**(Unaudited)**

	Period-to-Date Budget	Revised Budget	FY 08 YTD Actuals	FY 07 YTD Actuals	FY07/FY08 Change	% Change
<b>Property Taxes</b>	\$ 20,981,273	\$ 385,688,853	\$ 25,248,730	\$ 20,175,074	\$ 5,073,656	25%
<b>Safety Sales Taxes</b>	2,858,724	8,401,528	2,021,626	2,701,789	(680,163)	-25%
<b>General Fund Sales Taxes</b>	44,569,742	239,485,958	28,845,810	42,610,387	(13,764,577)	-32%
<b>General Fund TOT</b>	32,805,096	85,184,936	25,908,559	21,532,094	4,376,465	20%
<b>Property Transfer Taxes</b>	1,721,364	7,570,860	2,770,616	1,536,826	1,233,790	80%
<b>Licenses &amp; Permits</b>						
Business Taxes	4,839,572	13,183,041	3,653,037	2,667,566	985,471	37%
Rental Unit Taxes	519,442	6,775,000	770,369	496,803	273,566	55%
Parking Meters	2,311,536	6,420,000	2,422,149	2,398,440	23,709	1%
Refuse Collector Business Taxes	798,706	2,000,000	782,668	814,904	(32,236)	-4%
Other Misc Licenses & Permits	2,442,083	6,078,443	3,352,188	3,840,686	(488,498)	-13%
<b>Total Licenses &amp; Permits</b>	10,911,339	34,456,484	10,980,411	10,218,399	762,012	7%
<b>Fines &amp; Forfeitures</b>						
Parking Citations	7,468,305	19,417,599	3,004,287	4,139,929	(1,135,642)	-27%
Municipal Court	2,928,385	7,613,809	2,154,041	2,032,037	122,004	6%
Negligent Impound	1,096,155	2,850,000	882,558	1,091,034	(208,476)	-19%
Other Misc Fines & Forfeitures	1,071,916	4,887,856	871,424	1,016,182	(144,758)	-14%
<b>Total Fines &amp; Forfeitures</b>	12,564,761	34,769,264	6,912,310	8,279,182	(1,366,872)	-17%
<b>Interest &amp; Dividends</b>	3,229,384	10,437,122	3,388,918	2,104,311	1,284,607	61%
<b>Franchises</b>						
SDG&E	-	42,423,682	1,857	29,809	(27,952)	-94%
CATV	-	16,803,015	(22,455)	115,147	(137,602)	-120%
Refuse Collection	2,525,000	10,100,000	2,407,350	2,514,625	(107,275)	-4%
Other Franchises	52,500	259,079	66,110	51,378	14,732	29%
<b>Total Franchises</b>	2,577,500	69,585,776	2,452,862	2,710,959	(258,097)	-10%
<b>Rents and Concessions</b>						
Mission Bay	11,538,460	30,000,000	10,081,467	10,490,700	(409,233)	-4%
Pueblo Lands	1,528,845	3,975,000	1,236,489	1,177,884	58,605	5%
Other Rents and Concessions	1,674,977	4,430,313	1,438,248	1,414,287	23,961	2%
<b>Total Rents and Concessions</b>	14,742,282	38,405,313	12,756,204	13,082,871	(326,667)	-2%
<b>Motor Vehicle License Fees</b>	3,591,645	7,938,333	2,681,783	4,070,766	(1,388,983)	-34%
<b>Revenues from Other Agencies</b>	797,891	7,203,056	881,382	2,720,873	(1,839,491)	-68%
<b>Charges for Current Services</b>	10,448,174	28,850,177	13,382,443	11,859,834	1,522,609	13%
<b>Services and Transfers</b>	42,837,226	151,243,445	14,508,899	28,285,715	(13,776,816)	-49%
<b>Miscellaneous Revenues</b>	839,125	2,218,847	1,018,095	951,217	66,878	7%
<b>Total General Fund Revenues</b>	<u>\$ 205,475,526</u>	<u>\$ 1,111,439,952</u>	<u>\$ 153,758,648</u>	<u>\$ 172,840,297</u>	<u>\$ (19,081,649)</u>	<u>-11%</u>

