



THE CITY OF SAN DIEGO

## Report to the City Council

DATE ISSUED: November 9, 2016 REPORT NO: 16-099

ATTENTION: Budget and Government Efficiency Committee  
Agenda of November 16, 2016

SUBJECT: Fiscal Year 2017 First Quarter Budget Monitoring Report

REFERENCE: Fiscal Year 2017 First Quarter Budget Monitoring Report, # 16-099

REQUESTED ACTION:

The report is an information item only.

STAFF RECOMMENDATION:

The report is an information item only.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

Per City Council Budget Policy (Policy No. 000-02), quarterly reports are presented to the Budget and Government Efficiency Committee and the City Council each fiscal year. The purpose of the Fiscal Year 2017 First Quarter Budget Monitoring Report (First Quarter Report) is to provide City Council and the public an update of General Fund revenues, hiring status of all new positions added in the Fiscal Year 2017 Adopted Budget, updates on selected programs and/or initiatives and General Fund balance and reserve estimates.

Financial Management produces this report, in collaboration with City departments, to address significant variances between budget and projected revenues and/or expenditures for significant programs and/or initiatives. The First Quarter Report is developed using three months of actual (un-audited) activity for Fiscal Year 2017. Statistical data and economic analyses are gathered from economic consultants and other resources to project year-end revenue estimates. The data included in this report is the most current data available at the time of publication; however, the data and projections are subject to change. The First Quarter Report provides relevant expenditure and revenue projections on items of focus.

The First Quarter Report will discuss the following areas:

- Major General Fund revenue projections
- Status of new positions added in the Fiscal Year 2017 Adopted Budget
- Public Safety Overtime Projections
- Program updates
- Update to the General Fund balance and reserves
- Update of the non-General Fund Risk Management reserves

City departments will continue to monitor revenues and expenditures. As FM or departments identify significant variances between revenues and/or expenditures during future monitoring

processes, we will continue to bring them forward for discussion in quarterly budget monitoring reports.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal # 1: Provide high quality public service

Objective # 2: Improve external and internal coordination and communication

Goal # 3: Create and sustain a resilient and economically prosperous City

FISCAL CONSIDERATIONS:

None, this is an information report only.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (if applicable):

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

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Originating Department

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Deputy Chief/Chief Operating Officer

Attachment: Fiscal Year 2017 First Quarter Budget Monitoring Report, #16-099

# Fiscal Year 2017 First Quarter Budget Monitoring Report November 2016



## Financial Management

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Scott Chadwick  
Chief Operating Officer

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Mary Lewis  
Chief Financial Officer

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Matthew Vespi  
Financial Management Acting Director

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Vanessa Montenegro  
Budget Coordinator

## INTRODUCTION

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Financial Management (FM) produces this report, in collaboration with City departments, to address significant variances between budget and projected revenues and/or expenditures for significant programs and/or initiatives. The First Quarter Report is developed using three months of actual (un-audited) activity for Fiscal Year 2017. Statistical data and economic analyses are gathered from economic consultants and other resources to project year-end revenue estimates. The data included in this report is the most current data available at the time of publication; however, the data and projections are subject to change. The First Quarter Report provides relevant expenditure and revenue projections on items of focus.

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## GENERAL FUND REVENUE

The following section includes a summary of the projected City's major General Fund revenues and a brief update to departmental revenues. Detailed analyses on significant programs and initiatives are discussed later in this Report. As FM continues to monitor the City's operating budget throughout the fiscal year, FM will work with departments to report any significant variances in departmental revenue in future quarterly budget monitoring reports.

### MAJOR GENERAL FUND REVENUES

The City's major General Fund revenues are projected under budget by \$1.4 million primarily due to Sales Tax revenue, which is projected to be under budget by \$4.1 million. The under budget projection is slightly offset by an increase in Property Tax revenue of \$3.0 million. Table 1: FY 2017 Major General Fund Revenue Projections summarizes this information.

Revenue Category	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Property Tax Revenue	\$ 502.0	\$ 502.0	\$ 505.0	\$ 3.0	0.6%
Sales Tax	272.8	272.8	268.7	(4.1)	-1.5%
Transient Occupancy Tax <sup>1</sup>	113.3	113.3	113.4	0.1	0.1%
Franchise Fees <sup>2</sup>	82.6	82.6	82.2	(0.4)	-0.5%
<b>Total</b>	<b>\$ 970.7</b>	<b>\$ 970.7</b>	<b>\$ 969.3</b>	<b>\$ (1.4)</b>	<b>-0.1%</b>

<sup>1</sup> Total City FY 2017 Adopted Budget for transient occupancy tax revenue is \$216.3 million and the projection is \$216.6 million. The balance is budgeted in the Transient Occupancy Tax Fund.

<sup>2</sup> Total City FY 2017 Adopted Budget for franchise fees revenue is \$167.6 million and the projection is \$167.2 million. The balance is budgeted in the Environmental Growth and Underground Surcharge Funds.

The projections for major General Fund revenues are based on the most recent economic information and actual revenue distributions to the City. When the Fiscal Year 2017 budget for the major General Fund revenues was developed, it incorporated a moderate but slower rate of growth than had been experienced in the previous fiscal years. The year-end projections indicate that sales tax receipts have continued to slow beyond what was previously anticipated; however, positive signs shown by the local housing market resulting in a projected increase in property tax will partially mitigate this reduced sales tax projection this fiscal year. A summary of current local key economic indicators are reflected in Table 2: Local Economic Indicators.

**Local Economic Indicators**  
*Table 2*

Economic Indicator	September 2015	September 2016	Change %
City of San Diego Unemployment	4.4%	4.5%	0.1%
City of San Diego Number of Unemployed	30,700	32,300	5.2%
USD Index of Leading Economic Indicators <sup>1</sup>	138.3	139.9	1.2%
San Diego City Home Sales	1,431	1,503	5.0%
San Diego City Median Home Price	\$ 456,000	\$ 515,000	12.9%
San Diego County Foreclosures	139	100	-28.1%
San Diego County Notices of Default	410	314	-23.4%

Source: California Employment Development Department, USD Index of Leading Economic Indicators, DQNews/CoreLogic, San Diego County Assessor/Auditor/Recorder's Office

<sup>1</sup>Data for 2016 reflects August 2016; data for September not available as of publication date.

When compared to September 2015, the unemployment rate and the number of unemployed in the City of San Diego for September 2016 have increased slightly. Similarly, the University of San Diego's (USD) Index of Leading Economic Indicators for September 2016 is nearly equivalent to the index from the same point last year demonstrating a stable local economy. This index provides a broader picture of the local economy, as it summarizes data across several areas, including building permits, unemployment, stock prices, consumer confidence, help wanted advertising, and the national economy. These local economic indicators are supportive of the overall projection for revenue growth that is moderate. Discussion on the major components of the City's General Fund Adopted Revenue Budget are provided next.

### Property Tax

FY 2017 Property Tax Revenue Projections					
					<i>in millions</i>
Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Property Tax Growth Rate	5.25%	5.25%	5.7%	0.5%	N/A
Property Tax Projection	\$ 502.0	\$ 502.0	\$ 505.0	\$ 3.0	0.6%

Property tax is projected to be over budget at fiscal year-end primarily due to continued growth in assessed valuation for Fiscal Year 2017. The Fiscal Year 2017 Adopted Budget growth rate of 5.25% was based on preliminary assessed valuations from the County of San Diego of approximately 5.0% and prior year actual growth of 5.3%. The final assessed valuation growth from the County of San Diego indicated an actual growth of 5.7% in assessed valuation.

The Fiscal Year 2017 property tax projection includes a tax sharing pass-through payment of \$6.2 million from the former Redevelopment Agencies (RDA) based on projections for the upcoming Recognized Obligation Payment Schedule (ROPS) including City Heights "33767 revenues" which were redirected back to the General Fund in Fiscal Year 2016. The projected payment is slightly less than the budgeted amount. In addition to tax sharing pass-through payments, the City will receive residual property tax payments. The residual property tax payment is the City's proportionate share of funds remaining in the Redevelopment Property Tax Trust Fund (RPTTF) after ROPS requirements have been met. The projected residual

property tax payment is approximately \$15.6 million or \$770,000 above the Fiscal Year 2017 budget amount.

Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
1% Property Tax	\$ 352.6	\$ 352.6	\$ 354.4	\$ 1.8	0.5%
MVLF Backfill	128.4	128.4	129.3	0.9	0.7%
RPTTF Tax Sharing Pass-through Payments	6.2	6.2	5.7	(0.5)	-8.1%
RPTTF Residual Property Tax	14.8	14.8	15.6	0.8	5.4%
<b>Total</b>	<b>\$ 502.0</b>	<b>\$ 502.0</b>	<b>\$ 505.0</b>	<b>\$ 3.0</b>	<b>0.6%</b>

Reviewing the risks to this projection, property tax revenues could be affected by delinquency rates, refunds, and RPTTF residual distributions, the latter of which is largely determined by enforceable obligations to be placed on the ROPS in April 2017. An update to the projection of the residual property tax distributions will be provided at that time.

### Sales Tax

Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Sales Tax Growth Rate	3.5%	3.5%	2.0%	-1.5%	N/A
Sales Tax Projection	\$ 272.8	\$ 272.8	\$ 268.7	\$ (4.1)	-1.5%

