



THE CITY OF SAN DIEGO

331  
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OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: January 10, 2008

IBA Report Number: 08-3

City Council Meeting Date: January 15, 2008

Item Number: 331

City Comptroller's Year-End Report

OVERVIEW

On January 15, 2008, the City Council will be asked to accept the City Comptroller Office's Fiscal Year 2007 Year-End Report, dated September 26, 2007. The Year-End Report provides unaudited totals for the expenditures and revenues of the General Fund and other budgeted funds for Fiscal Year 2007, which ended June 30, 2007.

A goal of the Year-End Report is to achieve the monthly reporting objective as set forth in City Charter Sections 39 and 89.

*Charter Sections 39 and 89 state: The City Auditor and Comptroller shall submit to the City Manager and to the Council at least monthly a summary statement of revenues and expenses for the preceding accounting period, detailed as to appropriations and funds in such manner as to show the exact financial condition of the City and of each Department, Division and office thereof.*

The Year-End Report was first presented to the Budget and Finance Committee at its meeting on September 26, 2007. The Budget Committee voted 3 to 0 to receive the report, with Councilmembers Peters and Frye not present.

The FY 2007 Adopted General Fund Budget totaled \$1.023 billion. In summary, the Year-End Report shows General Fund revenues exceeded the estimates in the FY 2007 Adopted Budget by \$31.5 million. In addition, General Fund expenditures and encumbrances, in total, resulted in savings of \$12.4 million, when compared to the FY

2007 Adopted Budget. Encumbrances in the amount of \$28.3 million remained unexpended by fiscal year-end, and carried over to the current fiscal year.

*An encumbrance reserves funds for a specific purpose as approved by the appropriate authority. When goods and services are received, the encumbrance is released and the expenditure is recorded for the actual costs.*

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## FISCAL/POLICY DISCUSSION

During the fiscal year, the Financial Management Department coordinates the financial monitoring of the City's budget, including projections for both revenues and expenditures with input from City departments, focusing primarily on the General Fund. The financial monitoring process results in quarterly reports to the City Council, including adjustments to the budget, as needed, to ensure it will be balanced at year-end. Budget adjustments may also be brought forward to the Council as unanticipated expenditures arise during the fiscal year.

Separately, the City Comptroller provides monthly reports to the City Council of the City's financial condition, with its reports reflecting actual revenue receipts and expenditure activity to-date. Due to the timing differences of the data reported, and the varying content which includes both actual data and projections for the remainder of the year, it is often challenging to compare and contrast the reports from the two sources. This is particularly true in the last quarter when up-to-date current year estimates can significantly impact the next year's budget development and decision-making.

### Fiscal Year 2007 Budget Adjustments

In March 2007, the City Council approved the Fiscal Year 2007 Mid-Year Budget Adjustments, increasing the General Fund budget by \$11.4 million. In June 2007, Year-End Budget Adjustments increased the General Fund by an additional \$4.4 million. Additional budget adjustments totaling \$13.8 million were authorized for costs for legal, investigation, and claims needs that arose during the year. Of the total \$29.6 million increase to the budget, \$11.7 million was funded from the General Fund Unallocated Reserve.

### Fiscal Year 2007 Year-End Report

The Year-End Report shows the General Fund experienced expenditure savings of over \$42 million. It should be noted that these savings are in addition to the vacancy factor (salary savings) of \$38.7 million included in the General Fund Budget, which together result in over \$80 million not expended on the delivery of city services.

*VACANCY FACTOR – Adjustments that reduce the funding of personnel expenses due to vacant and/or under-filled positions, salary step savings, and any other circumstances that might contribute to personnel expense savings. The vacancy savings adjustments do not reduce positions.*

Budget adjustments during the year totaled \$29.6 million as described above. Because the General Fund experienced net excess revenues and expenditure savings totaling \$44 million at year-end, it appears that the requested budget increases made during the course of the fiscal year (or some portion of them) may not have been needed.

### Mayor's Recommended Revisions to Fiscal Year 2008 Proposed Budget

In May 2007, the Mayor's Office provided a memorandum to the City Council detailing proposed revisions to the Fiscal Year 2008 Proposed Budget, including adjustments to General Fund revenues and expenditures, as well as other funds, based on updated information obtained since the proposed budget was released in April.

The FY 2007 Adopted Budget included an allocation of \$7.2 million to the General Fund Reserve, and the FY 2008 Proposed Budget included another \$5.0 million for this purpose. The May Revision proposed an additional \$684,376 for the reserve. These amounts for 2008 were later revised during final budget deliberations, and resulted in a final allocation of \$3.3 million to the reserve for FY 2008. Based on budget estimates available at the time, it was believed that these new 2008 allocations were necessary to achieve the desired reserve goal of 6% of the General Fund budget for FY 2008.

In a September 24, 2007 memo to the Council, the Chief Operating Officer reported the reserves at year-end at \$93.1 million, which is 8.4% of the FY 2008 General Fund Budget of \$1.106 billion. This reserve level is far in excess of what was projected during the budget process. While this is a positive result, and the additions to the reserves were responsible actions, if more accurate, updated projections had been provided during the budget development process, they would have shown that these actions were unnecessary to achieve stated reserve goals for 2008. These reserve allocations may have, in fact, come at the expense of service cuts or other worthy needs.

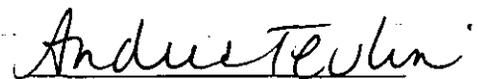
## CONCLUSION

The IBA recommends that improvements be made to the financial monitoring, monthly reporting, and budget processes to ensure that updated information reflecting current year experience is provided in a timely manner, and can be incorporated into the development of the proposed budget.

The Mayor's May Revision provides an excellent opportunity to update the City Council with new information related to current year experience that may have taken place since the proposed budget was presented. The IBA recommends that the May Revision include a description of how newly available data related to current year revenues, expenditures and expected savings may impact the proposed budget. If possible, budget changes should be proposed. This would ensure the City Council and the public have the most recent data available, and can use it to its full advantage during the final stages of the budget development.



Elaine DuVal  
Fiscal & Policy Analyst



APPROVED: Andrea Tevlin  
Independent Budget Analyst

COMMITTEE ACTION SHEET

COUNCIL DOCKET OF \_\_\_\_\_

Supplemental     Adoption     Consent     Unanimous Consent    Rules Committee Consultant Review

R -

O -

City Comptroller's Year End Report Fiscal Year 2007

Reviewed     Initiated    By Budget    On 9/26/07    Item No. 4

RECOMMENDATION TO:

Receive the report.

VOTED YEA: Atkins, Faulconer, Madaffer

VOTED NAY:

NOT PRESENT: Peters, Frye

CITY CLERK: Please reference the following reports on the City Council Docket:

REPORT TO THE CITY COUNCIL NO.

COUNCIL COMMITTEE CONSULTANT ANALYSIS NO.

OTHER:

City Comptroller's Year-End and Charter Section 39 Report for Period 13, FY 2007, dated September 26, 2007;  
City Comptroller's September 26, 2007, PowerPoint

COUNCIL COMMITTEE CONSULTANT *Dee Kelly Barkhead*



THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

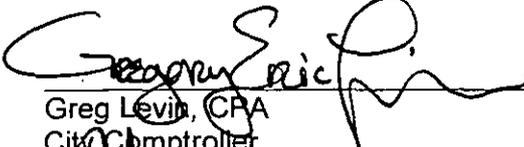
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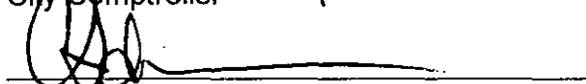
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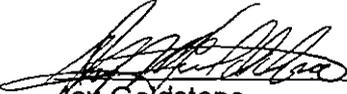
ATTENTION: Budget and Finance Committee  
 Agenda of September 26, 2007  
 SUBJECT: City Comptroller's Year-End and Charter Section 39 Report: for Period  
 13, Fiscal Year 2007

REQUESTED ACTION: Accept report.STAFF RECOMMENDATION: Accept report.SUMMARY:

The attached report provides unaudited totals for the expenditures and revenues of the General Fund and other budgeted funds for Fiscal Year 2007. In addition, it contains reconciliations of budget adjustments, reserve actions, and other actions requested as part of the Department of Finance's Fiscal Year 2007 Year-End Budget Adjustment Report (07-105).

FISCAL CONSIDERATIONS: N/APREVIOUS COUNCIL and/or COMMITTEE ACTION: N/ACOMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/AKEY STAKEHOLDERS AND PROJECTED IMPACTS: N/A
  
 \_\_\_\_\_  
 Greg Levin, CPA  
 City Comptroller

  
 \_\_\_\_\_  
 Clay Schoen  
 Principal Accountant

  
 \_\_\_\_\_  
 Jay Goldstone  
 Interim Chief Operating Officer

  
 \_\_\_\_\_  
 Sarah Mayen  
 Financial Operations Manager

Attachments:

Attachment A:

City Auditor & Comptroller's Year End and Charter Section 39 Report for Period 13  
 Fiscal Year 2007

000267

**City Comptroller's Year-End  
and Charter Section 39 Report  
for Period 13, Fiscal Year 2007**

Department of Finance  
City Comptroller's Office  
September 26, 2007

## **Purpose, Scope, and Content**

This report is intended to serve as a summary of financial activity for the City of San Diego during Fiscal Year 2007. The General Fund is the primary focus of this report, but other budgeted funds are also discussed. This report does not contain the operating results of numerous special revenue funds, debt service funds, or fiduciary funds; the results of component units; or capital project funds.

Another goal of this report is to achieve the monthly reporting objective set forth by the City's electorate in Charter Sections 39 and 89 which requires the Auditor & Comptroller to provide schedules of City's revenues and expenditures detailed as to appropriations. This report also provides additional analysis on selected topics. However, we note that the analysis of budgetary variances and the review of the achievement of departmental objectives, within appropriation limits is traditionally the role of the Financial Management division of the Department of Finance. Accordingly, we offer the following discussion of significant variances but recommend that the Budget and Finance Committee also consider the viewpoints of other officials and responsible department managers prior to making any conclusions on departmental performance.

The attached schedules contain **unaudited** information on actual departmental performance against appropriations. This report contains the most current information available, however, these numbers should not be considered "final" as adjustments may be made until the release of an audited Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2007. The attached statements were not prepared in accordance with Generally Accepted Accounting Principals for external financial reporting and should not be relied upon for making investment decisions.

This report includes the following components:

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**General Fund**


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Fiscal Year 2007 was a remarkable year for the City of San Diego. In spite of many challenges, the General Fund is in a far better financial position at the conclusion of Fiscal Year 2007 than at the end of Fiscal Year 2006. The City's General Fund revenues exceeded original estimates by \$31.5 million, while expenditures and outstanding commitments totaled \$12.4 million below original estimates. These two factors create an opportunity for the General Fund to replenish reserves and improve its cash position, and while Fiscal Year 2007 marked a major improvement, a continued focus on budgetary savings is needed in order to achieve the goals set forth in the City Reserve Policy.

**GENERAL FUND BUDGET RECONCILIATION**

The General Fund's Fiscal Year 2007 Adopted Revenue Budget was \$1,023.3 million. Three adjustments totaling \$18.0 million resulted in a Revised Revenue Budget of \$1,041.3 million. These adjustments included a \$6.0 million increase related to revenue for street maintenance related to Proposition 42, a \$10.2 million increase related to the Mid-Year Budget Adjustment Report (O-19604), and a \$1.7 million increase related to the Year-End Budget Adjustment report (O-19646).

The General Fund's Fiscal Year 2007 Adopted Expenditure Budget was \$1,023.3 million. Several actions were taken by the City Council to amend the budget, resulting in a final Revised Budget of \$1,053.0 million. The \$29.7 million of revisions were largely related to the Mid-Year Budget Adjustment Report (O-19604, \$11.4 million), Year-End Budget Adjustment Report (O-19646, \$4.4 million), street maintenance related to Proposition 42 (\$6.0 million), and various other actions. These adjustments were funded by unanticipated revenue (\$17.9 million) and General Fund Reserves (\$11.7 million). Additional details of budget adjustments for both revenues and expenditures can be found in the table on the following page.

## General Fund Budget Reconciliation

Estimated Revenue		
Action	Authority	Amount
<b>FY2007 Adopted Budget</b>	<b>O-19522</b>	<b>\$ 1,023,333,098</b>
Transfer of Proposition 42 funds for street maintenance	O-19580	6,037,844
Mid-Year Budget Adjustments	O-19604	10,199,404
Year-End Budget Adjustments	O-19646	1,700,585
<b>Final FY2007 Revised Budget</b>		<b><u>\$ 1,041,270,931</u></b>

Expenditure Appropriations		
Action	Authority	Amount
<b>FY2007 Adopted Budget</b>	<b>O-19522</b>	<b>\$ 1,023,333,098</b>
Latham Watkins and Levine Steinberg legal services	R-301605	2,000,000
Taylor Street Slope Reconstruction	R-301630	1,226,848
Lobbying contracts for Sacramento, California and Washington D.C	O-19533	221,000
Macias, Gini, & O'Connell for audit services	O-19564	327,325
Outside Counsel Services for Otay Acquisition, National Enterprise, and Border Business Park	R-302168	200,000
Former and Current City official's investigation costs	R-302293	534,825
SEC Oversight Consultant	O-19571	1,417,400
Reimbursement to Water Department for reservoir concession costs	O-19572	1,498,250
Street maintenance compliant to Proposition 42	O-19580	6,037,844
Mid-Year Budget Adjustments	O-19604	11,360,817
Actuarial Services Company	O-19623	292,371
Property damage claim	R-302594	100,000
Year-End Budget Adjustments	O-19646	4,415,864
<b>Final FY2007 Revised Budget</b>		<b><u>\$ 1,052,965,642</u></b>

Expenditure Appropriation increases were funded by:

Excess Revenue	\$ 17,937,833
General Fund Reserves	\$ 11,694,711

### GENERAL FUND REVENUES

General Fund revenues for Fiscal Year 2007 totaled \$1,054.8 million. This exceeded the Revised Budget of \$1,041.3 million by \$13.5 million. This favorable revenue variance is attributable to higher than expected revenues in the following categories:

- Property Tax- Total Fiscal Year 2007 Property Tax receipts totaled \$360.4 million. Despite being used to partially fund mid-year budget adjustments (see Mid-Year Budget Adjustment Report O-19604, \$10.5 million), this category ended Fiscal Year 2007 \$5.7 million over the revised budget of \$354.7 million.
- Transient Occupancy Tax- General Fund TOT revenues totaled \$80.7 million in Fiscal Year 2007. When compared to the Fiscal Year 2007 Revised Budget of \$72.9 million, a favorable variance of \$7.8 million results.
- Interest and Dividends- Revenue in this category totaled \$10.2 million in Fiscal Year 2007. This exceeded the category's \$7.2 million budget by \$3.0 million.
- Rents and Concessions- Revenue in this category totaled \$35.3 million. Fiscal Year 2007's Year-End Budget Adjustment Report (O-19646) directed a \$1.7 million increase in this category's budget which increased the year-end total revised budget to \$33.2 million, resulting in a favorable variance of \$2.1 million.
- Services and Transfers- General Fund Services and Transfers revenue totaled \$137.8 million in Fiscal Year 2007. This was \$15.8 million more than the \$122.0 million budget. This revenue includes the return of \$10.4 million from the State Route 56 project, as well

as a reimbursement of \$9.2 million for Fiscal Year 2006 General Fund Tobacco Revenue contributed to the Retirement Fund paid on behalf of all City operating funds (budgeted in Revenues from Other Agencies, see discussion below). Once these two items are taken into consideration, this category is \$3.8 million below anticipated amounts.

Underperforming revenue categories include:

- Sales Tax- Revenue in category totaled \$225.8 million in Fiscal Year 2007, falling short of its budget of \$234.9 million and resulting in a \$9.0 million unfavorable variance.
- Property Transfer Taxes- Total Property Transfer Tax revenue for Fiscal Year 2007 was \$9.3 million. An unfavorable variance of \$5.6 million results when compared to the \$14.9 million budget.
- Motor Vehicle License Fees- Revenue in this category totaled \$8.1 million. This was \$1.2 less than the \$9.3 million revised budget.
- Revenues from Other Agencies- Revenue in this category totaled \$11.6 million, which was \$6.0 million less than the \$17.6 million budget. This is attributable to budgeting of the reimbursement of Fiscal Year 2006 Tobacco Revenue (\$9.3 million) in this category, rather than in Services and Transfers where it was recorded. This event also partially explains the favorable variance in the Services and Transfers category (see above). Once this is taken into account, the result is a favorable variance of \$3.3 million, which is primarily due to unanticipated revenue.

Other revenue categories reported close to estimated amounts. A summary table of revenue by category is provided below, but additional information can be found on Schedule 1- General Fund Status of Revenue by Category (see page 16).

#### Summary of General Fund Revenues by Category

Category	Revised Budget	Actual	Over/ (Under) Budget
Property Tax	\$ 354,720,284	\$ 360,400,407	\$ 5,680,123
Safety Sales Tax	8,193,840	7,940,313	(253,527)
General Fund Sales Tax	234,876,334	225,841,450	(9,034,884)
General Fund TOT	72,862,596	80,702,830	7,840,234
Property Transfer Tax	14,872,876	9,307,713	(5,565,163)
Licenses and Permits	30,807,479	31,478,210	670,731
Fines and Forfeitures	35,950,051	36,452,196	502,145
Interest and Dividends	7,152,875	10,151,728	2,998,853
Franchise Fee	64,783,012	64,633,832	(149,180)
Rents and Concessions	33,206,408	35,270,989	2,064,581
Motor Vehicle License Fees	9,255,341	8,101,184	(1,154,157)
Revenues from Other Agencies	17,620,858	11,644,797	(5,976,061)
Charges for Current Services	32,360,304	32,215,495	(144,809)
Services and transfers	121,993,148	137,760,301	15,767,153
Miscellaneous Revenue	2,615,525	2,911,783	296,258
<b>Total General Fund Revenue</b>	<b>\$ 1,041,270,931</b>	<b>\$ 1,054,813,228</b>	<b>\$ 13,542,297</b>

**GENERAL FUND EXPENDITURES**

General Fund expenditures and encumbrances totaled \$1,010.9 million in Fiscal Year 2007. This total is \$42.1 million less than the \$1,053.0 million Revised Budget. The table below demonstrates the impact of vacant positions with significant savings in the Personnel Services expenditure categories. These savings are the primary drivers of this favorable expenditure variance.

**Summary of General Fund Expenditures by Category**

<b>Expenditure Category</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Encumbrances</b>	<b>(Over)/ Under Budget</b>
Personnel Services	\$ 495,779,375	\$ 461,211,470	\$ -	\$ 34,567,905
Fringe Benefits	253,580,040	254,201,849	-	(621,809)
Supplies / Services	229,006,351	195,208,239	23,574,043	10,224,069
Data Processing	32,109,858	29,328,720	3,775,026	(993,888)
Energy	27,039,191	29,424,459	284,114	(2,669,382)
Outlay	15,450,827	13,195,796	692,968	1,562,063
<b>Total General Fund Expenditures</b>	<b>\$ 1,052,965,642</b>	<b>\$ 982,570,533</b>	<b>\$ 28,326,151</b>	<b>\$ 42,068,958</b>

Budgetary savings were spread over every Business Center. A summary table of expenditures by Business Center is presented below, but departmental-level expenditure information can be found on Schedule 2—General Fund Status of Expenditures (see page 17).

**Summary of General Fund Expenditures by Business Center**

<b>Business Center</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Encumbrances</b>	<b>(Over)/ Under Budget</b>
Business and Support Services	\$ 88,326,006	\$ 71,196,592	\$ 2,542,806	\$ 14,586,608
Community and Legislative Services	4,478,322	3,986,484	126,587	365,251
Department of Finance	31,013,141	25,832,073	802,250	4,378,818
Land Use and Economic Development	29,986,494	26,667,789	1,487,042	1,831,663
Neighborhood and Customer Services	128,536,203	122,374,143	2,942,331	3,219,729
Office of Ethics and Integrity	1,194,611	967,608	119,999	107,004
Public Safety and Homeland Security	545,448,137	530,954,952	4,722,504	9,770,681
Public Works	162,344,795	140,708,540	14,922,224	6,714,031
Other Mayoral Departments	9,368,013	9,271,753	59,345	36,915
Non-Mayoral Departments	52,269,920	50,610,599	601,063	1,058,258
<b>Total General Fund Expenditures</b>	<b>\$ 1,052,965,642</b>	<b>\$ 982,570,533</b>	<b>\$ 28,326,151</b>	<b>\$ 42,068,958</b>

**GENERAL FUND RESERVE CONTRIBUTION**

General Fund revenues exceeded expenditures and encumbrances by \$44.0 million in Fiscal Year 2007; this is the amount that will be placed in General Fund Reserves and incorporated into the updated Five-Year Financial Outlook due for release later this calendar year. The relationship between General Fund Revenues and General Fund Expenditures is illustrated in the table below.

	<b>General Fund</b>		
	<b>Original Adopted Budget</b>	<b>Revised Budget</b>	<b>Actuals and Encumbrances</b>
Total General Fund Revenues	\$ 1,023,333,098	\$ 1,041,270,931	\$ 1,054,813,228
Total General Fund Expenditures	1,023,333,098	1,052,965,642	1,010,896,684
<b>Net Impact</b>	<b>\$ -</b>	<b>\$ (11,694,711)</b>	<b>\$ 43,916,544</b>

**YEAR-END BUDGET ADJUSTMENT REPORT RECONCILIATION**

The Department of Finance's Year-End Budget Adjustment Report (Ordinance O-19646) authorized a number of adjustments based on estimates. The primary set of adjustments included an estimated \$4.9 million increase in General Fund expenditure appropriations, as well as an estimated \$1.7 million increase to the General Fund revenue budget. The actual increases in appropriations are detailed in the table below.