**General Fund Expenditure Status Report (Schedule 2)**  
**For the Period Ending November 16, 2007**  
**(Unaudited)**

	Period-to-Date Budget	Revised Budget	FY08 YTD Actuals	FY07 YTD Actuals	FY07/ FY08 Change	% Change
<b>Business and Support Services</b>						
Appropriated Reserve <sup>1</sup>	\$ -	\$ 7,000,000	\$ -	\$ -	\$ -	-
Business and Support Services	911,520	2,383,091	801,300	606,329	194,971	32%
Citywide Program Expenditures <sup>1</sup>	25,668,913	50,480,202	25,137,596	19,914,584	5,223,012	26%
Labor Relations <sup>1</sup>	310,954	809,621	311,304	1,202,187	(890,883)	-74%
Office of the Chief Information Officer <sup>1</sup>	15,165,656	29,063,056	8,359,609	5,575,495	2,784,114	50%
Personnel	2,490,606	6,620,002	2,237,889	2,270,339	(32,450)	-1%
Purchasing and Contracting	2,073,258	5,613,499	1,772,106	1,496,055	276,051	18%
<b>Community and Legislative Services</b>						
Community and Legislative Services	1,659,303	4,380,533	1,485,650	1,379,682	105,968	8%
<b>Department of Finance</b>						
City Auditor and Comptroller	4,498,909	11,511,090	3,885,386	4,297,647	(412,261)	-10%
City Treasurer	5,175,102	14,441,916	4,076,184	3,730,165	346,019	9%
Debt Management <sup>3</sup>	1,031,032	2,730,401	823,722	404,186	419,536	104%
Office of the Chief Financial Officer <sup>1</sup>	389,782	1,067,349	282,307	84,977	197,330	232%
Financial Management	1,231,480	4,117,777	959,345	775,410	183,935	24%
<b>Land Use and Economic Development</b>						
City Planning and Community Investment <sup>1</sup>	6,551,558	16,716,335	4,091,708	6,615,337	(2,523,629)	-38%
Development Services	2,516,562	6,703,916	2,631,533	2,152,234	479,299	22%
Real Estate Assets	1,613,210	4,261,462	1,267,882	1,249,325	18,557	1%
Land Use and Economic Development <sup>1</sup>	265,145	698,999	252,669	15,879	236,790	1491%
<b>Neighborhood and Customer Services</b>						
Customer Services	949,090	2,523,132	798,119	712,874	85,245	12%
Library	14,653,504	37,630,664	13,692,568	13,876,855	(184,287)	-1%
Park and Recreation	32,158,121	87,520,141	30,269,040	30,821,958	(552,918)	-2%
Special Events <sup>1</sup>	188,502	497,980	200,402	366,335	(165,933)	-45%
<b>Office of Ethics and Integrity</b>						
Office of Ethics and Integrity <sup>3</sup>	964,555	2,400,537	600,067	349,953	250,114	71%
<b>Public Safety and Homeland Security</b>						
Family Justice Center	200,277	537,358	173,625	233,731	(60,106)	-26%
Office of Homeland Security	814,758	1,781,242	515,045	424,797	90,248	21%
Police	143,709,797	392,336,695	138,128,930	139,147,530	(1,018,600)	-1%
Public Safety <sup>1</sup>	633,495	3,053,186	483,919	142,823	341,096	239%
San Diego Fire-Rescue	69,953,468	179,943,098	74,492,157	68,113,378	6,378,779	9%
<b>Public Works</b>						
Engineering and Capital Projects	13,249,142	35,424,428	12,508,411	11,831,420	676,991	6%
Environmental Services	16,010,735	40,793,354	15,677,927	15,270,590	407,337	3%
General Services	35,553,241	108,049,461	22,137,675	22,035,583	102,092	-
Public Works <sup>1</sup>	324,515	854,530	265,318	106,287	159,031	150%
<b>Other</b>						
Mayor	241,643	627,891	181,651	92,214	89,437	97%
Tax and Revenue Anticipation Notes <sup>1</sup>	-	5,109,000	604,578	1,485,214	(880,636)	-59%
<b>Non-Mayoral</b>						
City Attorney	13,854,640	36,911,174	13,790,655	13,606,214	184,441	1%
City Clerk	1,665,506	4,408,261	1,523,620	1,428,518	95,102	7%
City Council - District 1	380,735	990,000	327,854	366,462	(38,608)	-11%
City Council - District 2	380,720	990,000	331,846	319,433	12,413	4%
City Council - District 3	380,730	990,000	359,657	378,239	(18,582)	-5%
City Council - District 4	380,730	990,000	360,469	340,996	19,473	6%
City Council - District 5	380,735	990,000	311,418	315,823	(4,405)	-1%
City Council - District 6	380,720	990,000	334,544	334,980	(436)	-
City Council - District 7	380,320	990,000	343,362	353,548	(10,186)	-3%
City Council - District 8	380,720	990,000	338,369	374,769	(36,400)	-10%
Council Administration <sup>1</sup>	713,346	1,849,471	591,531	880,007	(288,476)	-33%
Ethics Commission	362,170	1,021,106	285,612	204,182	81,430	40%
Office of the IBA <sup>1</sup>	504,585	1,316,334	501,064	-	501,064	100%
Miscellaneous <sup>2</sup>	-	-	11,398	1,167,048	(1,155,650)	-99%
<b>Total General Fund Expenditures</b>	<b>\$ 421,303,490</b>	<b>\$ 1,121,108,292</b>	<b>\$ 388,517,021</b>	<b>\$ 376,851,592</b>	<b>\$ 11,665,429</b>	<b>3%</b>