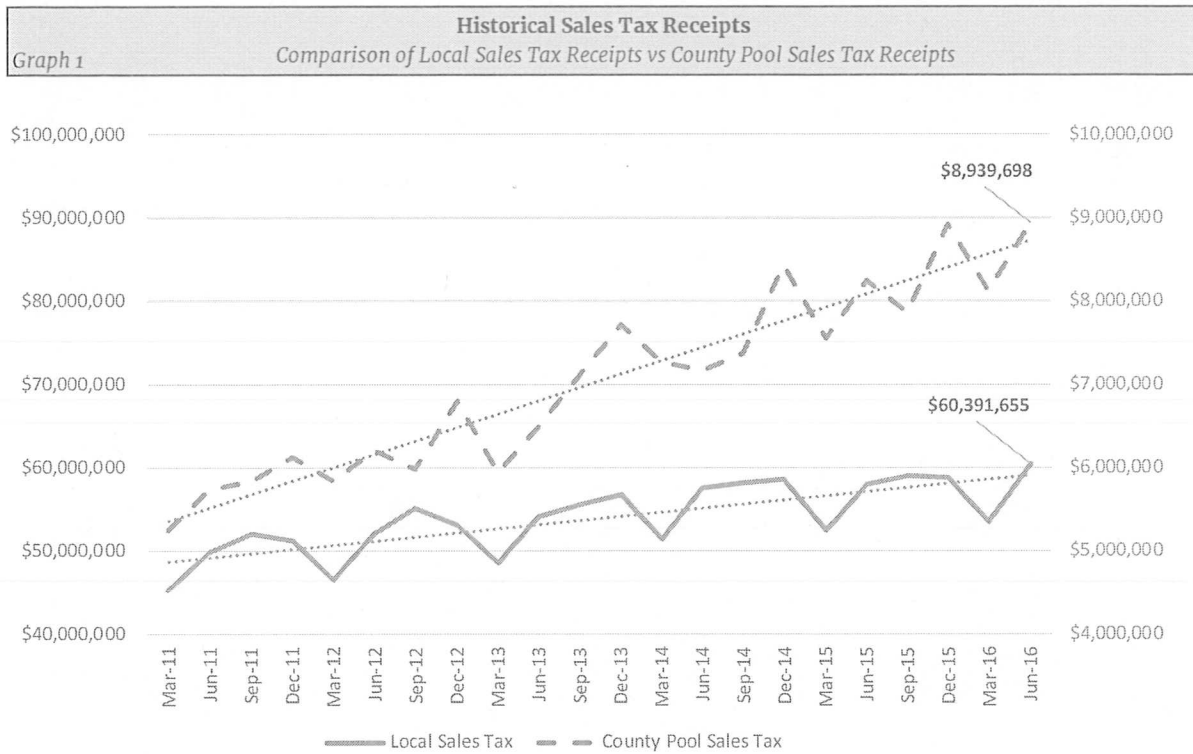
Sales tax revenue is projected under budget by fiscal year-end due to lower than expected growth in sales tax receipts. The Fiscal Year 2017 Adopted Budget was based on year-end estimates for Fiscal Year 2016. Actual Fiscal Year 2016 revenues received were lower than projected as reported in the Fiscal Year 2016 Year-End Financial Performance Report. As a result, the base for the Fiscal Year 2017 sales tax revenues projection is lower than assumed in the budget. Furthermore, actual growth in the first quarter of Fiscal Year 2017 was less than anticipated as described below.

Major local economic drivers of the City's sales tax receipts include the unemployment rate, consumer confidence, and consumer spending.

- As of September 2016, the San Diego unemployment rate was 4.5%, as preliminarily reported by the California Employment Development Department. The unemployment rate has increased slightly from September 2015.
- Consumer confidence, a measurement of the consumer's willingness to spend, experienced significant growth from 2009 to 2015, where it peaked in January 2015 at 103.8. Since January 2015, consumer confidence has been trending slightly lower and was 103.5 in September 2016. Sales tax revenue is driven by consumer spending. As consumer confidence decreases, a slowdown in consumer spending is expected reducing sales tax revenue growth.

Furthermore, as consumers shift from in-store (brick and mortar) purchases to online sales, the City receives a smaller portion of sales tax revenues. Sales tax revenues from online

retailers are distributed to the City through the County Pool distribution at a rate of approximately 0.48% as opposed to 1.0% for direct City sales tax revenues. This trend towards online sales is evidenced by the percentage of the City's total sales tax revenue received from the county pool steadily increasing over the past several years. In summary, Graph 1: Historical Sales Tax Receipts, displays that total local sales tax receipts have grown cumulatively by 21.5% over the last five years; whereas the county pool has seen a significantly higher increase of 55.9%, cumulatively.



First quarter sales tax data from MuniServices, the City's sales tax consultant, also projects slower growth in Fiscal Year 2017. As depicted in Table 6: Quarterly Sales Tax Revenue, receipts from general retail were less than the same quarter last year due to growing online sales as previously discussed; the transportation segment fell due to lower fuel prices. However, in contrast, auto sales and the food products category, particularly restaurants, has exhibited steady growth.

Quarterly Sales Tax Revenue			
<i>Table 6</i>			<i>in millions</i>
Economic Category	2nd Quarter CY 2015	2nd Quarter CY 2016	Variance %
General Retail	\$16.4	\$16.3	-0.8%
Food Products	\$14.6	\$15.4	4.9%
Business to Business	\$9.6	\$11.5	20.0%
Transportation	\$11.7	\$11.2	-4.5%
County Pool	\$8.3	\$8.9	8.4%
Construction	\$4.7	\$5.0	5.5%
Miscellaneous	\$0.9	\$1.0	11.3%
<b>Total</b>	<b>\$ 66.3</b>	<b>\$ 69.3</b>	<b>4.6%</b>

Source: MuniServices, LLC

Actual receipts received in the first quarter were 4.6% higher than same period last year; however, this included a one-time sales tax correction that had been in dispute since 2008. Adjusting for this correction, sales tax revenue growth was 2.2%. As a result, the growth rate projections of sales tax revenues are reduced from the budgeted rate of 3.5% to 2.0%.

Sales tax revenue will continue to be closely monitored and updated in the Fiscal Year 2017 Mid-Year Budget Monitoring Report to account for any changes in spending trends or other economic indicators impacting sales tax receipts.

### Transient Occupancy Tax (TOT)

FY 2017 Transient Occupancy Tax Revenue Projections					
<i>Table 7</i>					<i>in millions</i>
Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
TOT Growth Rate	6.0%	6.0%	6.0%	0.0%	N/A
TOT Projection	\$ 113.3	\$ 113.3	\$ 113.4	\$ 0.1	0.1%

General Fund Transient Occupancy Tax (TOT) revenue is projected close to budget due to sustained growth in the primary economic drivers of TOT - overnight visits, occupancy rates, and room rates. The City of San Diego hosted the 2016 Major League Baseball All-Star Game in July 2016, which contributed to the highest grossing TOT receipts on record for the month of July totaling \$25.6 million. This represents a \$1.4 million increase from last year's July receipts.

According to the August 2016 Travel Forecast from the San Diego Tourism Authority (SDTA) and Tourism Economics, Inc., the rate of tourism growth is estimated to steadily improve this calendar year and beyond. Based on this information, the projected growth rate included in the Fiscal Year 2017 Adopted Budget of 6.0% remains appropriate. Table 8: San Diego County Visitor Industry, provides a summary of the projected growth in economic indicators that impact the City's TOT receipts.

San Diego County Visitor Industry				
<i>Table 8</i>				
	CY 2015	CY 2016 <sup>1</sup>	CY 2017 <sup>1</sup>	CY 2018 <sup>1</sup>
<b>Visitors</b>				
Total Visits (millions)	34.3	34.7	35.4	35.9
Overnight Visits (millions)	17.2	17.4	17.8	18.2
<b>Hotel Sector</b>				
Average Occupancy	76.4%	76.3%	77.3%	77.9%
Average Daily Rate	150.03	154.77	159.16	165.44
Revenue PAR <sup>2</sup>	114.58	118.09	123.1	128.83
Room Demand (growth)	3.4%	1.7%	3.0%	1.8%

Source: San Diego Tourism Authority and Tourism Economics

<sup>1</sup>Forecast - Tourism Economics Inc.

<sup>2</sup>Revenue Per Available Room (Average Occupancy multiplied by Average Daily Rate)

TOT revenue projections will continue to be closely monitored and updated in the Fiscal Year 2017 Mid-Year Budget Monitoring Report to account for any changes in spending trends and economic indicators related to the San Diego tourism economy.

## Franchise Fees

FY 2017 Franchise Fee Revenue Projections					
<i>Table 9</i>					<i>in millions</i>
Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
SDG&E Growth Rate	2.0%	2.0%	2.0%	0.0%	N/A
Cable Growth Rate	0.0%	0.0%	0.0%	0.0%	N/A
Franchise Fee Projection	\$ 82.6	\$ 82.6	\$ 82.2	\$ (0.4)	-0.5%

Franchise fee revenue is generated from agreements with private utility companies and refuse haulers in exchange for the use of the City's rights-of-way. Currently, the City has franchise agreements with SDG&E, Cox Communications, Time Warner Cable, AT&T, and several refuse haulers. Approximately 82.0% of franchise fee revenue is comprised of revenue from SDG&E and cable companies. The revenue received from the agreements with SDG&E and the cable companies is based on a percentage of gross sales while the revenue received from refuse haulers is based on tonnage.

Franchise fee revenue is projected to be under budget at fiscal year-end by \$400,000 due to a reduction in revenue from cable companies, which is partially offset by increased revenue from refuse haulers.

## DEPARTMENTAL REVENUE

Operating departments and FM continue to perform quarterly budget monitoring of departmental revenues. Currently, three months of actual collections have taken place and no significant variances have been identified for addition to the First Quarter Report. As FM continues to monitor through the Fiscal Year 2017 Mid-Year Budget Monitoring Report, FM will continue to work with departments to report any significant variances in departmental revenue at that time.



## GENERAL FUND EXPENDITURES

### PERSONNEL EXPENDITURES

#### New Positions Added in Fiscal Year 2017

There were 314.40 new, standard-hour positions added citywide as part of the Fiscal Year 2017 Adopted Budget. The following section provides a status update regarding the creation of new positions in the City's Organizational Management (OM) system.

FY 2017 New FTE Positions					
<i>Table 10</i>					<i>As of October 17, 2016</i>
	FY 2017 New FTE Positions	New FTE Positions setup in OM	% of FTE Positions setup in OM	New FTE Positions filled	% of FTE Positions that have been filled
<b>General Fund</b>					
Fire-Rescue	41.00	40.00	97.6%	23.00	56.1%
Library	9.00	9.00	100.0%	2.00	22.2%
Park & Recreation	36.73	36.73	100.0%	6.00	16.3%
Police	13.00	13.00	100.0%	6.00	46.2%
General Services	25.00	25.00	100.0%	3.00	12.0%
Transportation & Storm Water	46.00	46.00	100.0%	17.00	37.0%
Other	38.75	33.75	87.1%	18.75	48.4%
<b>General Fund Total</b>	<b>209.48</b>	<b>203.48</b>	<b>97.1%</b>	<b>75.75</b>	<b>36.2%</b>
<b>Non-General Fund</b>					
Development Services	20.75	20.75	100.0%	2.00	9.6%
Fleet Services	5.50	5.50	100.0%	2.00	36.4%
Engineering & Capital Projects	49.50	49.50	100.0%	15.00	30.3%
Other	29.17	28.17	96.6%	15.17	52.0%
<b>Non-General Fund Total</b>	<b>104.92</b>	<b>103.92</b>	<b>99.0%</b>	<b>34.17</b>	<b>32.6%</b>
<b>Total</b>	<b>314.40</b>	<b>307.40</b>	<b>97.8%</b>	<b>109.92</b>	<b>35.0%</b>

Of the 314.40 full-time equivalent (FTE) positions approved for the Fiscal Year 2017 Adopted Budget, all but seven of these have been created in the OM system, making them available to fill. As of October 17, 2016, this equates to 97.8% of all new Fiscal Year 2017 FTE positions having been set up in the system. Creating the position in OM is a critical step in the hiring process as a position cannot be filled until it exists in the system. Having over 97.8% of the new positions created reflects a concentrated effort on behalf of the departments and the Personnel Department in streamlining processes and collaborating to expedite the hiring process citywide.