**Summary of General Fund Year-End Budget Adjustments**

<b>Appropriations</b>			
<b>Department</b>	<b>Estimated Adjustment</b>	<b>Actual Adjustment</b>	<b>Over/ (Under) Estimate</b>
San Diego Fire - Rescue	\$ 2,300,000	\$ 2,003,000	\$ (297,000)
Citywide Program Expenditures- Deferred Maintenance	1,700,000	1,685,210	(14,790)
Citywide Program Expenditures- Special Consulting	280,000	280,000	-
Citywide Program Expenditures- Property Tax Administration	2,000,000	1,827,643	(172,357)
City Auditor & Comptroller	(1,800,000)	(1,827,643)	(27,643)
Customer Services	165,000	90,000	(75,000)
Land Use and Economic Development	117,000	111,000	(6,000)
Customer and Neighborhood Services	117,000	125,159	8,159
Special Projects	11,000	69,149	58,149
Public Works	11,000	2,638	(8,362)
Business & Grant Administration	-	34,334	34,334
Tax and Revenue Anticipation Notes	-	15,375	15,375
<b>Total General Fund Appropriation Adjustments</b>	<b>\$ 4,901,000</b>	<b>\$ 4,415,865</b>	<b>\$ (485,135)</b>

<b>Estimated Revenue</b>			
<b>Category</b>	<b>Estimated Adjustment</b>	<b>Actual Adjustment</b>	<b>Over/ (Under) Estimate</b>
Rents & Concessions- Mission Bay	\$ 1,700,000	\$ 1,685,210	\$ (14,790)
Tax and Revenue Anticipation Notes	-	15,375	15,375
<b>Total General Fund Appropriation Adjustments</b>	<b>\$ 1,700,000</b>	<b>\$ 1,700,585</b>	<b>\$ 585</b>

Other adjustments authorized by the Year-End Budget Adjustment Report Ordinance (O-19646) include those adjustments "between General Fund departments as necessary where the net transfer does not result in an increase to either department's budget." These transfers are detailed on Schedule 5—General Fund Year-End Inter-Departmental Transfer Summary (see page 21).

Also authorized by this Ordinance (O-19646) are those transactions that "transfer appropriations for costs avoided in one budget unit by an agreement to incur them in another budget unit." However, the City Comptroller's Office did not receive any requests for transfers of this type.

Several requests to carry over budgetary savings into Fiscal Year 2008 were included in the Year-End Budget Adjustment Report Ordinance (O-19646). One was the transfer of available budgetary savings in the Council District offices to the Infrastructure Improvement Fund. The other request was related to Park and Recreation Department projects. The actual amounts transferred are detailed in the table on the following page.

## Summary of General Fund Requested Budget Carryovers

Department	Estimated Carryover	Actual Carryover	Over/ (Under) Estimate
Council District 1	\$ 58,000	\$ 36,839	\$ (21,161)
Council District 2	128,000	110,675	(17,325)
Council District 3	28,000	1,836	(26,164)
Council District 4	69,000	40,188	(28,812)
Council District 5	139,000	145,278	6,278
Council District 6	143,000	129,659	(13,341)
Council District 7	106,000	90,953	(15,047)
Council District 8	16,000	8,297	(7,703)
Park and Recreation Department	1,105,000	855,000	(250,000)
<b>Total General Fund Carryovers</b>	<b>\$ 1,792,000</b>	<b>\$ 1,418,725</b>	<b>\$ (373,275)</b>

### Other Budgeted Funds

As is customary for the Comptroller's Charter Section 39 Report, a discussion is included for both of the City of San Diego's major enterprise funds: Sewer Funds and Water Department Fund. However, several additional budgeted funds were included in Fiscal Year 2007's Year-End Budget Adjustment Report (O-19646), and are also discussed here. Schedules detailing Other Budgeted Fund Revenues (Schedule 3—Other Budgeted Funds Status of Revenue, see page 19) and Expenditures (Schedule 4—Other Budgeted Funds Status of Expenditures, see page 20) are detailed in the accompanying schedules.

### SEWER FUNDS

For Fiscal Year 2007, the City of San Diego's Sewer Funds realized revenues totaling \$369.1 million. When compared to the \$333.6 million budget, the result is a \$35.5 million favorable variance.

Sewer Fund expenses totaled \$307.6 million in Fiscal Year 2007. This is \$61.6 million less than the budgeted amount of \$369.2 million.

The Sewer Funds' adopted expense budget (\$369.4 million) exceeds the adopted revenue budget (\$333.6 million) by \$35.9 million. The 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 \$39.3 million which is the primary cause of the difference between revenue and expense budgets.

	Sewer Funds		
	Original Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 333,564,516	\$ 333,564,516	\$ 369,098,514
Total Expenses and Encumbrances	369,430,740	369,189,314	307,617,529
<b>Net Impact</b>	<b>\$ (35,866,224)</b>	<b>\$ (35,624,798)</b>	<b>\$ 61,480,985</b>

**WATER DEPARTMENT FUND**

The City of San Diego's Water Department realized total revenues of \$374.1 million in Fiscal Year 2007. When compared to the budgeted amount of \$378.3 million, the result is an unfavorable revenue variance of \$4.2 million.

Expenses and Encumbrances for the Water Department totaled \$296.6 million, which was \$31.8 million lower than the \$328.4 million expense budget.

The Water Department Fund's adopted revenue budget (\$359.8 million) exceeds the adopted expense budget (\$328.5 million) by approximately \$31.3 million. This difference is primarily due to the inclusion of \$37.3 million in the adopted revenue budget for CIP related bond proceeds. This is partially offset by \$5.2 million of contingency reserves included in the adopted appropriations.

<b>Water Department Fund</b>			
	Original Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 359,825,406	\$ 378,323,656	374,134,432
Total Expenses and Encumbrances	328,503,930	328,364,797	296,638,144
<b>Net Impact</b>	<b>\$ 31,321,476</b>	<b>\$ 49,958,859</b>	<b>\$ 77,496,288</b>

**CENTRAL STORES INTERNAL SERVICE FUND**

Central Stores Expenditures totaled \$28.7 million in Fiscal Year 2007. This amount exceeded departmental Year-End Budget Adjustment Report (O-19646) expenditure estimates of \$26.5 million. The department's budget was increased by \$2.6 million authorized by Year-End Budget Adjustment Report (O-19646). The adjustment consisted of the specifically directed appropriation increase of \$600,000, as well as an additional \$2.0 million authorized for "unforeseen needs." After making this adjustment, expenditures exceeded the department's Revised Budget by \$400,170. This issue is explored in more detail in the Additional Items of Interest (see page 12) section of this report.

The total revenue received in Fiscal Year 2007 for Central Stores was \$29.2 million. When compared to the \$28.3 million Revised Budget, a favorable revenue variance of \$913,765 results.

**QUALCOMM STADIUM OPERATING FUND**

The QUALCOMM Stadium Operating Fund's revenues totaled \$15.6 million in Fiscal Year 2007. This was \$59,486 less than the \$15.7 million budgeted. Expenditures and Encumbrances for the year totaled \$13.6 million. This was \$2.4 million less than the Revised Budget of \$16.0 million. An appropriation adjustment of \$150,000 was included in the Year-End Budget Adjustment Report (O-19646); however, this was not necessary given the actual budgetary savings.

**EQUIPMENT DIVISION OPERATING FUND**

Equipment Division revenues totaled \$31.5 million in Fiscal Year 2007. This exceeded the \$30.7 million budget by \$825,508.

Expenditures for the department totaled \$30.9 million, which exceeded departmental Year-End Budget Adjustment Report (O-19646) expenditures estimates of \$29.8 million. As a result, the Equipment Division's expenditure budget was increased by \$2.9 million consisting of the \$1.9 million specifically directed by the Year-End Budget Adjustment Report (O-19646), as well as an additional \$1.0 million for "unforeseen needs." This increased the department's budget to \$31.2

million; when compared to actuals, the result is a favorable variance of \$343,481. This issue is explored in more detail in the Additional Items of Interest (see page 12) section of this report.

#### **PUBLISHING SERVICES INTERNAL SERVICE FUND**

Total Publishing Services revenue in Fiscal Year 2007 was \$4.4 million. This was \$337,163 less than the \$4.7 million budgeted.

Expenditures totaled \$4.6 million, and a favorable variance of \$224,532 results when compared to the \$4.9 million expenditure budget. An additional \$514,679 of fund equity was appropriated administratively via the authority granted in the Year-End Budget Adjustment Report (O-19646) for "unforeseen needs." This issue is explored in more detail in the Additional Items of Interest (see page 12) section of this report.

#### **MISSION BAY PARK / REGIONAL PARK IMPROVEMENT FUNDS**

In compliance with the Mission Bay Ordinance (O-19118) and the Year-End Budget Adjustment Report (O-19646) \$842,605 was transferred to both the Mission Bay Improvement Fund and the Regional Park Improvement Fund.

For Fiscal Year 2007, the Mission Bay Improvement Fund received revenues totaling \$2.0 million. This was \$18,168 over the budgeted amount of \$1.9 million. Expenditures and Encumbrances for the year totaled \$10,637, which was less than the budgeted amount of \$1.9 million.

The Regional Park Improvement Fund received revenues totaling \$2.0 million. This was \$11,349 more than the \$1.9 million budgeted. Expenditures and Encumbrances totaled \$195,246 which is \$1.7 million less than the \$1.9 million budgeted.

#### **OTHER MISCELLANEOUS FUNDS**

There were a few budgeted funds that required budgetary adjustments at the end of Fiscal Year 2007 beyond those already discussed in this report. All of which increased appropriations under the authority granted in the Year-End Budget Adjustment Report (O-19646) for "unforeseen needs." Those adjustments are detailed in the table on the following page; for additional information, please see Other Budgeted Fund Revenues (Schedule 3—Other Budgeted Funds Status of Revenue, page 19) and Expenditures (Schedule 4—Other Budgeted Funds Status of Expenditures, page 20).

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**Summary of Other Miscellaneous Funds Year-End Budget Adjustments**


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**Appropriations**

<b>Department</b>	<b>Estimated Adjustment</b>	<b>Actual Adjustment</b>	<b>Over/ (Under) Estimate</b>
Transient Occupancy Tax Fund*	\$ -	\$ 142,121	\$ 142,121
Public Art Fund**	-	424	424
Bond Interest and Redemption Fund**	-	642	642
Gas Tax Fund**	-	5,927	5,927
City Airport Fund**	-	391,963	391,963
<b>Total Appropriation Adjustments</b>	<b>\$ -</b>	<b>\$ 541,077</b>	<b>\$ 541,077</b>

\* Appropriation increase funded by excess revenue

\*\* Appropriation increase funded by fund balance

**Estimated Revenue**

<b>Category</b>	<b>Estimated Adjustment</b>	<b>Actual Adjustment</b>	<b>Over/ (Under) Estimate</b>
Transient Occupancy Tax Fund	\$ -	\$ 142,121	\$ 142,121
<b>Total Appropriation Adjustments</b>	<b>\$ -</b>	<b>\$ 142,121</b>	<b>\$ 142,121</b>

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**Additional Items of Interest**


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**INTERNAL SERVICE FUNDS AND BUDGETARY CONTROL**

The function of Internal Service Funds is described by the Government Finance Officers Association (GFOA) in their publication *Governmental Accounting, Auditing, and Financial Reporting* by the following language:

Governments often wish to centralize certain services (for instance, motor pool) and then allocate the cost of those services within the government. In certain cases, these centralized services also may be provided on a cost-reimbursement basis... (Gauthier, 2005, p.23)

Governments benefit from this centralization by the economies of scale created by negotiating as a single, large entity, rather than as smaller, individually operating units. These funds operate entirely as a conduit for their customers, in the case of City of San Diego Internal Service Funds the customers are City of San Diego operating funds. Any expenditure on the part of Internal Services Funds is purely for the benefit of other funds. Therefore, an expenditure is offset by the revenue generated by performing services on behalf of, or selling product to, other funds. This characteristic of Internal Service Funds results in duplicate budgets for these expenditures: once in the customer department and once in the Internal Service Fund.

The Fiscal Year 2007 Appropriations Ordinance (O-19522), adopted expenditure and revenue budgets for Internal Service Funds. In previous years authority was delegated to the City Auditor & Comptroller to administratively appropriate over budget revenue generated by Internal Service Funds to offset the expenditures from which it was generated. However, this authority is not present in the Fiscal Year 2007 Appropriations Ordinance. Absent this authority, any increase to the budgets set by the Ordinance requires City Council authorization. In application, this would effectively require the City Comptroller to hold additional Internal Service Funds expenditures until authorization is granted to increase appropriations.

A five year history of Central Stores is presented in the table below to demonstrate how both revenues and expenditures have both regularly exceeded budgets. One can easily see how much over budget revenue and expenditures are generated through the course of ordinary operation. In Fiscal Year 2007, this trend continued, with the only difference being the City Auditor & Comptroller was not authorized to appropriate this revenue administratively.

**Central Stores Multi-Year Analysis\***

Revenue	2002	2003	2004	2005	2006	5 Year Total
Revised Budget	\$ 18,813,747	\$ 18,853,247	\$ 18,853,247	\$ 19,204,335	\$ 19,297,359	
Total Revenues	29,217,274	29,996,090	27,149,032	27,308,245	27,689,325	141,359,966
Variance	\$ 10,403,527	\$ 11,142,843	\$ 8,295,785	\$ 8,103,910	\$ 8,391,966	
<b>Expenditures</b>						
Revised Budget	\$ 18,681,450	\$ 18,902,493	\$ 18,979,348	\$ 19,177,036	\$ 19,272,352	
Total Expenditures	29,375,648	29,162,490	26,964,097	28,160,542	27,347,616	141,010,393
Variance	\$ (10,694,198)	\$ (10,259,997)	\$ (7,984,749)	\$ (8,983,506)	\$ (8,075,264)	
<b>Surplus/(Deficit)</b>	<b>\$ (158,374)</b>	<b>\$ 833,600</b>	<b>\$ 184,935</b>	<b>\$ (852,297)</b>	<b>\$ 341,709</b>	<b>\$ 349,573</b>

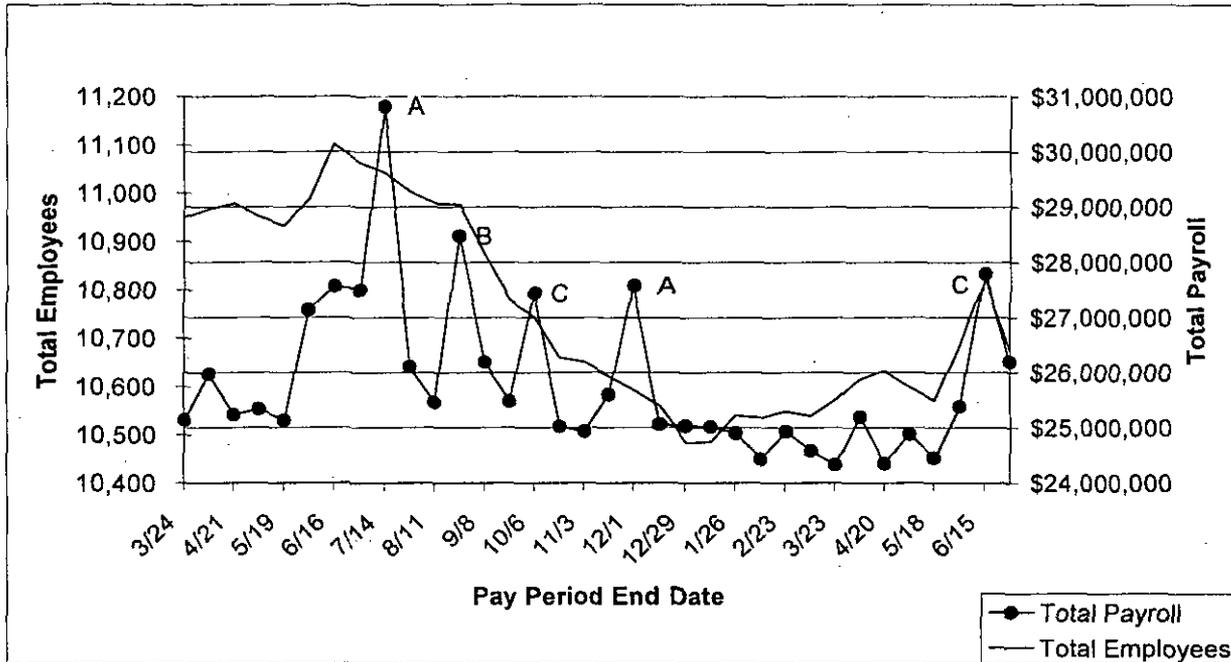
\* Not prepared in accordance with Generally Accepted Accounting Principles

While not relevant to the topic of discussion, there is another interesting point illustrated by this table. Periodically, the rates Internal Service Funds charge their customers are evaluated and changed in order to accurately cover the related expenditures. This is never a precise process, and this chart shows how the rates in effect in Fiscal Year 2003 generated revenues that exceeded expenditures by approximately \$800,000. Due to the timing of the budget process, Internal Service Fund rates are calculated using data from two fiscal years prior. For example, Fiscal Year 2004 rates were calculated using Fiscal Year 2002 actuals. In 2003 rates were set too high, which generated excess revenue. In Fiscal Year 2005 those rates were corrected, and the temporary differences were resolved. These differences only affect the short-term, and over a long period of time, revenues should equal expenditures.

**SUMMARY OF PAYROLL ACTIVITY**

One of the significant functions of the Auditor & Comptroller's Office is the distribution of the City of San Diego's bi-weekly payroll. The graph below represents the trend of total number of employees and total dollar amount of bi-weekly pay over the past several months. While non-recurring activity, such as larger terminal payouts and the cashing out of accumulated annual leave, may distort individual distributions, the trends described below are a reasonable indicator of City staffing levels and payroll obligations. Following the graph is an assortment of relevant payroll statistics including accrued balances owed to employees.

Payroll Trend Analysis



- A) These spikes in payroll related expenditures are from the cash pay out of unused flexible benefits.
- B) This spike in payroll related expenditures represents the payment of annual uniform allowances.
- C) This spike in payroll related expenditures is from Bid-to-Goal expenses for Sewer Funds and/or Water Department. This affects the total payroll amount, as well as number of employees because former City employees may be eligible for Bid-to-Goal payments.

Summary of Significant Payroll Statistics

	PPE 07/14/06	PPE 06/29/07	Increase / (Decrease)
Total Payroll	\$ 30,822,432	\$ 26,197,230	\$ (4,625,202)
Accrued Comp Time	\$ 3,743,473	\$ 4,127,026	\$ 383,553
Accrued Annual Leave	\$ 82,399,604	\$ 83,181,517	\$ 781,913
Accrued Old Sick Leave	\$ 1,033,150	\$ 751,654	\$ (281,496)
Total Employees	11,043	10,677	(366)

**SUMMARY OF RETIREMENT FUND ADVANCE PAYMENTS / EXPENDITURES**

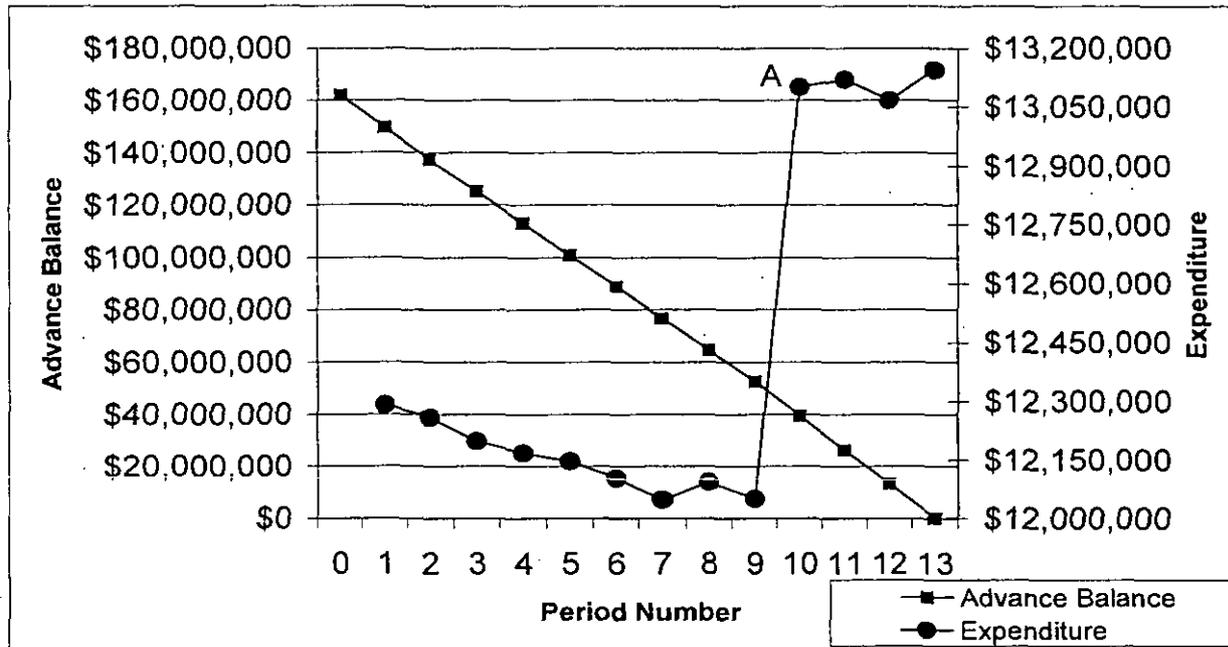
Each fiscal year the City of San Diego is required to make a contribution to the San Diego City Employee Retirement System. For Fiscal Year 2007, the City's required contribution was \$162.0 million which includes the Actuarially Required Contribution as calculated by Cheiron, Inc., as well as an additional budgeted amount. This amount was advanced to the retirement system at the beginning of the fiscal year, so the retirement system could invest the full amount for the entire year. This practice lowers the City's pension related costs by allowing a full year's of investment gains to impact the pension liability. At this time the transaction is booked in the accounting records as a cash advance.

The actuarially required contribution to the retirement system is made each pay period throughout the year based on a predetermined rate. This rate is determined by dividing the year's required contribution by an estimate of pensionable salaries of the current employees of the City of San Diego. Since pensionable salaries are the underlying driver of this expenditure,

the amount contributed varies between pay periods. Occasionally, such as during Period 10 of Fiscal Year 2007 (Point A on the graph on the following page) this rate is evaluated to determine whether the contribution obligation will be met, and the rates adjusted accordingly.

