

# CITY OF OAKLAND

## AGENDA REPORT

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OFFICE OF THE CITY CLERK  
OAKLAND

2008 NOV 20 PM 1:13

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Budget Office  
DATE: December 2, 2008  
RE: **Report on FY 2008-09 First Quarter Revenue and Expenditure Results and Year-End Projections For Four Selected Funds - General Purpose Fund (1010), Landscape & Lighting Assessment District Fund (2310), Equipment Fund (4100) and Facilities Fund (4400); And Overtime Analysis for the General Purpose Fund (1010) and All Funds**

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### SUMMARY

This report provides information on the City's financial activity through the end of the first quarter of the fiscal year (September 30, 2008) and provides year-end projected revenues and expenditures for four selected funds. Additionally, an analysis of overtime is provided including a five-year history of overtime spending.

### FISCAL IMPACT

The First Quarter Revenue & Expenditure Report includes an analysis of actual revenues and expenditures for the General Purpose Fund and three other funds for the three-month period of July 1 through September 30, 2008 and projects year-end revenues and expenditures for these funds with highlights of significant trends. The summary table on the following page reflects the First Quarter financial results, as follows:

In the General Purpose Fund (1010), revenues and expenditures are projected to equal with a balanced budget. This is contingent upon additional spending control measures in various programs – most importantly, diligent implementation and monitoring of Oakland Police Department's overtime management plan.

In the Lighting and Landscape Assessment District Fund (2310), with the one-time revenue anticipated in the October Revised Budget, the negative fund balance is expected to be erased by the end of the fiscal year. Operating revenue and expenditures are expected to end the year at \$17.9 million each, with a balanced budget.

In the Equipment Fund (4100), a \$1.32 million increase to the negative fund balance is projected by year-end, as compared to an adjusted budget surplus of \$0.41 million. Immediate actions will be put in place to minimize the year-end overspending, including broadening the vendor base by executing a new equipment parts and supplies contract expected by February 2009.

In the Facilities Fund (4400), a \$6.01 million increase to the negative fund balance is projected by year-end, which is a slight increase from the \$5.31 million shortfall reflected in the adjusted budget. The following immediate actions are being implemented to reduce the overspending: 1) Compliance with the mandated 10 percent reduction in water usage and 30 percent reduction in irrigation during summer months; 2) Modernization of the elevators at both City Hall and the

Item: \_\_\_\_\_  
Finance and Management Committee  
December 2, 2008

Police Administration Building is expected to save in maintenance and repair costs, along with 48 percent reduction in electricity usage for those elevators; 3) energy efficient pool covers to reduce gas usage; and 4) water conservation efforts (e.g., less hot water usage).

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**SUMMARY (\$ in millions)**

GENERAL PURPOSE FUND (1010)

	FY 2008-09 October Adjusted Budget	FY 2008-09 Projected Over / (Under)	FY 2008-09 Year-End Estimate
Beginning Fund Balance** - July 1, 2008	\$10.16		\$10.16
Revenues	\$479.83	(\$0.00)	\$479.83
Expenditures	\$479.83	\$0.00	\$479.83
Variance	\$0.00	(\$0.00)	\$0.00
Projected Ending Fund Balance - June 30, 2009	\$10.16		\$10.16

LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND (2310)

	FY 2008-09 October Adjusted Budget	FY 2008-09 Projected Over / (Under)	FY 2008-09 Year-End Estimate
Beginning Fund Balance** - July 1, 2008	(\$4.84)		(\$4.84)
Revenues	\$22.92	(\$0.18)	\$22.74
Expenditures	\$18.66	(\$0.75)	\$17.90
Variance	\$4.27	\$0.56	\$4.84
Projected Ending Fund Balance - June 30, 2009	(\$0.57)		\$0.00

EQUIPMENT FUND (4100)

	FY 2008-09 October Adjusted Budget	FY 2008-09 Projected Over / (Under)	FY 2008-09 Year-End Estimate
Beginning Cash Balance** - July 1, 2008	(\$16.44)		(\$16.44)
Revenues	\$16.36	(\$0.36)	\$16.00
Expenditures	\$15.94	\$1.38	\$17.32
Variance	\$0.41	(\$1.75)	(\$1.32)
Projected Ending Cash Balance - June 30, 2009	(\$16.02)		(\$17.76)

FACILITIES FUND (4400)

	FY 2008-09 October Adjusted Budget	FY 2008-09 Projected Over / (Under)	FY 2008-09 Year-End Estimate
Beginning Cash Balance** - July 1, 2008	(\$26.40)		(\$26.40)
Revenues	\$18.27	(\$0.69)	\$17.57
Expenditures	\$23.58	(\$0.00)	\$23.58
Variance	(\$5.31)	(\$0.70)	(\$6.01)
Projected Ending Cash Balance - June 30, 2009	(\$31.71)		(\$32.41)

\*\* Net of prior year encumbrances and project carryforwards.

## DISCUSSION

The information in this report is organized by fund. Each section provides an overview of actual revenues collected and expenditures incurred during the first three months of the fiscal year and projects financial activity through the end of the fourth quarter.

### GENERAL ECONOMIC OVERVIEW

The U.S. Commerce Department's third quarter 2008 "advanced" estimate of Real Gross Domestic Product (GDP) reported that the economy contracted at an annual rate of 0.3 percent, compared to 2.8 percent positive growth in the second quarter. A review of the past four quarters reveals that three of the last four have reported nearly flat or negative growth rates. The Bureau of Economic Analysis (BEA) reported that after two robust annualized growth rates of 4.8 percent reported for the second and third quarters of 2007 the economy slowed: fourth quarter 2007 GDP declined 0.2 percent, first quarter 2008 grew by 0.9 percent, second quarter by 2.8 per cent, and then dropped by 0.3 percent in the third quarter.

The BEA reported that most of the major GDP components contributed to the drop in real GDP growth in the third quarter of 2008. The largest contributors included decreases in Personal Consumption Expenditures (PCE), including a sharp reduction in durable goods, and a large slowdown of exports, which has been playing a big role in holding up GDP. The drop in consumption and exports is of major concern as they are key drivers for related parts of the economy, such as employment and industrial production.

The national housing market continued its decline as the National Association of Realtors (NAR) reported a 9.0 percent year-over-year decrease in existing home median sales price in September 2008. Existing home sales rate for September 2008 was reported to be 1.4 percent higher than September 2007, and was 5.5 percent higher than in August 2008. Distressed sales were reported to be 35 to 40 percent of transactions. The potentially positive housing market news is the trend of existing home inventory, which is now currently declining and possibly setting a stage for a housing bottom and subsequent recovery. NAR's statistics on the monthly supply of existing homes for sale inventory statistics for September was 9.9 months, and 10.6 months for August, a five month consecutive drop from the April 2008 peak of 11.2 months.

October 2008 employment statistics from the U.S. Department of Labor indicated that nonfarm payroll employment fell by 240,000 in October, after falling by 284,000 in September, and 127,000 in August. Cumulatively for the first ten months in 2008, payroll employment has declined by 1.2 million. In October, employment continued to decline in manufacturing, construction, and several service industries. Unemployment rose to 6.5 percent in October, compared to 6.1 percent in September. Over the past 12 months, the unemployment rate has risen by 1.4 percentage points increasing the number of unemployed by 2.2 million. Like the U.S., the California employment picture has also deteriorated during 2008. The Bureau of Labor Statistics reported California unemployment rate at 5.9 percent in January 2008, and rising to 7.7 for August and September (projected).

Due to the continuing risks to the economy posed by the declining housing market and problems in the credit and financial markets, there is significant uncertainty as to the length and severity of the current economic slowdown. Overall, it is expected that the economic stimulus package and financial firm bailouts and exports will help promote recovery. Other potentially positive economic developments include the expectation that inflation will be moderated by a weakening labor market and falling oil prices. An economic recovery sometime in late 2009 is forecast by some economists.

### Current Political/Legal Issues

The State's FY 2008-09 Budget was adopted on September 23, 2008, which included solutions to close an estimated \$15 billion deficit. While the Governor had stated his preference in the August 2008 Budget Update to not borrow from local governments or transportation funds in order to balance the budget, the adopted budget did include a seizure of \$350 million from redevelopment agencies statewide. Funding for booking fees and public safety programs (Citizen Option for Public Safety & Juvenile Justice Crime Prevention) were cut by 10 percent each.

Since the adoption of the State Budget, economic conditions have deteriorated significantly. The State raised this most recent concern when poor economic data came in, along with the report that General Fund revenues for September 2008 were \$923 million below forecast, resulting in a projected \$11.2 billion revenue shortfall this year. As of November 12<sup>th</sup>, the State shortfall figure has been revised to \$23 billion by the State Legislative Analyst. An emergency Special Session of the Legislature was called on November 6<sup>th</sup> to discuss the Governor's proposed solutions. During the Special Session, the Governor proposed \$4.7 billion in increased revenues, and a \$4.5 billion reduction in spending. The bulk of increased revenues are anticipated from a temporary increase in sales tax, along with other increases, including a \$12 increase in the Vehicle License Fee, which would be used to offset further reductions in public safety grants.

Uncertainty surrounds what additional program and funding cuts will actually be made and how they will affect the City of Oakland, as the Governor stated that "everything is on the table." Oakland continues to aggressively engage its State Lobbyist and participate in a joint effort with the Big Ten California Cities to minimize impacts from the proposed State cuts.

## **A. GENERAL PURPOSE FUND** *(Attachments A-1 and A-2)*

### FUND BALANCE

The General Purpose Fund beginning fund balance as of July 1, 2008 was \$24.98 million. After project and encumbrance carryforward are accounted for, totaling \$14.82 million, the net projected fund balance is \$10.16 million. With the revenue and expenditure projections as detailed in Attachments A-1 and A-2, this fund balance is estimated to remain at \$10.16 million by June 30, 2009. Keeping the GPF fund balance at this level, however, is contingent upon accelerated implementation of overtime and spending control measures in the Police Department, as explained below.

## REVENUE HIGHLIGHTS

FY 2008-09 revenues for the General Purpose Fund are budgeted at \$479.83 million per the October Revised Budget. During the first quarter of the fiscal year, the City received \$71.35 million or 14.9 percent of the budgeted amount. Based upon this collection data, General Purpose Fund revenues are projected to end the year at the budgeted amount of \$479.83 million.