Once the positions are setup in the OM system, departments can coordinate with the Personnel Department to fill the positions. As of October 17, 2016, 35.0% of the newly added positions have been filled. As these positions were added to address critical needs and services, departments are working diligently to fill these positions with the expectation of all new positions filled by fiscal year-end.

## PUBLIC SAFETY OVERTIME

Public safety overtime is projected to exceed budget by \$2.7 million and \$5.0 million by fiscal year-end for the Fire-Rescue and Police Departments, respectively. The following section discusses the variances in detail for public safety overtime expenditures by department.

Department	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Fire-Rescue	\$ 30.1	\$ 30.1	\$ 32.8	\$ (2.7)	-8.9%
Police	21.0	21.0	26.0	(5.0)	-23.8%
<b>Total</b>	<b>\$ 51.1</b>	<b>\$ 51.1</b>	<b>\$ 58.8</b>	<b>\$ (7.7)</b>	<b>-15.1%</b>

### Fire-Rescue Department

The Fire-Rescue Department is projecting overtime to exceed budget by \$2.7 million by fiscal year-end. This variance is primarily due to the following:

- \$2.1 million increase in emergency operations, including: \$1.2 million for backfill of constant staffing model as a result of annual leave taken, \$540,000 in unbudgeted costs for coverage in the San Pasqual Valley area, and \$280,000 for weather up-staffing as a result of the Fire Potential Index
- \$490,000 increase for Lifeguard services due to a record volume of beach incidents
- \$150,000 increase for Strike Team and other deployments, which is partially reimbursable

### Police Department

The Police Department is projecting overtime to exceed budget by \$5.0 million by fiscal year-end. The Fiscal Year 2017 Adopted Budget includes the addition of \$3.0 million in overtime to move towards aligning budget with historical actuals. Overtime has increased due to the following factors:

- \$1.5 million in extension of shift related overtime to the continuing focus on training and support for newer officers and for community policing efforts
- \$1.4 million in grant and task force related overtime which is partially reimbursable
- \$1.0 million in Police special events related overtime which is partially reimbursable
- \$600,000 in unbudgeted reimbursable overtime for conducting Post Release Community Supervision visits associated with Assembly Bill 109 Public Safety Realignment
- \$400,000 in the Communications Division due to 23 new dispatchers currently in training



## PROGRAM UPDATES

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### **311 Customer Experience and Service Delivery Program**

In Fiscal Year 2016, the Performance and Analytics Department (P&A) developed a 311 Customer Experience & Service Delivery Roadmap (Roadmap). In partnership with the Transportation and Storm Water Department and the Department of Information Technology, the “Get It Done” pilot project was developed and launched in late May 2016. The Get It Done project launched a new web and mobile application which utilizes a Customer Relationship Management (CRM) software platform to process incoming reports. The Roadmap includes many recommendations; certain decisions are still in development and will be addressed in accordance with the Meyers-Millias-Brown Act.

As part of the Fiscal Year 2017 Adopted Budget, the City Council approved the addition of 1.00 Program Manager, 2.00 Program Coordinators, and associated non-personnel expenses to begin implementation of the Roadmap. As of October 2016, all of the positions have been filled. In Fiscal Year 2017, the 311 Customer Experience team is building on the success of the Get It Done pilot by expanding the pilot to Phase One functions and departments identified in the Roadmap. The CRM system will also replace certain functionality of the Environmental Services Department’s legacy software application, Environmental Programs and Collection Systems (EPACS), which will increase efficiency and allow for greater responsiveness to customers.

### **9-1-1 Dispatcher Recruitment and Retention**

As of October 2016, the Police Department’s Communications Division has 127 filled positions and seven vacant positions for the Dispatcher 2 and Police Dispatcher classifications. The division has hired 32 new dispatchers, of which 23 are in the process of completing dispatcher training.

The City and the Municipal Employees’ Association (MEA) mutually agreed upon giving dispatchers an additional 5.0% for Peace Officers Standards and Training (POST) certification pay in July 2016. The POST certification pay percentage will increase an additional 5.0% in January 2017 and an additional 5.0% in June 2017, for a cumulative 15.0% increase in POST certification pay. Additionally, the City and MEA have mutually agreed upon contractual raises in salary of 8.3% in July 2018 and 3.3% in July 2019. In total, during the three fiscal years, dispatchers will receive an aggregate raise of 26.6% of salary and POST certification pay.

### **1,000 Miles of Street Repairs**

One of the Mayor’s top initiatives is to repair 1,000 miles of City streets in five years or less. The City completed 322 miles of street repair in Fiscal Year 2016 and plans to repair more than 300 miles in Fiscal Year 2017 through asphalt overlay, slurry seal, and concrete street repairs. Fiscal Year 2017 projected expenditures of approximately \$63.0 million are supported by several funding sources including TransNet, Gas Tax, and financing.

Through the first quarter of Fiscal Year 2017, the City has initiated repair of 107 miles of City streets and has fully completed repair of 35 of those miles. The City is in the process of initiating over 200 more miles of road repair, all of which is expected to be completed by the end of Fiscal Year 2017. Since the inception of this initiative in Fiscal Year 2016, the City has completed a total of 357 miles, or 35.7%, of the 1,000 mile goal to-date.

### Channel Cleaning

A planned increase in channel cleaning has begun this year with the initiation of eight technical studies for various locations throughout the City. The Transportation and Storm Water Department presented an update to the Environment Committee on October 12, 2016 that detailed the following - scheduled maintenance for Fiscal Year 2017, the permitting process for planned maintenance, and historical information related to channel cleaning.

Historically, the average number of channels analyzed and cleaned ranged between two and three per year. Technical studies are the first step in a two-year permitting process. Once the benefits of cleaning are documented in technical studies, permit applications are prepared by City staff and submitted to resource and regulatory agencies (e.g., U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Wildlife, and California Coastal Commission) for review and permit issuance at those locations identified for maintenance. When permits are obtained, debris removal can be performed. The Fiscal Year 2017 channel cleaning budget of approximately \$17.0 million is anticipated to be fully expended by fiscal year-end.

### Election Costs

The Fiscal Year 2017 Adopted Budget includes \$4.2 million in non-personnel expenditures for the general election of the Mayor, City Attorney, Council Districts 1,3,5,7, and 9 and projected ballot measures. As of October 2016, the City received an estimate for the November 8, 2016 General Election, and petition verification costs totaling \$4.4 million. Post-election, the Office of the Registrar of Voters will provide the City a final invoice of actual costs. As actual costs can vary, Financial Management and the City Clerk will monitor election cost expenditures and provide quarterly updates as more information becomes available. Currently, the citywide election budget is projected to end the fiscal year slightly over budget by \$190,000.

### Energy Cost Analysis

Fund	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
General Fund	\$ 11.3	\$ 11.3	\$ 9.6	\$ 1.7	15.0%
Non-General Fund	30.6	30.6	32.7	(2.1)	-6.9%
<b>Total</b>	<b>\$ 41.9</b>	<b>\$ 41.9</b>	<b>\$ 42.3</b>	<b>\$ (0.4)</b>	<b>-1.0%</b>

Expenditures in electrical services are projected over budget by a net \$400,000 citywide by fiscal year-end. This is primarily due to General Fund departments projecting to be under budget by \$1.7 million and the Non-General Funds projecting \$2.1 million over budget by fiscal year-end. At the time of the development of the Fiscal Year 2017 energy budget, the City utilized the Fiscal Year 2015 actuals as a baseline, which included four rate increases imposed by SDG&E in Fiscal Year 2015, and built in estimated rate increases based on historical averages. The rate increase expected on January 1, 2016 has been tentatively postponed by the California Public Utilities Commission to Fiscal Year 2018. Additionally, other rate increases have been less impactful than in previous years contributing to the General Fund savings. Rate based savings in the Non-General Funds are partially offset by delayed Fiscal Year 2016 SDG&E billing for accounts undergoing corrective action primarily in the Public Utilities Department and delayed receipts of other energy vendor invoices in Fiscal Year 2016.

### **Expanded Hours at Recreation Centers**

In September 2016, eight recreation centers increased their operating hours from 45 to 60 hours per week. These recreation centers include: Silver Wing, Skyline, Southcrest, Adams, La Jolla, Pacific Beach, San Carlos, and Lopez Ridge. The Fiscal Year 2017 Adopted Budget included the addition of 8.00 Assistant Recreation Center Directors and 2.00 Recreation Leader I-Hourly positions and associated non-personnel expenditures to support the expanded hours. Applicants were interviewed and selections for eight positions are anticipated to be made in November 2016.

The additional staffing at recreation centers will allow increased programming for the following: new and existing teen centers; adult and senior patron oriented programming; additional afterschool programming focused on elementary and middle school patrons; new youth sports programs; and a new weekend programming for youth and adults, including 'Parent's Night Out', a low cost program to give parents the ability to enjoy an evening out while their children enjoy recreational activities.

### **Facilities Maintenance and Repairs**

The Public Works - Facilities Maintenance Division (Facilities) is responsible for providing preventive maintenance and repair services for the City's 1,600 facilities. Nearly half of the facilities are the financial responsibility of the General Fund with the remainder the responsibility of various Enterprise Funds. The Fiscal Year 2017 Adopted Budget includes the addition of 21.00 FTE positions to the Facilities Division bringing the budgeted positions to 184.00 FTE. Additionally, \$2.5 million was added to the Facilities Division budget to cover the cost of additional staff, vehicles, and related materials.

The purpose of additional staffing, materials, and vehicles is to provide increased preventive maintenance and repair services to General Fund facilities. The Facilities Division has filled 3.00 FTE of the 21.00 FTE newly budgeted positions which are 2.00 supervisor positions and 1.00 Locksmith. The majority of the remaining vacancies are anticipated to be filled by the second quarter of the fiscal year. With the addition of these new positions, the Facilities Division will better address various maintenance needs for General Fund facilities. The current Facilities Condition Assessment is being reviewed to determine additional priority rehabilitation projects to be addressed with the additional staff and materials.

### **Fire Academies**

The Fiscal Year 2017 Adopted Budget includes funding for an additional fire academy as well as an expansion of fire academy participants from 36 to 48 participants. The 82<sup>nd</sup> Academy began in October 2016 and the 83<sup>rd</sup> Academy is anticipated to begin in February 2017. The expanded academies are intended to fast track the Fire-Rescue Department's ability to achieve full staffing and alleviate overtime expenditures.