As each pay period's contribution is made, the cash advance balance is decreased by that amount. The relationship between these two events is detailed in the chart below. By year's end the advance is fully offset by total expenditures.

### Retirement Contribution Analysis



A) This rapid increase in expenditures was due to the adjustment of retirement contribution rates in Period 10

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Revenue Status Report by Category (Unaudited)  
For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Revenue	Over/(Under) Revised Budget	Variance
<b>Property Taxes</b>	\$ 344,196,284	\$ 354,720,284	\$ 360,400,407	\$ 5,680,123	2%
<b>Safety Sales Taxes</b>	8,193,840	8,193,840	7,940,313	(253,527)	-3%
<b>General Fund Sales Taxes</b>	234,876,334	234,876,334	225,841,450	(9,034,884)	-4%
<b>General Fund TOT<sup>1</sup></b>	72,862,596	72,862,596	80,702,830	7,840,234	11%
<b>Property Transfer Taxes</b>	14,872,876	14,872,876	9,307,713	(5,565,163)	-37%
<b>Licenses &amp; Permits</b>					
Business Taxes	7,312,000	7,312,000	7,207,123	(104,877)	-1%
Rental Unit Taxes	6,730,000	6,730,000	6,741,769	11,769	-
Parking Meters	6,504,315	6,504,315	6,661,363	157,048	2%
Refuse Collector Business Taxes	1,700,000	1,700,000	2,040,580	340,580	20%
Other Misc Licenses & Permits	8,561,164	8,561,164	8,827,395	266,231	3%
<b>Total Licenses &amp; Permits</b>	30,807,479	30,807,479	31,478,210	670,731	2%
<b>Fines &amp; Forfeitures</b>					
Parking Citations	19,453,901	19,453,901	18,057,815	(1,396,286)	-7%
Municipal Court	7,613,809	7,613,809	9,178,326	1,564,517	21%
Negligent Impound	2,850,000	2,850,000	2,983,193	133,193	5%
Other Misc Fines & Forfeitures	4,830,258	8,032,341	6,233,062	200,721	3%
<b>Total Fines &amp; Forfeitures</b>	34,547,966	35,950,051	36,452,196	502,145	1%
<b>Interest &amp; Dividends</b>	3,130,000	7,152,875	10,151,728	2,998,853	42%
<b>Franchises</b>					
SDG&E	38,089,183	38,089,183	39,234,525	1,145,342	3%
CATV	15,844,750	15,844,750	15,594,331	(250,419)	-2%
Refuse Collection	10,600,000	10,600,000	9,524,293	(1,075,707)	-10%
Other Franchises	249,079	249,079	280,683	31,604	13%
<b>Total Franchises</b>	64,783,012	64,783,012	64,633,832	(149,180)	-
<b>Rents and Concessions</b>					
Mission Bay	24,390,379	26,075,589	27,760,799	1,685,210	6%
Pueblo Lands	3,331,758	3,331,758	3,295,725	(36,033)	-1%
Other Rents and Concessions	3,799,061	3,799,061	4,214,465	415,404	11%
<b>Total Rents and Concessions</b>	31,521,198	33,206,408	35,270,989	2,064,581	6%
<b>Motor Vehicle License Fees</b>	9,255,341	9,255,341	8,101,184	(1,154,157)	-12%
<b>Revenues from Other Agencies</b>	17,621,283	17,620,858	11,644,797	(5,976,061)	-34%
<b>Charges for Current Services<sup>3</sup></b>	34,869,261	32,360,304	32,215,495	(144,809)	-
<b>Services and Transfers<sup>2</sup></b>	119,180,103	121,993,148	137,760,301	15,767,153	13%
<b>Miscellaneous Revenues<sup>2</sup></b>	2,615,525	2,615,525	2,911,783	296,258	11%
<b>Total General Fund Revenues</b>	<u>\$ 1,023,333,098</u>	<u>\$ 1,041,270,931</u>	<u>\$ 1,054,813,228</u>	<u>\$ 13,542,297</u>	<u>1%</u>

<sup>1</sup> Total City Transient Occupancy Tax budget for Fiscal Year 2007 is \$139 million. The balance is budgeted in the Transient Occupancy Tax Fund.

<sup>2</sup> Actuals revised to reflect revenue deposited into Streets Fund which is no longer in use due to the FY2007 budget restructuring.

<sup>3</sup> Actuals revised to reflect revenue deposited into Diversity Fund and Special Training Fund, which is no longer in use due to the FY2007 budget restructuring.

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Expenditure Status Report (Unaudited)  
 For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Expenditures	Year-to-Date Encumbrances	(Over)/Under Revised Budget	Variance
<b>Business and Support Services</b>						
Business and Grant Administration	\$ 946,237	\$ 761,634	\$ 761,630	\$ 4	\$ -	-
Business Office	1,068,414	1,066,739	784,599	147,349	134,791	13%
<b>Citywide Program Expenditures</b>						
Assessments to Public Property	480,837	521,590	521,590	-	-	-
Deferred Maintenance	12,788,412	14,505,028	12,992,031	1,512,997	-	-
Elections	731,636	512,290	508,503	3,787	-	-
Employee Personal Prop Claims	-	5,000	4,627	-	373	7%
Financial Services	115,112	83,181	75,533	7,626	22	-
Health <sup>3</sup>	16,273	40,262	40,262	-	-	-
Insurance	2,028,000	1,082,153	1,082,152	1	-	-
Memberships	705,268	607,000	604,573	-	2,427	-
Office Space	6,983,769	7,036,804	6,915,706	121,061	37	-
Property Tax Administration	-	3,027,643	3,017,371	-	10,272	-
Public Liability Claims	10,000,000	19,379,550	19,379,550	-	-	-
Reimbursement to Capital Outlay	-	14,629	14,629	-	-	-
Reserve Contribution	7,200,097	7,200,097	-	-	7,200,097	100%
Salary Reserve	-	3,679,000	-	-	3,679,000	100%
Special Consulting	324,950	1,443,081	772,813	215,350	454,918	32%
Special Promotional Programs	4,731,181	-	-	-	-	-
Transportation Subsidy	278,077	278,077	278,000	-	77	-
Miscellaneous	-	-	-	-	-	-
<b>Total Citywide Program Expenditures</b>	<b>46,383,612</b>	<b>58,415,385</b>	<b>46,207,340</b>	<b>1,860,822</b>	<b>11,347,223</b>	<b>19%</b>
<b>Human Resources<sup>2</sup></b>	<b>4,519,030</b>	<b>1,557,605</b>	<b>1,379,603</b>	<b>942</b>	<b>177,060</b>	<b>11%</b>
Office of the Chief Information Officer	12,594,392	12,333,886	11,057,637	155,730	1,120,319	9%
Personnel	6,991,385	6,991,385	6,083,422	247,643	660,320	9%
Purchasing and Contracting	6,057,017	6,199,572	4,922,361	130,316	1,146,895	18%
<b>Community and Legislative Services</b>	<b>3,804,389</b>	<b>4,478,322</b>	<b>3,986,484</b>	<b>126,587</b>	<b>365,251</b>	<b>8%</b>
Community and Legislative Services						
<b>Department of Finance</b>						
City Auditor and Comptroller	13,259,804	11,127,520	9,611,303	113,034	1,403,183	13%
City Treasurer	10,089,069	13,929,417	11,460,708	674,618	1,794,091	13%
Debt Management	1,775,697	1,775,656	1,271,022	14,582	490,052	28%
Department of Finance	201,356	370,979	261,924	-	109,055	29%
Financial Management	4,052,574	3,809,569	3,227,116	16	582,437	15%
<b>Land Use and Economic Development</b>						
City Planning and Community Investment	6,846,724	7,041,172	6,778,848	82,448	179,876	3%
Community and Economic Development	10,948,786	11,221,727	10,363,143	798,562	60,022	1%
Neighborhood Code Compliance	6,708,037	6,702,177	5,940,380	92,201	669,596	10%
Real Estate Assets	4,786,795	4,783,360	3,348,270	513,831	921,259	19%
Land Use and Economic Development	-	238,058	237,148	-	910	-
<b>Neighborhood and Customer Services</b>						
Customer Services	2,060,780	1,944,820	1,885,442	58,531	847	-
Neighborhood and Customer Services	-	379,276	379,276	-	-	-
Library	38,743,686	38,685,727	36,749,216	479,029	1,437,482	4%
Park and Recreation	84,140,359	86,810,979	82,655,909	2,373,670	1,781,400	2%
Special Projects	1,142,888	735,401	704,300	31,101	-	-
<b>Office of Ethics and Integrity</b>						
Office of Ethics and Integrity	1,194,683	1,194,611	967,608	119,999	107,004	9%
<b>Public Safety and Homeland Security</b>						
Family Justice Center	670,728	670,534	617,368	17,298	35,868	5%
Office of Homeland Security	1,562,766	1,582,609	1,075,606	182	486,820	31%
Police	360,134,725	365,851,392	353,354,294	3,572,538	8,924,561	2%
Public Safety	2,227,970	2,334,807	1,943,494	17,146	374,167	16%
San Diego Fire-Rescue	169,509,660	175,028,795	173,964,190	1,115,340	(50,735)	-

**City of San Diego  
Auditor & Comptroller  
General Fund**

Fiscal Year 2007 Expenditure Status Report (Unaudited)  
For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Expenditures	Year-to-Date Encumbrances	(Over)/Under Revised Budget	Variance
<b>Public Works</b>						
Engineering and Capital Projects	35,241,744	35,079,318	30,488,230	762,170	3,818,918	11%
Environmental Services	38,222,681	39,870,393	37,943,355	404,088	1,522,950	4%
General Services <sup>1</sup>	76,266,775	73,378,136	64,123,952	8,113,418	1,140,766	2%
Storm Water Pollution Prevention <sup>4</sup>	13,581,808	13,569,673	7,695,728	5,642,548	231,397	2%
Total General Services	<u>89,828,383</u>	<u>86,947,809</u>	<u>71,819,680</u>	<u>13,755,966</u>	<u>1,372,163</u>	<u>2%</u>
Public Works	190,520	447,275	447,275	-	-	-
<b>Other</b>						
Chief Operating Officer	2,982,629	2,980,116	2,955,085	15	25,016	1%
Mayor	228,658	242,522	230,620	2	11,900	5%
Tax and Revenue Anticipation Notes	2,130,000	6,145,375	6,088,048	59,328	(1)	-
<b>Non-Mayoral</b>						
City Attorney	36,205,158	36,388,158	35,521,900	445,455	420,803	1%
City Clerk	4,124,544	4,124,544	3,909,795	34,831	179,918	4%
City Council - District 1	990,000	990,000	978,013	11,987	-	-
City Council - District 2	990,000	990,000	990,000	-	-	-
City Council - District 3	990,000	990,000	990,000	-	-	-
City Council - District 4	990,000	990,000	990,000	-	-	-
City Council - District 5	990,000	990,000	989,862	338	-	-
City Council - District 6	990,000	990,000	990,000	-	-	-
City Council - District 7	990,000	990,000	999,113	887	-	-
City Council - District 8	990,000	990,000	990,000	-	-	-
Council Administration	2,828,833	2,828,833	2,640,968	97,254	90,811	3%
Ethics Commission	1,008,385	1,008,385	631,148	10,311	366,926	36%
<b>Miscellaneous</b>						
	-	-	-	-	-	-
<b>Total General Fund Expenditures</b>	<u>\$ 1,023,333,098</u>	<u>\$ 1,052,965,642</u>	<u>\$ 982,570,533</u>	<u>\$ 28,326,151</u>	<u>\$ 42,068,958</u>	<u>4%</u>

<sup>1</sup> Actuals revised to reflect expenditures charged to Streets Fund which is no longer in use due to the FY2007 budget restructuring.

<sup>2</sup> Actuals revised to reflect expenditures charged to Diversity and Special Training Funds which is no longer in use due to the FY2007 budget restructuring.

<sup>3</sup> Expenditures in this Citywide Program are for un-allocable public health costs such as beach monitoring and vector control.

<sup>4</sup> Stormwater Department was transferred from MWWWD to General Services as directed by Mid-Year Report (O-19604).

**City of San Diego**  
**Auditor & Comptroller**  
**Other Budgeted Funds**  
Fiscal Year 2007 Revenue Status Report (Unaudited)  
For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Revenue	Over/(Under) Revised Budget	Variance
<b>Business and Support Services</b>					
Information Technology Fund	\$ 10,202,940	\$ 10,202,940	\$ 10,084,688	\$ (118,252)	-1%
Risk Management Administration Fund	12,138,162	12,138,162	11,765,590	(372,572)	-3%
<b>Department of Finance</b>					
Central Stores Internal Service Fund	19,297,359	28,297,359	29,211,124	913,765	3%
Special Districts Fund	912,279	912,279	645,269	(267,010)	-29%
<b>Land Use and Economic Development</b>					
City Airport Fund	4,101,195	4,101,195	5,725,950	1,624,755	40%
Development Services Enterprise Fund	62,540,157	62,540,157	50,437,555	(12,102,602)	-19%
Facilities Financing Fund	2,291,978	2,291,978	2,163,549	(128,429)	-6%
Municipal Parking Garages Fund	3,187,248	3,187,248	3,220,519	33,271	1%
PETCO Park Fund	20,670,999	20,670,999	20,570,753	(100,246)	-
QUALCOMM Stadium Operating Fund	15,681,009	15,681,009	15,621,523	(59,486)	-
Redevelopment Fund	3,196,637	3,196,637	2,328,182	(867,455)	-27%
Solid Waste Local Enforcement Agency Fund	846,028	846,028	711,358	(134,670)	-16%
<b>Neighborhood and Customer Services</b>					
Environmental Growth Fund 1/3	3,868,801	3,868,801	4,482,375	613,574	16%
Environmental Growth Fund 2/3	7,684,103	7,684,103	8,980,917	1,296,814	17%
Golf Course Enterprise Fund	12,167,000	12,567,000	17,158,719	4,591,719	37%
Library Grants Fund	514,348	514,348	762,574	248,228	48%
Los Penasquitos Canyon Preserve Fund	176,000	176,000	200,978	24,978	14%
Open Space Park Facilities Fund	491,800	491,800	728,612	236,812	48%
Public Art Fund	30,000	30,000	30,000	-	-
<b>Public Safety and Homeland Security</b>					
Emergency Medical Services Fund	8,138,153	8,138,153	7,452,745	(685,408)	-8%
Fire and Lifeguard Facilities Fund	1,629,458	1,629,458	1,643,033	13,575	1%
Police Decentralization Fund	9,060,507	9,060,507	9,060,507	-	-
Seized and Forfeited Assets Funds	2,540,000	2,540,000	3,891,384	1,351,384	53%
Unlicensed Driver Vehicle Impound Fees	1,200,000	1,200,000	1,166,153	(33,847)	-3%
<b>Public Works</b>					
E&CP-Water/Wastewater Fund	25,429,887	25,490,431	18,079,853	(7,410,578)	-29%
Energy Conservation Program Fund	2,010,985	2,010,985	2,193,514	182,529	9%
Equipment Operating Fund	28,795,587	30,695,587	31,521,095	825,508	3%
Equipment Replacement Fund	21,060,429	22,870,184	28,640,572	5,770,388	25%
Publishing Services Internal Fund	4,749,298	4,749,298	4,412,135	(337,163)	-7%
Recycling Fund	19,511,503	19,511,503	21,226,866	1,715,363	9%
Refuse Disposal Funds	37,303,649	37,303,649	41,217,257	3,913,608	10%
Sewer Funds	333,564,516	333,564,516	369,098,514	35,533,998	11%
Utilities Undergrounding Program Fund	42,347,124	1,625,765	1,062,274	(563,491)	-35%
Water Department Fund	359,825,406	378,323,856	374,134,432	(4,189,224)	-1%
<b>Other</b>					
AB 2928 - Transportation Relief Fund	5,000,000	5,000,000	948,992	(4,051,008)	-81%
Balboa Park/Mission Bay Park Imprv Funds	6,948,990	6,948,990	6,948,990	-	-
Bond Interest and Redemption Fund	2,408,931	2,408,931	2,356,434	(52,497)	-2%
Convention Center Complex Funds	14,148,836	14,148,836	14,317,975	169,139	1%
Gas Tax Fund	24,117,687	24,117,687	22,632,384	(1,485,303)	-6%
Mission Bay Improvements Fund	1,097,595	1,940,200	1,958,368	18,168	1%
Regional Park Improvements Fund	1,097,595	1,940,200	1,951,549	11,349	1%
Storm Drain Fund	6,046,746	6,046,746	5,857,403	(189,343)	-3%
TOT - Convention Center Fund	4,339,198	4,339,198	4,312,816	(26,382)	-1%
Transient Occupancy Tax Fund	71,082,902	71,225,023	72,943,800	1,718,777	2%
TransNet (1/2% Sales Tax) Fund	42,327,539	35,146,105	34,196,202	(949,903)	-3%
Trolley Extension Reserve Fund	4,079,172	4,079,172	4,207,506	128,334	3%
Zoological Exhibits Fund	7,676,765	8,423,463	8,479,043	55,580	1%

**City of San Diego**  
**Auditor & Comptroller**

**Other Budgeted Funds**  
Fiscal Year 2007 Expenditure Status Report (Unaudited)  
For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Expense/ Expenditure	Encumbrances	(Over)/Under Revised Budget	Variance
<b>Business and Support Services</b>						
Information Technology Fund	\$ 9,903,308	\$ 10,132,752	\$ 9,010,398	\$ 134,098	\$ 988,256	10%
Risk Management Administration Fund	9,968,285	13,062,848	7,877,123	246,605	4,939,120	38%
<b>Department of Finance</b>						
Central Stores Internal Service Fund	18,697,055	28,297,055	28,697,225	-	(400,170)	-1%
Special Districts Fund	874,126	874,126	674,785	-	199,341	23%
<b>Land Use and Economic Development</b>						
City Airport Fund	3,140,032	3,140,032	2,409,450	334,095	396,487	13%
Development Services Enterprise Fund	61,329,364	61,209,050	53,250,408	397,398	7,581,244	12%
Facilities Financing Fund	2,574,898	2,574,898	2,257,012	736	317,150	12%
Municipal Parking Garages Fund	2,817,033	2,817,033	1,878,557	268,066	670,410	24%
PETCO Park Fund	21,346,751	21,346,751	18,578,868	162,752	2,605,131	12%
QUALCOMM Stadium Operating Fund	15,993,008	15,999,008	13,162,379	450,590	2,386,039	15%
Redevelopment Fund	3,191,965	3,191,965	3,033,362	9,681	148,922	5%
Solid Waste Local Enforcement Agency Fund	900,574	900,574	581,016	76,621	242,937	27%
<b>Neighborhood and Customer Services</b>						
Environmental Growth Fund 1/3	4,153,319	4,153,319	3,964,758	27,806	160,755	4%
Environmental Growth Fund 2/3	10,317,191	10,315,000	8,545,012	199,363	1,570,625	15%
Golf Course Enterprise Fund	11,690,024	12,481,987	12,014,164	149,413	318,410	3%
Library Grants Fund	681,048	681,048	547,183	1,000	132,865	20%
Los Penasquitos Canyon Preserve Fund	213,866	213,866	191,626	-	22,240	10%
Open Space Park Facilities Fund	438,300	438,300	438,300	-	-	-
Public Art Fund	30,000	30,424	25,224	5,200	-	-
<b>Public Safety and Homeland Security</b>						
Emergency Medical Services Fund	8,400,188	8,400,188	6,551,429	130,828	1,717,931	20%
Fire and Lifeguard Facilities Fund	1,703,135	1,703,135	1,642,315	-	60,820	4%
Police Decentralization Fund	9,110,663	9,110,663	7,986,899	-	1,123,764	12%
Seized and Forfeited Assets Funds	3,088,282	3,088,282	2,497,709	137,917	452,656	15%
Unlicensed Driver Vehicle Impound Fees	1,387,904	1,387,904	936,221	1,427	450,256	32%
<b>Public Works</b>						
E&CP-Water/Wastewater Fund	25,429,887	25,490,431	19,885,358	404,851	5,200,222	20%
Energy Conservation Program Fund	2,010,985	2,010,985	1,430,947	149,852	430,186	21%
Equipment Operating Fund	28,281,481	31,199,937	30,856,456	-	343,481	1%
Equipment Replacement Fund	23,406,065	29,903,814	12,635,351	7,848,578	9,419,885	32%
Publishing Services Internal Fund	4,355,101	4,869,780	4,645,248	-	224,532	5%
Recycling Fund	24,452,777	24,452,777	20,573,537	546,757	3,332,483	14%
Refuse Disposal Funds	36,466,880	35,477,508	26,559,487	3,239,001	5,679,020	16%
Sewer Funds	369,430,740	369,189,314	279,122,936	28,494,593	61,571,784	17%
Utilities Undergrounding Program Fund <sup>1</sup>	1,536,964	3,536,964	3,241,541	114	295,309	8%
Water Department Fund	328,503,930	328,364,797	275,552,054	21,086,090	31,726,653	10%
<b>Other</b>						
AB 2928 - Transportation Relief Fund	5,000,000	15,341,895	11,885,852	3,109,782	346,261	2%
Balboa Park/Mission Bay Park Imprv Funds	6,948,990	6,948,990	6,865,312	24,238	59,440	1%
Bond Interest and Redemption Fund	2,329,935	2,330,577	2,330,577	-	-	-
Convention Center Complex Funds	14,357,394	14,357,394	13,953,674	46,827	356,893	2%
Gas Tax Fund	24,117,687	24,123,614	24,123,614	-	-	-
Mission Bay Improvements Fund	1,097,595	1,940,200	8,082	2,555	1,929,563	99%
Regional Park Improvements Fund	1,097,595	1,940,200	195,246	-	1,744,854	90%
Storm Drain Fund	6,046,746	6,046,746	5,935,808	-	110,938	2%
TOT - Convention Center Fund	9,393,644	9,393,644	4,339,837	999,285	4,054,522	43%
Transient Occupancy Tax Fund	71,092,554	71,234,675	68,201,590	3,033,085	-	-
TransNet (1/2% Sales Tax) Fund	58,942,099	51,710,665	20,958,058	6,371,786	24,380,821	47%
Trolley Extension Reserve Fund	4,113,932	4,113,932	3,678,590	-	435,342	11%
Zoological Exhibits Fund	7,676,765	8,423,463	8,400,000	-	23,463	-