<sup>1</sup> Year-to-year changes are a result of either structural changes or the timing differences of transactions.

<sup>2</sup> Miscellaneous programs defined as those departments unbudgeted in Fiscal Year 2008.

<sup>3</sup> Increase in Fiscal Year 2008 expenditures due to the filling of vacant positions.

**CityWide Program Expenditure Status Report (Schedule 3)**  
**For the Period Ending November, 16 2007**  
**(Unaudited)**

	Period-to-Date Budget	Revised Budget	FY08 YTD Actuals	FY07 YTD Actuals	FY07/ FY08 Change	% Change
<b>Citywide Program Expenditures</b>						
Annual Audit <sup>1</sup>	\$ 390,230	\$ 1,369,805	\$ 533,526	\$ -	\$ 533,526	100%
Assessments To Public Property	-	300,500	1,465	166,402	(164,937)	-99%
Citywide Elections	1,350	2,700,000	-	329,735	(329,735)	-100%
Deferred Maintenance	-	5,000,000	-	369	(369)	-100%
Employee Personal Prop Claims	2,075	5,000	2,183	1,410	773	55%
Financial Services	-	-	99	1,242	(1,143)	-92%
Health	-	-	-	40,262	(40,262)	-100%
Insurance	1,425,073	1,840,000	1,268,756	1,072,232	196,524	18%
Memberships	453,982	630,000	579,202	465,549	113,653	24%
Outside Office Space	2,350,000	6,688,027	2,490,714	2,773,075	(282,361)	-10%
Property Tax Administration <sup>1</sup>	825,000	3,027,643	195,218	-	195,218	100%
Public Liability Claims Fund <sup>1</sup>	18,000,000	19,980,340	19,980,340	10,000,000	9,980,340	100%
Reserve Contribution	-	3,328,641	-	(22,889)	22,889	-
Special Consulting Services	1,539,434	2,883,169	15,261	197,424	(182,163)	-92%
TRANS Interest Expense Transfer	612,250	2,449,000	-	-	-	-
Transportation Subsidy	69,519	278,077	69,500	69,500	-	-
Miscellaneous <sup>2</sup>	-	-	1,332	4,820,273	(4,818,941)	-100%
<b>Total Citywide Program Expenditures</b>	<b>\$ 25,668,913</b>	<b>\$ 50,480,202</b>	<b>\$ 25,137,596</b>	<b>\$ 19,914,584</b>	<b>\$ 5,223,012</b>	<b>26%</b>