The projected deficits in the Vehicle License Fee (\$0.50 million) and the Transient Occupancy Tax (\$0.97 million) are expected to be offset by the projected surplus in the Real Estate Transfer Tax (\$0.98 million) and Miscellaneous Revenue (\$0.48 million).

Revenue categories within the General Purpose Fund are discussed below.

### *Property Tax*

Property Tax, the largest source of revenue to the City's General Purpose Fund, is projected to be \$138.33 million. At this point, staff projects that the budget will be met. More data will be available in the second quarter to better assess year-end projections. A risk to the forecast is the rise in property tax delinquencies, which may be further accelerated by the new state mandate of delaying foreclosure proceedings to help financially troubled homeowners. However, these factors are unlikely to significantly impact the current year's receipts, although they may result in decreases to the next year's tax roll.

### *Sales Tax*

Sales Tax revenue received through the first quarter totaled \$8.89 million, 13.1% lower than the same quarter in FY 2007-08. The decline in revenue was due primarily to the slowing economy, falling taxable sales, and the cessation of the revenue derived from United Jet Fuel during the same period last year. These factors have been reflected in the revised budget, and at this time, staff projects Sales Tax revenue to end the year at the budgeted amount of \$48.1 million.

However, the potential for a substantial deepening and/or lengthening of the current downturn going forward poses a risk to the current forecast that will be monitored.

### *Vehicle License Fee (VLF)*

Vehicle License Fee revenue received through the first quarter totaled \$0.53 million, compared to the budgeted amount of \$1.81 million. Due to several factors negatively impacting this revenue (for example, zero net receipts from October), it is projected that VLF revenue will end the year at \$1.31 million, \$0.50 million lower than budget.

A major factor in this decline is a precipitous drop in auto sales resulting in a decline in new auto sales registrations, which is a large component of the Vehicle License Fee. Additionally, it should be noted that no VLF payment was received from the State for the month of October. The State indicated that the revenue for October was zero after deducting the DMV administrative fees and other allocations.

### *Business License Tax*

Business License Tax revenue is budgeted at \$52 million. First quarter collections came in at \$0.13 million. The bulk of this revenue is received from the license renewal season during January and February 2009. The economic slowdown and the financial meltdown will continue

to put pressure on businesses. Incoming data from renewals will provide some insights into the status of this revenue. At this time, staff projects that the year-end revenue will be at the budgeted amount of \$52 million.

*Utility Consumption Tax*

Utility Consumption Tax revenue is budgeted at \$54 million. First quarter collections came in at \$13.04 million compared to \$12.48 million for the same period a year ago. Based on this collection rate, staff is projecting that the year-end revenue will be on target at the budgeted amount of \$54 million.

*Real Estate Transfer Tax (RETT)*

RETT actual revenue through the end of the first quarter was \$8.66 million, which is 27.6 percent lower than first quarter collections last year in FY 2007-08. The \$8.66 million represents 25.4 percent of the current budget of \$34.08 million.

The RETT revenue is very volatile and is very likely to decline on a month-to-month basis through the end of the year, and perhaps through 2009-2010. The recently released Beacon Economics forecast suggested an additional 25 to 30 percent decline in East Bay home prices by the end of 2010, with smaller lingering corrections to remain thereafter (through the middle of 2012). At the same time, the availability of foreclosed properties may actually increase the volume of sold properties. At this time, staff is projecting an average monthly decline in RETT revenue of 20 percent through year-end.

Based on this trend, and the \$6 million revenue from the sale of Brandywine properties to be received in November, RETT is projected to end the year at \$35.06 million, about \$0.98 million above budget. RETT revenue will be closely monitored for forecast risks posed by the potential for further declines in housing prices.

*Transient Occupancy Tax (TOT)*

Transient Occupancy Tax revenue is budgeted at \$12.69 million. First quarter collections came in at \$3.16 million compared to \$3.40 million for the same period a year ago. Although TOT has seen a robust growth in the prior fiscal year, the economic slowdown has directly affected the hotel industry. Industry sources have indicated that the occupancy rate has slowed this year. Staff is projecting that the year-end revenue will be \$11.72 million; \$0.97 million lower than budget. The forecast will be re-evaluated and revised, if necessary, after the holiday travel season data becomes available.

*Parking Tax*

Parking Tax revenue is budgeted at \$8.52 million. First quarter collections came in at \$2.25 million, or 26.4 percent of the budgeted amount. Better trend information will be available after the holiday travel season. Based on this collection rate staff is projecting the year-end revenue will be on target at the budgeted amount of \$8.52 million.

*Licenses & Permits*

Licenses & Permits revenue is budgeted at \$1.61 million. First quarter collections came in at \$4,364 compared to \$0.23 million for the same period a year ago. The reported drop in revenue was mainly due to an accounting adjustment to reverse \$0.22 million received during the first

quarter. Staff still projects that Licenses & Permits will end the year at the budgeted amount of \$1.61 million.

*Fines & Penalties*

Fines & Penalties revenue is budgeted at \$29.31 million. First quarter collections came in at \$4.67 million compared to \$5.66 million for first quarter in FY 2007-08. The year-over-year slowdown in revenues is primarily due to a decrease of Parking Citation revenue.

The decrease of citation revenues was the result of several factors.

1) The first factor is the drop-off in citation tickets issued due to the efficiency of the new multi-space parking system, which provides ease and convenience of credit card payments. The more convenient payment system results in improved parking meter compliance.

2) The next two factors were due to internal & external computer systems problems experienced by both the City of Oakland and the Citation Billing contractor, the City of Inglewood.

2a) For the last eight months, the City's Parking division has experienced problems with the hand-held citation writing devices, due to the loss of software support from the vendor. When operating properly, tickets are written by entering violation information into the hand-held devices, which would transmit the data electronically to the City of Inglewood for processing and billing. Due to functional problems with the equipment and system, the City of Oakland could no longer use the hand-held devices and had to write parking tickets manually, and then mail the tickets to the City of Inglewood for processing. The heavy volume of these manual tickets caused a 1-2 month delay by Inglewood in getting the data entered into the system for billing. The City is currently in the process of acquiring another vendor to supply the hand-held citation writing software.

2b) The City of Inglewood had internal computer system problems during their conversion from an old DOS computer operating system into a new system. Inglewood's computer problems caused an 18 month delay in the processing of citations and the placement of liens with the Department of Motor Vehicles (DMV). Consequently, the lien transactions over two fiscal years were put on hold.

The combined equipment and computer problems resulted in: 1) reduced collections in the current year FY 2008-09, and 2) unpaid citations from FY 2007-08.

The table below shows FY 2007-08 unpaid citations.

Due from:	Total Amount	Projected Collection in FY08-09
Department of Motor Vehicle (Liens)	\$3.60 m	\$1.80 m
Franchise Tax Board (Liens)	\$0.80 m	\$0.00 m
Unbilled Citation Tickets	\$1.10 m	\$1.10 m
Total	\$5.50 m	\$2.90 m

Out of the \$5.5 million of total outstanding receivables from unpaid citations, Parking Division projects collections of \$2.90 million this fiscal year: \$1.8 million representing 50% of Department of Motor Vehicles liens; and \$1.10 million representing Unbilled Citation Tickets. No collection of prior year Franchise Tax Board receivables is anticipated for this fiscal year. This amount may remain uncollected for years, if collected at all, due to the weak economy. The

October Revised Budget already included the assumption that some prior year uncollected amounts will be collected this fiscal year.

With the projected \$2.90 million collection from FY 2007-08 citations, and the projected \$1.62 million additional revenues from recently Council-approved fee increases, staff projects the year-end Parking Citation revenue to be at the budgeted amount of \$26.45 million. This revenue will continue to be closely monitored, with regular coordination with the Parking Division. Overall, the fines and penalties revenue will be at the budgeted amount of \$29.31 million.

#### *Interest Income*

Interest income received through the first quarter was \$0.20 million, compared to \$0.85 million received in the first quarter of FY 2007-08. Staff is projecting that interest income will end the year at \$2.35 million reflecting the anticipated interest from the Tax and Revenue Anticipation Note. The ending balance of interest income depends on a variety of factors, including the funds available for investments, the level of interest rates, and the cash flow status of the City's funds.

#### *Service Charges*

Service Charge revenues through the end of the first quarter were \$6.94 million, which is 23.9 percent higher than first quarter collections in FY 2007-08. This \$6.94 million represents 14.6 percent of the adjusted budget. Year-end revenue is projected to be at the budgeted \$47.38 million.

Service Charges contain the following variety of revenue types:

Port Revenue consists of payments for Fire, and other services the City provides to the Port. The City invoices semi-annually, based on actual costs of services. Assuming the Port pays all invoices, projected Port revenue will be at the budgeted amount of \$8.2 million.

Franchise Fees: This category consists of fees on four utilities: PG&E for gas and electric; Waste Management of Alameda County for garbage collection; East Bay MUD for water; and Comcast for cable television. First quarter actuals are consistent with the adopted budget and thus the staff projects Franchise Fees at the budgeted \$12.83 million.

Miscellaneous Service Charges include a variety of fees such as Alcohol and Tobacco Retailers' Inspection Fee, Rent Arbitration Fee, Fire Prevention Charges, and Tow Services contract. First quarter actuals are consistent with the adopted budget, therefore staff projects year-end revenue to reach the \$8.70 million budget.

Parking Meter Revenue consists of charges for parking in metered street stalls. This revenue was \$2.38 million through the end of the first quarter, representing 21 percent of the current budget of \$11.42 million. Parking meter revenue is projected to end the year at the budgeted amount.

Public Works Fees and Permits primarily represent street and sidewalk work done in conjunction with other building activity. The first quarter receipts in this category came in at \$0.18 million. Year-end revenues are projected to reach the budgeted \$0.3 million.

Personnel Services: These are reimbursements to the City for police protection at a variety of special events or activities such as A's games, Raiders games, concerts, street fairs or festivals, or for production of legal documentation in response to subpoenas. There are no set contracts in place, hence the demand for these services is variable and difficult to forecast. Staff projects year-end revenue at the budgeted level of \$3.7 million.



Rental Concessions: These represent rental fees for City's facilities and lands, as well as concessions at various locations. Revenue through the first quarter was \$0.4 million. This revenue has a heavy seasonal component and year-end revenue is projected to meet the \$2.23 million budget.