## Fuel Cost Analysis

Fund	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
General Fund	\$ 8.5	\$ 8.5	\$ 6.5	\$ 2.0	24.0%
Non-General Fund	3.1	3.1	2.4	0.7	22.1%
<b>Total</b>	<b>\$ 11.6</b>	<b>\$ 11.6</b>	<b>\$ 8.9</b>	<b>\$ 2.7</b>	<b>23.5%</b>

The Fleet Services Operating Fund is projecting a \$2.7 million citywide savings in fuel expenditures by fiscal year-end. The projected savings are primarily due to lower costs in motor fuels than anticipated during the development of the Fiscal Year 2017 Adopted Budget. Although projected fuel prices are lower than anticipated, fuel consumption has remained relatively similar. Monthly unleaded fuel consumption is similar to the monthly average for the past two fiscal years and diesel fuel consumption is slightly higher than the average of the past two fiscal years. The First Quarter Report fuel expenditure projection assumes an inflation rate of 4.0% during the fiscal year to allow for price fluctuations in the cost per gallon. The Fleet Operations Department will continue to monitor the fuel expenditures throughout the fiscal year and provide quarterly updates.

### Infrastructure Asset Management (I AM) San Diego Project

The Infrastructure Asset Management (I AM) San Diego Project is a citywide initiative to develop and implement an integrated SAP-based software solution that will improve the City's management of infrastructure assets. I AM is a critical step toward full replacement of existing maintenance management systems now in use by Phase 1- participating City departments.

The Project's total budget is \$54.2 million and is being implemented over Fiscal Years 2016 through 2018. I AM San Diego is currently in the design phase (July through November 2016). During the first quarter of Fiscal Year 2017, the Systems I Integrator conducted design workshops with City staff to identify business requirements that will be used to develop the "to be" solution. The Project is also conducting a proof of concept (POC) for the Asset Management Planning component of the system for right-of-way assets, which will be launched in January 2017.

A total of \$25.0 million was budgeted in the Fiscal Year 2017 Adopted Budget for the Project. In the first quarter of Fiscal Year 2017, the project has expended \$1.7 million and encumbered \$16.0 million and anticipates fully expending the budget by the end of the fiscal year. I AM San Diego is on schedule to go live in the first quarter of Fiscal Year 2018.

### Penny for the Arts

The Penny for the Arts allocation for Fiscal Year 2017 totals \$13.0 million including Creative Communities (CCSD) and Organization Support (OSP). At the end of the first quarter of Fiscal Year 2017, approximately 80.4% has been allocated to specific organizations by the Commission for Arts and Culture.

### Police Officer Recruitment and Retention

A total of \$4.0 million is budgeted in Fiscal Year 2017, in the Police Department, for Police recruitment and retention efforts. These Police Officer retention efforts were reached through

a side letter agreement between the City of San Diego and the San Diego Police Officers Association, additional funding was allocated for uniforms and safety equipment as outlined in the agreement. The Department anticipates to spend all funds for this purpose by fiscal year-end.

Focus from the Police Department's Recruiting Unit on their recruitment efforts is on-going with scheduled visits to several other cities and counties throughout the area. Recruiters have attended 66 recruitment events in the first quarter to promote career opportunities and testing availability to potential applicants. The focus of recruitment efforts include military bases, college campuses, and community events. Advertising in local community newspapers, in addition to social media websites, is presently underway to complement the face-to-face recruiting activities.

Additionally, there are 18 recruits that have graduated from the 108<sup>th</sup> Academy and 55 recruits anticipated to graduate in the 109<sup>th</sup> Academy in February 2017. The 110<sup>th</sup> Academy has begun with 21 recruits with an anticipated graduation date of April 2017. The department's goal is to average 43 recruits per academy over the course of Fiscal Year 2017.

### **Rehabilitation of the Thompson Medical Library/Eddy Auditorium at Balboa Park**

The Fiscal Year 2017 Adopted Budget includes a transfer from the General Fund, supported by the use of excess equity, to the Capital Improvement Program (CIP) budget of \$1.5 million for improvements at the Thompson Medical Library/Eddy Auditorium facility. The rehabilitation will include the historical preservation of the exterior façade as well as the retrofit of interior area for use as office space for the Park and Recreation Department. It is estimated that it will enter the design phase in February 2017 with construction commencing May 2018.

### **Senior Center in North Clairemont**

The Fiscal Year 2017 Adopted Budget includes 2.50 FTE limited positions to support the Senior Center in North Clairemont which includes 1.00 Assistant Recreation Center Director, 0.50 Recreation Leader I and 1.00 Grounds Maintenance Worker I. The Park and Recreation Department has filled the Recreation Leader I and the Grounds Maintenance Worker I and the remaining Assistant Recreation Center Director is to be filled by November 2016. The funding will provide temporary services to the center, while a permanent provider is identified. The following activities are programmed by seniors (or volunteers) and are currently offered at the Senior Center: open play pool, senior exercise, open play bridge, art class, dominos, bingo, choir, tap dance, various open drop-in programs, and special events.

### **Senior Center at Bay Terrace (Tooma Park) Community Park**

The Senior Center at Bay Terrace (Tooma Park) Community Park is estimated at approximately \$3.5 million in construction costs. During the Fiscal Year 2016 Year End Budget Monitoring Report, \$500,000 of excess equity was appropriated to fund the design phase of the project. It is anticipated that the project will enter the design phase in November 2016, with construction scheduled to begin in August 2018, provided other funding sources are identified.



### **Skyline Hills Branch Library**

The new Skyline Hills Branch Library opened to the public on October 14, 2016. The new 15,000 square-foot library is located at 7844 Paradise Valley Road and occupies a 3.6 acre lot west of the original Skyline Hills Branch Library. The \$13.2 million project included the demolition of the old 4,400 square foot library which was previously located at 480 South Meadow Drive. Additions to the new facility include indoor and outdoor reading areas, a community room, a computer lab, teen space, and public art.

The project supports the City's sustainability and climate action plan goals of reducing the City's carbon footprint. The design is environmentally friendly and incorporates Leadership in Energy and Environmental Design (LEED) silver certification standards. The Skyline Hills Branch Library will serve as a model for future branch libraries.

### **Zero Waste**

State Assembly Bill 341 (AB 341), enacted in 2011, is designed to increase the State of California's recycling of solid waste generated in the State. The City of San Diego's Zero Waste Plan identifies several proposed strategies to reach a 75.0% waste diversion by 2020 as well as lays the foundation for future diversions. The implementation efforts in Fiscal Year 2017 include:

- The Miramar Landfill CIP will include initial facility improvements such as a resource recovery facility, and an organics diversion facility.
- Meeting the minimum annual waste diversion level of 25.0% by December 31, 2016, which will be accomplished through the amended Franchise Agreement with refuse haulers.
- Implementation of the City's Construction and Demolition Ordinance amendment to increase the diversion of construction and demolition debris from landfill disposal, conserve the capacity and extend the useful life of the Miramar Landfill.

## GENERAL FUND RESERVES

The City's Reserve Policy (Council Policy 100-20) documents the City's approach to establishing and maintaining strong reserves across City operations. On April 12, 2016, amendments to the City's Reserve Policy were approved by the City Council to increase the General Fund Reserves and to establish a Pension Payment Stabilization reserve (Pension Reserve).

### Fiscal Year 2017 General Fund Reserve Projections

The following table, Table 14: FY 2017 General Fund Balances and Reserve Estimates displays the General Fund balance and reserve estimates calculation.

FY 2017 General Fund Balances and Reserve Estimates		
<i>Table 14</i>		<i>in millions</i>
Description	Amount	Revenue %
<b>FY 2016 Un-Audited Ending Fund Balance</b>	\$ 193.5	16.4%
FY 2017 Budgeted Use of Excess Equity	8.0	
Adjustment for Low-Flow Diversion Capacity Charges	1.0	
<b>FY 2017 Projected Ending Fund Balance</b>	\$ 186.5	15.8%
Emergency Reserve	94.3	8.00%
Stability Reserve	79.5	6.75%
<b>FY 2017 Required Reserve Level<sup>1</sup></b>	\$ 173.8	14.75%
FY 2017 Budgeted Reserve Contribution	7.6	
<b>FY 2017 Projected Ending Fund Balance (Excess Equity)</b>	\$ 20.3	1.7%

<sup>1</sup> Based on FY 2014 and FY 2015 (audited) and FY 2016 (un-audited) operating revenues in accordance with the City's Reserve Policy (CP 100-20). The required Reserve Level includes \$1.2 million above the \$7.6 million budgeted reserve contribution for a total contribution of \$8.8 million to reach the 14.75% policy target.

The Fiscal Year 2017 projected ending fund balance (excess equity) is \$20.3 million, or 1.7%, after taking into account the following:

- \$8.0 million Fiscal Year 2017 budgeted use of fund balance
- \$1.0 million adjustment for low flow diversion capacity charges to offset accounting accrual from Fiscal Year 2015
- \$173.8 million, or 14.75%, required Fiscal Year 2017 reserve target
- \$7.6 million Fiscal Year 2017 budgeted reserve contribution

The following section details the projected reserves and excess equity for the General Fund in accordance with the City's Reserve Policy.

The un-audited Fiscal Year 2016 ending fund balance is \$193.5 million, or 16.4% of the three-year average of Fiscal Year 2014 through Fiscal Year 2015 audited General Fund operating revenues and Fiscal Year 2016 unaudited General Fund operating revenues. The \$193.5 million in ending unaudited Fiscal Year 2016 fund balance includes a \$5.1 million reduction for the obligation to pay Public Utilities Department (PUD) low-flow diversion capacity charges due

from the Transportation and Storm Water (TSW) Department. Generally Accepted Accounting Principles (GAAP) require full recognition of the amount owed to PUD, \$5.1 million, as a use of fund balance reported in the Comprehensive Annual Financial Report (CAFR). This accounting standard is different than for budgetary expenditures; \$1.0 million will be transferred each year for the next five years per mutual agreement between TSW and PUD. This difference between accounting and budgetary basis will be adjusted each year in the fund balance reconciliation in the CAFR.

The Fiscal Year 2017 Adopted Budget includes the use of \$8.0 million of fund balance. The Fiscal Year 2017 budgeted use of fund balance includes:

- \$4.0 million for Police Officer recruitment and retention
- \$2.0 million for various Council priority projects as included in the Fiscal Year 2017 Adopted Budget
- \$1.5 million for the rehabilitation of the Thompson Medical Library/Eddy Auditorium at Balboa Park
- \$500,000 in fringe benefit expenditures adjustment to realign the budget

The current General Fund reserve of 14.75% is comprised of an 8.0% Emergency Reserve and a 6.75% Stability Reserve. The amendments to the Reserve Policy approved on April 12, 2016 included increasing the Stability Reserve by 2.7% over a five-year period, or from 6.0% to 8.7%, of a three-year average of audited General Fund operating revenues. The Fiscal Year 2017 target is scheduled to increase from 6.5% to 6.75%.