<sup>1</sup> Year-to-year changes are a result of either structural changes or the timing differences of transactions.

<sup>2</sup> Miscellaneous programs defined as those departments unbudgeted in Fiscal Year 2008

## Other Budgeted Funds Revenue Status Report (Schedule 4)

For the Period Ending November 16, 2007

(Unaudited)

	Revised Budget	FY 08 YTD Actuals	FY 07 YTD Actuals	FY07 / FY08 Change	% Change
<b>Business and Support Services</b>					
Enterprise Resource Planning (ERP) <sup>1</sup>	\$ 17,142,500	\$ 30,523	\$ -	\$ 30,523	100%
Information Technology Fund	15,776,599	182,265	8,878,562	(8,696,297)	-98%
Risk Management Administration Fund	9,073,934	3,442,866	4,732,250	(1,289,384)	-27%
<b>Department of Finance</b>					
Central Stores Internal Service Fund	23,927,238	9,409,982	9,883,124	(473,142)	-5%
<b>Land Use and Economic Development</b>					
City Airport Fund	4,867,958	2,274,418	2,205,613	68,805	3%
Development Services Enterprise Fund	45,557,453	18,890,446	18,118,032	772,414	4%
Facilities Financing Fund	2,403,569	816,566	843,577	(27,011)	-3%
Municipal Parking Garages Fund	3,257,035	1,194,624	1,040,592	154,032	15%
PETCO Park Fund <sup>1</sup>	15,668,826	4,766,175	4,883,996	(117,821)	-2%
QUALCOMM Stadium Operating Fund	16,203,448	3,652,090	5,962,914	(2,310,824)	-39%
Redevelopment Fund	3,661,696	832,361	765,733	66,628	9%
Solid Waste Local Enforcement Agency Fund	846,028	354,204	417,774	(63,570)	-15%
<b>Neighborhood and Customer Services</b>					
Environmental Growth Fund 1/3	4,767,242	22,187	19,001	3,186	17%
Environmental Growth Fund 2/3	9,480,985	36,228	38,772	(2,544)	-7%
Golf Course Enterprise Fund	15,430,800	6,454,846	6,405,440	49,406	1%
Library Grants Fund <sup>2</sup>	753,000	2,721	60	2,661	4435%
Los Penasquitos Canyon Preserve Fund	176,000	6,250	37,401	(31,151)	-83%
Open Space Park Facilities Fund	490,525	8,810	5,735	3,075	54%
Public Art Fund <sup>1</sup>	30,000	-	30,000	(30,000)	-100%
<b>Public Safety and Homeland Security</b>					
Emergency Medical Services Fund	7,375,472	1,763,517	1,801,829	(38,312)	-2%
Fire and Lifeguard Facilities Fund	1,621,208	563,967	367,205	196,762	54%
Police Decentralization Fund	7,897,799	-	9,060,507	(9,060,507)	-100%
Seized and Forfeited Assets Funds	800,000	1,029,712	596,920	432,792	73%
Unlicensed Driver Vehicle Impound Fees	1,200,000	264,306	423,060	(158,754)	-38%
<b>Public Works</b>					
E&CP-Water/Wastewater Fund	25,487,865	5,895,180	6,914,174	(1,018,994)	-15%
Energy Conservation Program Fund	2,244,984	2,075,331	1,755,270	320,061	18%
Equipment Operating Fund	50,080,035	18,746,264	10,842,000	7,904,264	73%
Equipment Replacement Fund	34,432,714	14,854,378	9,064,108	5,790,270	64%
Publishing Services Internal Fund	4,500,000	1,711,695	1,137,076	574,619	51%
Recycling Fund	21,000,700	9,378,914	8,510,618	868,296	10%
Refuse Disposal Funds	37,230,149	15,137,475	17,515,420	(2,377,945)	-14%
Sewer Funds	354,030,423	153,299,560	120,093,409	33,206,151	28%
Utilities Undergrounding Program Fund	1,540,602	398,121	304,208	93,913	31%
Water Department Fund	462,174,462	149,344,994	132,117,350	17,227,644	13%
<b>Other</b>					
AB 2928 - Transportation Relief Fund <sup>1</sup>	-	49,277	11,308,649	(11,259,372)	-100%
Balboa Park/Mission Bay Park Imprv Funds	6,949,448	5,948,448	6,948,990	(1,000,542)	-14%
Bond Interest and Redemption Fund	2,097,999	208,566	186,545	22,021	12%
Convention Center Complex Funds	14,309,385	2,246,557	2,491,188	(244,631)	-10%
Gas Tax Fund	24,358,245	8,331,855	6,345,716	1,986,139	31%
Mission Bay Improvements Fund <sup>2</sup>	2,500,000	22,614	4,547	18,067	397%
Regional Park Improvements Fund <sup>2</sup>	2,500,000	18,139	2,960	15,179	513%
Storm Drain Fund	6,046,746	2,518,934	1,684,136	834,798	50%
TOT - Convention Center Fund	4,339,198	1,073,231	4,321,279	(3,248,048)	-75%
Transient Occupancy Tax Fund	77,553,848	23,681,162	27,756,136	(4,074,974)	-15%
TransNet (1/2% Sales Tax) Fund	36,543,000	9,724,692	13,511,511	(3,786,819)	-28%
Trolley Extension Reserve Fund	4,079,882	1,054,148	1,049,452	4,696	-
Zoological Exhibits Fund	8,946,525	752,782	581,180	171,602	30%