**City of San Diego**  
**Auditor & Comptroller**  
 General Fund Inter-Departmental Transfer Summary  
 For the Period Ending June 30, 2007

FROM DEPARTMENT	AMOUNT	TO DEPARTMENT	AMOUNT	CATEGORY
Council District 1	\$ 47,594	Citywide	\$ 47,594	Salaries & Wages
Citywide	47,594	Council District 1	47,594	Supplies & Services
Council District 1	486	Library Department	486	Salaries & Wages
Library Department	486	Council District 1	486	Supplies & Services
Council District 3	6,601	Citywide	6,601	Salaries & Wages
Citywide	6,601	Council District 3	6,601	Supplies & Services
Council District 3	120	Auditor & Comptroller	120	Salaries & Wages
Auditor & Comptroller	120	Council District 3	120	Supplies & Services
Council District 4	19,834	Citywide	19,834	Salaries & Wages
Citywide	19,834	Council District 4	19,834	Supplies & Services
Council District 5	70,517	Citywide	70,517	Salaries & Wages
Citywide	70,517	Council District 5	70,517	Supplies & Services
Council District 6	17,756	Citywide	17,756	Salaries & Wages
Citywide	17,756	Council District 6	17,756	Supplies & Services
Council District 7	39,692	Citywide	39,692	Salaries & Wages
Citywide	39,692	Council District 7	39,692	Supplies & Services
Chief Operating Officer	58,861	Citywide	58,861	Salaries & Wages
Citywide	58,861	Chief Operating Officer	58,861	Supplies & Services
City Attorney	249,501	Citywide	249,501	Salaries & Wages
Citywide	249,501	City Attorney	249,501	Supplies & Services
Planning	27,160	Citywide	27,160	Salaries & Wages
Citywide	27,160	Planning	27,160	Supplies & Services
Police Department	2,655,784	Citywide	2,655,784	Salaries & Wages
Citywide	2,655,784	Police Department	2,655,784	Supplies & Services
Library Department	5,212	Citywide	5,212	Salaries & Wages
Citywide	5,212	Library Department	5,212	Supplies & Services
Library Department	1,006,534	Refuse Collection	1,006,534	Salaries & Wages
Refuse Collection	1,006,534	Library Department	1,006,534	Supplies & Services
Library Department	426,070	Engineering & Capital Projects	426,070	Salaries & Wages
Engineering & Capital Projects	426,070	Library Department	426,070	Supplies & Services
Library Department	11,456	Comm. & Legislative Serv.	11,456	Salaries & Wages
Comm. & Legislative Serv.	11,456	Library Department	11,456	Supplies & Services
Parks & Recreation	1,359,778	Citywide	1,359,778	Salaries & Wages
Citywide	1,359,778	Parks & Recreation	1,359,778	Supplies & Services
General Services	1,679,115	Citywide	1,679,115	Salaries & Wages
Citywide	1,679,115	General Services	1,939,820	Supplies & Services
Office of CIO	260,706			
General Services	1,192,856	Citywide	1,192,856	Salaries & Wages
Citywide	1,192,856	General Services	1,192,856	Supplies & Services
Citywide	1,334,344	City Treasurer	1,334,344	Salaries & Wages
City Treasurer	1,334,344	Citywide	1,334,344	Supplies & Services
Fire & Life Safety Dept.	351,026	Public Safety	351,026	Salaries & Wages
Public Safety	351,026	Fire & Life Safety Dept.	351,026	Supplies & Services

FROM DEPARTMENT	AMOUNT	TO DEPARTMENT	AMOUNT	CATEGORY
Fire & Life Safety Dept.	\$ 508,108	Engineering & Capital Projects	\$ 508,108	Salaries & Wages
Engineering & Capital Projects	508,108	Fire & Life Safety Dept.	508,108	Supplies & Services
Citywide	104,000	Human Resources	104,000	Salaries & Wages
Human Resources	104,000	Citywide	104,000	Supplies & Services
Citywide	412,000	Real Estate Assets	412,000	Salaries & Wages
Real Estate Assets	412,000	Citywide	412,000	Supplies & Services
Citywide	134,000	Office of Homeland Security	134,000	Salaries & Wages
Office of Homeland Security	134,000	Citywide	134,000	Supplies & Services
Chief Operating Officer	598	Library Department	598	Salaries & Wages
Library Department	598	Chief Operating Officer	598	Supplies & Services
Economic Development	419,849	Library Department	419,849	Salaries & Wages
Library Department	419,849	Economic Development	419,849	Supplies & Services
City Attorney	186,475	Library Department	186,475	Salaries & Wages
Library Department	186,475	City Attorney	186,475	Supplies & Services
City Treasurer	95,539	Library Department	95,539	Salaries & Wages
Library Department	95,539	City Treasurer	95,539	Supplies & Services
Human Resources	821	Library Department	821	Salaries & Wages
Library Department	821	Human Resources	821	Supplies & Services
Planning Department	1,619	Library Department	1,619	Salaries & Wages
Library Department	1,619	Planning Department	1,619	Supplies & Services
Real Estate Assets	1,526	Library Department	1,526	Salaries & Wages
Library Department	1,526	Real Estate Assets	1,526	Supplies & Services
Police Department	64,900	Library Department	64,900	Salaries & Wages
Library Department	64,900	Police Department	64,900	Supplies & Services
Fire & Life Safety Dept.	35,350	Library Department	35,350	Salaries & Wages
Library Department	35,350	Fire & Life Safety Dept.	35,350	Supplies & Services
Public Works	174	Library Department	174	Salaries & Wages
Library Department	174	Public Works	174	Supplies & Services
Public Safety	6	Library Department	6	Salaries & Wages
Library Department	6	Public Safety	6	Supplies & Services
General Services	1,365	Library Department	1,365	Salaries & Wages
Library Department	1,365	General Services	1,365	Supplies & Services

**City of San Diego  
Auditor & Comptroller**

**General Fund**

Fiscal Year 2007 Projected Versus Actual Revenue (Unaudited)  
For the Period Ending June 30, 2007

	Projected Revenues	Actual Revenues	Over/(Under) Projection	Variance
<b>Property Taxes</b>	\$ 363,590,651	\$ 360,400,407	\$ (3,190,244)	-1%
<b>Safety Sales Taxes</b>	8,089,171	7,940,313	(148,858)	-2%
<b>General Fund Sales Taxes</b>	227,928,436	225,841,450	(2,086,986)	-1%
<b>General Fund TOT</b>	78,854,889	80,702,830	1,847,941	2%
<b>Property Transfer Taxes</b>	8,425,023	9,307,713	882,690	10%
<b>Licenses &amp; Permits</b>				
Business Taxes	6,896,000	7,207,123	311,123	5%
Rental Unit Taxes	7,461,000	6,741,769	(719,231)	-10%
Parking Meters	6,430,315	6,661,363	231,048	4%
Refuse Collector Business Taxes	1,982,000	2,040,560	58,560	3%
Other Misc Licenses & Permits	8,587,164	8,827,395	240,231	3%
<b>Total Licenses &amp; Permits</b>	31,356,479	31,478,210	121,731	-
<b>Fines &amp; Forfeitures</b>				
Parking Citations	17,953,901	18,057,615	103,714	1%
Municipal Court	7,986,809	9,178,326	1,191,517	15%
Negligent Impound	2,903,000	2,983,193	80,193	3%
Other Misc Fines & Forfeitures	7,397,341	6,233,062	(1,164,279)	-16%
<b>Total Fines &amp; Forfeitures</b>	36,241,051	36,452,196	211,145	1%
<b>Interest &amp; Dividends</b>	8,130,000	10,151,728	2,021,728	25%
<b>Franchises</b>				
SDG&E	39,204,564	39,234,525	29,961	-
CATV	15,630,712	15,594,331	(36,381)	-
Refuse Collection	10,000,000	9,524,293	(475,707)	-5%
Other Franchises	254,079	280,683	26,604	10%
<b>Total Franchises</b>	65,089,355	64,633,832	(455,523)	-1%
<b>Rents and Concessions</b>				
Mission Bay	27,707,738	27,760,799	53,061	-
Pueblo Lands	2,827,758	3,295,725	467,967	17%
Other Rents and Concessions	4,034,061	4,214,465	180,404	4%
<b>Total Rents and Concessions</b>	34,569,557	35,270,989	701,432	2%
<b>Motor Vehicle License Fees</b>	8,571,229	8,101,184	(470,045)	-5%
<b>Revenues from Other Agencies</b>	11,092,858	11,644,797	551,939	5%
<b>Charges for Current Services</b>	30,436,504	32,215,495	1,778,991	6%
<b>Services and Transfers</b>	133,877,261	137,760,301	3,883,040	3%
<b>Miscellaneous Revenues</b>	2,293,525	2,911,783	618,258	27%
<b>Total General Fund Revenues</b>	<u>\$ 1,048,545,989</u>	<u>\$ 1,054,813,228</u>	<u>\$ 6,267,239</u>	<u>1%</u>

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Projected Versus Actual Expenditure (Unaudited)  
 For the Period Ending June 30, 2007

	Projected Expenditures	Actual Expenditures and Encumbrances	(Over)/Under Projection	Variance
<b>Business and Support Services</b>				
Business and Grant Administration	\$ 613,405	\$ 761,634	\$ (148,229)	-24%
Business Office	926,516	931,948	(5,432)	-1%
<b>Citywide Program Expenditures</b>				
Assessments to Public Property	335,837	521,590	(185,753)	-55%
Deferred Maintenance	14,447,092	14,505,028	(57,936)	-
Elections	512,290	512,290	(0)	-
Employee Personal Prop Claims	5,000	4,627	373	7%
Financial Services	-	83,159	(83,159)	100%
Health	40,262	40,262	(0)	-
Insurance	1,080,000	1,082,153	(2,153)	-
Memberships	600,650	604,573	(3,923)	-1%
Office Space	7,071,769	7,036,767	35,002	-
Property Tax Administration	-	3,017,371	(3,017,371)	10000%
Public Liability Claims	20,855,944	19,379,550	1,476,394	7%
Reimbursement to Capital Outlay	-	14,629	(14,629)	10000%
Reserve Contribution	-	-	-	-
Salary Reserve	-	-	-	-
Special Consulting	1,335,218	988,163	347,055	26%
Special Promotional Programs	-	-	-	-
Transportation Subsidy	278,077	278,000	77	-
Miscellaneous	-	-	-	-
<b>Total Citywide Program Expenditures</b>	<b>46,562,139</b>	<b>48,068,162</b>	<b>(1,506,023)</b>	<b>-3%</b>
Human Resources	1,464,931	1,380,545	84,386	6%
Office of the Chief Information Officer	12,594,392	11,213,367	1,381,025	11%
Personnel	6,932,816	6,331,065	601,751	9%
Purchasing and Contracting	5,068,087	5,052,677	15,410	-
<b>Community and Legislative Services</b>				
Community and Legislative Services	4,411,924	4,113,071	298,853	7%
<b>Department of Finance</b>				
City Auditor and Comptroller	13,469,100	9,724,337	3,744,763	28%
City Treasurer	11,651,232	12,135,326	(484,094)	-4%
Debt Management	1,370,523	1,285,604	84,919	6%
Department of Finance	276,373	261,924	14,449	5%
Financial Management	3,411,417	3,227,132	184,285	5%
<b>Land Use and Economic Development</b>				
City Planning and Community Investment	6,817,695	6,861,296	(43,601)	-1%
Community and Economic Development	10,240,365	11,161,705	(921,340)	-9%
Neighborhood Code Compliance	5,845,486	6,032,581	(187,095)	-3%
Real Estate Assets	3,859,358	3,862,101	(2,743)	-
Land Use and Economic Development	241,996	237,148	4,848	2%
<b>Neighborhood and Customer Services</b>				
Customer Services	2,014,802	1,943,973	70,829	4%
Neighborhood and Customer Services	367,976	379,276	(11,300)	-3%
Library	37,213,787	37,228,245	(14,458)	-
Park and Recreation	83,535,943	85,029,579	(1,493,636)	-2%
Special Projects	676,430	735,401	(58,971)	-9%
<b>Office of Ethics and Integrity</b>				
Office of Ethics and Integrity	1,123,413	1,087,607	35,806	3%
<b>Public Safety and Homeland Security</b>				
Family Justice Center	629,778	634,666	(4,888)	-1%
Office of Homeland Security	1,139,423	1,075,788	63,635	6%
Police	355,578,639	356,826,832	(1,348,193)	-
Public Safety	2,232,485	1,960,640	271,845	12%
San Diego Fire-Rescue	175,176,585	175,079,530	97,055	-

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Projected Versus Actual Expenditure (Unaudited)  
 For the Period Ending June 30, 2007

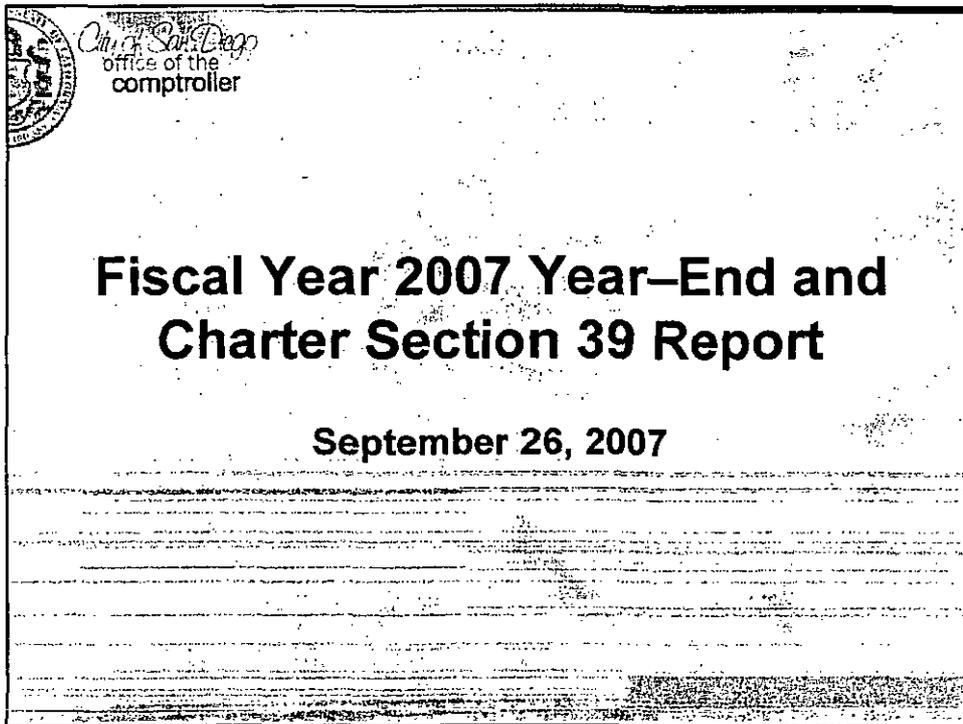
	Projected Expenditures	Actual Expenditures and Encumbrances	(Over)/Under Projection	Variance
<b>Public Works</b>				
Engineering and Capital Projects	30,997,525	31,260,400	(262,875)	-1%
Environmental Services	38,620,248	38,347,443	272,805	1%
General Services	71,127,109	72,237,370	(1,110,261)	-2%
Storm Water Pollution Prevention	13,348,781	13,338,276	10,505	-
Total General Services	<u>84,475,890</u>	<u>85,575,646</u>	<u>(1,099,756)</u>	<u>-1%</u>
Public Works	453,244	447,275	5,969	1%
<b>Other and Independent Departments</b>				
Chief Operating Officer	2,956,267	2,955,100	1,167	-
Mayor	242,297	230,622	11,675	5%
Tax and Revenue Anticipation Notes	5,829,428	6,145,376	(315,948)	-5%
City Attorney	36,367,029	35,967,355	399,674	1%
City Clerk	3,945,711	3,944,626	1,085	-
City Council - District 1	990,000	990,000	-	-
City Council - District 2	990,000	990,000	-	-
City Council - District 3	990,000	990,000	-	-
City Council - District 4	990,000	990,000	-	-
City Council - District 5	990,000	990,000	-	-
City Council - District 6	990,000	990,000	-	-
City Council - District 7	990,000	990,000	-	-
City Council - District 8	990,000	990,000	-	-
Council Administration	2,628,416	2,738,222	(109,806)	-4%
Ethics Commission	633,720	641,459	(7,739)	-1%
<b>Miscellaneous</b>				
	-	-	-	-
<b>Total General Fund Expenditures</b>	<u>\$ 1,010,516,791</u>	<u>\$ 1,010,896,684</u>	<u>\$ (379,893)</u>	<u>-</u>

**City of San Diego**  
**Auditor & Comptroller**  
**Selected Other Budgeted Funds**  
 Fiscal Year 2007 Projected Versus Actual Analysis (Unaudited)  
 For the Period Ending June 30, 2007

<b>Revenue</b>	<u>Projected Revenues</u>	<u>Actual Revenues</u>	<u>Over/(Under) Projection</u>	<u>Variance</u>
<b>Business and Support Services</b>				
Central Stores Internal Service Fund	\$ 26,515,620	\$ 29,211,124	\$ 2,695,504	10%
<b>Land Use and Economic Development</b>				
QUALCOMM Stadium Operating Fund	15,793,208	15,621,523	(171,685)	-1%
<b>Public Works</b>				
Equipment Operating Fund	29,793,893	31,521,095	1,727,202	6%
Publishing Services Internal Fund	4,263,125	4,412,135	149,010	3%

<b>Expenditures</b>	<u>Projected Expenditures</u>	<u>Actual Expenditures and Encumbrances</u>	<u>Over/(Under) Projection</u>	<u>Variance</u>
<b>Business and Support Services</b>				
Central Stores Internal Service Fund	\$ 26,293,416	\$ 28,697,225	\$ 2,403,809	9%
<b>Land Use and Economic Development</b>				
QUALCOMM Stadium Operating Fund	15,881,840	13,612,989	(2,268,871)	-14%
<b>Public Works</b>				
Equipment Operating Fund	29,746,144	30,856,456	1,110,312	4%
Publishing Services Internal Fund	4,259,107	4,645,248	386,141	9%

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## General Fund Analysis

	Original Adopted Budget	Actuals and Encumbrances	Favorable / (Unfavorable )
<b>Total General Fund Revenues</b>	\$ 1,023,333,098	\$1,054,813,228	\$ 31,480,130
<b>Total General Fund Expenditures</b>	1,023,333,098	1,010,896,684	12,436,414
<b>Net Impact to Fund Equity</b>	\$ -	\$ 43,916,544	\$ 43,916,544

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## Purpose, Scope, and Content

Purpose:

- Required by Charter Section 39
- Provides Council the Basis for Evaluating Budgetary Performance
- Reconcile to Year-End Budget Adjustment Report

Scope:

- Unaudited / Non-GAAP
- Revenues and Expenditures for Fiscal Year 2007
- Reflects encumbered commitments

General Fund

Other Budgeted Funds

- Sewer Funds
- Water Department
- Other Miscellaneous Funds

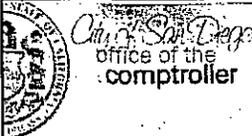
Additional Items

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## General Fund Analysis

	Revised Budget	Actuals and Encumbrances	Favorable / (Unfavorable)
Total General Fund Revenues	\$1,041,270,931	\$1,054,813,228	\$ 13,542,297
Total General Fund Expenditures	1,052,865,642	1,010,896,684	42,068,958
	<b>\$ (11,694,711)</b>	<b>\$ 43,916,544</b>	<b>\$ 55,611,255</b>
Appropriations from Reserves			(11,694,711)
Net Impact to Fund Equity			<b>\$ 43,916,544</b>

- Favorable \$13.5 Million Revenue Variance
- Favorable \$42.1 Million Expenditure Variance
- \$11.7 Million appropriated from Reserves
- Net Impact to Fund Equity \$43.9 Million

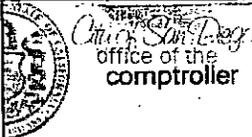


## General Fund Budget Reconciliation

Estimated Revenue	
Action	Amount
FY2007 Adopted Budget	\$1,023,333,098
Total Adjustments	17,937,833
<b>Final FY2007 Revised Budget</b>	<b>\$1,041,270,931</b>

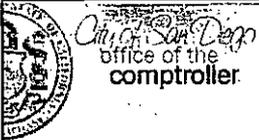
  

Expenditure Appropriations	
Action	Amount
FY2007 Adopted Budget	\$1,023,333,098
Adjustments	
Funded by Revenues	\$ 17,937,833
Funded by Reserves	11,694,711
<b>Final FY2007 Revised Budget</b>	<b>\$1,052,965,642</b>



## General Fund Revenues

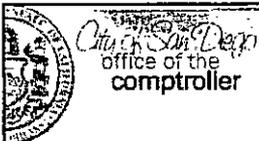
Category	Revised Budget	Actual	Over/ (Under) Budget
Property Tax	\$ 354,720,284	\$ 360,400,407	\$ 5,680,123
Safety Sales Tax	8,193,840	7,940,313	(253,527)
General Fund Sales Tax	234,876,334	225,841,450	(9,034,884)
General Fund TOT	72,862,596	80,702,830	7,840,234
Property Transfer Tax	14,872,876	9,307,713	(5,565,163)
Licenses and Permits	30,807,479	31,478,210	670,731
Fines and Forfeitures	35,950,051	36,452,196	502,145
Interest and Dividends	7,152,875	10,151,728	2,998,853
Franchise Fee	64,783,012	64,833,832	(149,180)
Rents and Concessions	33,206,408	35,270,989	2,064,581
Motor Vehicle License Fees	9,255,341	8,101,184	(1,154,157)
Revenues from Other Agencies	17,620,858	11,844,787	(5,776,061)
Charges for Current Services	32,360,304	32,215,455	(144,809)
Services and Transfers	121,993,148	137,760,301	15,767,153
Miscellaneous Revenue	2,615,525	2,911,783	296,258
<b>Total General Fund Revenue</b>	<b>\$ 1,041,270,931</b>	<b>\$ 1,054,813,228</b>	<b>\$ 13,542,297</b>