*Grants & Subsidies*

This revenue includes grants that are authorized and approved by the City Council during the fiscal year. Also included in this category are any State-Mandated reimbursements received. There are no known grants & subsidies at this time.

*Miscellaneous Revenue*

Miscellaneous revenue collected through the end of the first quarter was \$0.32 million, which represents 2.8 percent of the amount budgeted. The primary components of the FY 2008-09 Adopted Budget for Miscellaneous revenues are savings from bond refinancing, and revenue from anticipated property sales. One-time revenue collected from the sale of City property resulted in an additional \$0.48 million. Therefore, year-end revenue is projected to end the year at \$11.89 million, \$0.48 million higher than the budgeted \$11.40 million.

*Fund Transfers*

Fund transfers through the end of the first quarter were \$6.44 million, representing 27.5 percent of the current budget of \$23.43 million. The year-end Fund Transfer is projected at the budgeted level of \$23.43 million.

The Fund Transfers category this fiscal year includes the following components:

- \$0.10 million transfer from the Golf Course Fund (ongoing)
- \$0.60 million transfer from the Sewer Service Fund (a continued repayment for building occupancy costs)
- \$1.00 million transfer from Unclaimed Cash Fund (one-time)
- \$1.50 million transfer from Deferred Pension Credit Fund (one-time)
- \$2.63 million transfer from Development Service Fund (last year of repayment)
- \$5.30 million transfer from Workers Compensation Fund (one-time)
- \$12.3 million transfer from Pension Annuity Fund (declining)

*Carryforwards (Drawdown of Fund Balance)*

At the end of each fiscal year, the City has unspent appropriations that can potentially be carried forward into the next fiscal year. These exist either in projects or as non-project encumbrances. For the General Purpose Fund in FY 2008-09, \$14.82 million in projects and encumbrances were carried forward from FY 2007-08 and represent funds reserved in the fund balance to pay for the project activities (or encumbered items) not spent in the prior year. By year-end, it is projected that all project and encumbrance carryforward balance will be expended. This brings the fund balance down from a projected \$24.98 million, as of June 30, 2008, to \$10.16 million.

## EXPENDITURE HIGHLIGHTS

As outlined in Attachment A-2, General Purpose Fund expenditures through the end of September totaled \$144.57 million, or 30 percent of the amount budgeted for FY 2008-09. Year-end total expenditures are projected at the budgeted amount of \$479.83 million. All departments are projected to spend at budget. This will require controlled spending and constant scrutiny of expenditure in many programs, particularly the Oakland Police Department (OPD) overtime spending.

OPD is currently projected to spend at budget; however, this projection is predicated on diligent monitoring and management of overtime. OPD's overtime management plan includes these measures:

- Complying with the Mayor's overtime directive to limit non-sworn overtime to emergencies and situations critical to public safety.
- Limiting sworn backfill and callback overtime to overtime associated with emergencies, National Security Agency compliance, investigations, juvenile intake and training.
- *Regular and diligent overtime monitoring and reporting, including:*
  - Every pay period, command personnel receive a report of their year-to-date overtime expenditures by overtime type.
  - Every month, command personnel access a report that provides the ability to query overtime expenditures (both dollars and number of hours) associated with an employee, a cost center, a pay date, and/or an overtime type.
  - Conduct monthly meetings with the City Administrator's Budget Office to discuss overtime-related issues and projections.
  - Report overtime expenditures bi-monthly at the Department's Crime Stop meetings to the Deputy Chiefs, Assistant Chief and Chief of Police.

Other measures include:

- Providing ongoing training to command personnel related to overtime monitoring and the City's financial system.
- Eliminating the "unspecified" overtime category.
- Revising the Departmental General Order D1, which establishes the Department's policy on the management of overtime.
- Incorporating management of overtime in command personnel's annual performance appraisal.

OPD spent the first quarter developing and implementing its overtime management plan and as a result, OPD overtime has already started to decline. OPD has seen its overtime spending decrease from approximately \$950,000 per pay period in the first quarter to approximately \$550,000 per pay period in October 2008. It is anticipated that in the next three quarters, overtime spending will continue to decline to meet the budget by year-end.

**B. CITYWIDE OVERTIME SPENDING**  
*(Attachments B-1 and B-2)*

In June 2008 pursuant to Resolution No. 81377 C.M.S., the City Council directed staff to provide semiannual overtime reports. Attachments B-1 and B-2 provide overtime analysis as requested in this resolution.

Attachment B-1 provides details on the overtime spending through September 30, 2008, as well as year-end projected results, by agency/department, for the General Purpose Fund and all funds.

Overtime overspending by the end of FY 2008-09 (at the all funds level) is projected for many departments: minor for some, but significant for others. This projection assumes savings in the remaining three quarters due to the overtime directive from the Mayor, effective October 16, 2008, to limit overtime to mandatory / essential overtime (for emergency, legally mandated duties, public health or safety issues, reimbursable overtime, etc.). Most departments will manage to balance their overtime overspending with savings in other categories (primarily in salary savings from vacancies), therefore staying within their overall budget appropriations. Police overtime overspending is expected to continue to decline in the next three quarters and meet budget.

Attachment B-2 provides a five-year trend analysis of overtime as a percentage of gross salaries, actual expenditures for overtime for the prior five years by department and a comparison of budgeted to actual overtime expenditures by department. As displayed in this attachment, overtime as a percentage of personnel has increased steadily for the first four years followed by a noticeable decrease in FY 2007-08.

**C. LIGHTING & LANDSCAPE ASSESSMENT DISTRICT FUND**  
*(Attachments C-1 and C-2)*

The Lighting & Landscaping Assessment District Fund (LLAD) was formed in 1989 and subsequently approved by the voters of the City. The LLAD is a "direct benefit" assessment that provides a funding source for the following Public Works Agency programs: Parks, Grounds and Medians, Ball Field Maintenance, Open Space, Custodial Services at Park Enterprise Facilities, Streetlight Outage Repairs, Tree Services, and Free Standing Restrooms at Parks and Ball Fields. The LLAD also supports activities located outside the Public Works Agency such as General Government functions, Community Gardens, and Museum Landscape Maintenance.

FUND BALANCE

The LLAD Fund started the fiscal year with a negative fund balance of \$4.84 million. Assuming the receipt of one-time revenue anticipated in the October Revised Budget, the LLAD fund balance is projected to end the fiscal year at zero. The reductions in the FY 2008-09 October Revised Budget will carry forward into the next biennial budget. Any savings in the FY 2009-11 budget will be absorbed by increases to the internal service charges to LLAD, especially from the Equipment Fund.

### REVENUE HIGHLIGHTS

FY 2008-09 October Revised Budget for LLAD includes Assessment revenue of \$17.9 million and one-time revenues of \$4.84 million to eliminate the negative fund balance. Year-end LLAD revenue is projected at budget, as shown in Attachment C-1.

### EXPENDITURE HIGHLIGHTS

LLAD Fund expenditures through the first quarter were \$5.2 million, representing 28 percent of the FY 2008-09 budget. Due to the FY 2008-09 October Revised Budget reductions, the LLAD Fund expenditures are projected at budget by the end of the fiscal year. The combined effort to minimize costs through layoffs, a 13-day shutdown, efficiencies in operations, and a transfer of positions to other funds will save the LLAD Fund over \$5.7 million this fiscal year. These reductions, however, are not without direct operational impacts to City programs such as street light outage repairs, tree services, and landscape maintenance. Please see Attachment C-2 for the LLAD Fund expenditure details.

### **D. EQUIPMENT FUND** *(Attachments D-1 and D-2)*

The Equipment Fund is an Internal Service Fund (ISF). ISFs are separate financial accounts used to record transactions provided by one agency, department, division, or unit to other agencies, departments, divisions, or units on a cost-reimbursement basis.

The Equipment Fund charges users for services provided by the Equipment Services Division. The Equipment Services Division (ESD) of the Public Works Agency (PWA) is responsible for "cradle to grave" equipment services, including vehicle and equipment acquisition and disposal, maintenance and repair, governmental and environmental compliance, vehicle and equipment specification and modification development repair part acquisition, motor pool services, the purchase and management of fuel for City-owned vehicles and equipment, and specialized services such as vehicle wash and outside vehicle/equipment rental.

### CASH BALANCE

In FY 2002-03, the ending cash balance of the Equipment Funds was \$14.4 million. It is projected that at the end of the current fiscal year, the negative cash balance will total \$17.8 million. The fund was placed on a "repayment schedule" in FY 2005-07, which had not been fully implemented. A revised "repayment plan" has been developed and will be recommended for FY 2009-11.

Year	Ending Cash Balance (in millions)**
FY 2002-03	\$14.4
FY 2003-04	\$8.9
FY 2004-05	\$.05
FY 2005-06	(\$3.6)
FY 2006-07	(\$11.9)
FY 2007-08	(\$16.4)
FY 2008-09 (projected)	(\$17.8)

\*includes cash held by fiscal agent (master lease)

### REVENUE HIGHLIGHTS

FY 2008-09 revenues for the Equipment Fund are budgeted at \$16.36 million. During the first quarter of the fiscal year, this fund received \$3.65 million or 22.3 percent of the budgeted amount. The primary source of revenue for the Equipment Fund is internal service charges to outside departments. Year-end Equipment Fund revenues are projected at \$16.0 million due to negative interest accruing on the negative cash balance. See Attachment D-1 for Equipment Fund revenue details.

### EXPENDITURE HIGHLIGHTS

The Equipment Fund operating expenditures are projected at \$14.75 million, or \$1.38 million over budget. This is a reduction of \$0.4 million from the previous fiscal year. The majority of these savings will be seen in reduced costs of fuel. It is projected that fuel expenditures will be \$2.8 million this fiscal year compared to \$3.8 million the prior fiscal year. Such significant savings will be offset by rising costs of supplies, materials, and contract services due to the aging fleet. Supplies and materials alone will increase by \$0.6 million. See Attachment D-2 for Equipment Fund expenditure details.

In addition to the \$14.7 million that will be spent on operating costs within the Equipment Fund, in FY 2008-09 the City pays for the debt service of the Equipment Master Leases. The total debt payments are anticipated at \$2.6 million this fiscal year. Also, it is expected that the final carry forward balance of \$5.65 million supported by the lease proceeds will be spent this fiscal year on the purchase of replacement vehicles.