<sup>1</sup> Year-to-year changes are a result of either structural changes or the timing differences of transactions.

<sup>2</sup> Increased revenue is due to the improvement in investment returns

**Other Budgeted Funds Expenditure Status Report (Schedule 5)**  
**For the Period Ending November 16, 2007**  
(Unaudited)

	Revised Budget	FY08 YTD Actuals	FY07 YTD Actuals	FY07/FY08 Change	% Change
<b>Business and Support Services</b>					
Enterprise Resource Planning (ERP) <sup>1</sup>	\$ 20,642,500	\$ 232,854	\$ -	\$ 232,854	100%
Information Technology Fund	15,137,320	4,767,991	3,461,869	1,306,122	38%
Risk Management Administration Fund	9,073,934	3,001,758	2,230,560	771,198	35%
<b>Department of Finance</b>					
Central Stores Internal Service Fund	23,829,301	9,776,635	10,030,045	(253,410)	-3%
<b>Land Use and Economic Development</b>					
City Airport Fund	4,664,304	861,242	792,629	68,613	9%
Development Services Enterprise Fund	53,047,886	18,130,238	20,468,661	(2,338,423)	-11%
Facilities Financing Fund	2,687,127	700,854	772,977	(72,123)	-9%
Municipal Parking Garages Fund	2,826,170	543,127	446,723	96,404	22%
PETCO Park Fund	20,222,143	6,419,331	7,066,787	(647,456)	-9%
QUALCOMM Stadium Operating Fund	18,491,579	7,800,877	5,786,888	2,013,989	35%
Redevelopment Fund	3,661,696	1,141,080	1,078,489	62,591	6%
Solid Waste Local Enforcement Agency Fund <sup>3</sup>	931,929	151,460	252,504	(101,044)	-40%
<b>Neighborhood and Customer Services</b>					
Environmental Growth Fund 1/3	5,068,068	1,057,549	989,859	67,690	7%
Environmental Growth Fund 2/3 <sup>2</sup>	11,103,895	(181,342)	245,578	(426,920)	-174%
Golf Course Enterprise Fund	12,846,992	3,992,259	3,368,173	624,086	19%
Library Grants Fund	731,373	237,717	205,969	31,748	15%
Los Penasquitos Canyon Preserve Fund	226,695	79,847	73,041	6,806	9%
Open Space Park Facilities Fund <sup>1</sup>	437,025	-	34,150	(34,150)	-100%
Public Art Fund <sup>1</sup>	30,000	15,777	2,800	12,977	463%
<b>Public Safety and Homeland Security</b>					
Emergency Medical Services Fund	6,667,968	2,275,788	2,515,440	(239,652)	-10%
Fire and Lifeguard Facilities Fund	1,667,420	571,287	582,497	(11,210)	-2%