## General Fund Expenditures

Expenditure Category	Revised Budget	Actuals	Encumbrances	(Over)/ Under Budget
Personnel Services	\$ 495,779,375	\$ 461,211,470	\$ -	\$ 34,567,905
Fringe Benefits	253,560,040	254,201,849	-	(621,809)
Supplies / Services	229,006,351	195,208,239	23,574,043	10,224,069
Data Processing	32,109,858	29,328,720	3,775,026	(993,888)
Energy	27,039,191	29,424,459	284,114	(2,069,382)
Outlay	15,450,827	13,195,700	692,068	1,562,063
<b>Total General Fund Expenditures</b>	<b>\$ 1,062,968,642</b>	<b>\$ 982,670,633</b>	<b>\$ 28,326,161</b>	<b>\$ 42,068,968</b>

- Salaries and Wages 82% of total savings
- \$3.7 Million is Citywide Program Expenditures Salary Reserve



## General Fund Year-End Adjustments

Expenditure Appropriations			
Department	Estimated Adjustment	Actual Adjustment	Over/ (Under) Estimate
San Diego Fire - Rescue	\$ 2,300,000	\$ 2,000,000	\$ (297,000)
Citywide Program Expenditures - Deferred Maintenance	1,700,000	1,685,210	(14,790)
Citywide Program Expenditures - Special Consulting	280,000	280,000	-
Citywide Program Expenditures - Property Tax Administration	2,000,000	1,827,843	(172,357)
City Auditor & Comptroller	(1,800,000)	(1,827,843)	(27,843)
Customer Services	165,000	90,000	(75,000)
Land Use and Economic Development	117,000	111,000	(6,000)
Customer and Neighborhood Services	117,000	125,159	8,159
Special Projects	11,000	69,149	58,149
Public Works	11,000	2,638	(8,362)
Business & Grant Administration	-	34,334	34,334
Tax and Revenue Anticipation Notes	-	15,375	15,375
<b>Total General Fund Appropriation Adjustments</b>	<b>\$ 4,901,000</b>	<b>\$ 4,415,865</b>	<b>\$ (485,135)</b>

Estimated Revenue			
Category	Estimated Adjustment	Actual Adjustment	Over/ (Under) Estimate
Rents & Concessions - Mission Bay	\$ 1,700,000	\$ 1,685,210	\$ (14,790)
Tax and Revenue Anticipation Notes	-	15,375	15,375
<b>Total General Fund Appropriation Adjustments</b>	<b>\$ 1,700,000</b>	<b>\$ 1,700,585</b>	<b>\$ 585</b>



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## Sewer Funds Summary

	Revised Budget	Actuals and Encumbrances	Favorable / (Unfavorable)
Total Revenues	\$ 333,564,516	\$ 369,098,514	\$ 35,533,998
Operating Expenses and Encumbrances	369,189,314	307,617,529	61,571,785
	\$ (35,624,798)	\$ 61,480,985	\$ 97,105,783
CIP Expenses and Encumbrances		51,296,773	
Net Impact to Fund Equity		\$ 10,184,212	

- Favorable \$35.5 Million Revenue Variance
- Favorable \$61.6 Million Operating Expense Variance
- Net Impact to Fund Equity \$10.2 Million



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## Water Department Summary

	Revised Budget	Actuals and Encumbrances	Favorable / (Unfavorable)
Total Revenues	\$ 378,323,656	\$ 374,134,432	\$ (4,189,224)
Operating Expenses and Encumbrances	328,364,797	296,638,144	31,726,653
	\$ 49,958,859	\$ 77,496,288	\$ 27,537,429
CIP Expenses and Encumbrances		66,553,706	
Net Impact to Fund Equity		\$ 10,942,582	

- Unfavorable \$4.2 Million Revenue Variance
- Favorable \$31.7 Million Operating Expense Variance
- Net Impact to Fund Equity \$10.9 Million



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## Other Miscellaneous Funds

Department	Expenditure Appropriations		
	Estimated Adjustment	Actual Adjustment	Over/ (Under) Estimate
Central Stores	\$ 600,000	\$ 2,600,000	\$ 2,000,000
QUALCOMM Stadium	150,000	-	(150,000)
Equipment Division	1,900,000	2,900,000	1,000,000
Publishing Services	-	514,679	514,679
Mission Bay Park Improvement Fund	850,000	842,605	(7,395)
Regional Park Improvement Fund	850,000	842,605	(7,395)
Transient Occupancy Tax Fund	-	142,121	142,121
Public Art Fund	-	424	424
Bond Interest and Redemption Fund	-	642	642
Gas Tax Fund	-	5,927	5,927
City Airport Fund	-	391,963	391,963
<b>Total Appropriation Adjustments</b>	<b>\$ 4,350,000</b>	<b>\$ 6,240,968</b>	<b>\$ 1,890,968</b>

Category	Estimated Revenue		
	Estimated Adjustment	Actual Adjustment	Over/ (Under) Estimate
Central Stores	\$ 780,000	\$ 2,000,000	\$ 1,400,000
Equipment Division	1,900,000	1,900,000	-
Mission Bay Park Improvement Fund	850,000	842,605	(7,395)
Regional Park Improvement Fund	850,000	842,605	(7,395)
Transient Occupancy Tax Fund	-	142,121	142,121
<b>Total Appropriation Adjustments</b>	<b>\$ 4,200,000</b>	<b>\$ 5,727,331</b>	<b>\$ -1,527,331</b>

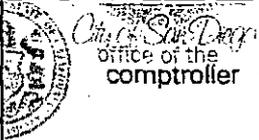


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## Internal Service Funds

- "Governments often wish to centralize certain services (for instance, motor pool) and then allocate the cost of those services within the government. In certain cases, these centralized services also may be provided on a cost-reimbursement basis..."  
(GFOA's GAAFR, Gauthier, 2005, p.23)

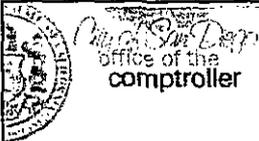
- Governments benefit from economies of scale
- Expenditures of Internal Service Funds are those of its customer departments



## Central Stores Analysis

	Adopted Budget	Revised Budget	Actuals	Favorable / (Unfavorable)
Total Revenues	\$ 19,297,359	\$ 28,297,359	\$ 29,211,124	\$ 913,765
Total Expenditures	18,697,055	28,297,055	28,697,225	(400,170)
	\$ 600,304	\$ 304	\$ 513,899	\$ 513,595

- Expenditures exceeded budget by \$400,170
- Expenditure budget increased by \$7.0 Million by Mid-Year Budget Adjustment Report
- Increased again by \$2.6 Million by Year-End Budget Adjustment Report



## Central Stores Analysis

Central Stores Multi-Year Analysis\*

	2002	2003	2004	2005	2006	5 Year Total
<b>Revenue</b>						
Revised Budget	\$ 18,813,747	\$ 18,853,247	\$ 18,853,247	\$ 19,204,335	\$ 19,297,359	
Total Revenues	29,217,274	29,896,090	27,149,032	27,308,243	27,689,325	141,359,866
Variance	\$ 10,403,527	\$ 11,142,843	\$ 8,295,785	\$ 8,103,910	\$ 8,391,966	
<b>Expenditures</b>						
Revised Budget	\$ 18,681,450	\$ 16,902,493	\$ 16,976,348	\$ 19,177,036	\$ 19,272,352	
Total Expenditures	29,375,648	28,162,490	26,984,097	28,180,542	27,347,816	141,010,393
Variance	\$ (10,694,198)	\$ (10,259,997)	\$ (7,984,749)	\$ (8,983,506)	\$ (8,076,264)	
Surplus/(Deficit)	\$ (158,374)	\$ 833,600	\$ 184,935	\$ (852,297)	\$ 341,709	\$ 349,573

\* Not prepared in accordance with Generally Accepted Accounting Principles

- Budgetary control formerly focused on revenue only
- Appropriation Ordinance language the only change from previous years

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## Internal Service Funds

**Additional Controls:**

- A renewed perspective on Internal Service Funds' budgets
- Additional training of staff on budgetary controls and Appropriation Ordinance authorities
- Improved projection and monitoring
- Improved communication with departments

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## Payroll Trend Analysis

Pay Period End Date	Total Employees (Approx.)	Total Payroll (Approx.)
3/04	10,500	\$25,000,000
4/21	10,500	\$25,000,000
5/19	10,500	\$25,000,000
6/16	10,500	\$25,000,000
7/14	10,800	\$26,000,000
8/11	10,800	\$26,000,000
9/8	10,800	\$26,000,000
10/6	10,800	\$26,000,000
11/3	10,800	\$26,000,000
12/1	10,800	\$26,000,000
12/29	10,800	\$26,000,000
1/26	10,800	\$26,000,000
2/23	10,800	\$26,000,000
3/23	10,800	\$26,000,000
4/20	10,800	\$26,000,000
5/18	10,800	\$26,000,000
6/16	10,800	\$26,000,000

A) These spikes in payroll related expenditures are from the cash pay out of unused flexible benefits.  
 B) This spike in payroll related expenditures represents the payment of annual uniform allowances.  
 C) This spike in payroll related expenditures is from Big-to-Goal expenses for Sewer Funds and/or Water Department. This affects the total payroll amount, as well as number of employees because former City employees may be eligible for Big-to-Goal payments.

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## Payroll Statistics

	PPE 07/14/06	PPE 06/29/07	Increase / (Decrease)
Total Payroll	\$ 30,822,432	\$ 26,197,230	\$ (4,625,202)
Accrued Comp Time	\$ 3,743,473	\$ 4,127,026	\$ 383,553
Accrued Annual Leave	\$ 82,399,604	\$ 83,181,517	\$ 781,913
Accrued Old Sick Leave	\$ 1,033,150	\$ 751,654	\$ (281,496)
Total Employees	11,043	10,677	(366)

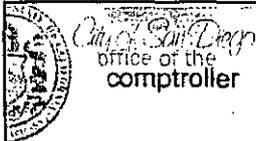
- Accrued Comp Time up by \$383,553
- Accrued Annual Leave up by \$781,913

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Comptroller

## Retirement Contribution Analysis

Period Number	Advance Balance (\$)	Expenditure (\$)
0	180,000,000	12,000,000
1	160,000,000	12,000,000
2	140,000,000	12,000,000
3	120,000,000	12,000,000
4	100,000,000	12,000,000
5	80,000,000	12,000,000
6	60,000,000	12,000,000
7	40,000,000	12,000,000
8	20,000,000	12,000,000
9	0	12,000,000
10	0	12,000,000
11	0	12,000,000
12	0	12,000,000
13	0	13,000,000

- Cash advanced at beginning of the year, but expensed each pay period throughout the year



**Fiscal Year 2007 Year-End and  
Charter Section 39 Report**

**Questions?**

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BUDGET SEP 26 2007 #4

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THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED:

REPORT NO:

ATTENTION: Budget and Finance Committee  
Agenda of September 26, 2007

SUBJECT: City Comptroller's Year-End and Charter Section 39 Report: for Period  
13, Fiscal Year 2007

REQUESTED ACTION: Accept report.

STAFF RECOMMENDATION: Accept report.

SUMMARY:

The attached report provides unaudited totals for the expenditures and revenues of the General Fund and other budgeted funds for Fiscal Year 2007. In addition, it contains reconciliations of budget adjustments, reserve actions, and other actions requested as part of the Department of Finance's Fiscal Year 2007 Year-End Budget Adjustment Report (07-105).

FISCAL CONSIDERATIONS: N/A

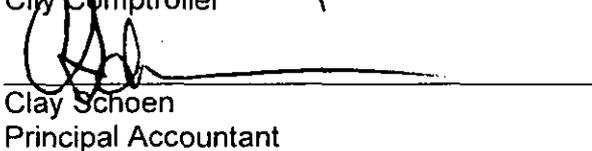
PREVIOUS COUNCIL and/or COMMITTEE ACTION: N/A

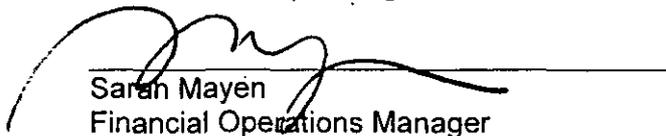
COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS: N/A

  
Greg Levin, CPA  
City Comptroller

  
Jay Goldstone  
Interim Chief Operating Officer

  
Clay Schoen  
Principal Accountant

  
Sarah Mayen  
Financial Operations Manager

Attachments:

Attachment A:

City Auditor & Comptroller's Year End and Charter Section 39 Report for Period 13  
Fiscal Year 2007

000305

**City Comptroller's Year-End  
and Charter Section 39 Report  
for Period 13, Fiscal Year 2007**

Department of Finance  
City Comptroller's Office  
September 26, 2007

## ***Purpose, Scope, and Content***

---

This report is intended to serve as a summary of financial activity for the City of San Diego during Fiscal Year 2007. The General Fund is the primary focus of this report, but other budgeted funds are also discussed. This report does not contain the operating results of numerous special revenue funds, debt service funds, or fiduciary funds; the results of component units; or capital project funds.

Another goal of this report is to achieve the monthly reporting objective set forth by the City's electorate in Charter Sections 39 and 89 which requires the Auditor & Comptroller to provide schedules of City's revenues and expenditures detailed as to appropriations. This report also provides additional analysis on selected topics. However, we note that the analysis of budgetary variances and the review of the achievement of departmental objectives, within appropriation limits is traditionally the role of the Financial Management division of the Department of Finance. Accordingly, we offer the following discussion of significant variances but recommend that the Budget and Finance Committee also consider the viewpoints of other officials and responsible department managers prior to making any conclusions on departmental performance.

The attached schedules contain **unaudited** information on actual departmental performance against appropriations. This report contains the most current information available, however, these numbers should not be considered "final" as adjustments may be made until the release of an audited Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2007. The attached statements were not prepared in accordance with Generally Accepted Accounting Principles for external financial reporting and should not be relied upon for making investment decisions.

This report includes the following components:

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Revenues	5
Expenditures	7
Reserve Contribution	7
Year-End Budget Adjustment Report Reconciliation	8
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Central Stores	10
QUALCOMM Stadium Fund	10
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**General Fund**

Fiscal Year 2007 was a remarkable year for the City of San Diego. In spite of many challenges, the General Fund is in a far better financial position at the conclusion of Fiscal Year 2007 than at the end of Fiscal Year 2006. The City's General Fund revenues exceeded original estimates by \$31.5 million, while expenditures and outstanding commitments totaled \$12.4 million below original estimates. These two factors create an opportunity for the General Fund to replenish reserves and improve its cash position, and while Fiscal Year 2007 marked a major improvement, a continued focus on budgetary savings is needed in order to achieve the goals set forth in the City Reserve Policy.

**GENERAL FUND BUDGET RECONCILIATION**

The General Fund's Fiscal Year 2007 Adopted Revenue Budget was \$1,023.3 million. Three adjustments totaling \$18.0 million resulted in a Revised Revenue Budget of \$1,041.3 million. These adjustments included a \$6.0 million increase related to revenue for street maintenance related to Proposition 42, a \$10.2 million increase related to the Mid-Year Budget Adjustment Report (O-19604), and a \$1.7 million increase related to the Year-End Budget Adjustment report (O-19646).

The General Fund's Fiscal Year 2007 Adopted Expenditure Budget was \$1,023.3 million. Several actions were taken by the City Council to amend the budget, resulting in a final Revised Budget of \$1,053.0 million. The \$29.7 million of revisions were largely related to the Mid-Year Budget Adjustment Report (O-19604, \$11.4 million), Year-End Budget Adjustment Report (O-19646, \$4.4 million), street maintenance related to Proposition 42 (\$6.0 million), and various other actions. These adjustments were funded by unanticipated revenue (\$17.9 million) and General Fund Reserves (\$11.7 million). Additional details of budget adjustments for both revenues and expenditures can be found in the table on the following page.

**General Fund Budget Reconciliation**

Action	Estimated Revenue	Authority	Amount
<b>FY2007 Adopted Budget</b>		<b>O-19522</b>	<b>\$ 1,023,333,098</b>
Transfer of Proposition 42 funds for street maintenance		O-19580	6,037,844
Mid-Year Budget Adjustments		O-19604	10,199,404
Year-End Budget Adjustments		O-19646	1,700,585
<b>Final FY2007 Revised Budget</b>			<b>\$ 1,041,270,931</b>

Action	Expenditure Appropriations	Authority	Amount
<b>FY2007 Adopted Budget</b>		<b>O-19522</b>	<b>\$ 1,023,333,098</b>
Latham Watkins and Levine Steinberg legal services		R-301605	2,000,000
Taylor Street Slope Reconstruction		R-301630	1,226,848
Lobbying contracts for Sacramento, California and Washington D.C		O-19533	221,000
Macias, Gini, & O'Connell for audit services		O-19564	327,325
Outside Counsel Services for Otay Acquisition, National Enterprise, and Border Business Park		R-302168	200,000
Former and Current City official's investigation costs		R-302293	534,825
SEC Oversight Consultant		O-19571	1,417,400
Reimbursement to Water Department for reservoir concession costs		O-19572	1,498,250
Street maintenance compliant to Proposition 42		O-19580	6,037,844
Mid-Year Budget Adjustments		O-19604	11,360,817
Actuarial Services Company		O-19623	292,371
Property damage claim		R-302594	100,000
Year-End Budget Adjustments		O-19646	4,415,864
<b>Final FY2007 Revised Budget</b>			<b>\$ 1,052,965,642</b>

Expenditure Appropriation increases were funded by:

Excess Revenue	\$ 17,937,833
General Fund Reserves	\$ 11,694,711

**GENERAL FUND REVENUES**

General Fund revenues for Fiscal Year 2007 totaled \$1,054.8 million. This exceeded the Revised Budget of \$1,041.3 million by \$13.5 million. This favorable revenue variance is attributable to higher than expected revenues in the following categories:

- Property Tax- Total Fiscal Year 2007 Property Tax receipts totaled \$360.4 million. Despite being used to partially fund mid-year budget adjustments (see Mid-Year Budget Adjustment Report O-19604, \$10.5 million), this category ended Fiscal Year 2007 \$5.7 million over the revised budget of \$354.7 million.
- Transient Occupancy Tax- General Fund TOT revenues totaled \$80.7 million in Fiscal Year 2007. When compared to the Fiscal Year 2007 Revised Budget of \$72.9 million, a favorable variance of \$7.8 million results.
- Interest and Dividends- Revenue in this category totaled \$10.2 million in Fiscal Year 2007. This exceeded the category's \$7.2 million budget by \$3.0 million.
- Rents and Concessions- Revenue in this category totaled \$35.3 million. Fiscal Year 2007's Year-End Budget Adjustment Report (O-19646) directed a \$1.7 million increase in this category's budget which increased the year-end total revised budget to \$33.2 million, resulting in a favorable variance of \$2.1 million.
- Services and Transfers- General Fund Services and Transfers revenue totaled \$137.8 million in Fiscal Year 2007. This was \$15.8 million more than the \$122.0 million budget. This revenue includes the return of \$10.4 million from the State Route 56 project, as well

as a reimbursement of \$9.2 million for Fiscal Year 2006 General Fund Tobacco Revenue contributed to the Retirement Fund paid on behalf of all City operating funds (budgeted in Revenues from Other Agencies, see discussion below). Once these two items are taken into consideration, this category is \$3.8 million below anticipated amounts.

Underperforming revenue categories include:

- Sales Tax- Revenue in category totaled \$225.8 million in Fiscal Year 2007, falling short of its budget of \$234.9 million and resulting in a \$9.0 million unfavorable variance.
- Property Transfer Taxes- Total Property Transfer Tax revenue for Fiscal Year 2007 was \$9.3 million. An unfavorable variance of \$5.6 million results when compared to the \$14.9 million budget.
- Motor Vehicle License Fees- Revenue in this category totaled \$8.1 million. This was \$1.2 less than the \$9.3 million revised budget.
- Revenues from Other Agencies- Revenue in this category totaled \$11.6 million, which was \$6.0 million less than the \$17.6 million budget. This is attributable to budgeting of the reimbursement of Fiscal Year 2006 Tobacco Revenue (\$9.3 million) in this category, rather than in Services and Transfers where it was recorded. This event also partially explains the favorable variance in the Services and Transfers category (see above). Once this is taken into account, the result is a favorable variance of \$3.3 million, which is primarily due to unanticipated revenue.

Other revenue categories reported close to estimated amounts. A summary table of revenue by category is provided below, but additional information can be found on Schedule 1- General Fund Status of Revenue by Category (see page 16).

#### Summary of General Fund Revenues by Category

Category	Revised Budget	Actual	Over/ (Under) Budget
Property Tax	\$ 354,720,284	\$ 360,400,407	\$ 5,680,123
Safety Sales Tax	8,193,840	7,940,313	(253,527)
General Fund Sales Tax	234,876,334	225,841,450	(9,034,884)
General Fund TOT	72,862,596	80,702,830	7,840,234
Property Transfer Tax	14,872,876	9,307,713	(5,565,163)
Licenses and Permits	30,807,479	31,478,210	670,731
Fines and Forfeitures	35,950,051	36,452,196	502,145
Interest and Dividends	7,152,875	10,151,728	2,998,853
Franchise Fee	64,783,012	64,633,832	(149,180)
Rents and Concessions	33,206,408	35,270,989	2,064,581
Motor Vehicle License Fees	9,255,341	8,101,184	(1,154,157)
Revenues from Other Agencies	17,620,858	11,644,797	(5,976,061)
Charges for Current Services	32,360,304	32,215,495	(144,809)
Services and transfers	121,993,148	137,760,301	15,767,153
Miscellaneous Revenue	2,615,525	2,911,783	296,258
<b>Total General Fund Revenue</b>	<b>\$ 1,041,270,931</b>	<b>\$ 1,054,813,228</b>	<b>\$ 13,542,297</b>

**GENERAL FUND EXPENDITURES**

General Fund expenditures and encumbrances totaled \$1,010.9 million in Fiscal Year 2007. This total is \$42.1 million less than the \$1,053.0 million Revised Budget. The table below demonstrates the impact of vacant positions with significant savings in the Personnel Services expenditure categories. These savings are the primary drivers of this favorable expenditure variance.