Financial Management included \$7.6 million as a budgeted reserve contribution in the Fiscal Year 2017 Adopted Budget in anticipation of the Stability Reserve increase to 6.75%. The anticipated increase budgeted in Fiscal Year 2017 was calculated using the Fiscal Year 2014 and 2015 audited General Fund revenues and the Fiscal Year 2016 Adopted Budget operating General Fund revenues. Un-audited actual General Fund revenue received were greater than Fiscal Year 2016 Adopted Budget causing the average of the most recent three-years to increase, which resulted in an increase from the budgeted reserve contribution of \$7.6 million to \$8.8 million.

In summary, the year-end results project the Fiscal Year 2017 projected ending fund balance (excess equity) at \$20.3 million. The Fiscal Year 2017 ending fund balance projection will be updated during the Fiscal Year 2017 Mid-Year Budget Monitoring Report once the audit of the General Fund is complete and projections for revenue and expenditures are developed.

### **Pension Payment Stabilization Reserve**

The Pension Payment Stabilization Reserve (Pension Reserve) was established per the City's Reserve Policy to mitigate any unanticipated increases in the annual pension payment, the Actuarially Determined Contribution (ADC). The Pension Reserve is only expected to supplement unexpected increases in the ADC payment as calculated in the most recent Actuarial Valuation Report produced by the San Diego City Employees' Retirement System's (SDCERS) actuary.

In Fiscal Year 2016, a total of \$20.8 million citywide was contributed to the Pension Reserve with the use of excess equity. The contribution was based on the most recent three-year average of the ADC as reported in the Actuarial Valuation Reports produced by SDCERS actuary of June 30, 2015. The City's Fiscal Year 2017 payment has been made without drawing from the Pension Reserve. The final amounts of the Fiscal Year 2018 and future ADC payments will not be known until the June 30, 2016 Actuarial Valuation Report is released in early 2017.



Therefore any potential use of the Pension Reserve is uncertain at this time. The Financial Management Department will provide an update in the quarterly budget monitoring report once the final June 30, 2016 Actuarial Report is adopted by the SDCERS Board in early 2017. Please see the Fiscal Year 2018-2022 Five Year Financial Outlook Report, prepared by Financial Management, for preliminary projections of future ADC payments.

## RISK MANAGEMENT RESERVES

The Long-Term Disability, Public Liability and Workers' Compensation Funds provide funding sources for certain claims made against the City. The City's Reserve Policy (CP 100-20) sets the required reserve level target for each fund as shown below in Table 15: FY 2017 Risk Management Reserves. All Risk Management reserves are based on the average value of the annual actuarial liability for the three most recent fiscal years. The reserve targets for the Long-Term Disability, Public Liability and Workers' Compensation Funds are based on the Fiscal Year 2016 actuarial valuations.

Description	Fund Name	Reserve Type	FY 2017 Target	Status
Risk Management	Long-Term Disability Fund	Liability Reserve	\$ 11.0	On Target
	Public Liability Fund	Liability Reserve	33.6	On Target
	Workers' Compensation Fund	Liability Reserve	58.7	On Target

### Long-Term Disability Reserve

The Long-Term Disability reserve provides non-industrially disabled City employees with income and flexible benefits coverage. The Fiscal Year 2017 reserve target is \$11.0 million or 100.0% of the average actuarial liability for the three most recent fiscal years. This reserve target has decreased by \$3.9 million from the Fiscal Year 2017 target included in the adopted budget as a result of incorporating the Fiscal Year 2016 actuarial valuation in the three year average value of the annual actuarial liability. As of June 30, 2016, the balance in the Long-Term Disability Fund Reserve was \$18.6 million or 169.0%, of the three year average of the annual actuarial liability, exceeding the Fiscal Year 2017 Long-Term Disability Fund Reserve target. It should be noted that \$900,000 citywide, of which \$610,000 is the General Fund portion, of the Long-Term Disability Reserve was reallocated to the contributing funds to support one-time expenses in the Fiscal Year 2017 Adopted Budget. This reallocation results in a projected ending fund balance of \$17.7 million or 161.0% of the target.

### Public Liability Reserve

The Public Liability reserve is funded by the General Fund to support claims arising from real or alleged acts on the part of the City, including claims for bodily injury, property damage, and errors and omissions. For Fiscal Year 2017, the City's Reserve Policy requires that the Public Liability Fund Reserve equal 43.0% of the average value of the annual actuarial liability for the three most recent fiscal years, or \$33.6 million. This reserve target has decreased by \$5.9 million from the Fiscal Year 2017 target included in the Fiscal Year 2017 Adopted Budget as a result of incorporating the Fiscal Year 2016 actuarial valuation in the three year average value of the annual actuarial liability. The current balance of the Public Liability Fund Reserve is approximately \$39.5 million or 51.0%, of the three year average of the annual actuarial liability, exceeding the Fiscal Year 2017 Public Liability Fund Reserve target.

### **Workers' Compensation Reserve**

The Workers' Compensation reserve provides funding for medical and disability costs for injuries and illnesses occurring in the workplace. The Workers' Compensation Reserve Fund Fiscal Year 2017 policy target is 25.0% of the most recent three year average of the annual actuarial liability, or \$58.7 million, shall be maintained in reserves. This reserve amount has increased by \$1.7 million from the Fiscal Year 2017 target included in the adopted budget as a result of incorporating the Fiscal Year 2016 actuarial valuation in the three year average of the annual actuarial liability. The current projected balance of the Workers' Compensation Reserve is approximately \$57.0 million or 24.0% of the three year average. In order to maintain the 25.0% reserve target, an additional contribution of \$1.7 million (\$1.3 million General Fund) will be needed by the end of Fiscal Year 2017. An update to the reserve level, along with a funding plan will be provided during the Fiscal Year 2017 Mid-Year Budget Monitoring Report.

## CONCLUSION

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Financial Management and City departments will continue to monitor programs and initiatives as discussed in this report along with ensuring conservative spending throughout the fiscal year and provide an update in the upcoming Fiscal Year 2017 Mid-Year and Year-End Budget Monitoring Reports. The main items of focus included in this report, which will have major impacts on the General Fund budget, include the major General Fund revenues, trending under budget as a result of decreased Sales Tax revenue and public safety overtime expenditures which are projected over budget by fiscal year-end.

The General Fund ending fund balance (excess equity) is projected at \$20.3 million by fiscal year-end. However, this is based on budgeted revenues and expenditures and does not take into account any projected activity during the fiscal year. In addition, the Fiscal Year 2016 ending fund balance is contingent upon the completion of the General Fund audit and is subject to change.

Financial Management will recommend any budget adjustments as required during the Fiscal Year 2017 Mid-Year and Year-End Budget Monitoring Reports, which could include the use of projected fund balance (excess equity) and/or the appropriation of additional revenues.

## ATTACHMENT

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- I. Charter 39 Supporting Schedules as of September 2016

# Financial Performance Report Fiscal Year 2017

As of September 30, 2016



Finance Branch  
Office of the City Comptroller

## Purpose, Scope and Content

Pursuant to Section 39 of the City Charter, this report is intended to serve as a summary of the financial activity of the City of San Diego for period 3 (as of September 30, 2016).

The report provides a variety of comparative financial metrics including current vs. prior fiscal year actual revenue and expenditure (“Actuals”) and current year Actuals vs. the Current Budget. These types of metrics, when analyzed in the aggregate, provide a basis to evaluate the current financial condition of the General Fund and other budgeted funds. Additionally, the intent of this report is to provide operating results as of September 30, 2016, and therefore, does not include forward looking statements or projections.

The information contained in this report should not be relied upon for making investment decisions or be considered a replacement for the City of San Diego’s Comprehensive Annual Financial Report (CAFR). The attached report contains **unaudited** information and was not prepared in accordance with Generally Accepted Accounting Principles (GAAP) for external financial reporting purposes. For additional information about the City’s financial reporting, please visit the internet at:

<http://www.sandiego.gov/comptroller/reports/index.shtml>.

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**General Fund Summary**  
**As of Period 3, Ended September 30, 2016 (25% of Year Completed)**  
(Unaudited)

	<b>FY17 Adopted Budget</b>	<b>FY17 Current Budget</b>	<b>FY17 Year-to-Date Actuals</b>	<b>FY17 % of Current Budget</b>	<b>FY16 Year-to-Date Actuals</b>	<b>Actuals FY17/FY16 Change</b>	<b>FY17/FY16 % Change</b>
<b>Revenue</b>							
Property Taxes	\$ 501,965,689	\$ 501,965,689	\$ 8,104,621	1.6%	\$ 8,043,021	\$ 61,600	0.8%
Sales Taxes	272,798,685	272,798,685	27,049,650	9.9%	18,756,077	8,293,573	44.2%
Transient Occupancy Taxes	113,324,844	113,324,844	24,233,988	21.4%	23,051,513	1,182,475	5.1%
Property Transfer Taxes	9,570,508	9,570,508	900,676	9.4%	1,275,817	(375,141)	-29.4%
Licenses & Permits	23,884,896	23,884,896	4,943,938	20.7%	4,790,735	153,203	3.2%
Fines & Forfeitures	29,791,276	29,791,276	5,335,042	17.9%	3,321,358	2,013,684	60.6%
Interest & Dividends	588,851	588,851	(458,250)	-77.8%	(290,389)	(167,861)	57.8%
Franchises & Other Local Taxes	82,567,503	82,567,503	532,894	0.6%	1,346,067	(813,173)	-60.4%
Rents & Concessions	55,134,706	55,134,706	12,606,002	22.9%	12,826,423	(220,421)	-1.7%
Revenues from Other Agencies	8,132,919	8,132,919	78,881	1.0%	1,403,586	(1,324,705)	-94.4%
Charges for Current Services	136,522,695	142,264,771	18,344,751	12.9%	16,784,243	1,560,508	9.3%
Other Revenue	4,290,137	4,290,137	59,221	13.8%	664,322	(72,111)	-10.9%
Transfers	91,388,871	85,646,795	7,351,601	8.6%	7,440,845	(89,244)	-1.2%
<b>Total General Fund Revenue<sup>1</sup></b>	<b>\$ 1,329,961,580</b>	<b>\$ 1,329,961,580</b>	<b>\$ 109,616,005</b>	<b>8.2%</b>	<b>\$ 99,443,618</b>	<b>\$ 10,202,387</b>	<b>10.3%</b>
<b>Expenditures</b>							
Personnel Services	\$ 534,521,771	\$ 534,521,771	\$ 139,889,537	26.2%	\$ 131,725,460	\$ 8,164,077	6.2%
Fringe Benefits	376,931,378	376,931,378	93,558,025	24.8%	86,275,977	7,282,048	8.4%
Supplies	35,875,490	36,547,293	14,389,293	39.4%	8,621,438	5,767,855	66.9%
Contracts	240,227,387	239,028,640	60,935,653	25.5%	48,528,118	12,407,535	25.6%
Information Technology	28,797,696	29,160,995	2,645,016	9.1%	1,602,467	1,042,549	65.1%
Energy & Utilities	46,892,421	46,892,421	8,962,815	19.1%	7,293,076	1,669,739	22.9%
Capital Expenditure	3,466,473	3,420,118	117,791	3.4%	57,825	59,966	103.7%
Debt	4,594,433	4,594,433	113,796	2.5%	51,970	61,826	119.0%
Other Expenditures	5,293,132	5,293,132	1,839,326	34.7%	1,977,948	(138,622)	-7.0%
Transfers	61,381,206	61,591,206	6,098,418	9.9%	38,365,351	(32,266,933)	-84.1%
<b>Total General Fund Expenditures<sup>1</sup></b>	<b>\$ 1,337,981,387</b>	<b>\$ 1,337,981,387</b>	<b>\$ 328,549,670</b>	<b>24.6%</b>	<b>\$ 324,499,630</b>	<b>\$ 4,050,040</b>	<b>1.2%</b>
<b>General Fund Encumbrances</b>							
<b>Net Impact</b>	<b>\$ (8,019,807)</b>	<b>\$ (8,019,807)</b>	<b>\$ 113,962,321</b>		<b>\$ 99,447,889</b>	<b>\$ 14,544,432</b>	
			<b>\$ (332,895,986)</b>		<b>\$ (324,503,901)</b>	<b>\$ (8,392,085)</b>	