In a constant effort to curtail costs, Equipment Division staff is currently working to broaden its vendor base to include more wholesale distributors for frequently used parts. This will allow price comparison between vendors and will assure the lowest price for equipment parts. The targeted date for executing a new equipment parts and supplies contract is February 2009.

Contract Services are used primarily for those repairs to vehicles that cannot be done in-house; specifically, repairs to heavily damaged equipment as well as vehicles that have exceeded their recommended life cycle.

Additionally, savings are anticipated as a result of the 13-day shutdown, efficiencies in operations, freezing vacancies and overtime moratorium.

**E. FACILITIES FUND**  
*(Attachments E-1 and E-2)*

The Facilities Fund is also an Internal Service Fund (ISF). As mentioned earlier, ISFs are separate financial accounts used to record transactions provided by one agency, department, division, or unit to other agencies, departments, divisions, or unit on a cost-reimbursement basis.

The Facilities Services Division provides client agencies “direct tenant services” which include all custodial services, building engineering, security access controls, monitoring air quality, responding to emergencies, and property management and leasing. This division is also responsible for preparing new building operating estimates, design, and project oversight for all minor maintenance and maintenance-related capital improvements.

The Parks and Building Services Division is primarily responsible for the park grounds and routine building maintenance of park buildings, fire stations, day care and senior centers, and other miscellaneous building structures, including parking lots. The division is responsible for the maintenance and repair of 309 City-owned facilities comprising 3,026,269 square feet of space. This includes maintenance and repair of all structural, mechanical, electrical, painting and engineering systems, including routine, emergency and vandalism-related service requests.

The Environmental Services Division is responsible for managing and implementing environmental site assessments for City-owned properties and the energy conservation and efficiency program.

CASH BALANCE

Since FY 2002-03, the negative cash balance has increased from \$7.9 to \$26.4 million. It is projected that at the end of the current fiscal year, the negative cash balance will total \$32.5 million. The fund was placed on a “repayment schedule” in FY 2005-07, which had not been fully implemented. A revised “repayment plan” has been developed and will be recommended for FY 2009-11.

<b>Year</b>	<b>Ending Cash Balance (in millions)</b>
FY 2002-03	(\$7.9)
FY 2003-04	(\$10.1)
FY 2004-05	(\$12.9)
FY 2005-06	(\$16.3)
FY 2006-07	(\$20.1)
FY 2007-08	(\$26.4)
FY 2008-09 (Projected)	(\$32.5)

### REVENUE HIGHLIGHTS

Revenue for the Facilities Fund is expected to total \$17.57 million this fiscal year or \$0.7 million less than the budgeted amount due to negative interest accruing on the negative cash balance. The primary source of revenue for the Facilities Fund is internal service charges to outside departments. Refer to Attachment E-1 for Facilities Fund revenue details.

### EXPENDITURE HIGHLIGHTS

As shown in Attachment E-2, the Facilities Fund operating expenditures are projected at budget. To reduce the impact on the negative cash balance, cost cutting measures are discussed below.

Public Works Agency has worked with EBMUD to comply with the mandated 10% reduction in water usage. EBMUD performed an audit of City facilities and, as a result, staff is in the process of installing water restricting low flow faucets, showerheads, toilets and urinals in all City facilities where feasible. In addition, a 30% reduction in irrigation is targeted during summer months by limiting the amount of time the systems are running.

Contract Services consists mainly of the elevator maintenance and repair contracts. With the modernization of the elevators at both City Hall and the PAB, savings in maintenance and repair is anticipated, as well as approximately 48% reduction in electricity usage for those same elevators.

Natural gas costs have been high, and swimming pools are the primary users. Energy efficient pool covers installed on the pools will help reduce gas usage when used on a daily basis. In addition, savings are anticipated in natural gas costs through water conservation efforts (e.g., less hot water usage). Additionally, savings are anticipated as a result of the 13-day shutdown, efficiencies in operations, freezing vacancies and overtime moratorium.

**ACTION REQUESTED OF THE CITY COUNCIL**

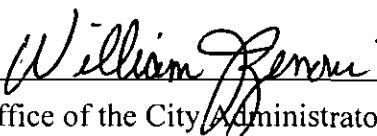
Accept this informational report.

Respectfully submitted,

  
\_\_\_\_\_  
**SARAH T. SCHLENK**  
Budget Director

Prepared by:  
Kiran Bawa  
Budget Office

APPROVED FOR FORWARDING TO THE  
FINANCE & MANAGEMENT COMMITTEE

  
\_\_\_\_\_  
Office of the City Administrator

**Attachments:**

- A-1: General Purpose Fund Revenues*
- A-2: General Purpose Fund Expenditures*
- B-1: Overtime Analysis*
- B-2: Historical Overtime Trend Analysis*
- C-1: Landscape and Lighting Assessment District Fund Revenues*
- C-2: Landscape and Lighting Assessment District Fund Expenditures*
- D-1: Equipment Fund Revenues*
- D-2: Equipment Fund Expenditures*
- E-1: Facilities Fund Revenues*
- E-2: Facilities Fund Expenditures*

Item: \_\_\_\_\_  
Finance & Management Committee  
December 2, 2008



**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**GENERAL PURPOSE FUND REVENUES (\$ in millions)**

Revenue Category	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actuals	FY 2007-08 Percent To Date	FY 2007-08 Unaudited Year-End Actuals	FY 2008-09 October Revised Adopted Budget	FY 2008-09 Q1 Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percent To Date	FY 2008-09 Year-End Estimate	Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection	Yr-to-Yr Growth Q1 to Q1	Yr-to-Yr Growth Yr-End Yr-End
PROPERTY TAX	121.72	7.92	6.5%	131.74	138.33	138.33	5.18	3.7%	138.33	0.00		-34.6%	5.0%
SALES TAX	48.96	10.24	20.9%	53.09	48.10	48.10	8.89	18.5%	48.10	0.00		-13.1%	-9.4%
VEHICLE LICENSE FEE (VLF) - TAX & BACKFILL	3.04	0.69	22.7%	1.82	1.81	1.81	0.53	29.1%	1.31	(0.50)	Decline in new car purchases and increase in administrative fee.	-23.5%	-27.8%
BUSINESS LICENSE TAX	47.92	0.02	0.0%	52.54	52.00	52.00	0.13	0.3%	52.00	0.00		764.7%	-1.0%
UTILITY CONSUMPTION TAX	52.18	12.48	23.9%	52.52	54.00	54.00	13.04	24.2%	54.00	0.00		4.5%	2.8%
REAL ESTATE TRANSFER TAX	67.22	11.96	17.8%	36.33	34.08	34.08	8.66	25.4%	35.06	0.98	Increase in foreclosure sales.	-27.6%	-3.5%
TRANSIENT OCCUPANCY TAX	12.36	3.40	27.5%	12.20	12.69	12.69	3.16	24.9%	11.72	(0.97)	Declining occupancy due to slowing economy.	-7.0%	-4.0%
PARKING TAX	9.45	2.28	24.1%	8.52	8.52	8.52	2.25	26.4%	8.52	0.00		-1.1%	0.0%
LICENSES & PERMITS	1.23	0.23	18.3%	1.61	1.61	1.61	0.00	0.3%	1.61	0.00		-98.1%	0.0%
FINES & PENALTIES	27.75	5.66	20.4%	21.67	29.31	29.31	4.67	15.9%	29.31	0.00	Assuming collection of receivables from FY07-08.	-17.5%	35.2%
INTEREST INCOME	0.00	0.85	N/A	4.26	2.35	2.35	0.20	8.4%	2.35	0.00		-77.1%	-44.9%
SERVICE CHARGES	51.27	5.60	10.9%	44.11	47.38	47.38	6.94	14.6%	47.38	0.00		23.8%	7.4%
GRANTS & SUBSIDIES	0.04	0.24	600.0%	3.95	0.00	0.00	0.00	N/A	0.00	0.00		-99.3%	-100.0%
MISCELLANEOUS	2.21	0.42	19.2%	6.27	11.39	11.40	0.32	2.8%	11.89	0.48	Proceeds from sale of City property.	-24.3%	89.5%
FUND TRANSFERS	36.66	6.11	16.7%	25.70	23.43	23.43	6.44	27.5%	23.43	0.00		5.3%	-8.8%
SUBTOTAL	482.02	68.10	14.1%	456.34	464.99	465.01	60.42	13.0%	465.01	(0.00)		-11.3%	1.9%
DRAWDOWN FROM FUND BALANCE TO FUND PRIOR YEAR ENCUMBRANCES & PROJECT CARRYFORWARDS						14.82	10.93	73.8%	14.82	0.00		N/A	N/A
<b>TOTAL</b>	<b>\$482.02</b>	<b>\$68.10</b>	<b>14.1%</b>	<b>\$456.34</b>	<b>\$464.99</b>	<b>\$479.83</b>	<b>\$71.35</b>	<b>14.9%</b>	<b>\$479.83</b>	<b>\$0.00</b>		<b>4.8%</b>	<b>5.1%</b>