Police Decentralization Fund <sup>1</sup>	9,096,768	180,180	1,039,475	(859,295)	-83%
Seized and Forfeited Assets Funds <sup>1</sup>	1,521,105	530,369	916,613	(386,244)	-42%
Unlicensed Driver Vehicle Impound Fees	1,327,904	331,504	332,596	(1,092)	-
<b>Public Works</b>					
E&CP-Water/Wastewater Fund	25,487,865	6,713,008	7,310,733	(597,725)	-8%
Energy Conservation Program Fund	2,244,984	664,525	491,745	172,780	35%
Equipment Operating Fund <sup>1</sup>	49,772,502	15,945,422	11,123,815	4,821,607	43%
Equipment Replacement Fund	48,121,100	5,564,660	5,583,309	(18,649)	-
Publishing Services Internal Fund <sup>1</sup>	4,193,823	2,150,609	1,506,147	644,462	43%
Recycling Fund	24,005,762	7,281,796	7,815,032	(533,236)	-7%
Refuse Disposal Funds	33,832,489	8,572,213	9,713,265	(1,141,052)	-12%
Sewer Funds	369,767,582	94,862,107	93,116,846	1,745,261	2%
Utilities Undergrounding Program Fund <sup>1</sup>	1,540,602	471,163	2,511,135	(2,039,972)	-81%
Water Department Fund	356,932,473	107,659,248	104,786,161	2,873,087	3%
<b>Other</b>					
AB 2928 - Transportation Relief Fund <sup>1</sup>	3,456,043	1,105,670	-	1,105,670	100%
Balboa Park/Mission Bay Park Imprv Funds	6,949,448	5,984,475	5,849,351	135,124	2%
Bond Interest and Redemption Fund	2,328,947	2,060,168	2,004,768	55,400	3%
Convention Center Complex Funds	14,589,812	6,843,943	6,846,764	(2,821)	-
Gas Tax Fund <sup>1</sup>	24,354,057	3,151,124	3,235,067	(83,943)	-3%
Mission Bay Improvements Fund	4,432,118	-	-	-	-
Regional Park Improvements Fund <sup>1</sup>	6,774,953	163,100	-	163,100	100%
Storm Drain Fund <sup>1</sup>	6,046,746	580,292	1,802,849	(1,222,557)	-68%
TOT - Convention Center Fund	9,393,005	3,226,132	3,226,132	-	-
Transient Occupancy Tax Fund	77,553,848	18,678,110	26,748,905	(8,070,795)	-30%
TransNet (1/2% Sales Tax) Fund	67,240,059	7,286,850	5,848,734	1,438,116	25%
Trolley Extension Reserve Fund	4,110,150	9,851	10,258	(407)	-4%
Zoological Exhibits Fund	8,946,525	-	-	-	-

<sup>1</sup> Either a new budgeted fund or time difference on transaction recording.

<sup>2</sup> Project overexpend in FY07, credited in FY08.

<sup>3</sup> Increase in Fiscal Year 2008 expenditures due to the filling of vacant positions.