Summary of General Fund Expenditures by Category

Expenditure Category	Revised Budget	Actual	Encumbrances	(Over)/ Under Budget
Personnel Services	\$ 495,779,375	\$ 461,211,470	\$ -	\$ 34,567,905
Fringe Benefits	253,580,040	254,201,849	-	(621,809)
Supplies / Services	229,006,351	195,208,239	23,574,043	10,224,069
Data Processing	32,109,858	29,328,720	3,775,026	(993,888)
Energy	27,039,191	29,424,459	284,114	(2,669,382)
Outlay	15,450,827	13,195,796	692,968	1,562,063
<b>Total General Fund Expenditures</b>	<b>\$ 1,052,965,642</b>	<b>\$ 982,570,533</b>	<b>\$ 28,326,151</b>	<b>\$ 42,068,958</b>

Budgetary savings were spread over every Business Center. A summary table of expenditures by Business Center is presented below, but departmental-level expenditure information can be found on Schedule 2—General Fund Status of Expenditures (see page 17).

Summary of General Fund Expenditures by Business Center

Business Center	Revised Budget	Actual	Encumbrances	(Over)/ Under Budget
Business and Support Services	\$ 88,326,006	\$ 71,196,592	\$ 2,542,806	\$ 14,586,608
Community and Legislative Services	4,478,322	3,986,484	126,587	365,251
Department of Finance	31,013,141	25,832,073	802,250	4,378,818
Land Use and Economic Development	29,986,494	26,667,789	1,487,042	1,831,663
Neighborhood and Customer Services	128,536,203	122,374,143	2,942,331	3,219,729
Office of Ethics and Integrity	1,194,611	967,608	119,999	107,004
Public Safety and Homeland Security	545,448,137	530,954,952	4,722,504	9,770,681
Public Works	162,344,795	140,708,540	14,922,224	6,714,031
Other Mayoral Departments	9,368,013	9,271,753	59,345	36,915
Non-Mayoral Departments	52,269,920	50,610,599	601,063	1,058,258
<b>Total General Fund Expenditures</b>	<b>\$ 1,052,965,642</b>	<b>\$ 982,570,533</b>	<b>\$ 28,326,151</b>	<b>\$ 42,068,958</b>

**GENERAL FUND RESERVE CONTRIBUTION**

General Fund revenues exceeded expenditures and encumbrances by \$44.0 million in Fiscal Year 2007; this is the amount that will be placed in General Fund Reserves and incorporated into the updated Five-Year Financial Outlook due for release later this calendar year. The relationship between General Fund Revenues and General Fund Expenditures is illustrated in the table below.

	General Fund		
	Original Adopted Budget	Revised Budget	Actuals and Encumbrances
Total General Fund Revenues	\$ 1,023,333,098	\$ 1,041,270,931	\$ 1,054,813,228
Total General Fund Expenditures	1,023,333,098	1,052,965,642	1,010,896,684
<b>Net Impact</b>	<b>\$ -</b>	<b>\$ (11,694,711)</b>	<b>\$ 43,916,544</b>

**YEAR-END BUDGET ADJUSTMENT REPORT RECONCILIATION**

The Department of Finance's Year-End Budget Adjustment Report (Ordinance O-19646) authorized a number of adjustments based on estimates. The primary set of adjustments included an estimated \$4.9 million increase in General Fund expenditure appropriations, as well as an estimated \$1.7 million increase to the General Fund revenue budget. The actual increases in appropriations are detailed in the table below.

**Summary of General Fund Year-End Budget Adjustments**

Appropriations			
Department	Estimated Adjustment	Actual Adjustment	Over/ (Under) Estimate
San Diego Fire - Rescue	\$ 2,300,000	\$ 2,003,000	\$ (297,000)
Citywide Program Expenditures- Deferred Maintenance	1,700,000	1,685,210	(14,790)
Citywide Program Expenditures- Special Consulting	280,000	280,000	-
Citywide Program Expenditures- Property Tax Administration	2,000,000	1,827,643	(172,357)
City Auditor & Comptroller	(1,800,000)	(1,827,643)	(27,643)
Customer Services	165,000	90,000	(75,000)
Land Use and Economic Development	117,000	111,000	(6,000)
Customer and Neighborhood Services	117,000	125,159	8,159
Special Projects	11,000	69,149	58,149
Public Works	11,000	2,638	(8,362)
Business & Grant Administration	-	34,334	34,334
Tax and Revenue Anticipation Notes	-	15,375	15,375
<b>Total General Fund Appropriation Adjustments</b>	<b>\$ 4,901,000</b>	<b>\$ 4,415,865</b>	<b>\$ (485,135)</b>

Estimated Revenue			
Category	Estimated Adjustment	Actual Adjustment	Over/ (Under) Estimate
Rents & Concessions- Mission Bay	\$ 1,700,000	\$ 1,685,210	\$ (14,790)
Tax and Revenue Anticipation Notes	-	15,375	15,375
<b>Total General Fund Appropriation Adjustments</b>	<b>\$ 1,700,000</b>	<b>\$ 1,700,585</b>	<b>\$ 585</b>

Other adjustments authorized by the Year-End Budget Adjustment Report Ordinance (O-19646) include those adjustments "between General Fund departments as necessary where the net transfer does not result in an increase to either department's budget." These transfers are detailed on Schedule 5—General Fund Year-End Inter-Departmental Transfer Summary (see page 21).

Also authorized by this Ordinance (O-19646) are those transactions that "transfer appropriations for costs avoided in one budget unit by an agreement to incur them in another budget unit." However, the City Comptroller's Office did not receive any requests for transfers of this type.

Several requests to carry over budgetary savings into Fiscal Year 2008 were included in the Year-End Budget Adjustment Report Ordinance (O-19646). One was the transfer of available budgetary savings in the Council District offices to the Infrastructure Improvement Fund. The other request was related to Park and Recreation Department projects. The actual amounts transferred are detailed in the table on the following page.

## Summary of General Fund Requested Budget Carryovers

Department	Estimated Carryover	Actual Carryover	Over/ (Under) Estimate
Council District 1	\$ 58,000	\$ 36,839	\$ (21,161)
Council District 2	128,000	110,675	(17,325)
Council District 3	28,000	1,836	(26,164)
Council District 4	69,000	40,188	(28,812)
Council District 5	139,000	145,278	6,278
Council District 6	143,000	129,659	(13,341)
Council District 7	106,000	90,953	(15,047)
Council District 8	16,000	8,297	(7,703)
Park and Recreation Department	1,105,000	855,000	(250,000)
<b>Total General Fund Carryovers</b>	<b>\$ 1,792,000</b>	<b>\$ 1,418,725</b>	<b>\$ (373,275)</b>

**Other Budgeted Funds**

As is customary for the Comptroller's Charter Section 39 Report, a discussion is included for both of the City of San Diego's major enterprise funds: Sewer Funds and Water Department Fund. However, several additional budgeted funds were included in Fiscal Year 2007's Year-End Budget Adjustment Report (O-19646), and are also discussed here. Schedules detailing Other Budgeted Fund Revenues (Schedule 3—Other Budgeted Funds Status of Revenue, see page 19) and Expenditures (Schedule 4—Other Budgeted Funds Status of Expenditures, see page 20) are detailed in the accompanying schedules.

**SEWER FUNDS**

For Fiscal Year 2007, the City of San Diego's Sewer Funds realized revenues totaling \$369.1 million. When compared to the \$333.6 million budget, the result is a \$35.5 million favorable variance.

Sewer Fund expenses totaled \$307.6 million in Fiscal Year 2007. This is \$61.6 million less than the budgeted amount of \$369.2 million.

The Sewer Funds' adopted expense budget (\$369.4 million) exceeds the adopted revenue budget (\$333.6 million) by \$35.9 million. The 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 \$39.3 million which is the primary cause of the difference between revenue and expense budgets.

	Sewer Funds		
	Original Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 333,564,516	\$ 333,564,516	\$ 369,098,514
Total Expenses and Encumbrances	369,430,740	369,189,314	307,617,529
<b>Net Impact</b>	<b>\$ (35,866,224)</b>	<b>\$ (35,624,798)</b>	<b>\$ 61,480,985</b>

**WATER DEPARTMENT FUND**

The City of San Diego's Water Department realized total revenues of \$374.1 million in Fiscal Year 2007. When compared to the budgeted amount of \$378.3 million, the result is an unfavorable revenue variance of \$4.2 million.

Expenses and Encumbrances for the Water Department totaled \$296.6 million, which was \$31.8 million lower than the \$328.4 million expense budget.

The Water Department Fund's adopted revenue budget (\$359.8 million) exceeds the adopted expense budget (\$328.5 million) by approximately \$31.3 million. This difference is primarily due to the inclusion of \$37.3 million in the adopted revenue budget for CIP related bond proceeds. This is partially offset by \$5.2 million of contingency reserves included in the adopted appropriations.

	Water Department Fund		
	Original Adopted Budget	Revised Budget	Year-to-Date Actuals
Total Revenues	\$ 359,825,406	\$ 378,323,656	374,134,432
Total Expenses and Encumbrances	328,503,930	328,364,797	296,638,144
<b>Net Impact</b>	<b>\$ 31,321,476</b>	<b>\$ 49,958,859</b>	<b>\$ 77,496,288</b>

**CENTRAL STORES INTERNAL SERVICE FUND**

Central Stores Expenditures totaled \$28.7 million in Fiscal Year 2007. This amount exceeded departmental Year-End Budget Adjustment Report (O-19646) expenditure estimates of \$26.5 million. The department's budget was increased by \$2.6 million authorized by Year-End Budget Adjustment Report (O-19646). The adjustment consisted of the specifically directed appropriation increase of \$600,000, as well as an additional \$2.0 million authorized for "unforeseen needs." After making this adjustment, expenditures exceeded the department's Revised Budget by \$400,170. This issue is explored in more detail in the Additional Items of Interest (see page 12) section of this report.

The total revenue received in Fiscal Year 2007 for Central Stores was \$29.2 million. When compared to the \$28.3 million Revised Budget, a favorable revenue variance of \$913,765 results.

**QUALCOMM STADIUM OPERATING FUND**

The QUALCOMM Stadium Operating Fund's revenues totaled \$15.6 million in Fiscal Year 2007. This was \$59,486 less than the \$15.7 million budgeted. Expenditures and Encumbrances for the year totaled \$13.6 million. This was \$2.4 million less than the Revised Budget of \$16.0 million. An appropriation adjustment of \$150,000 was included in the Year-End Budget Adjustment Report (O-19646); however, this was not necessary given the actual budgetary savings.

**EQUIPMENT DIVISION OPERATING FUND**

Equipment Division revenues totaled \$31.5 million in Fiscal Year 2007. This exceeded the \$30.7 million budget by \$825,508.

Expenditures for the department totaled \$30.9 million, which exceeded departmental Year-End Budget Adjustment Report (O-19646) expenditures estimates of \$29.8 million. As a result, the Equipment Division's expenditure budget was increased by \$2.9 million consisting of the \$1.9 million specifically directed by the Year-End Budget Adjustment Report (O-19646), as well as an additional \$1.0 million for "unforeseen needs." This increased the department's budget to \$31.2

million; when compared to actuals, the result is a favorable variance of \$343,481. This issue is explored in more detail in the Additional Items of Interest (see page 12) section of this report.

#### **PUBLISHING SERVICES INTERNAL SERVICE FUND**

Total Publishing Services revenue in Fiscal Year 2007 was \$4.4 million. This was \$337,163 less than the \$4.7 million budgeted.

Expenditures totaled \$4.6 million, and a favorable variance of \$224,532 results when compared to the \$4.9 million expenditure budget. An additional \$514,679 of fund equity was appropriated administratively via the authority granted in the Year-End Budget Adjustment Report (O-19646) for "unforeseen needs." This issue is explored in more detail in the Additional Items of Interest (see page 12) section of this report.

#### **MISSION BAY PARK / REGIONAL PARK IMPROVEMENT FUNDS**

In compliance with the Mission Bay Ordinance (O-19118) and the Year-End Budget Adjustment Report (O-19646) \$842,605 was transferred to both the Mission Bay Improvement Fund and the Regional Park Improvement Fund.

For Fiscal Year 2007, the Mission Bay Improvement Fund received revenues totaling \$2.0 million. This was \$18,168 over the budgeted amount of \$1.9 million. Expenditures and Encumbrances for the year totaled \$10,637, which was less than the budgeted amount of \$1.9 million.

The Regional Park Improvement Fund received revenues totaling \$2.0 million. This was \$11,349 more than the \$1.9 million budgeted. Expenditures and Encumbrances totaled \$195,246 which is \$1.7 million less than the \$1.9 million budgeted.

#### **OTHER MISCELLANEOUS FUNDS**

There were a few budgeted funds that required budgetary adjustments at the end of Fiscal Year 2007 beyond those already discussed in this report. All of which increased appropriations under the authority granted in the Year-End Budget Adjustment Report (O-19646) for "unforeseen needs." Those adjustments are detailed in the table on the following page; for additional information, please see Other Budgeted Fund Revenues (Schedule 3—Other Budgeted Funds Status of Revenue, page 19) and Expenditures (Schedule 4—Other Budgeted Funds Status of Expenditures, page 20).

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**Summary of Other Miscellaneous Funds Year-End Budget Adjustments**


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**Appropriations**

<b>Department</b>	<b>Estimated Adjustment</b>	<b>Actual Adjustment</b>	<b>Over/ (Under) Estimate</b>
Transient Occupancy Tax Fund*	\$ -	\$ 142,121	\$ 142,121
Public Art Fund**	-	424	424
Bond Interest and Redemption Fund**	-	642	642
Gas Tax Fund**	-	5,927	5,927
City Airport Fund**	-	391,963	391,963
<b>Total Appropriation Adjustments</b>	<b>\$ -</b>	<b>\$ 541,077</b>	<b>\$ 541,077</b>

\* Appropriation increase funded by excess revenue

\*\* Appropriation increase funded by fund balance

**Estimated Revenue**

<b>Category</b>	<b>Estimated Adjustment</b>	<b>Actual Adjustment</b>	<b>Over/ (Under) Estimate</b>
Transient Occupancy Tax Fund	\$ -	\$ 142,121	\$ 142,121
<b>Total Appropriation Adjustments</b>	<b>\$ -</b>	<b>\$ 142,121</b>	<b>\$ 142,121</b>

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**Additional Items of Interest**


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**INTERNAL SERVICE FUNDS AND BUDGETARY CONTROL**

The function of Internal Service Funds is described by the Government Finance Officers Association (GFOA) in their publication *Governmental Accounting, Auditing, and Financial Reporting* by the following language:

Governments often wish to centralize certain services (for instance, motor pool) and then allocate the cost of those services within the government. In certain cases, these centralized services also may be provided on a cost-reimbursement basis... (Gauthier, 2005, p.23)

Governments benefit from this centralization by the economies of scale created by negotiating as a single, large entity, rather than as smaller, individually operating units. These funds operate entirely as a conduit for their customers, in the case of City of San Diego Internal Service Funds the customers are City of San Diego operating funds. Any expenditure on the part of Internal Services Funds is purely for the benefit of other funds. Therefore, an expenditure is offset by the revenue generated by performing services on behalf of, or selling product to, other funds. This characteristic of Internal Service Funds results in duplicate budgets for these expenditures: once in the customer department and once in the Internal Service Fund.

The Fiscal Year 2007 Appropriations Ordinance (O-19522), adopted expenditure and revenue budgets for Internal Service Funds. In previous years authority was delegated to the City Auditor & Comptroller to administratively appropriate over budget revenue generated by Internal Service Funds to offset the expenditures from which it was generated. However, this authority is not present in the Fiscal Year 2007 Appropriations Ordinance. Absent this authority, any increase to the budgets set by the Ordinance requires City Council authorization. In application, this would effectively require the City Comptroller to hold additional Internal Service Funds expenditures until authorization is granted to increase appropriations.

A five year history of Central Stores is presented in the table below to demonstrate how both revenues and expenditures have both regularly exceeded budgets. One can easily see how much over budget revenue and expenditures are generated through the course of ordinary operation. In Fiscal Year 2007, this trend continued, with the only difference being the City Auditor & Comptroller was not authorized to appropriate this revenue administratively.

**Central Stores Multi-Year Analysis\***

Revenue	2002	2003	2004	2005	2006	5 Year Total
Revised Budget	\$ 18,813,747	\$ 18,853,247	\$ 18,853,247	\$ 19,204,335	\$ 19,297,359	
Total Revenues	<u>29,217,274</u>	<u>29,996,090</u>	<u>27,149,032</u>	<u>27,308,245</u>	<u>27,689,325</u>	<u>141,359,966</u>
Variance	\$ 10,403,527	\$ 11,142,843	\$ 8,295,785	\$ 8,103,910	\$ 8,391,966	
<b>Expenditures</b>						
Revised Budget	\$ 18,681,450	\$ 18,902,493	\$ 18,979,348	\$ 19,177,036	\$ 19,272,352	
Total Expenditures	<u>29,375,648</u>	<u>29,162,490</u>	<u>26,964,097</u>	<u>28,160,542</u>	<u>27,347,616</u>	<u>141,010,393</u>
Variance	\$ (10,694,198)	\$ (10,259,997)	\$ (7,984,749)	\$ (8,983,506)	\$ (8,075,264)	
<b>Surplus/(Deficit)</b>	<b>\$ (158,374)</b>	<b>\$ 833,600</b>	<b>\$ 184,935</b>	<b>\$ (852,297)</b>	<b>\$ 341,709</b>	<b>\$ 349,573</b>

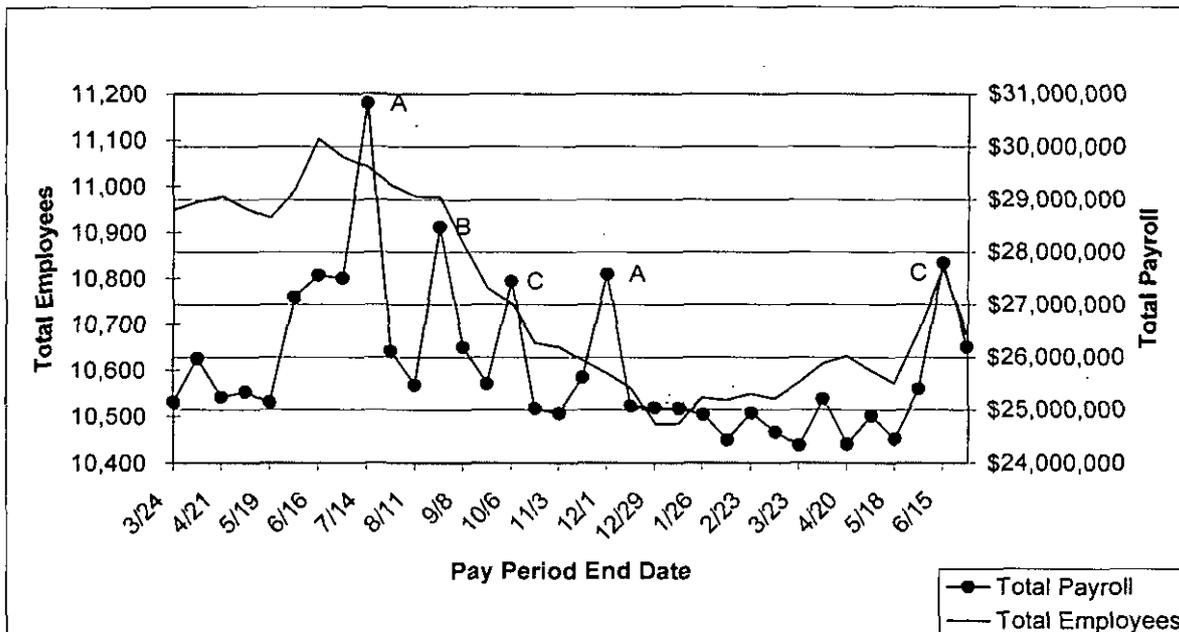
\* Not prepared in accordance with Generally Accepted Accounting Principles

While not relevant to the topic of discussion, there is another interesting point illustrated by this table. Periodically, the rates Internal Service Funds charge their customers are evaluated and changed in order to accurately cover the related expenditures. This is never a precise process, and this chart shows how the rates in effect in Fiscal Year 2003 generated revenues that exceeded expenditures by approximately \$800,000. Due to the timing of the budget process, Internal Service Fund rates are calculated using data from two fiscal years prior. For example, Fiscal Year 2004 rates were calculated using Fiscal Year 2002 actuals. In 2003 rates were set too high, which generated excess revenue. In Fiscal Year 2005 those rates were corrected, and the temporary differences were resolved. These differences only affect the short-term, and over a long period of time, revenues should equal expenditures.

**SUMMARY OF PAYROLL ACTIVITY**

One of the significant functions of the Auditor & Comptroller's Office is the distribution of the City of San Diego's bi-weekly payroll. The graph below represents the trend of total number of employees and total dollar amount of bi-weekly pay over the past several months. While non-recurring activity, such as larger terminal payouts and the cashing out of accumulated annual leave, may distort individual distributions, the trends described below are a reasonable indicator of City staffing levels and payroll obligations. Following the graph is an assortment of relevant payroll statistics including accrued balances owed to employees.

### Payroll Trend Analysis



- A) These spikes in payroll related expenditures are from the cash pay out of unused flexible benefits.
- B) This spike in payroll related expenditures represents the payment of annual uniform allowances.
- C) This spike in payroll related expenditures is from Bid-to-Goal expenses for Sewer Funds and/or Water Department. This affects the total payroll amount, as well as number of employees because former City employees may be eligible for Bid-to-Goal payments.