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**GENERAL PURPOSE FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actuals	FY 2007-08 Percent To Date	FY 2007-08 Year-End Actuals (pre-audit)	FY 2008-09 October Revised Adopted Budget	FY 2008-09 Q1 Adjusted Budget	FY 2008-09 Q1 Actual Spending	FY 2008-09 Percent Date	FY 2008-09 Year-End Estimate	Year-End (Over) Under	Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings	Yr-to-Yr Growth Q1 to Q1
MAYOR	3.15	0.76	24.2%	3.22	2.68	2.68	0.74	27.8%	2.68	-	0.00%	Mayor is expected to spend at budget.	-2.6%
CITY COUNCIL	4.33	1.11	25.6%	3.63	3.61	3.88	0.85	21.9%	3.88	-	0.00%	Council could have potential personnel savings.	-23.7%
CITY ADMINISTRATOR	9.27	2.13	22.9%	9.27	6.72	6.77	2.22	32.7%	6.77	-	0.00%	CAO is expected to spend at budget. Marketing charges for Q1 will be moved to ORA and Public Art charges in Q1 will be moved to Public Arts Fund.	4.2%
CITY ATTORNEY	9.25	2.08	22.5%	9.37	8.14	8.14	2.15	26.4%	8.14	-	0.00%	Attorney will have to control O&M spending to stay within budget.	3.1%
CITY AUDITOR	1.34	0.23	17.1%	1.17	1.57	1.73	0.52	30.2%	1.73	-	0.00%	Auditor is expected to spend at budget.	128.9%
CITY CLERK	2.77	0.48	17.2%	2.77	2.14	2.64	0.73	27.6%	2.64	-	0.00%	Clerk is expected to spend at budget.	52.6%
CONTRACTING & PURCHASING	2.34	0.47	N/A	1.89	1.91	1.91	0.44	22.8%	1.91	-	0.00%	DCP is expected to spend at budget.	N/A
INFORMATION TECHNOLOGY	10.97	3.08	N/A	11.43	8.98	9.08	2.83	31.2%	9.08	-	0.00%	DIT is expected to spend at budget.	N/A
FINANCE & MANAGEMENT	32.55	7.30	22.4%	29.61	26.87	28.41	8.60	30.3%	28.41	-	0.00%	FMA is anticipated to spend at budget. Q1 over spending is due to O&M expenditures in HR Mgmt.	17.8%
POLICE SERVICES	194.11	48.21	24.8%	204.09	198.11	201.87	56.59	28.0%	201.87	-	0.00%	OPD is projected to spend at budget with diligent monitoring and management of overtime.	17.4%
FIRE SERVICES	109.35	26.21	24.0%	107.18	103.66	103.97	27.42	26.4%	103.97	-	0.00%	Fire is expected to spend at budget, although it should be noted that Fire had an academy start 2nd quarter.	4.6%
MUSEUM	6.73	1.60	23.8%	6.99	6.05	6.03	2.02	33.5%	6.03	-	0.00%	Museum is expected to spend at budget. Overspending in Q1 is due to Museum Visitor Services	26.0%
LIBRARY SERVICES	12.91	2.89	22.4%	11.95	10.86	10.95	2.91	26.6%	10.95	-	0.00%	Library is expected to spend at budget.	0.8%
PARKS & RECREATION	15.09	4.05	26.8%	15.00	12.48	12.86	4.11	32.0%	12.86	-	0.00%	Parks is expected to spend at budget. Over spending in Q1 is due to service expenditures in Central Administration and Contract Management programs.	1.7%
HUMAN SERVICES	8.06	1.93	24.0%	6.49	6.03	7.60	2.37	31.2%	7.60	-	0.00%	DHS is expected to spend at budget.	23.0%
PUBLIC WORKS	2.86	0.62	21.6%	2.41	2.20	2.54	1.34	52.9%	2.54	-	0.00%	PWA is expected to spend at budget even with majority of O&M expended in Q1.	117.7%
COMM & ECON DEVELOPMENT	5.27	1.37	25.9%	2.43	2.32	4.60	1.39	30.1%	4.60	-	0.00%	CEDA is expected to spend at budget.	1.4%
NON-DEPARTMENTAL	62.65	28.43	45.4%	71.74	60.43	62.20	26.49	42.6%	62.20	-	0.00%	Non departmental is expected to spend at budget.	-6.8%
<b>SUBTOTAL</b>	<b>492.99</b>	<b>132.93</b>	<b>27.0%</b>	<b>500.63</b>	<b>464.75</b>	<b>477.85</b>	<b>143.72</b>	<b>30.1%</b>	<b>477.85</b>	<b>-</b>	<b>0.00%</b>		<b>8.1%</b>
CAPITAL IMPROVEMENT PROGRAM	8.59	3.80	44.2%	6.16	0.05	1.98	0.86	43.3%	1.98	-	0.00%	CIP is expected to spend at budget assuming carryforward of multi-year projects.	-77.4%
<b>TOTAL</b>	<b>\$501.58</b>	<b>\$136.73</b>	<b>27.3%</b>	<b>\$506.80</b>	<b>\$464.80</b>	<b>\$479.83</b>	<b>\$144.57</b>	<b>30.1%</b>	<b>\$479.83</b>	<b>\$0.00</b>	<b>0.00%</b>		<b>5.74%</b>

Projected Ending Fund Balance - June 30, 2009

\$10.16

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**OVERTIME ANALYSIS (in Dollars)**

Agency / Department	FY 2007-08 Adjusted Personnel Budget	FY 2007-08 Adjusted Overtime Budget	FY 2007-08 Adj Overtime Budget as a % of Personnel Budget	FY 2007-08 Year-End Personnel Spending	FY 2007-08 Year-End Overtime Spending	FY 2007-08 Year-End Overtime as a % of Year- End	FY 2008-09 Q1 Adjusted Overtime Budget	FY 2008-09 Q1 Actual Personnel Spending	FY 2008-09 Q1 Actual Overtime Spending	FY 2008-09 Q1 Actual Overtime as a % of Personnel	FY 2008-09 Overtime Percent To Date	FY 2008-09 Year-End Overtime Estimate	Year-End \$ (Over) / Under	Year-End (Over) / Under as % of Adjusted	Explanation of (Overspending) / Savings
<b>A. GENERAL PURPOSE FUND</b>															
MAYOR	2,753,093	9,131	0.33%	2,818,480	14,773	0.52%	8,414	690,860	-	0.00%	0.0%	8,414	-	0.00%	
CITY COUNCIL	3,412,838	0	0.00%	3,164,465	642	0.02%	-	796,442	113	0.01%	N/A	500	(500)	N/A	Community events.
CITY ADMINISTRATOR	7,205,311	68	0.00%	7,305,572	30,338	0.42%	-	1,781,204	14,396	0.81%	N/A	16,500	(18,500)	N/A	Primarily in Citizen's Police Review Board and Budget functions.
CITY CLERK	1,357,212	46,264	3.41%	1,264,585	29,993	2.37%	44,895	349,874	3,238	0.93%	7.2%	12,952	31,943	71.15%	Legislative recorder function.
CITY ATTORNEY	9,627,035	0	0.00%	9,823,283	31,557	0.32%	(534)	2,296,948	14,793	0.64%	-2770.2%	21,000	(21,534)	4032.58%	Legal Administrative function.
CITY AUDITOR	835,020	0	0.00%	878,833	3,443	0.39%	-	311,145	1,517	0.49%	N/A	6,068	(6,068)	N/A	Reception/administrative function.
CONTRACTING & PURCHASING	2,135,478	0	0.00%	1,706,150	24,310	1.42%	-	403,670	1,207	0.30%	N/A	1,849	(1,849)	N/A	Contract Compliance function.
INFORMATION TECHNOLOGY	10,270,857	3,328	0.03%	10,680,391	111,479	1.04%	1,856	2,600,749	25,049	0.96%	1349.6%	50,098	(48,242)	(2599.26%)	Summer heat wave caused weekend server malfunctions.
FINANCE & MANAGEMENT	22,347,940	205,061	0.92%	23,136,498	318,139	1.38%	112,599	6,106,767	24,753	0.41%	22.0%	197,960	(85,361)	(75.81%)	CAFR Production, parking enforcement and citation.
POLICE SERVICES	167,222,767	13,653,798	8.17%	185,264,973	25,166,785	13.58%	14,485,094	51,782,614	5,742,496	11.09%	39.6%	16,005,372	(1,520,278)	(10.50%)	In the first quarter OPD developed and implemented an overtime management plan. Therefore, OPD is diligently monitoring overtime and it is anticipated that overtime expenditures will continue to decline in the next three quarters to meet budget.
FIRE SERVICES	100,864,109	3,194,338	3.17%	99,533,829	11,460,351	11.51%	2,958,096	25,611,555	3,815,223	14.90%	129.0%	15,136,483	(12,178,387)	(411.70%)	The amount over the overtime appropriation will be reimbursed by various agencies (FEMA, State and Port) and savings from vacant sworn positions.
MUSEUM	4,745,049	30,948	0.65%	4,971,088	37,835	0.76%	17,706	1,216,320	9,231	0.76%	52.1%	28,231	(10,525)	(59.44%)	Museum security functions.
LIBRARY SERVICES	10,885,292	10,148	0.09%	10,354,016	4,749	0.05%	5,662	2,520,451	741	0.03%	13.1%	741	4,921	86.91%	Library branch services.
PARKS & RECREATION	11,126,851	0	0.00%	11,155,076	35,510	0.32%	-	3,204,301	7,354	0.23%	N/A	7,500	(7,500)	N/A	Accounting and personnel functions.
HUMAN SERVICES	3,992,862	0	0.00%	3,879,208	16,057	0.41%	(4,579)	865,589	6,781	0.78%	N/A	16,084	(20,663)	N/A	Accounting functions; Senior-related programs.
COMM & ECON DEVELOPMENT	1,353,091	6,623	0.48%	1,234,111	2,532	0.21%	-	373,627	1,246	0.33%	-	4,985	(4,985)	-	Rent Arbitration Program.
PUBLIC WORKS	1,870,698	29,078	1.55%	2,017,041	28,940	1.43%	27,351	617,997	3,439	0.56%	12.6%	27,351	-	0.00%	Work orders that are offset by revenue.
NON DEPARTMENTAL	102,904	0	0.00%	336,392	116,136	34.52%	-	-	-	0.00%	0.0%	-	-	-	-
CAPITAL IMPROVEMENT PROGRAM	0	0	N/A	6,967	2,086	29.94%	-	-	-	0.00%	0.0%	-	-	-	-
<b>TOTAL</b>	<b>362,108,407</b>	<b>17,188,705</b>	<b>4.75%</b>	<b>379,530,958</b>	<b>37,435,655</b>	<b>9.86%</b>	<b>\$17,655,560</b>	<b>\$101,530,113</b>	<b>\$9,671,676.86</b>	<b>9.53%</b>	<b>54.8%</b>	<b>\$31,542,088</b>	<b>(\$13,885,528)</b>	<b>(78.64%)</b>	
<b>B. ALL FUNDS</b>															
MAYOR	3,289,953	9,131	0.28%	3,317,956	15,739	0.47%	8,414	856,694	-	0.00%	0.0%	8,958	(544)	(6.47%)	
CITY COUNCIL	4,474,514	0	0.00%	4,230,316	642	0.02%	-	1,017,830	113	0.01%	N/A	500	(500)	N/A	Community events.
CITY ADMINISTRATOR	11,702,065	68	0.00%	11,869,480	66,198	0.56%	-	2,898,710	35,028	1.21%	N/A	50,000	(50,000)	N/A	Primarily in Department of Justice Fund.
CITY CLERK	1,425,216	46,264	3.25%	1,332,589	29,993	2.25%	44,895	349,874	3,238	0.93%	7.2%	12,952	31,943	71.15%	Legislative recorder function.
CITY ATTORNEY	14,030,327	0	0.00%	14,216,675	31,557	0.22%	(534)	3,435,926	14,793	0.43%	-2770.2%	21,000	(21,534)	4032.58%	Legal Administrative Assistant.
CITY AUDITOR	980,868	0	0.00%	1,024,681	3,443	0.34%	-	328,734	1,536	0.47%	N/A	1,536	(1,536)	N/A	Reception/administrative function.
CONTRACTING & PURCHASING	2,819,759	2,943	0.10%	2,676,501	58,314	2.18%	2,712	668,847	3,799	0.57%	140.1%	3,799	(1,087)	(40.08%)	Contract Compliance function.
INFORMATION TECHNOLOGY	13,347,425	12,168	0.09%	14,280,542	189,126	1.32%	10,002	3,574,653	37,674	1.05%	376.7%	75,348	(65,346)	(653.33%)	Summer heat wave caused weekend server malfunctions.
FINANCE & MANAGEMENT	29,232,212	300,166	1.03%	30,441,365	368,966	1.21%	144,936	30,348,878	36,776	0.12%	25.4%	264,681	(119,745)	(82.62%)	CAFR Production, parking enforcement and citation.
POLICE SERVICES	183,566,272	16,504,412	8.99%	201,720,873	27,563,239	13.66%	17,188,872	55,651,048	6,576,827	11.82%	N/A	18,709,150	(1,520,278)	N/A	OPD is projected to over spend in the GPF at this time, although it is anticipated that GPF OT will continue to decline. All other fund overtime will be covered by (other) funds and/or reimbursed via grant or agreement.
FIRE SERVICES	109,011,552	7,594,076	6.97%	107,934,639	15,845,195	14.68%	7,067,670	27,644,938	4,880,243	17.65%	69.1%	19,361,837	(12,294,167)	(173.95%)	All other fund overtime will be covered by (other) funds and/or reimbursed via grant or agreement.
MUSEUM	5,078,557	75,668	1.49%	5,376,363	43,799	0.81%	58,917	1,305,374	10,411	0.80%	17.7%	32,411	26,506	44.99%	Museum security functions.
LIBRARY SERVICES	19,570,758	10,148	0.05%	19,012,444	9,804	0.05%	5,662	4,592,013	2,568	0.06%	45.4%	2,568	3,094	54.64%	Library branch services.
PARKS & RECREATION	13,574,349	0	0.00%	13,787,071	36,097	0.26%	-	4,370,649	7,776	0.18%	N/A	8,000	(8,000)	N/A	Accounting and personnel functions.
HUMAN SERVICES	19,382,362	1,130	0.01%	19,589,415	21,430	0.11%	(4,579)	4,344,542	19,576	0.45%	N/A	23,244	(27,823)	N/A	Accounting functions; Senior-related programs.
COMM & ECON DEVELOPMENT	60,593,016	488,145	0.81%	53,725,188	1,117,385	2.08%	384,789	13,547,397	223,743	1.65%	58.1%	797,433	(412,644)	(107.24%)	Over 80% of OT spending is reimbursable within Development Service & Sewer Funds.
PUBLIC WORKS	60,295,504	902,068	1.50%	63,922,487	2,778,213	4.35%	804,120	15,713,292	413,278	2.63%	51.4%	804,120	-	0.00%	Work orders that are offset by revenue.
NON DEPARTMENTAL	102,904	0	0.00%	4,006,755	116,449	2.91%	-	(4,793,626)	-	0.00%	0.0%	-	-	0.00%	-
CAPITAL IMPROVEMENT PROGRAM	1,346	0	0.00%	(39,092)	3,088	-7.90%	-	1,416	-	0.00%	0.0%	-	-	0.00%	-
<b>TOTAL</b>	<b>552,578,989</b>	<b>25,946,407</b>	<b>4.70%</b>	<b>572,426,248</b>	<b>48,298,677</b>	<b>8.44%</b>	<b>\$25,715,876</b>	<b>\$165,857,189</b>	<b>\$12,267,379</b>	<b>7.40%</b>	<b>47.7%</b>	<b>\$40,177,537</b>	<b>(14,461,661)</b>	<b>(56.24%)</b>	