<sup>1</sup> Includes adjustments made in future periods



**General Fund Revenue Status Report**  
As of Period 3, Ended September 30, 2016 (25% Completed)  
(Unaudited)

	FY17 Year-to-Date Revenue	FY17 Current Budget	FY17 % of Current Budget	FY16 Year-to-Date Revenue	FY17/FY16 Change	FY17/FY16 % Change
<b>Property Taxes</b>	\$ 8,104,621	\$ 501,965,689	1.6%	8,043,021	\$ 61,600	0.8%
<b>Sales Taxes</b>	27,049,650	272,798,685	9.9%	18,756,077	8,293,573	44.2%
<b>Transient Occupancy Taxes</b>	24,233,988	113,324,844	21.4%	23,051,513	1,182,475	5.1%
<b>Property Transfer Taxes</b>	900,676	9,570,508	9.4%	1,275,817	(375,141)	-29.4%
<b>Licenses &amp; Permits</b>						
Business Taxes	1,680,372	7,577,368	22.2%	1,914,381	(234,009)	-12.2%
Rental Unit Taxes	445,705	7,271,794	6.1%	386,128	59,577	15.4%
Alarm Permit Fees	758,981	2,876,016	26.4%	623,106	135,875	21.8%
Application Fees	725,534	2,310,000	31.4%	676,232	49,302	7.3%
Other Licenses & Permits	1,333,346	3,849,718	34.6%	1,190,888	142,458	12.0%
<b>Total Licenses &amp; Permits</b>	4,943,938	23,884,896	20.7%	4,790,735	153,203	3.2%
<b>Fines &amp; Forfeitures</b>						
Parking Citations	3,700,590	19,899,278	18.6%	1,810,135	1,890,455	104.4%
Municipal Court	889,717	6,157,700	14.4%	900,695	(10,978)	-1.2%
Other Fines & Forfeitures	744,735	3,734,298	19.9%	610,528	134,207	22.0%
<b>Total Fines &amp; Forfeitures</b>	5,335,042	29,791,276	17.9%	3,321,358	2,013,684	60.6%
<b>Interest &amp; Dividends</b>	(458,250)	588,851	-77.8%	(290,389)	(167,861)	57.8%
<b>Franchises</b>						
SDG&E	-	49,216,596	0.0%	10,119	(10,119)	-100.0%
CATV	45,191	18,654,907	0.2%	-	45,191	100.0%
Refuse Collection	118,761	10,450,000	1.1%	33,344	85,417	256.2%
Other Franchises	368,942	4,246,000	8.7%	1,302,604	(933,662)	-71.7%
<b>Total Franchises</b>	532,894	82,567,503	0.6%	1,346,067	(813,173)	-60.4%
<b>Rents &amp; Concessions</b>						
Mission Bay	8,120,243	30,951,876	26.2%	8,045,683	74,560	0.9%
Pueblo Lands	1,232,877	6,075,944	20.3%	1,129,035	103,842	9.2%
Other Rents and Concessions	3,252,882	18,106,886	18.0%	3,651,705	(398,823)	-10.9%
<b>Total Rents &amp; Concessions</b>	12,606,002	55,134,706	22.9%	12,826,423	(220,421)	-1.7%
<b>Revenue from Other Agencies</b>	78,881	8,132,919	1.0%	1,403,586	(1,324,705)	-94.4%
<b>Charges for Current Services</b>	18,344,751	142,264,771	12.9%	16,784,243	1,560,508	9.3%
<b>Other Revenue</b>	592,211	4,290,137	13.8%	664,322	(72,111)	-10.9%
<b>Transfers</b>	7,351,601	85,646,795	8.6%	7,440,845	(89,244)	-1.2%
<b>Total General Fund Revenue<sup>1</sup></b>	\$ 109,616,005	\$ 1,329,964,580	8.2%	\$ 99,413,618	\$ 10,202,387	10.3%

<sup>1</sup> Includes adjustments made in future periods

**General Fund Expenditure Status Report**  
As of Period 3, Ended September 30, 2016 (25% Completed)  
(Unaudited)

	FY17		FY17		FY16		FY17/FY16		FY17/FY16	
	Year-to-Date	Current	Year-to-Date	Consumed	Year-to-Date	Expenditure	Change	% Change	Year-to-Date	% Change
	Expenditure	Budget	Expenditure	%	Expenditure	Change			Expenditure	% Change
<b>Mayor</b>	\$ 1,031,115	\$ 4,471,120		23.1%	\$ 1,017,160	\$ 13,955		1.4%		
Office of the Mayor	4,01,651	2,934,639		13.7%	335,967	65,684		19.6%		
Performance & Analytics										
<b>Chief Operating Officer</b>	268,477	1,089,482		24.6%	245,368	23,109		9.4%		
Office of Chief Operating Officer	814,801	3,872,945		21.0%	779,229	35,572		4.6%		
Communications										
<b>Public Safety</b>	61,777,068	236,780,295		26.1%	60,181,988	1,595,080		2.7%		
Fire-Rescue	113,313,773	438,816,899		25.8%	110,174,231	3,139,542		2.8%		
Police	501,947	2,691,122		18.7%	442,115	59,832		13.5%		
Office of Homeland Security										
<b>Office of the Chief Financial Officer</b>	2,712,525	11,451,570		23.7%	2,681,615	30,910		1.2%		
City Comptroller	2,813,065	16,252,880		17.3%	2,927,024	(113,959)		-3.9%		
City Treasurer	41,871,112	109,701,751		38.2%	30,029,209	11,841,903		39.4%		
Citywide Program Expenditures	622,520	3,163,539		19.7%	593,062	29,458		5.0%		
Debt Management	997,750	4,344,165		23.0%	896,542	101,208		11.3%		
Financial Management	122,925	587,064		20.9%	119,006	3,919		3.3%		
Office of the Chief Financial Officer										
<b>Office of the Assistant COO</b>	428,771	1,945,935		22.0%	421,449	7,322		1.7%		
Office of the Assistant Chief Operating Officer										
<b>Infrastructure &amp; Public Works</b>	8,488,137	39,891,563		21.3%	8,836,110	(347,973)		-3.9%		
Environmental Services	728,446	2,577,246		28.3%	568,575	159,871		28.1%		
Public Utilities	156,401	993,599		15.7%	150,039	6,362		4.2%		
Public Works	445,180	2,302,721		19.3%	439,791	5,389		1.2%		
Public Works - Contracting	4,078,702	24,137,017		16.9%	8,981,811	(4,903,109)		-54.6%		
Public Works - General Services	22,664,650	131,430,013		17.2%	32,607,468	(9,942,818)		-30.5%		
Transportation & Storm Water										
<b>Internal Operations</b>	102,497	418,119		24.5%	99,038	3,459		3.5%		
Internal Operations	1,027	500,000		0.2%	2,240	(1,213)		-54.2%		
Department of Information Technology	899,168	3,884,667		23.1%	794,404	104,764		13.2%		
Human Resources	1,251,979	6,573,616		19.0%	1,220,563	31,416		2.6%		
Purchasing & Contracting	1,061,883	8,034,505		13.2%	1,067,918	(6,035)		-0.6%		
Real Estate Assets										

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	FY17 Year-to-Date Expenditure	FY17 Current Budget	% Consumed	FY16 Year-to-Date Expenditure	FY17/FY16 Change	FY17/FY16 % Change
<b>Neighborhood Services</b>						
Neighborhood Services	233,965	1,010,800	23.1%	233,014	951	0.4%
Development Services	1,931,067	7,486,410	25.8%	1,445,673	485,394	33.6%
Planning	2,016,133	10,533,102	19.1%	2,000,766	15,367	0.8%
Economic Development	1,104,282	15,007,531	7.4%	2,031,715	(927,433)	-45.6%
Library	11,473,475	51,660,669	22.2%	10,413,704	1,059,771	10.2%
Park & Recreation	24,936,007	108,327,971	23.0%	24,631,218	304,789	1.2%
<b>Non-Mayoral</b>						
City Attorney	12,092,514	49,829,116	24.3%	11,187,743	904,771	8.1%
City Auditor	766,744	3,882,383	19.7%	702,492	64,252	9.1%
City Clerk	1,115,539	5,674,036	19.7%	1,103,344	12,195	1.1%
Council Administration	559,307	2,546,320	22.0%	477,846	81,461	17.0%
City Council - District 1	274,307	1,395,203	19.7%	221,135	53,172	24.0%
City Council - District 2	258,988	1,294,482	20.0%	269,084	(10,096)	-3.8%
City Council - District 3	263,316	1,476,422	17.8%	297,022	(33,706)	-11.3%
City Council - District 4	211,700	1,326,925	16.0%	218,522	(6,822)	-3.1%
City Council - District 5	251,858	1,191,255	21.1%	219,428	32,430	14.8%
City Council - District 6	225,923	1,155,714	19.5%	231,661	(5,738)	-2.5%
City Council - District 7	245,440	1,214,969	20.2%	245,815	(375)	-0.2%
City Council - District 8	252,246	1,260,868	20.0%	246,695	5,551	2.3%
City Council - District 9	226,962	1,343,383	16.9%	241,581	(14,619)	-6.1%
Ethics Commission	211,651	1,187,443	17.8%	235,162	(23,511)	-10.0%
Office of the IBA	448,582	1,974,855	22.7%	448,843	(261)	-0.1%
Personnel	1,894,094	8,355,958	22.7%	1,785,245	108,849	6.1%
<b>Total General Fund Expenditures<sup>1</sup></b>	<b>\$ 328,549,670</b>	<b>\$ 1,337,981,387</b>	<b>24.6%</b>	<b>\$ 324,499,630</b>	<b>\$ 4,050,040</b>	<b>1.2%</b>