#### Summary of Significant Payroll Statistics

	PPE 07/14/06	PPE 06/29/07	Increase / (Decrease)
Total Payroll	\$ 30,822,432	\$ 26,197,230	\$ (4,625,202)
Accrued Comp Time	\$ 3,743,473	\$ 4,127,026	\$ 383,553
Accrued Annual Leave	\$ 82,399,604	\$ 83,181,517	\$ 781,913
Accrued Old Sick Leave	\$ 1,033,150	\$ 751,654	\$ (281,496)
Total Employees	11,043	10,677	(366)

#### SUMMARY OF RETIREMENT FUND ADVANCE PAYMENTS / EXPENDITURES

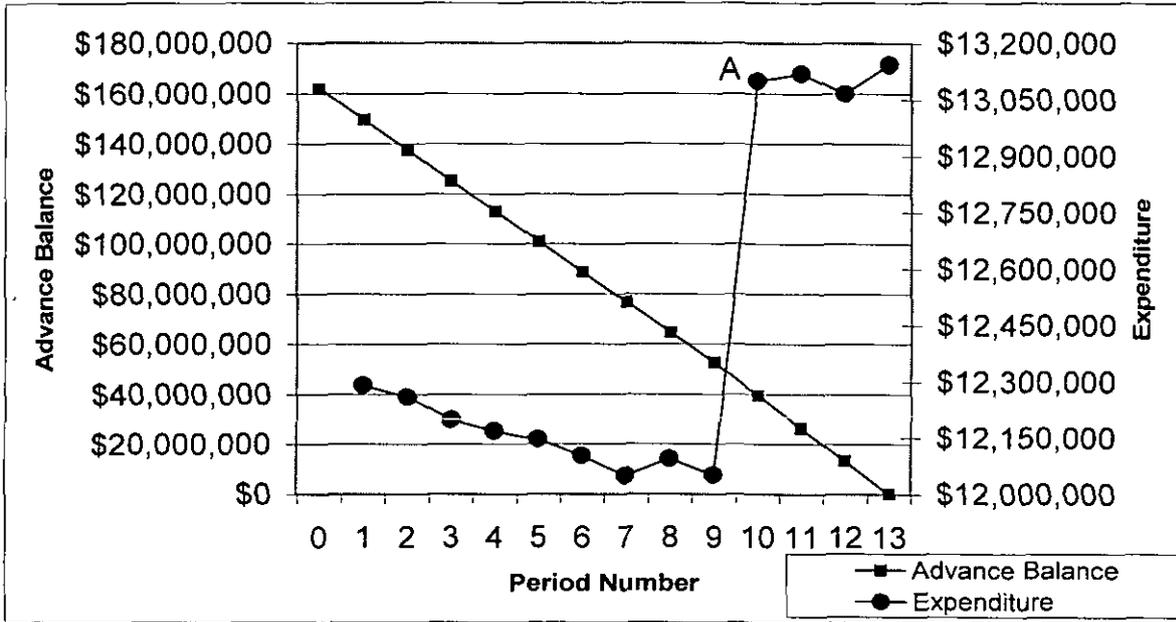
Each fiscal year the City of San Diego is required to make a contribution to the San Diego City Employee Retirement System. For Fiscal Year 2007, the City's required contribution was \$162.0 million which includes the Actuarially Required Contribution as calculated by Cheiron, Inc., as well as an additional budgeted amount. This amount was advanced to the retirement system at the beginning of the fiscal year, so the retirement system could invest the full amount for the entire year. This practice lowers the City's pension related costs by allowing a full year's of investment gains to impact the pension liability. At this time the transaction is booked in the accounting records as a cash advance.

The actuarially required contribution to the retirement system is made each pay period throughout the year based on a predetermined rate. This rate is determined by dividing the year's required contribution by an estimate of pensionable salaries of the current employees of the City of San Diego. Since pensionable salaries are the underlying driver of this expenditure,

the amount contributed varies between pay periods. Occasionally, such as during Period 10 of Fiscal Year 2007 (Point A on the graph on the following page) this rate is evaluated to determine whether the contribution obligation will be met, and the rates adjusted accordingly.

As each pay period's contribution is made, the cash advance balance is decreased by that amount. The relationship between these two events is detailed in the chart below. By year's end the advance is fully offset by total expenditures.

### Retirement Contribution Analysis



A) This rapid increase in expenditures was due to the adjustment of retirement contribution rates in Period 10

**City of San Diego  
Auditor & Comptroller**

**General Fund**

Fiscal Year 2007 Revenue Status Report by Category (Unaudited)  
For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Revenue	Over/(Under) Revised Budget	Variance
<b>Property Taxes</b>	\$ 344,196,284	\$ 354,720,284	\$ 360,400,407	\$ 5,680,123	2%
Safety Sales Taxes	8,193,840	8,193,840	7,940,313	(253,527)	-3%
General Fund Sales Taxes	234,876,334	234,876,334	225,841,450	(9,034,884)	-4%
General Fund TOT <sup>1</sup>	72,862,596	72,862,596	80,702,830	7,840,234	11%
Property Transfer Taxes	14,872,876	14,872,876	9,307,713	(5,565,163)	-37%
<b>Licenses &amp; Permits</b>					
Business Taxes	7,312,000	7,312,000	7,207,123	(104,877)	-1%
Rental Unit Taxes	6,730,000	6,730,000	6,741,789	11,789	-
Parking Meters	6,504,315	6,504,315	6,661,363	157,048	2%
Refuse Collector Business Taxes	1,700,000	1,700,000	2,040,580	340,580	20%
Other Misc Licenses & Permits	8,561,164	8,561,164	8,827,395	266,231	3%
<b>Total Licenses &amp; Permits</b>	<u>30,807,479</u>	<u>30,807,479</u>	<u>31,478,210</u>	<u>670,731</u>	<u>2%</u>
<b>Fines &amp; Forfeitures</b>					
Parking Citations	19,453,901	19,453,901	18,057,615	(1,396,286)	-7%
Municipal Court	7,613,809	7,613,809	9,178,328	1,564,517	21%
Negligent Impound	2,850,000	2,850,000	2,983,193	133,193	5%
Other Misc Fines & Forfeitures	4,630,296	6,032,341	6,233,062	200,721	3%
<b>Total Fines &amp; Forfeitures</b>	<u>34,547,966</u>	<u>35,950,051</u>	<u>36,452,196</u>	<u>502,145</u>	<u>1%</u>
Interest & Dividends	3,130,000	7,152,875	10,151,728	2,998,853	42%
<b>Franchises</b>					
SDG&E	38,089,183	38,089,183	39,234,525	1,145,342	3%
CATV	15,844,750	15,844,750	15,594,331	(250,419)	-2%
Refuse Collection	10,600,000	10,600,000	9,524,293	(1,075,707)	-10%
Other Franchises	249,079	249,079	280,683	31,604	13%
<b>Total Franchises</b>	<u>64,783,012</u>	<u>64,783,012</u>	<u>64,633,832</u>	<u>(149,180)</u>	<u>-</u>
<b>Rents and Concessions</b>					
Mission Bay	24,390,379	26,075,589	27,760,799	1,685,210	6%
Pueblo Lands	3,331,758	3,331,758	3,295,725	(36,033)	-1%
Other Rents and Concessions	3,799,061	3,799,061	4,214,465	415,404	11%
<b>Total Rents and Concessions</b>	<u>31,521,198</u>	<u>33,206,408</u>	<u>35,270,989</u>	<u>2,064,581</u>	<u>6%</u>
Motor Vehicle License Fees	9,255,341	9,255,341	8,101,184	(1,154,157)	-12%
Revenues from Other Agencies	17,621,283	17,620,858	11,644,797	(5,976,061)	-34%
Charges for Current Services <sup>3</sup>	34,889,261	32,360,304	32,215,495	(144,809)	-
Services and Transfers <sup>2</sup>	119,180,103	121,993,148	137,780,301	15,767,153	13%
Miscellaneous Revenues <sup>2</sup>	2,615,525	2,615,525	2,911,783	296,258	11%
<b>Total General Fund Revenues</b>	<u>\$ 1,023,333,098</u>	<u>\$ 1,041,270,931</u>	<u>\$ 1,054,813,228</u>	<u>\$ 13,542,297</u>	<u>1%</u>

<sup>1</sup> Total City Transient Occupancy Tax budget for Fiscal Year 2007 is \$139 million. The balance is budgeted in the Transient Occupancy Tax Fund.

<sup>2</sup> Actuals revised to reflect revenue deposited into Streets Fund which is no longer in use due to the FY2007 budget restructuring.

<sup>3</sup> Actuals revised to reflect revenue deposited into Diversity Fund and Special Training Fund, which is no longer in use due to the FY2007 budget restructuring.

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**  
**Fiscal Year 2007 Expenditure Status Report (Unaudited)**  
**For the Period Ending June 30, 2007**

	Original Adopted Budget	Revised Budget	Year-to-Date Expenditures	Year-to-Date Encumbrances	(Over)/Under Revised Budget	Variance
<b>Business and Support Services</b>						
Business and Grant Administration	\$ 946,237	\$ 761,634	\$ 761,630	\$ 4	\$ -	-
Business Office	1,068,414	1,066,739	784,599	147,349	134,791	13%
<b>Citywide Program Expenditures</b>						
Assessments to Public Property	480,837	521,590	521,590	-	-	-
Deferred Maintenance	12,788,412	14,505,028	12,992,031	1,512,997	-	-
Elections	731,636	512,290	508,503	3,787	-	-
Employee Personal Prop Claims	-	5,000	4,627	-	373	7%
Financial Services	115,112	83,181	75,533	7,626	22	-
Health <sup>3</sup>	16,273	40,262	40,262	-	-	-
Insurance	2,028,000	1,082,153	1,082,152	1	-	-
Memberships	705,268	607,000	604,573	-	2,427	-
Office Space	6,983,769	7,036,804	6,915,706	121,061	37	-
Property Tax Administration	-	3,027,643	3,017,371	-	10,272	-
Public Liability Claims	10,000,000	19,379,550	19,379,550	-	-	-
Reimbursement to Capital Outlay	-	14,629	14,629	-	-	-
Reserve Contribution	7,200,097	7,200,097	-	-	7,200,097	100%
Salary Reserve	-	3,679,000	-	-	3,679,000	100%
Special Consulting	324,950	1,443,081	772,813	215,350	454,918	32%
Special Promotional Programs	4,731,181	-	-	-	-	-
Transportation Subsidy	278,077	278,077	278,000	-	77	-
Miscellaneous	-	-	-	-	-	-
<b>Total Citywide Program Expenditures</b>	<b>46,383,612</b>	<b>58,415,385</b>	<b>46,207,340</b>	<b>1,860,822</b>	<b>11,347,223</b>	<b>19%</b>
Human Resources <sup>2</sup>	4,519,030	1,557,605	1,379,603	942	177,060	11%
Office of the Chief Information Officer	12,594,392	12,333,686	11,057,637	155,730	1,120,319	9%
Personnel	6,991,385	6,991,385	6,083,422	247,643	660,320	9%
Purchasing and Contracting	6,057,017	6,199,572	4,922,361	130,316	1,146,895	18%
<b>Community and Legislative Services</b>						
Community and Legislative Services	3,804,389	4,478,322	3,986,484	126,587	365,251	8%
<b>Department of Finance</b>						
City Auditor and Comptroller	13,259,804	11,127,520	9,611,303	113,034	1,403,183	13%
City Treasurer	10,089,069	13,929,417	11,460,708	674,618	1,794,091	13%
Debt Management	1,775,697	1,775,656	1,271,022	14,582	490,052	28%
Department of Finance	201,356	370,979	261,924	-	109,055	29%
Financial Management	4,052,574	3,809,569	3,227,116	16	582,437	15%
<b>Land Use and Economic Development</b>						
City Planning and Community Investment	6,846,724	7,041,172	6,778,848	82,448	179,876	3%
Community and Economic Development	10,948,786	11,221,727	10,363,143	798,562	60,022	1%
Neighborhood Code Compliance	6,708,037	6,702,177	5,940,380	92,201	669,596	10%
Real Estate Assets	4,786,795	4,783,360	3,348,270	513,831	921,259	19%
Land Use and Economic Development	-	238,058	237,148	-	910	-
<b>Neighborhood and Customer Services</b>						
Customer Services	2,060,780	1,944,820	1,885,442	58,531	847	-
Neighborhood and Customer Services	-	379,276	379,276	-	-	-
Library	38,743,686	38,665,727	36,749,216	479,029	1,437,482	4%
Park and Recreation	84,140,359	86,810,979	82,655,909	2,373,670	1,781,400	2%
Special Projects	1,142,888	735,401	704,300	31,101	-	-
<b>Office of Ethics and Integrity</b>						
Office of Ethics and Integrity	1,194,683	1,194,611	967,608	119,999	107,004	9%
<b>Public Safety and Homeland Security</b>						
Family Justice Center	670,728	670,534	617,368	17,298	35,868	5%
Office of Homeland Security	1,562,766	1,562,609	1,075,606	182	486,820	31%
Police	360,134,725	365,851,392	353,354,294	3,572,538	8,924,561	2%
Public Safety	2,227,970	2,334,807	1,943,494	17,146	374,167	16%
San Diego Fire-Rescue	169,509,660	175,028,795	173,964,190	1,115,340	(50,735)	-

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Expenditure Status Report (Unaudited)  
For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Expenditures	Year-to-Date Encumbrances	(Over)/Under Revised Budget	Variance
<b>Public Works</b>						
Engineering and Capital Projects	35,241,744	35,079,318	30,498,230	762,170	3,818,918	11%
Environmental Services	38,222,681	39,870,393	37,943,355	404,088	1,522,950	4%
General Services <sup>1</sup>	76,266,775	73,378,136	64,123,952	8,113,418	1,140,766	2%
Storm Water Pollution Prevention <sup>4</sup>	13,561,608	13,569,673	7,895,728	5,642,548	231,397	2%
Total General Services	89,828,383	86,947,809	71,819,680	13,755,966	1,372,163	2%
Public Works	190,520	447,275	447,275	-	-	-
<b>Other</b>						
Chief Operating Officer	2,982,629	2,980,116	2,955,085	15	25,016	1%
Mayor	228,658	242,522	230,620	2	11,900	5%
Tax and Revenue Anticipation Notes	2,130,000	6,145,375	6,088,048	59,328	(1)	-
<b>Non-Mayoral</b>						
City Attorney	36,205,158	36,388,158	35,521,900	445,455	420,803	1%
City Clerk	4,124,544	4,124,544	3,909,795	34,831	179,918	4%
City Council - District 1	990,000	990,000	978,013	11,987	-	-
City Council - District 2	990,000	990,000	990,000	-	-	-
City Council - District 3	990,000	990,000	990,000	-	-	-
City Council - District 4	990,000	990,000	990,000	-	-	-
City Council - District 5	990,000	990,000	989,662	338	-	-
City Council - District 6	990,000	990,000	990,000	-	-	-
City Council - District 7	990,000	990,000	989,113	887	-	-
City Council - District 8	990,000	990,000	990,000	-	-	-
Council Administration	2,828,833	2,828,833	2,640,968	97,254	90,611	3%
Ethics Commission	1,008,385	1,008,385	631,148	10,311	366,926	36%
Miscellaneous	-	-	-	-	-	-
<b>Total General Fund Expenditures</b>	<b>\$ 1,023,333,098</b>	<b>\$ 1,052,965,642</b>	<b>\$ 982,570,533</b>	<b>\$ 28,326,151</b>	<b>\$ 42,068,958</b>	<b>4%</b>

<sup>1</sup> Actuals revised to reflect expenditures charged to Streets Fund which is no longer in use due to the FY2007 budget restructuring.

<sup>2</sup> Actuals revised to reflect expenditures charged to Diversity and Special Training Funds which is no longer in use due to the FY2007 budget restructuring.

<sup>3</sup> Expenditures in this Citywide Program are for un-allocable public health costs such as beach monitoring and vector control.

<sup>4</sup> Stormwater Department was transferred from MWW to General Services as directed by Mid-Year Report (O-19604).

**City of San Diego**  
**Auditor & Comptroller**  
**Other Budgeted Funds**  
**Fiscal Year 2007 Revenue Status Report (Unaudited)**  
**For the Period Ending June 30, 2007**

	Original Adopted Budget	Revised Budget	Year-to-Date Revenue	Over/(Under) Revised Budget	Variance
<b>Business and Support Services</b>					
Information Technology Fund	\$ 10,202,940	\$ 10,202,940	\$ 10,084,688	\$ (118,252)	-1%
Risk Management Administration Fund	12,138,162	12,138,162	11,765,590	(372,572)	-3%
<b>Department of Finance</b>					
Central Stores Internal Service Fund	19,297,359	28,297,359	29,211,124	913,765	3%
Special Districts Fund	912,279	912,279	645,269	(267,010)	-29%
<b>Land Use and Economic Development</b>					
City Airport Fund	4,101,195	4,101,195	5,725,950	1,624,755	40%
Development Services Enterprise Fund	62,540,157	62,540,157	50,437,555	(12,102,602)	-19%
Facilities Financing Fund	2,291,978	2,291,978	2,163,549	(128,429)	-6%
Municipal Parking Garages Fund	3,187,248	3,187,248	3,220,519	33,271	1%
PETCO Park Fund	20,670,999	20,670,999	20,570,753	(100,246)	-
QUALCOMM Stadium Operating Fund	15,681,009	15,681,009	15,621,523	(59,486)	-
Redevelopment Fund	3,196,637	3,196,637	2,329,182	(867,455)	-27%
Solid Waste Local Enforcement Agency Fund	846,028	846,028	711,358	(134,670)	-16%
<b>Neighborhood and Customer Services</b>					
Environmental Growth Fund 1/3	3,868,801	3,868,801	4,482,375	613,574	16%
Environmental Growth Fund 2/3	7,684,103	7,684,103	8,980,917	1,296,814	17%
Golf Course Enterprise Fund	12,167,000	12,567,000	17,158,719	4,591,719	37%
Library Grants Fund	514,346	514,346	762,574	248,228	48%
Los Penasquitos Canyon Preserve Fund	176,000	176,000	200,978	24,978	14%
Open Space Park Facilities Fund	491,800	491,800	728,612	236,812	48%
Public Art Fund	30,000	30,000	30,000	-	-
<b>Public Safety and Homeland Security</b>					
Emergency Medical Services Fund	8,138,153	8,138,153	7,452,745	(685,408)	-8%
Fire and Lifeguard Facilities Fund	1,629,458	1,629,458	1,643,033	13,575	1%
Police Decentralization Fund	9,060,507	9,060,507	9,060,507	-	-
Seized and Forfeited Assets Funds	2,540,000	2,540,000	3,891,384	1,351,384	53%
Unlicensed Driver Vehicle Impound Fees	1,200,000	1,200,000	1,166,153	(33,847)	-3%
<b>Public Works</b>					
E&CP-Water/Wastewater Fund	25,429,887	25,490,431	18,079,853	(7,410,578)	-29%
Energy Conservation Program Fund	2,010,985	2,010,985	2,193,514	182,529	9%
Equipment Operating Fund	28,795,587	30,695,587	31,521,095	825,508	3%
Equipment Replacement Fund	21,060,429	22,870,184	28,640,572	5,770,388	25%
Publishing Services Internal Fund	4,749,298	4,749,298	4,412,135	(337,163)	-7%
Recycling Fund	19,511,503	19,511,503	21,226,666	1,715,163	9%
Refuse Disposal Funds	37,303,649	37,303,649	41,217,257	3,913,608	10%
Sewer Funds	333,564,516	333,564,516	369,098,514	35,533,998	11%
Utilities Undergrounding Program Fund	42,347,124	1,625,765	1,062,274	(563,491)	-35%
Water Department Fund	359,825,406	378,323,656	374,134,432	(4,189,224)	-1%
<b>Other</b>					
AB 2928 - Transportation Relief Fund	5,000,000	5,000,000	948,992	(4,051,008)	-81%
Balboa Park/Mission Bay Park Imprv Funds	6,948,990	6,948,990	6,948,990	-	-
Bond Interest and Redemption Fund	2,408,931	2,408,931	2,356,434	(52,497)	-2%
Convention Center Complex Funds	14,148,836	14,148,836	14,317,975	169,139	1%
Gas Tax Fund	24,117,687	24,117,687	22,632,384	(1,485,303)	-6%
Mission Bay Improvements Fund	1,097,595	1,940,200	1,958,368	18,168	1%
Regional Park Improvements Fund	1,097,595	1,940,200	1,951,549	11,349	1%
Storm Drain Fund	6,046,746	6,046,746	5,857,403	(189,343)	-3%
TOT - Convention Center Fund	4,339,198	4,339,198	4,312,816	(26,382)	-1%
Transient Occupancy Tax Fund	71,082,902	71,225,023	72,943,800	1,718,777	2%
TransNet (1/2% Sales Tax) Fund	42,327,539	35,146,105	34,196,202	(949,903)	-3%
Trolley Extension Reserve Fund	4,079,172	4,079,172	4,207,506	128,334	3%
Zoological Exhibits Fund	7,676,765	8,423,463	8,479,043	55,580	1%

**City of San Diego**  
**Auditor & Comptroller**  
**Other Budgeted Funds**  
 Fiscal Year 2007 Expenditure Status Report (Unaudited)  
 For the Period Ending June 30, 2007