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**FIVE YEAR TREND ANALYSIS OF OVERTIME (in Dollars)**

Agency / Department	FY 2003-04 Overtime Budget	FY 2003-04 Overtime Actual	FY 2003-04 Personnel Actual	FY 2003-04 Overtime as a % of Personnel Actual	FY 2004-05 Overtime Budget	FY 2004-05 Overtime Actual	FY 2004-05 Personnel Actual	FY 2004-05 Overtime as a % of Personnel Actual	FY 2005-06 Overtime Budget	FY 2005-06 Overtime Actual	FY 2005-06 Personnel Actual	FY 2005-06 Overtime as a % of Personnel Actual
<b>A. GENERAL PURPOSE FUND</b>												
MAYOR	8,452	-	1,388,415	0.00%	8,462	2,922	1,203,600	0.24%	8,800	1,118	1,250,652	0.09%
CITY COUNCIL	-	-	2,154,268	0.00%	-	2,664	2,159,556	0.12%	-	-	2,520,604	0.00%
CITY ADMINISTRATOR	-	7,394	5,378,989	0.14%	-	8,128	5,633,565	0.14%	2,296	3,384	6,406,824	0.05%
CITY CLERK	-	26,252	1,015,459	2.59%	-	32,685	932,822	3.50%	-	32,726	953,369	3.43%
CITY ATTORNEY	-	6,970	7,647,985	0.09%	-	7,798	8,108,435	0.10%	5,007	10,823	8,768,060	0.12%
CITY AUDITOR	-	259	805,876	0.03%	-	2,886	1,008,277	0.29%	-	7,729	901,125	0.86%
CONTRACTING & PURCHASING	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
INFORMATION TECHNOLOGY	70,213	70,870	6,264,526	1.13%	4,222	74,522	6,745,259	1.10%	4,786	118,388	8,025,714	1.48%
FINANCE & MANAGEMENT	205,648	430,442	14,710,860	2.93%	207,544	299,244	14,600,566	2.05%	215,846	217,837	17,839,369	1.22%
POLICE SERVICES	10,154,569	12,430,046	146,210,124	8.50%	11,175,982	17,598,928	154,916,977	11.36%	11,715,485	22,143,547	162,648,233	13.61%
FIRE SERVICES	2,899,899	7,252,729	81,347,055	8.92%	3,091,598	8,617,777	84,744,643	10.17%	3,020,751	12,095,355	95,789,693	12.63%
MUSEUM	-	28,074	4,862,846	0.58%	-	8,873	4,522,057	0.20%	26,640	34,313	4,389,428	0.78%
LIBRARY SERVICES	9,382	6,735	8,524,720	0.08%	9,382	3,521	8,493,000	0.04%	9,757	4,187	9,656,375	0.04%
PARKS & RECREATION	-	40,324	9,389,158	0.43%	-	28,161	8,964,360	0.31%	30,859	23,819	9,563,010	0.25%
HUMAN SERVICES	542	8,882	2,597,078	0.34%	542	23,895	2,944,273	0.80%	-	21,592	3,031,405	0.71%
COMM & ECON DEVELOPMENT	329,809	445,917	15,570,845	2.86%	353,075	484,609	14,453,486	3.35%	309,562	662,767	16,477,238	4.02%
PUBLIC WORKS	-	818	151,020	0.54%	-	7,700	969,014	0.79%	25,618	47,182	1,217,197	3.88%
NON DEPARTMENTAL	-	-	20,000	0.00%	-	28,857	(725,229)	-3.98%	-	1,642	267,682	0.61%
CAPITAL IMPROVEMENT PROGRAM	-	-	649	0.00%	-	-	1,047	0.00%	-	-	-	-
<b>TOTAL</b>	<b>\$13,878,524</b>	<b>\$20,755,712</b>	<b>\$308,040,873</b>	<b>6.74%</b>	<b>\$14,850,807</b>	<b>\$27,232,970</b>	<b>\$319,675,728</b>	<b>8.52%</b>	<b>\$15,375,407</b>	<b>\$35,426,409</b>	<b>\$349,705,978</b>	<b>10.13%</b>
<b>B. ALL FUNDS</b>												
MAYOR	8,462	-	1,550,716	0.00%	8,462	2,922	1,355,521	0.22%	8,800	1,118	1,393,488	0.08%
CITY COUNCIL	-	-	2,868,184	0.00%	727	3,391	2,931,900	0.12%	-	104	3,408,770	0.00%
CITY ADMINISTRATOR	3,507	16,795	98,099,431	0.02%	-	30,237	82,696,983	0.04%	2,296	34,185	84,623,900	0.04%
CITY CLERK	-	26,252	1,166,633	2.25%	-	32,685	1,111,835	2.94%	-	32,726	988,307	3.31%
CITY ATTORNEY	-	6,970	10,239,041	0.07%	-	7,798	10,817,912	0.07%	5,007	10,823	11,966,459	0.09%
CITY AUDITOR	-	259	922,072	0.03%	-	2,886	1,008,277	0.29%	-	7,729	935,055	0.83%
CONTRACTING & PURCHASING	N/A	N/A	N/A	-	N/A	N/A	N/A	-	N/A	N/A	N/A	-
INFORMATION TECHNOLOGY	79,727	78,455	7,446,468	1.05%	13,533	96,080	8,229,886	1.17%	13,626	163,194	9,508,036	1.72%
FINANCE & MANAGEMENT	210,915	460,486	18,506,690	2.49%	212,811	319,582	17,951,582	1.78%	221,324	270,255	23,185,860	1.17%
POLICE SERVICES	12,290,487	14,383,933	150,958,399	9.53%	12,954,836	18,569,094	158,104,960	11.74%	13,400,985	23,422,080	167,982,276	13.94%
FIRE SERVICES	2,993,370	7,862,560	84,177,118	9.10%	5,882,283	11,134,869	89,977,130	12.38%	7,185,106	16,097,755	102,468,222	15.71%
MUSEUM	35,000	46,388	5,801,447	0.80%	44,160	42,674	5,393,869	0.79%	73,519	51,001	4,878,056	1.05%
LIBRARY SERVICES	9,382	20,208	14,915,806	0.14%	9,382	17,932	15,961,670	0.11%	9,757	21,590	18,150,013	0.12%
PARKS & RECREATION	162	231,997	20,503,315	1.13%	-	29,211	10,877,399	0.27%	30,859	25,075	11,517,817	0.22%
HUMAN SERVICES	542	37,008	15,998,603	0.23%	542	45,772	16,146,215	0.28%	4,070	46,313	17,278,627	0.27%
COMM & ECON DEVELOPMENT	329,894	507,315	28,172,588	1.80%	378,503	608,357	27,138,079	2.24%	337,177	786,864	30,634,842	2.57%
PUBLIC WORKS	469,496	1,774,345	50,702,702	3.50%	705,709	1,958,562	61,114,472	3.20%	1,039,728	3,011,642	69,414,190	4.34%
NON DEPARTMENTAL	-	-	(88,782)	0.00%	-	29,085	19,252,768	0.15%	-	2,766	3,247,848	0.09%
CAPITAL IMPROVEMENT PROGRAM	-	167	247,771	0.07%	-	-	17,983	0.00%	-	581	3,929	14.79%
<b>TOTAL</b>	<b>\$16,430,944</b>	<b>\$25,253,138</b>	<b>\$512,188,202</b>	<b>4.93%</b>	<b>\$20,210,946</b>	<b>\$32,931,137</b>	<b>\$530,088,441</b>	<b>6.21%</b>	<b>\$22,332,254</b>	<b>\$43,985,801</b>	<b>\$561,585,695</b>	<b>7.83%</b>

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through Sep 30, 2008)**  
**FIVE YEAR TREND ANALYSIS OF OVERTIME (in \$)**

Agency / Department	FY 2006-07 Overtime Budget	FY 2006-07 Overtime Actual	FY 2006-07 Personnel Actual	FY 2006-07 Overtime as a % of Personnel Actual	FY 2007-08 Overtime Budget	FY 2007-08 Overtime Actual	FY 2007-08 Personnel Actual	FY 2007-08 Overtime as a % of Personnel Actual
<b>A. GENERAL PURPOSE FUND</b>								
MAYOR	9,131	-	1,808,296	0.00%	9,131	14,773	2,818,480	0.52%
CITY COUNCIL	-	115	2,642,248	0.00%	-	642	3,164,465	0.02%
CITY ADMINISTRATOR	-	28,063	7,345,553	0.38%	68	30,338	7,305,572	0.42%
CITY CLERK	26,284	29,831	1,172,158	2.54%	46,284	29,993	1,264,585	2.37%
CITY ATTORNEY	207,389	13,767	8,902,565	0.15%	-	31,557	9,823,283	0.32%
CITY AUDITOR	-	1,552	621,984	0.25%	-	3,443	878,833	0.39%
CONTRACTING & PURCHASING	N/A	N/A	N/A	N/A	-	24,310	1,706,150	1.42%
INFORMATION TECHNOLOGY	4,786	102,412	8,603,808	1.19%	3,328	111,479	10,680,391	1.04%
FINANCE & MANAGEMENT	236,446	265,860	21,111,800	1.26%	205,061	318,139	23,136,498	1.38%
POLICE SERVICES	12,257,398	26,883,459	174,934,157	15.37%	13,653,798	25,166,785	185,264,973	13.58%
FIRE SERVICES	3,141,543	12,905,702	94,539,701	13.65%	3,194,338	11,460,351	99,533,829	11.51%
MUSEUM	27,684	45,456	5,019,364	0.91%	30,948	37,835	4,971,088	0.76%
LIBRARY SERVICES	10,148	17,820	10,206,766	0.17%	10,148	4,749	10,354,016	0.05%
PARKS & RECREATION	26,275	23,338	10,198,542	0.23%	-	35,510	11,155,076	0.32%
HUMAN SERVICES	-	15,793	3,861,776	0.41%	-	16,057	3,879,208	0.41%
COMM & ECON DEVELOPMENT	5,975	15,496	1,073,159	1.44%	6,523	2,532	1,234,111	0.21%
PUBLIC WORKS	31,862	28,725	1,977,625	1.45%	29,078	28,940	2,017,041	1.43%
NON DEPARTMENTAL	-	16	196,465	0.01%	-	116,136	336,392	34.52%
CAPITAL IMPROVEMENT PROGRAM	-	-	-	-	-	2,086	6,967	29.94%
<b>TOTAL</b>	<b>\$15,984,921</b>	<b>\$40,377,405</b>	<b>\$354,215,967</b>	<b>11.40%</b>	<b>\$17,188,705</b>	<b>\$37,435,655</b>	<b>\$379,530,958</b>	<b>9.86%</b>
<b>B. ALL FUNDS</b>								
MAYOR	9,131	-	2,019,034	0.00%	9,131	15,739	3,317,956	0.47%
CITY COUNCIL	-	(343)	3,544,915	-0.01%	-	642	4,230,316	0.02%
CITY ADMINISTRATOR	170	57,461	86,078,144	0.07%	68	66,198	11,869,480	0.56%
CITY CLERK	26,284	29,831	1,245,826	2.39%	46,284	29,993	1,332,589	2.25%
CITY ATTORNEY	207,389	13,767	13,054,623	0.11%	-	31,557	14,216,675	0.22%
CITY AUDITOR	-	1,552	756,444	0.21%	-	3,443	1,024,681	0.34%
CONTRACTING & PURCHASING	N/A	N/A	N/A	-	2,943	58,314	2,676,501	2.18%
INFORMATION TECHNOLOGY	13,626	148,418	10,631,201	1.40%	12,168	189,126	14,280,542	1.32%
FINANCE & MANAGEMENT	241,924	298,637	26,949,547	1.11%	300,166	368,966	101,880,190	0.36%
POLICE SERVICES	13,652,489	28,546,512	183,029,628	15.60%	16,504,412	27,563,239	201,720,873	13.66%
FIRE SERVICES	7,303,578	17,046,383	101,857,499	16.74%	7,594,076	15,845,195	107,934,639	14.68%
MUSEUM	72,404	58,651	5,315,677	1.10%	75,668	43,799	5,376,363	0.81%
LIBRARY SERVICES	10,148	27,604	18,102,134	0.14%	10,148	9,804	19,012,444	0.05%
PARKS & RECREATION	26,275	29,866	12,856,696	0.23%	-	36,097	13,787,071	0.26%
HUMAN SERVICES	1,618	23,367	18,003,126	0.13%	1,130	21,430	19,589,415	0.11%
COMM & ECON DEVELOPMENT	748,270	1,009,725	33,609,306	3.00%	488,145	1,117,385	53,725,188	2.08%
PUBLIC WORKS	1,047,513	3,570,305	76,903,487	4.64%	902,068	2,778,213	63,922,487	4.35%
NON DEPARTMENTAL	-	16	3,656,226	0.00%	-	116,449	3,953,367	2.95%
CAPITAL IMPROVEMENT PROGRAM	1,832	6,494	18,605	34.90%	-	3,088	14,296	21.60%
<b>TOTAL</b>	<b>\$23,362,651</b>	<b>\$50,868,246</b>	<b>\$598,832,118</b>	<b>8.50%</b>	<b>\$25,946,407</b>	<b>\$48,298,677</b>	<b>\$643,865,073</b>	<b>7.50%</b>

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT REVENUES (in Dollars)**

Revenue Category	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actual	FY 2007-08 Percentage to Date	FY 2007-08 Year-End Actuals	FY 2008-09 October Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percentage to Date	FY 2008-09 Year-End Estimate	Year-End \$ Over / (Under)	Year-End % Over / (under) Adjusted Budget
LLAD Assessment	17,832,024	346,128	1.94%	17,812,849	17,832,024	372,441	2.09%	17,832,024	-	0.0%
Interest, Rent, Concessions	-	(44,187)	N/A	-	-	(42,495)	N/A	-	-	-
Svc. Charge - City Damage	36,000	30,381	84.39%	218,812	167,600	6,898	4.12%	27,592	(140,008)	-83.5%
Reserve Transfer from Fund Balance	1,114,675	-	0.00%	-	-	-	N/A	-	-	N/A
Operating Transfers	3,503,891	-	0.00%	3,503,891	-	-	N/A	-	-	N/A
Other Revenues	35,860	63,013	175.72%	134,890	82,600	10,425	12.62%	41,699	(40,901)	-49.5%
Miscellaneous Revenue	-	-	N/A	-	4,840,000	-	0.00%	4,840,000	-	0.0%
<b>Total Revenue</b>	<b>\$22,522,450</b>	<b>\$395,335</b>	<b>1.76%</b>	<b>\$21,670,441</b>	<b>\$22,922,224</b>	<b>\$347,269</b>	<b>1.51%</b>	<b>\$22,741,315</b>	<b>(\$180,909)</b>	<b>-0.79%</b>

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT EXPENDITURES (in Dollars)**

Agency / Department / Division	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actual	FY 2007-08 Percentage to Date	FY 2007-08 Year-End Actuals	FY 2008-09 October Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percentage to Date	FY 2008-09 Year-End Estimate	Year-End \$ (Over) / under	Year-End % (Over) / under Adjusted Budget
City Administrator	107,277	23,311	21.7%	112,358	105,396	17,002	16.1%	66,998	38,398	36.4%
City Attorney	165,840	41,460	25.0%	165,840	162,962	42,779	26.3%	162,962	-	0.0%
Financial Services	143,985	36,918	25.6%	155,912	12,186	37,748	309.8%	49,934	(37,748)	-309.8%
Information Technology	34,908	12,360	35.4%	47,880	8,200	12,147	148.1%	22,079	(13,879)	-169.2%
Cultural Arts (Museum)	347,268	56,825	16.4%	352,910	308,978	143,922	46.6%	288,139	20,839	6.7%
Parks and Recreation: Administration	104,758	(1,075)	-1.0%	103,683	104,758	26,189	25.0%	104,758	-	0.0%
OPR: Area One, Two & Three	3,221,002	239,239	7.4%	3,433,415	3,212,528	832,003	25.9%	3,201,206	11,322	0.4%
Public Works Director & Administration	64,006	17,114	26.7%	171,370	209,808	128,506	61.2%	202,112	7,696	3.7%
Design & Construction Services	247,597	35,285	14.3%	200,438	6,403	9,036	141.1%	6,403	-	0.0%
Infrastructure Operations	7,932,447	1,827,517	23.0%	8,769,271	6,140,583	1,739,237	28.3%	6,522,352	(381,769)	-6.2%
Facilities Environment	10,375,701	2,434,973	23.5%	10,091,022	8,383,556	2,238,394	26.7%	7,274,372	1,109,184	13.2%
<b>Total Expenditure</b>	<b>\$22,744,788</b>	<b>\$4,723,926</b>	<b>20.8%</b>	<b>\$23,604,097</b>	<b>\$18,655,359</b>	<b>\$5,226,965</b>	<b>28.0%</b>	<b>\$17,901,315</b>	<b>\$754,044</b>	<b>4.0%</b>

Projected Ending Fund Balance - June 30, 2009

\$0 million

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**EQUIPMENT FUND REVENUES (in Dollars)**

Revenue Category	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actual	FY 2007-08 Percentage to Date	FY 2007-08 Year-End Actuals	FY 2008-09 October Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percentage to Date	FY 2008-09 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End Over / (Under) as a % of Adjusted Budget
Collections: Damage Claims	41,000	-	0.0%	-	41,000	-	0.0%	-	(41,000)	0.0%
Interest, Rent, and Concession	-	(213,215)	N/A	(614,609)	-	(117,030)	N/A	(400,000)	(400,000)	N/A
Service Charge Revenue	-	17,634	N/A	158,016	-	30,115	N/A	120,459	120,459	N/A
Internal Service Revenues	15,968,424	-	0.0%	16,016,498	16,253,184	3,733,415	23.0%	16,253,184	-	100.0%
Work Order Revenues	239,000	203,466	85.1%	1,011,362	-	-	N/A	-	-	N/A
Other Income	55,174	111,838	202.7%	186,684	-	-	N/A	-	-	N/A
Miscellaneous Sales	64,000	-	0.0%	217,467	64,000	6,792	10.6%	27,170	(36,830)	42.5%
<b>Total Revenue</b>	<b>\$16,367,598</b>	<b>\$119,723</b>	<b>0.7%</b>	<b>\$16,975,418</b>	<b>\$16,358,184</b>	<b>\$3,653,292</b>	<b>22.3%</b>	<b>\$16,000,813</b>	<b>(\$357,371)</b>	<b>97.8%</b>



**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**EQUIPMENT FUND EXPENDITURES (in Dollars)**

Expenditure Category	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actual	FY 2007-08 Percentage to Date	FY 2007-08 Year-End Actuals	FY 2008-09 October Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percentage to Date	FY 2008-09 Year-End Estimate	Year-End \$ (Over)/under	Year-End (Over)/Under as a % of Adjusted Budget
Employee Personnel Services	6,103,419	1,294,959	21.2%	5,702,511	6,093,748	1,522,483	23.8%	5,783,944	309,804	5.1%
Overtime	50,000	105,533	211.1%	271,373	-	19,262	N/A	77,046	(77,046)	N/A
Supply and Material	2,403,711	733,053	30.5%	2,264,767	1,812,075	845,471	50.2%	2,874,601	(1,062,526)	-58.6%
Fuel	3,495,442	774,454	22.2%	3,776,755	2,712,051	947,666	35.9%	2,842,998	(130,947)	-4.8%
Service Expenditures	411,840	92,970	22.6%	407,689	679,011	94,587	14.2%	378,350	300,661	44.3%
Contract Services	1,179,592	298,976	25.3%	945,279	389,533	285,791	126.8%	1,143,163	(753,630)	-193.5%
Travel and Education	13,079	976	7.5%	13,140	68,946	11,460	16.7%	45,840	23,106	33.5%
Internal Service / Work Orders	194,430	5,252	2.7%	211,874	194,430	158,794	81.7%	194,430	-	0.0%
Overhead	1,487,836	352,744	23.7%	1,531,930	1,417,366	373,887	24.8%	1,404,757	12,609	0.9%
<b>Total Operating Expenditures</b>	<b>\$15,339,350</b>	<b>\$3,658,916</b>	<b>23.9%</b>	<b>\$15,125,318</b>	<b>\$13,367,160</b>	<b>\$4,259,401</b>	<b>31.8%</b>	<b>\$14,745,128</b>	<b>(\$1,377,968)</b>	<b>-10.3%</b>
Debt Service	2,577,149	-	0.0%	2,562,290	2,576,982	501,255	19.5%	2,576,982	-	0.0%
Capital Acquisitions *	7,275,752	5,133,852	70.6%	3,797,849	5,650,000	3,093,804	N/A	5,650,000	-	0.0%
<b>Total Expenditures</b>	<b>\$25,192,251</b>	<b>\$8,792,768</b>	<b>34.9%</b>	<b>\$21,485,457</b>	<b>\$21,594,142</b>	<b>\$7,854,460</b>	<b>33.9%</b>	<b>\$22,972,110</b>	<b>(\$1,377,968)</b>	<b>-6.4%</b>

\* Supported by revenue from master lease agreement

Projected Ending Cash Balance - June 30, 2009

(\$17.76) million

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**FACILITIES FUND REVENUES (in Dollars)**

Revenue Category	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actual	FY 2007-08 Percentage to Date	FY 2007-08 Year-End Actuals	FY 2008-09 October Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percentage to Date	FY 2008-09 Year-End Estimate	Year-End \$ Over / (Under)	Year-End Over / (Under) as a % of Adjusted Budget
Interest	-	(234,809)	N/A	(884,599)	-	(182,604)	N/A	(748,677)	(748,677)	N/A
Misc. Facility Rentals	250,256	155,198	62.0%	98,900	20,400	-	0.0%	-	(20,400)	-100.0%
Miscellaneous Services	31,000	-	-	7,724	31,000	26,869	86.7%	107,476	76,476	246.7%
Internal Service Revenues	18,214,505	-	-	18,214,404	18,214,505	4,575,735	25.1%	18,214,505	-	0.0%
Work Order Revenues	71,500	99,205	138.7%	334,036	-	-	N/A	-	-	N/A
Other Revenue	120,944	96,589	79.9%	406,082	-	(13,707)	N/A	-	-	N/A
<b>Total Revenue</b>	<b>\$18,688,205</b>	<b>\$116,183</b>	<b>0.6%</b>	<b>\$18,176,547</b>	<b>\$18,265,905</b>	<b>\$4,406,293</b>	<b>24.1%</b>	<b>\$17,573,304</b>	<b>(\$692,601)</b>	<b>-3.8%</b>

**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS**  
**Through First Quarter (July 1, 2008 through September 30, 2008)**  
**FACILITIES FUND EXPENDITURES (in Dollars)**

Expenditure Category	FY 2007-08 Q1 Adjusted Budget	FY 2007-08 Q1 Actual	FY 2007-08 Percentage to Date	FY 2007-08 Year-End Actuals	FY 2008-09 October Adjusted Budget	FY 2008-09 Q1 Actuals	FY 2008-09 Percentage to Date	FY 2008-09 Year-End Estimate	Year-End \$ (Over)/Under Adjusted Budget	Year-End (Over)/Under as a % of Adjusted Budget
Employee Personnel Services	10,556,771	2,629,090	24.9%	10,937,997	10,257,249	2,703,295	25.1%	10,293,278	(36,029)	-0.4%
Overtime	75,137	59,889	79.7%	245,800	69,828	67,957	600.5%	141,178	(71,350)	-102.2%
Supply and Material	1,130,080	431,318	38.2%	1,127,635	1,148,957	293,617	25.7%	1,174,468	(25,511)	-2.2%
Service Expenditures	580,062	214,029	36.9%	543,918	394,192	114,995	35.5%	459,980	(65,788)	-16.7%
Gas	1,182,082	184,033	15.6%	1,263,595	851,540	326,098	38.3%	1,304,392	(452,852)	-53.2%
Electricity (non-streetlight)	3,130,596	808,717	25.8%	3,056,679	4,050,109	566,517	14.0%	3,056,679	993,430	24.5%
Water	701,606	271,199	38.7%	946,424	700,300	211,045	30.1%	844,180	(143,880)	-20.5%
Contract Services	1,909,988	678,402	35.5%	1,785,751	1,564,807	433,477	26.4%	1,733,908	(169,101)	-10.8%
Maintenance and Security	895,428	179,627	20.1%	1,012,447	710,441	181,985	25.6%	727,940	(17,499)	-2.5%
Travel and Education	17,751	998	5.6%	21,518	34,780	575	1.7%	2,300	32,480	93.4%
Internal Service / Work Orders	929,370	5,108	0.5%	857,539	960,073	153,916	16.1%	958,249	1,824	0.2%
Overhead	2,597,102	651,576	25.1%	2,707,908	2,449,927	663,113	25.4%	2,495,651	(45,724)	-1.9%
<b>Total Operating Expenditures</b>	<b>\$23,705,973</b>	<b>\$6,113,987</b>	<b>25.8%</b>	<b>\$24,507,212</b>	<b>\$23,192,203</b>	<b>\$5,716,590</b>	<b>24.0%</b>	<b>\$23,192,203</b>	<b>\$0</b>	<b>0.0%</b>
Loan Principal	407,632	84,571	20.7%	316,341	214,587	88,203	41.1%	214,587	-	0.0%
Debt Service	129,410	61,531	47.5%	155,509	160,569	57,898	36.1%	160,569	-	0.0%
Capital Acquisitions	6,411	6,411	100.0%	6,411	12,376	-	0.0%	12,376	-	0.0%
Accounting Adjustments	42,971	-		40,598	-	-	N/A	-	-	N/A
<b>Total Expenditures</b>	<b>\$24,292,397</b>	<b>\$6,266,500</b>	<b>25.8%</b>	<b>\$25,026,071</b>	<b>\$23,579,735</b>	<b>\$5,862,691</b>	<b>24.2%</b>	<b>\$23,579,735</b>	<b>\$0</b>	<b>0.0%</b>

Projected Ending Cash Balance - June 30, 2009

(\$32.41) million