<sup>1</sup> Includes adjustments made in future periods

**Citywide Program Expenditure Status Report**  
As of Period 3, Ended September 30, 2016 (25% Completed)  
(Unaudited)

	FY17		FY17		FY16	
	Year-to-Date Expenditure	Current Budget	% Consumed	Year-to-Date Expenditure	FY17/FY16 Change	FY17/FY16 % Change
<b>Citywide Program Expenditures</b>						
Animal Services	\$ 2,422,154	\$ 9,503,450	25.5%	-	\$ 2,422,154	100.0%
Assessments To Public Property	-	634,684	0.0%	-	-	0.0%
Citywide Elections	344,677	4,173,583	8.3%	-	344,677	100.0%
Corporate Master Leases Rent	3,712,739	12,287,669	30.2%	2,925,347	787,392	26.9%
Deferred Capital Debt Service	3,609,239	20,958,853	17.2%	3,652,995	(43,756)	-1.2%
Engineering and Capital Projects	11,364	250,000	4.5%	8,522	2,842	33.3%
General Fund Reserve	-	7,600,000	0.0%	-	-	0.0%
Insurance	1,564,447	2,094,644	74.7%	1,492,804	71,643	4.8%
Memberships	563,026	735,000	76.6%	576,787	(13,761)	-2.4%
PL Claims Trans - Ins	10,800,000	10,800,000	100.0%	-	10,800,000	100.0%
Preservation of Benefits	44,411	1,500,000	3.0%	54,044	(9,633)	-17.8%
Property Tax Administration	26,929	4,430,636	0.6%	36,741	(9,812)	-26.7%
Public Liability Claims Xfer - Claims Fund	14,400,000	14,400,000	100.0%	18,600,000	(4,200,000)	-22.6%
Public Liab Claims Xfer - Reserves	2,800,000	2,800,000	100.0%	-	2,800,000	100.0%
Public Use Leases	-	1,582,144	0.0%	-	-	0.0%
Special Consulting Services	108,087	2,945,000	3.7%	217,313	(109,226)	-50.3%
Supplemental COLA Benefit	1,464,039	1,595,033	91.8%	1,599,656	(135,617)	-8.5%
Transfer to Capital Improvement Program	-	-	0.0%	865,000	(865,000)	-100.0%
Transfer to Park Improvement Funds	-	10,951,876	0.0%	-	-	0.0%
Transportation Subsidy	-	459,179	0.0%	-	-	0.0%
<b>Total Citywide Program Expenditures<sup>1</sup></b>	<b>\$ 41,871,112</b>	<b>\$ 109,701,751</b>	<b>38.2%</b>	<b>\$ 30,029,209</b>	<b>\$ 11,841,903</b>	<b>39.4%</b>

<sup>1</sup> Includes adjustments made in future periods

**Council Districts Expenditure Status Report**  
**As of Period 3, Ended September 30, 2016 (25% Completed)**  
(Unaudited)

	FY17		FY17		FY16		FY17/FY16		FY17/FY16	
	Year-to-Date Expenditure	Adopted Budget	Current Budget	Budget Change	% Consumed	Year-to-Date Expenditure	Change	% Change	Year-to-Date Expenditure	% Change
Council District 1	\$ 274,307	\$ 1,321,543	\$ 1,321,543	\$ -	20.8%	\$ 214,934	\$ 59,373	27.6%	\$ 214,934	27.6%
District 1 CPPS	-	90,076	73,660	(16,416)	-	6,201	(6,201)	-100.0%	(6,201)	-100.0%
<b>Total Council District 1</b>	<b>274,307</b>	<b>1,411,619</b>	<b>1,395,203</b>	<b>(16,416)</b>	<b>19.7%</b>	<b>221,135</b>	<b>53,172</b>	<b>24.0%</b>	<b>53,172</b>	<b>24.0%</b>
Council District 2	255,616	1,199,287	1,199,287	-	21.3%	269,084	(13,468)	-5.0%	(13,468)	-5.0%
District 2 CPPS	3,372	97,190	95,195	(1,995)	3.5%	-	3,372	100.0%	3,372	100.0%
<b>Total Council District 2</b>	<b>258,988</b>	<b>1,296,477</b>	<b>1,294,482</b>	<b>(1,995)</b>	<b>20.0%</b>	<b>269,084</b>	<b>(10,096)</b>	<b>-3.8%</b>	<b>(10,096)</b>	<b>-3.8%</b>
Council District 3	263,448	1,364,599	1,364,599	-	19.3%	297,022	(33,574)	-11.3%	(33,574)	-11.3%
District 3 CPPS	(132)	111,823	111,823	-	-0.1%	-	(132)	-100.0%	(132)	-100.0%
<b>Total Council District 3</b>	<b>263,316</b>	<b>1,476,422</b>	<b>1,476,422</b>	<b>-</b>	<b>17.8%</b>	<b>297,022</b>	<b>(33,706)</b>	<b>-11.3%</b>	<b>(33,706)</b>	<b>-11.3%</b>
Council District 4	211,700	1,108,914	1,108,914	-	19.1%	218,483	(6,783)	-3.1%	(6,783)	-3.1%
District 4 CPPS	-	224,011	218,011	(6,000)	-	39	(39)	-100.0%	(39)	-100.0%
<b>Total Council District 4</b>	<b>211,700</b>	<b>1,332,925</b>	<b>1,326,925</b>	<b>(6,000)</b>	<b>16.0%</b>	<b>218,522</b>	<b>(6,822)</b>	<b>-3.1%</b>	<b>(6,822)</b>	<b>-3.1%</b>
Council District 5	251,858	1,066,014	1,066,014	-	23.6%	223,168	28,690	12.9%	28,690	12.9%
District 5 CPPS	-	125,241	125,241	-	-	(3,740)	3,740	100.0%	3,740	100.0%
<b>Total Council District 5</b>	<b>251,858</b>	<b>1,191,255</b>	<b>1,191,255</b>	<b>-</b>	<b>21.1%</b>	<b>219,428</b>	<b>32,430</b>	<b>14.8%</b>	<b>32,430</b>	<b>14.8%</b>
Council District 6	238,422	1,016,037	1,016,037	-	23.5%	231,661	6,761	2.9%	6,761	2.9%
District 6 CPPS	(12,499)	149,677	139,677	(10,000)	-8.4%	-	(12,499)	-100.0%	(12,499)	-100.0%
<b>Total Council District 6</b>	<b>225,923</b>	<b>1,165,714</b>	<b>1,155,714</b>	<b>(10,000)</b>	<b>19.5%</b>	<b>231,661</b>	<b>(5,738)</b>	<b>-2.5%</b>	<b>(5,738)</b>	<b>-2.5%</b>
Council District 7	237,443	1,085,461	1,085,461	-	21.9%	245,815	(8,372)	-3.4%	(8,372)	-3.4%
District 7 CPPS	7,997	150,473	129,508	(20,965)	-5.3%	-	7,997	100.0%	7,997	100.0%
<b>Total Council District 7</b>	<b>245,440</b>	<b>1,235,934</b>	<b>1,214,969</b>	<b>(20,965)</b>	<b>20.2%</b>	<b>245,815</b>	<b>(375)</b>	<b>-0.2%</b>	<b>(375)</b>	<b>-0.2%</b>
Council District 8	264,046	1,165,397	1,165,397	-	22.7%	246,320	17,726	7.2%	17,726	7.2%
District 8 CPPS	(11,800)	96,471	95,471	(1,000)	-12.2%	375	(12,175)	-3246.7%	(12,175)	-3246.7%
<b>Total Council District 8</b>	<b>252,246</b>	<b>1,261,868</b>	<b>1,260,868</b>	<b>(1,000)</b>	<b>20.0%</b>	<b>246,695</b>	<b>5,551</b>	<b>2.3%</b>	<b>5,551</b>	<b>2.3%</b>
Council District 9	228,122	1,255,883	1,255,883	-	18.2%	234,581	(6,459)	-2.8%	(6,459)	-2.8%
District 9 CPPS	(1,160)	94,171	87,500	(6,671)	-1.2%	7,000	(8,160)	-116.6%	(8,160)	-116.6%
<b>Total Council District 9</b>	<b>226,962</b>	<b>1,350,054</b>	<b>1,343,383</b>	<b>(6,671)</b>	<b>16.9%</b>	<b>241,581</b>	<b>(14,619)</b>	<b>-6.1%</b>	<b>(14,619)</b>	<b>-6.1%</b>
<b>Total Council Districts</b>	<b>\$ 2,210,740</b>	<b>\$ 11,722,268</b>	<b>\$ 11,659,221</b>	<b>\$ (63,047)</b>	<b>18.9%</b>	<b>\$ 2,190,943</b>	<b>\$ 19,797</b>	<b>0.9%</b>	<b>\$ 19,797</b>	<b>0.9%</b>

Other Budgeted Funds Revenue Status Report  
As of Period 3, Ended September 30, 2016 (25% Completed)  
(Unaudited)

	FY17 Year-to-Date Revenue	FY17 Current Budget	FY17 % of Current Budget	FY16 Year-to-Date Revenue	FY17/FY16 Change	FY17/FY16 % Change
Airports Fund	\$ 996,297	\$ 5,022,359	19.8%	\$ 848,769	\$ 147,528	17.4%
Automated Refuse Container Fund	309,543	900,000	34.4%	252,900	56,643	22.4%
Central Stores Internal Service Fund	1,928,050	13,363,176	14.4%	2,101,402	(173,352)	-8.2%
Concourse and Parking Garages Operating Fund	899,469	3,639,233	24.7%	1,036,217	(136,748)	-13.2%
Convention Center Complex Funds	9,744,480	13,407,993	72.7%	275	9,744,205	354,090.7%
Development Services Fund	20,118,310	55,319,734	36.4%	17,441,664	2,676,646	15.3%
Energy Conservation Program Fund	121,026	3,333,565	3.6%	73,251	47,775	65.2%
Engineering and Capital Projects	19,244,746	83,243,057	23.1%	16,568,882	2,675,864	16.1%
Environmental Growth Fund 1/3	2,232	5,500,676	0.0%	2,628	(396)	-15.1%
Environmental Growth Fund 2/3	(16,167)	11,008,352	-0.1%	(4,134)	(12,033)	-291.1%
Facilities Financing Fund	566,609	2,408,887	23.5%	558,368	8,241	1.5%
Fire/Emergency Medical Services Fund	2,925,565	12,344,106	23.7%	3,070,901	(145,336)	-4.7%
Fire and Lifeguard Facilities Fund	90	1,383,570	0.0%	47	43	91.5%
Fleet Services Funds	19,298,718	80,068,330	24.1%	16,152,414	3,146,304	19.5%
Gas Tax Fund	5,512,300	24,719,725	22.3%	3,076,275	2,436,025	79.2%
GIS Fund	28,106	1,643,241	1.7%	17,429	10,677	61.3%
Golf Course Fund	4,251,808	18,750,847	22.7%	5,658,864	(1,407,056)	-24.9%
Information Technology Fund	42,707	10,552,747	0.4%	(2,201)	44,908	2040.3%
Junior Lifeguard Program Fund	9,129	595,053	1.5%	5,796	3,333	57.5%
Los Penasquitos Canyon Preserve Fund	10,514	186,000	5.7%	10,763	(249)	-2.3%
Maintenance Assessment District (MAD) Funds	54,386	23,174,508	0.2%	99,159	(44,773)	-45.2%
Mission Bay/Balboa Park Improvement Fund	303,300	2,025,000	15.0%	-	303,300	100.0%
Mission Bay Improvement Fund	27,853	8,213,907	0.3%	14,243	13,610	95.6%
New Convention Facility Fund	2,222,048	3,436,000	64.7%	(1,499)	2,223,547	148335.4%
OneSD Support Fund	155,301	27,192,944	0.6%	34,554	120,747	349.4%
Parking Meter Operations	2,756,765	10,767,852	25.6%	2,756,866	(101)	0.0%
PETCO Park Fund	3,175,638	15,457,773	20.5%	165,483	3,010,155	1819.0%
Prop 42 Replacement - Transportation Relief Fund	1,314,238	3,226,733	40.7%	2,150,444	(836,206)	-38.9%
Public Art Fund	47,288	669,289	7.1%	-	47,288	100.0%
Public Safety Needs & Debt Service Fund	1,551,109	9,166,621	16.9%	1,524,973	26,136	1.7%
Publishing Services Internal Fund	690,794	3,614,996	19.1%	732,182	(41,388)	-5.7%
QUALCOMM Stadium Operating Fund	6,297,587	19,823,595	31.8%	1,186,059	5,111,528	431.0%

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	FY17 Year-to-Date Revenue	FY17 Current Budget	FY17 % of Current Budget	FY16 Year-to-Date Revenue	FY17/FY16 Change	FY17/FY16 % Change
Recycling Fund	\$ 3,218,802	\$ 21,217,651	15.2%	\$ 2,690,305	\$ 528,497	19.6%
Refuse Disposal Fund	7,701,764	31,289,624	24.6%	7,663,479	38,285	0.5%
Regional Park Improvements Fund	10,769	2,737,969	0.4%	5,496	5,273	95.9%
Risk Management Fund	3,131,808	10,529,309	29.7%	2,835,901	295,907	10.4%
Seized and Forfeited Assets Funds	288,276	1,200,000	24.0%	1,124,930	(836,654)	-74.4%
Solid Waste Local Enforcement Agency Fund	359,456	786,417	45.7%	336,397	23,059	6.9%
State COPS	43,455	2,140,000	2.0%	2,805,730	(2,762,275)	-98.5%
Storm Drain Fund	1,113,569	5,700,000	19.5%	945,186	168,383	17.8%
Transient Occupancy Tax Fund	21,664,445	103,097,585	21.0%	20,452,368	1,212,077	5.9%
TransNet Extension Funds	4,038,409	32,297,000	12.5%	1,338,257	2,700,152	201.8%
Trolley Extension Reserve Fund	573	1,063,650	0.1%	638	(65)	-10.2%
Underground Surcharge Fund	52,960	68,781,508	0.1%	14,118	38,842	275.1%
Wastewater Department Funds	84,326,937	394,806,222	21.4%	80,975,033	3,351,904	4.1%
Water Department Funds	115,366,097	602,144,391	19.2%	70,356,162	45,009,935	64.0%
Wireless Communication Technology Fund	93,748	8,667,773	1.1%	26,720	67,028	250.9%
Zoological Exhibits Maintenance Fund	327,472	12,581,204	2.6%	334,365	(6,893)	-2.1%

Other Budgeted Funds Expenditure Status Report  
As of Period 3, Ended September 30, 2016 (25% Completed)  
(Unaudited)

	FY17 Year-to-Date Expenditures	FY17 Current Budget	% Consumed	FY16 Year-to-Date Expenditures	FY17/FY16 Change	FY17/FY16 % Change
Airports Fund	\$ 883,019	\$ 5,079,170	17.4%	\$ 786,842	\$ 96,177	12.2%
Automated Refuse Container Fund	173,624	1,700,000	10.2%	157,605	16,019	10.2%
Central Stores Internal Service Fund	2,314,440	13,363,423	17.3%	2,247,837	66,603	3.0%
Concourse and Parking Garages Operating Fund	431,677	3,323,107	13.0%	298,427	133,250	44.7%
Convention Center Complex Funds	2,619,385	13,800,450	19.0%	2,746,283	(126,898)	-4.6%
Development Services Fund	14,775,822	57,702,281	25.6%	11,320,757	3,455,065	30.5%
Energy Conservation Program Fund	731,223	3,332,675	21.9%	442,913	288,310	65.1%
Engineering and Capital Projects	17,379,139	83,243,057	20.9%	15,393,959	1,985,180	12.9%
Environmental Growth Fund 1/3	879,454	4,278,367	20.6%	633,562	245,892	38.8%
Environmental Growth Fund 2/3	-	10,458,591	0.0%	1,411	(1,411)	-100.0%
Facilities Financing Fund	604,791	2,408,887	25.1%	490,003	114,788	23.4%
Fire/Emergency Medical Services Fund	1,716,267	12,526,570	13.7%	2,001,226	(284,959)	-14.2%
Fire and Lifeguard Facilities Fund	464	1,388,781	0.0%	1,362	(898)	-65.9%
Fleet Services Funds	15,050,328	156,099,623	9.6%	23,217,372	(8,167,043)	-35.2%
Gas Tax Fund	4,600,645	25,878,454	17.8%	4,731,249	(130,604)	-2.8%
GIS Fund	331,237	1,885,989	17.6%	876,850	(545,613)	-62.2%
Golf Course Fund	3,383,822	17,504,080	19.3%	2,621,226	762,596	29.1%
Information Technology Fund	2,595,353	11,751,450	22.1%	2,060,439	534,914	26.0%
Junior Lifeguard Program Fund	371,622	595,076	62.4%	369,727	1,895	0.5%
Los Peñasquitos Canyon Preserve Fund	57,878	234,172	24.7%	56,309	1,569	2.8%
Maintenance Assessment District (MAD) Funds	3,575,572	37,678,876	9.5%	2,906,569	669,003	23.0%
Mission Bay/ Balboa Park Improvement Fund	559,703	2,120,941	26.4%	461,238	98,465	21.3%
New Convention Facility Fund	1,718,001	3,436,000	50.0%	1,702,500	15,501	0.9%
OneSD Support Fund	3,197,125	27,192,597	11.8%	1,660,253	1,536,872	92.6%
Parking Meter Operations	477,727	9,798,346	4.9%	454,603	23,124	5.1%
PETCO Park Fund	11,827,738	16,117,060	73.4%	5,624,552	6,203,186	110.3%
Police Decentralization Fund	-	-	0.0%	53,796	(53,796)	-100.0%
Prop 42 Replacement - Transportation Relief Fund	3,470,992	16,085,284	21.6%	802,751	2,668,241	332.4%
Public Art Fund	(9,803)	706,265	-1.4%	11,255	(21,058)	-187.1%
Public Safety Needs & Debt Service Fund	-	9,166,621	0.0%	-	-	0.0%
Publishing Services Internal Fund	903,028	3,932,647	23.0%	686,089	216,939	31.6%
QUALCOMM Stadium Operating Fund	5,369,556	20,410,737	26.3%	5,145,864	223,692	4.3%

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Attachment  
Schedule 4 (cont.)

	FY17 Year-to-Date Expenditures	FY17 Current Budget	% Consumed	FY16 Year-to-Date Expenditures	FY17/FY16 Change	FY17/FY16 % Change
Recycling Fund	\$ 5,069,406	\$ 23,722,733	21.4%	\$ 3,865,290	\$ 1,204,116	31.2%
Refuse Disposal Fund	5,419,632	28,335,060	19.1%	5,939,297	(519,665)	-8.7%
Risk Management Fund	2,145,938	10,773,594	19.9%	2,109,657	36,281	1.7%
Seized and Forfeited Assets Funds	291,653	1,753,975	16.6%	107,210	184,442	172.0%
Solid Waste Local Enforcement Agency Fund	172,487	810,179	21.3%	153,297	19,190	12.5%
State COPS	(12,610)	2,140,000	-0.6%	1,572,585	(1,585,195)	-100.8%
Storm Drain Fund	1,599,391	6,400,000	25.0%	1,423,360	176,031	12.4%
Transient Occupancy Tax Fund	19,746,931	111,304,293	17.7%	644,381	19,102,550	2964.5%
TransNet Extension Funds	3,326,656	13,266,509	25.1%	2,706,609	620,047	22.9%
Trolley Extension Reserve Fund	400	1,063,650	0.0%	400	-	0.0%
Underground Surcharge Fund	1,128,293	58,910,135	1.9%	2,401,354	(1,273,061)	-53.0%
Wastewater Department Funds	45,314,839	354,241,284	12.8%	35,644,557	9,670,282	27.1%
Water Department Funds	112,301,434	504,210,392	22.3%	78,402,488	33,898,946	43.2%
Wireless Communication Technology Fund	1,795,683	8,730,105	20.6%	1,887,163	(91,480)	-4.8%
Zoological Exhibits Maintenance Fund	-	12,581,204	0.0%	-	-	0.0%