	Original Adopted Budget	Revised Budget	Year-to-Date Expense/ Expenditure	Encumbrances	(Over)/Under Revised Budget	Variance
<b>Business and Support Services</b>						
Information Technology Fund	\$ 9,903,308	\$ 10,132,752	\$ 9,010,398	\$ 134,098	\$ 988,256	10%
Risk Management Administration Fund	9,968,285	13,062,848	7,877,123	246,605	4,939,120	38%
<b>Department of Finance</b>						
Central Stores Internal Service Fund	18,697,055	28,297,055	28,697,225	-	(400,170)	-1%
Special Districts Fund	874,126	874,126	674,785	-	199,341	23%
<b>Land Use and Economic Development</b>						
City Airport Fund	3,140,032	3,140,032	2,409,450	334,095	396,487	13%
Development Services Enterprise Fund	61,329,364	61,209,050	53,250,408	397,398	7,581,244	12%
Facilities Financing Fund	2,574,898	2,574,898	2,257,012	736	317,150	12%
Municipal Parking Garages Fund	2,817,033	2,817,033	1,878,557	268,066	670,410	24%
PETCO Park Fund	21,346,751	21,346,751	18,578,868	162,752	2,605,131	12%
QUALCOMM Stadium Operating Fund	15,993,008	15,999,008	13,162,379	450,590	2,386,039	15%
Redevelopment Fund	3,191,965	3,191,965	3,033,362	9,681	148,922	5%
Solid Waste Local Enforcement Agency Fund	900,574	900,574	581,016	76,621	242,937	27%
<b>Neighborhood and Customer Services</b>						
Environmental Growth Fund 1/3	4,153,319	4,153,319	3,964,758	27,806	160,755	4%
Environmental Growth Fund 2/3	10,317,191	10,315,000	8,545,012	199,363	1,570,625	15%
Golf Course Enterprise Fund	11,690,024	12,481,987	12,014,184	149,413	318,410	3%
Library Grants Fund	681,048	681,048	547,163	1,000	132,885	20%
Los Penasquitos Canyon Preserve Fund	213,858	213,858	191,626	-	22,240	10%
Open Space Park Facilities Fund	438,300	438,300	438,300	-	-	-
Public Art Fund	30,000	30,424	25,224	5,200	-	-
<b>Public Safety and Homeland Security</b>						
Emergency Medical Services Fund	8,400,188	8,400,188	6,551,429	130,828	1,717,931	20%
Fire and Lifeguard Facilities Fund	1,703,135	1,703,135	1,642,315	-	60,820	4%
Police Decentralization Fund	9,110,663	9,110,663	7,986,899	-	1,123,764	12%
Seized and Forfeited Assets Funds	3,088,282	3,088,282	2,497,709	137,917	452,656	15%
Unlicensed Driver Vehicle Impound Fees	1,387,904	1,387,904	936,221	1,427	450,256	32%
<b>Public Works</b>						
E&CP-Water/Wastewater Fund	25,429,887	25,490,431	19,885,358	404,851	5,200,222	20%
Energy Conservation Program Fund	2,010,985	2,010,985	1,430,947	149,852	430,186	21%
Equipment Operating Fund	28,281,481	31,199,937	30,856,456	-	343,481	1%
Equipment Replacement Fund	23,406,065	29,903,814	12,635,351	7,848,578	9,419,885	32%
Publishing Services Internal Fund	4,355,101	4,869,780	4,645,248	-	224,532	5%
Recycling Fund	24,452,777	24,452,777	20,573,537	546,757	3,332,483	14%
Refuse Disposal Funds	36,466,880	35,477,508	28,559,487	3,239,001	5,679,020	16%
Sewer Funds	369,430,740	369,189,314	279,122,936	28,494,593	61,571,784	17%
Utilities Undergrounding Program Fund <sup>1</sup>	1,536,964	3,536,964	3,241,541	114	295,309	8%
Water Department Fund	328,503,930	328,364,797	275,552,054	21,086,090	31,726,653	10%
<b>Other</b>						
AB 2928 - Transportation Relief Fund	5,000,000	15,341,895	11,885,852	3,109,782	346,261	2%
Balboa Park/Mission Bay Park Imprv Funds	6,948,990	6,948,990	6,865,312	24,238	59,440	1%
Bond Interest and Redemption Fund	2,329,935	2,330,577	2,330,577	-	-	-
Convention Center Complex Funds	14,357,394	14,357,394	13,953,674	46,827	358,893	2%
Gas Tax Fund	24,117,687	24,123,614	24,123,614	-	-	-
Mission Bay Improvements Fund	1,097,595	1,940,200	8,082	2,555	1,929,563	99%
Regional Park Improvements Fund	1,097,595	1,940,200	195,246	-	1,744,954	90%
Storm Drain Fund	6,046,746	6,046,746	5,935,808	-	110,938	2%
TOT - Convention Center Fund	9,393,644	9,393,644	4,339,837	999,285	4,054,522	43%
Transient Occupancy Tax Fund	71,092,554	71,234,875	68,201,590	3,033,085	-	-
TransNet (1/2% Sales Tax) Fund	58,942,099	51,710,665	20,958,058	6,371,786	24,380,821	47%
Trolley Extension Reserve Fund	4,113,932	4,113,932	3,678,590	-	435,342	11%
Zoological Exhibits Fund	7,876,765	8,423,463	8,400,000	-	23,463	-

**City of San Diego**  
**Auditor & Comptroller**  
 General Fund Inter-Departmental Transfer Summary  
 For the Period Ending June 30, 2007

FROM DEPARTMENT	AMOUNT	TO DEPARTMENT	AMOUNT	CATEGORY
Council District 1	\$ 47,594	Citywide	\$ 47,594	Salaries & Wages
Citywide	47,594	Council District 1	47,594	Supplies & Services
Council District 1	486	Library Department	486	Salaries & Wages
Library Department	486	Council District 1	486	Supplies & Services
Council District 3	6,601	Citywide	6,601	Salaries & Wages
Citywide	6,601	Council District 3	6,601	Supplies & Services
Council District 3	120	Auditor & Comptroller	120	Salaries & Wages
Auditor & Comptroller	120	Council District 3	120	Supplies & Services
Council District 4	19,834	Citywide	19,834	Salaries & Wages
Citywide	19,834	Council District 4	19,834	Supplies & Services
Council District 5	70,517	Citywide	70,517	Salaries & Wages
Citywide	70,517	Council District 5	70,517	Supplies & Services
Council District 6	17,756	Citywide	17,756	Salaries & Wages
Citywide	17,756	Council District 6	17,756	Supplies & Services
Council District 7	39,692	Citywide	39,692	Salaries & Wages
Citywide	39,692	Council District 7	39,692	Supplies & Services
Chief Operating Officer	58,861	Citywide	58,861	Salaries & Wages
Citywide	58,861	Chief Operating Officer	58,861	Supplies & Services
City Attorney	249,501	Citywide	249,501	Salaries & Wages
Citywide	249,501	City Attorney	249,501	Supplies & Services
Planning	27,160	Citywide	27,160	Salaries & Wages
Citywide	27,160	Planning	27,160	Supplies & Services
Police Department	2,655,784	Citywide	2,655,784	Salaries & Wages
Citywide	2,655,784	Police Department	2,655,784	Supplies & Services
Library Department	5,212	Citywide	5,212	Salaries & Wages
Citywide	5,212	Library Department	5,212	Supplies & Services
Library Department	1,006,534	Refuse Collection	1,006,534	Salaries & Wages
Refuse Collection	1,006,534	Library Department	1,006,534	Supplies & Services
Library Department	426,070	Engineering & Capital Projects	426,070	Salaries & Wages
Engineering & Capital Projects	426,070	Library Department	426,070	Supplies & Services
Library Department	11,456	Comm. & Legislative Serv.	11,456	Salaries & Wages
Comm. & Legislative Serv.	11,456	Library Department	11,456	Supplies & Services
Parks & Recreation	1,359,778	Citywide	1,359,778	Salaries & Wages
Citywide	1,359,778	Parks & Recreation	1,359,778	Supplies & Services
General Services	1,679,115	Citywide	1,679,115	Salaries & Wages
Citywide	1,679,115	General Services	1,939,820	Supplies & Services
Office of CIO	260,708			
General Services	1,192,856	Citywide	1,192,856	Salaries & Wages
Citywide	1,192,856	General Services	1,192,856	Supplies & Services
Citywide	1,334,344	City Treasurer	1,334,344	Salaries & Wages
City Treasurer	1,334,344	Citywide	1,334,344	Supplies & Services
Fire & Life Safety Dept.	351,026	Public Safety	351,026	Salaries & Wages
Public Safety	351,026	Fire & Life Safety Dept.	351,026	Supplies & Services

FROM DEPARTMENT	AMOUNT	TO DEPARTMENT	AMOUNT	CATEGORY
Fire & Life Safety Dept.	\$ 508,108	Engineering & Capital Projects	\$ 508,108	Salaries & Wages
Engineering & Capital Projects	508,108	Fire & Life Safety Dept.	508,108	Supplies & Services
Citywide	104,000	Human Resources	104,000	Salaries & Wages
Human Resources	104,000	Citywide	104,000	Supplies & Services
Citywide	412,000	Real Estate Assets	412,000	Salaries & Wages
Real Estate Assets	412,000	Citywide	412,000	Supplies & Services
Citywide	134,000	Office of Homeland Security	134,000	Salaries & Wages
Office of Homeland Security	134,000	Citywide	134,000	Supplies & Services
Chief Operating Officer	598	Library Department	598	Salaries & Wages
Library Department	598	Chief Operating Officer	598	Supplies & Services
Economic Development	419,849	Library Department	419,849	Salaries & Wages
Library Department	419,849	Economic Development	419,849	Supplies & Services
City Attorney	186,475	Library Department	186,475	Salaries & Wages
Library Department	186,475	City Attorney	186,475	Supplies & Services
City Treasurer	95,539	Library Department	95,539	Salaries & Wages
Library Department	95,539	City Treasurer	95,539	Supplies & Services
Human Resources	821	Library Department	821	Salaries & Wages
Library Department	821	Human Resources	821	Supplies & Services
Planning Department	1,619	Library Department	1,619	Salaries & Wages
Library Department	1,619	Planning Department	1,619	Supplies & Services
Real Estate Assets	1,526	Library Department	1,526	Salaries & Wages
Library Department	1,526	Real Estate Assets	1,526	Supplies & Services
Police Department	64,900	Library Department	64,900	Salaries & Wages
Library Department	64,900	Police Department	64,900	Supplies & Services
Fire & Life Safety Dept.	35,350	Library Department	35,350	Salaries & Wages
Library Department	35,350	Fire & Life Safety Dept.	35,350	Supplies & Services
Public Works	174	Library Department	174	Salaries & Wages
Library Department	174	Public Works	174	Supplies & Services
Public Safety	6	Library Department	6	Salaries & Wages
Library Department	6	Public Safety	6	Supplies & Services
General Services	1,365	Library Department	1,365	Salaries & Wages
Library Department	1,365	General Services	1,365	Supplies & Services

## City of San Diego Auditor & Comptroller

### General Fund

Fiscal Year 2007 Projected Versus Actual Revenue (Unaudited)  
For the Period Ending June 30, 2007

	Projected Revenues	Actual Revenues	Over/(Under) Projection	Variance
<b>Property Taxes</b>	\$ 363,590,651	\$ 360,400,407	\$ (3,190,244)	-1%
<b>Safety Sales Taxes</b>	8,089,171	7,940,313	(148,858)	-2%
<b>General Fund Sales Taxes</b>	227,928,436	225,841,450	(2,086,986)	-1%
<b>General Fund TOT</b>	78,854,889	80,702,830	1,847,941	2%
<b>Property Transfer Taxes</b>	8,425,023	9,307,713	882,690	10%
<b>Licenses &amp; Permits</b>				
Business Taxes	6,896,000	7,207,123	311,123	5%
Rental Unit Taxes	7,461,000	6,741,769	(719,231)	-10%
Parking Meters	6,430,315	6,661,363	231,048	4%
Refuse Collector Business Taxes	1,982,000	2,040,560	58,560	3%
Other Misc Licenses & Permits	8,587,164	8,827,395	240,231	3%
<b>Total Licenses &amp; Permits</b>	31,356,479	31,478,210	121,731	-
<b>Fines &amp; Forfeitures</b>				
Parking Citations	17,953,901	18,057,615	103,714	1%
Municipal Court	7,986,809	9,178,326	1,191,517	15%
Negligent Impound	2,903,000	2,983,193	80,193	3%
Other Misc Fines & Forfeitures	7,397,341	6,233,962	(1,164,279)	-16%
<b>Total Fines &amp; Forfeitures</b>	36,241,051	36,452,196	211,145	1%
<b>Interest &amp; Dividends</b>	8,130,000	10,151,728	2,021,728	25%
<b>Franchises</b>				
SDG&E	39,204,564	39,234,525	29,961	-
CATV	15,630,712	15,594,331	(36,381)	-
Refuse Collection	10,000,000	9,524,293	(475,707)	-5%
Other Franchises	254,079	280,683	26,604	10%
<b>Total Franchises</b>	65,089,355	64,633,832	(455,523)	-1%
<b>Rents and Concessions</b>				
Mission Bay	27,707,738	27,760,799	53,061	-
Pueblo Lands	2,827,758	3,295,725	467,967	17%
Other Rents and Concessions	4,034,061	4,214,465	180,404	4%
<b>Total Rents and Concessions</b>	34,569,557	35,270,989	701,432	2%
<b>Motor Vehicle License Fees</b>	8,571,229	8,101,184	(470,045)	-5%
<b>Revenues from Other Agencies</b>	11,092,858	11,644,797	551,939	5%
<b>Charges for Current Services</b>	30,436,504	32,215,495	1,778,991	6%
<b>Services and Transfers</b>	133,877,261	137,760,301	3,883,040	3%
<b>Miscellaneous Revenues</b>	2,293,525	2,911,783	618,258	27%
<b>Total General Fund Revenues</b>	<u>\$ 1,048,545,989</u>	<u>\$ 1,054,813,228</u>	<u>\$ 6,267,239</u>	<u>1%</u>

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Projected Versus Actual Expenditure (Unaudited)  
 For the Period Ending June 30, 2007

	Projected Expenditures	Actual Expenditures and Encumbrances	(Over)/Under Projection	Variance
<b>Business and Support Services</b>				
Business and Grant Administration	\$ 613,405	\$ 761,634	\$ (148,229)	-24%
Business Office	926,516	931,948	(5,432)	-1%
<b>Citywide Program Expenditures</b>				
Assessments to Public Property	335,837	521,590	(185,753)	-55%
Deferred Maintenance	14,447,092	14,505,028	(57,936)	-
Elections	512,290	512,290	(0)	-
Employee Personal Prop Claims	5,000	4,627	373	7%
Financial Services	-	83,159	(83,159)	100%
Health	40,262	40,262	(0)	-
Insurance	1,080,000	1,082,153	(2,153)	-
Memberships	600,650	604,673	(3,923)	-1%
Office Space	7,071,769	7,036,767	35,002	-
Property Tax Administration	-	3,017,371	(3,017,371)	10000%
Public Liability Claims	20,855,944	19,379,550	1,476,394	7%
Reimbursement to Capital Outlay	-	14,629	(14,629)	10000%
Reserve Contribution	-	-	-	-
Salary Reserve	-	-	-	-
Special Consulting	1,335,218	988,163	347,055	28%
Special Promotional Programs	-	-	-	-
Transportation Subsidy	278,077	278,000	77	-
Miscellaneous	-	-	-	-
<b>Total Citywide Program Expenditures</b>	<b>46,562,139</b>	<b>48,068,162</b>	<b>(1,506,023)</b>	<b>-3%</b>
Human Resources	1,464,931	1,380,545	84,386	6%
Office of the Chief Information Officer	12,594,392	11,213,367	1,381,025	11%
Personnel	8,932,818	6,331,065	601,751	9%
Purchasing and Contracting	5,068,087	5,052,677	15,410	-
<b>Community and Legislative Services</b>	<b>4,411,924</b>	<b>4,113,071</b>	<b>298,853</b>	<b>7%</b>
<b>Department of Finance</b>				
City Auditor and Comptroller	13,469,100	9,724,337	3,744,763	28%
City Treasurer	11,651,232	12,135,326	(484,094)	-4%
Debt Management	1,370,523	1,285,604	84,919	6%
Department of Finance	276,373	261,924	14,449	5%
Financial Management	3,411,417	3,227,132	184,285	5%
<b>Land Use and Economic Development</b>				
City Planning and Community Investment	6,817,695	6,861,296	(43,601)	-1%
Community and Economic Development	10,240,365	11,161,705	(921,340)	-9%
Neighborhood Code Compliance	5,845,486	6,032,581	(187,095)	-3%
Real Estate Assets	3,859,358	3,862,101	(2,743)	-
Land Use and Economic Development	241,996	237,148	4,848	2%
<b>Neighborhood and Customer Services</b>				
Customer Services	2,014,802	1,943,973	70,829	4%
Neighborhood and Customer Services	367,976	379,276	(11,300)	-3%
Library	37,213,787	37,228,245	(14,458)	-
Park and Recreation	83,535,943	85,029,579	(1,493,636)	-2%
Special Projects	676,430	735,401	(58,971)	-9%
<b>Office of Ethics and Integrity</b>				
Office of Ethics and Integrity	1,123,413	1,087,607	35,806	3%
<b>Public Safety and Homeland Security</b>				
Family Justice Center	629,778	634,666	(4,888)	-1%
Office of Homeland Security	1,139,423	1,075,788	63,635	6%
Police	355,578,639	356,926,832	(1,348,193)	-
Public Safety	2,232,485	1,960,640	271,845	12%
San Diego Fire-Rescue	175,176,585	175,079,530	97,055	-

**City of San Diego**  
**Auditor & Comptroller**  
**General Fund**

Fiscal Year 2007 Projected Versus Actual Expenditure (Unaudited)  
For the Period Ending June 30, 2007

	Projected Expenditures	Actual Expenditures and Encumbrances	(Over)/Under Projection	Variance
<b>Public Works</b>				
Engineering and Capital Projects	30,997,525	31,280,400	(262,875)	-1%
Environmental Services	38,820,248	38,347,443	272,805	1%
General Services	71,127,109	72,237,370	(1,110,261)	-2%
Storm Water Pollution Prevention	13,348,781	13,338,278	10,505	-
Total General Services	<u>84,475,890</u>	<u>85,575,646</u>	<u>(1,099,756)</u>	<u>-1%</u>
Public Works	453,244	447,275	5,969	1%
<b>Other and Independent Departments</b>				
Chief Operating Officer	2,956,267	2,955,100	1,167	-
Mayor	242,297	230,622	11,675	5%
Tax and Revenue Anticipation Notes	5,828,428	6,145,376	(315,948)	-5%
City Attorney	36,367,029	35,967,355	399,674	1%
City Clerk	3,945,711	3,944,626	1,085	-
City Council - District 1	990,000	990,000	-	-
City Council - District 2	990,000	990,000	-	-
City Council - District 3	990,000	990,000	-	-
City Council - District 4	990,000	990,000	-	-
City Council - District 5	990,000	990,000	-	-
City Council - District 6	990,000	990,000	-	-
City Council - District 7	990,000	990,000	-	-
City Council - District 8	990,000	990,000	-	-
Council Administration	2,628,416	2,738,222	(109,806)	-4%
Ethics Commission	633,720	641,459	(7,739)	-1%
<b>Miscellaneous</b>	-	-	-	-
<b>Total General Fund Expenditures</b>	<u>\$ 1,010,516,791</u>	<u>\$ 1,010,896,684</u>	<u>\$ (379,893)</u>	<u>-</u>

**City of San Diego**  
**Auditor & Comptroller**  
**Selected Other Budgeted Funds**  
 Fiscal Year 2007 Projected Versus Actual Analysis (Unaudited)  
 For the Period Ending June 30, 2007

<b>Revenue</b>	<u>Projected Revenues</u>	<u>Actual Revenues</u>	<u>Over/(Under) Projection</u>	<u>Variance</u>
<b>Business and Support Services</b>				
Central Stores Internal Service Fund	\$ 26,515,620	\$ 29,211,124	\$ 2,695,504	10%
<b>Land Use and Economic Development</b>				
QUALCOMM Stadium Operating Fund	15,793,208	15,621,523	(171,685)	-1%
<b>Public Works</b>				
Equipment Operating Fund	29,793,893	31,521,095	1,727,202	6%
Publishing Services Internal Fund	4,263,125	4,412,135	149,010	3%

<b>Expenditures</b>	<u>Projected Expenditures</u>	<u>Actual Expenditures and Encumbrances</u>	<u>Over/(Under) Projection</u>	<u>Variance</u>
<b>Business and Support Services</b>				
Central Stores Internal Service Fund	\$ 26,293,416	\$ 28,697,225	\$ 2,403,809	9%
<b>Land Use and Economic Development</b>				
QUALCOMM Stadium Operating Fund	15,881,840	13,612,969	(2,268,871)	-14%
<b>Public Works</b>				
Equipment Operating Fund	29,746,144	30,856,456	1,110,312	4%
Publishing Services Internal Fund	4,259,107	4,645,248	386,141	9%

000331

**REQUEST FOR COUNCIL ACTION**  
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER  
(FOR AUDITOR'S USE ON) 331  
1/15

TO:  
CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):  
City Auditor & Comptroller

3. DATE:  
11/05/2007

4. SUBJECT:  
Comptroller's Year-End Report

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.)  
Clay Schoen, 619-236-6710, MS 6A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)  
Sarah Mayen, 619-236-6852, MS 6A

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

**8. COMPLETE FOR ACCOUNTING PURPOSES**

FUND				
DEPT.				
ORGANIZATION				
OBJECT ACCOUNT				
JOB ORDER				
C.I.P. NUMBER				
AMOUNT				

9. ADDITIONAL INFORMATION / ESTIMATED COST:

**10. ROUTING AND APPROVALS**

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT		11/15/07	8	DEPUTY CHIEF		
2	FM		11/15/07	9	COO		11-16-07
3	AUDITORS		11/15/07	10	CITY ATTORNEY		11/21/07
4	LIAISON OFFICE		11/19/07	11	ORIGINATING DEPARTMENT		11/27/07
5					DOCKET COORD		12/20
6					COUNCIL PRESIDENT		
7					COUNCIL LIAISON:		12/20

COUNCIL PRESIDENT     SPOB     CONSENT     ADOPTION  
 REFER TO: \_\_\_\_\_    COUNCIL DATE: 1/15/08

11. PREPARATION OF:     RESOLUTION(S)     ORDINANCE(S)     AGREEMENT(S)     DEED(S)

1. Accept City Comptroller Office's Fiscal Year 2007 Year-End Report.

11A. STAFF RECOMMENDATIONS:  
Adopt the Resolution.

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S):                      City-wide

COMMUNITY AREA(S):                     City-wide

ENVIRONMENTAL IMPACT:                This activity is not a "project," and is categorically exempt from CEQA pursuant to CEQA guidelines.

HOUSING IMPACT:                            None

OTHER ISSUES:                                None

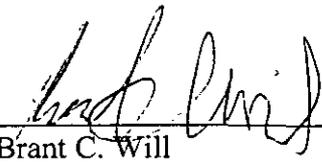
RESOLUTION NUMBER R-\_\_\_\_\_

ADOPTED ON \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ACCEPTING THE CITY COMPTROLLER OFFICE'S FISCAL YEAR 2007 YEAR-END REPORT

BE IT RESOLVED, by the Council of the City of San Diego that the City Comptroller Office's Fiscal year 2007 Year-End Report is hereby accepted.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By   
Brant C. Will  
Deputy City Attorney

BCW:jdf  
11/20/2007  
Or.Dept:Comptroller  
R-2008-479

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_.

ELIZABETH S. MALAND  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor