



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

DATE ISSUED: November 15, 2013 REPORT NO: 13-095

ATTENTION: Budget and Finance Committee  
Agenda of November 21, 2013

SUBJECT: Fiscal Year 2014 First Quarter Budget Monitoring Report

REFERENCE: None

REQUESTED ACTION:

Accept the report on Fiscal Year 2014 First Quarter Budget Monitoring.

STAFF RECOMMENDATION:

Accept the report.

SUMMARY:

See attachment: Fiscal Year 2014 First Quarter Budget Monitoring Report, #13-095

FISCAL CONSIDERATIONS: None, this is an information report only.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS: None

Attachment: Fiscal Year 2014 First Quarter Budget Monitoring Report, #13-095

# **Fiscal Year 2014 First Quarter Budget Monitoring Report**



## **City of San Diego Financial Management Department November 2013**

*signature on file*

\_\_\_\_\_  
Scott Chadwick  
Chief Operating Officer

*signature on file*

\_\_\_\_\_  
Greg Bych  
Interim Chief Financial Officer

*signature on file*

\_\_\_\_\_  
Jeff Sturak  
Financial Management Director

*signature on file*

\_\_\_\_\_  
Alia Khouri  
Supervising Analyst

## **INTRODUCTION**

The FY 2014 First Quarter Budget Monitoring Report (FQ Report) presents year-end projections of revenue and expenditures for departments with budgeted staff. The year-end projections were developed using actual (unaudited) data from July 2013 through September 2013, which provides three accounting periods of activity, and departmental information regarding expected spending trends and operations for the remainder of this fiscal year. This report includes discussion of year-end revenue and expenditure projections that vary significantly from the FY 2014 budget.

The FQ Report also includes an update regarding the reserves for various City funds in accordance with the City's Reserve Policy (Council Policy 100-20). The City's Reserve Policy documents the City's approach to establishing and maintaining adequate reserves across the spectrum of City operations, including General Fund, risk management, and enterprise fund operations. In accordance with the City's Reserve Policy, any requests for the use of reserves and a status report of the affected reserve fund and impacts on the future reserve levels are to be presented in the quarterly budget monitoring reports.

### **New Information in the Quarterly Budget Monitoring Reports**

In addition to the financial projections, the quarterly budget monitoring reports include the following enhancements:

#### *Significant Policy/Budget Item Update:*

Information regarding the current status of significant policies and/or budget items included in the FY 2014 Adopted Budget.

#### *Vacancy Status:*

A list of current vacant budgeted positions as of November 2013, for General Fund Departments and non-general funds, will be included as an attachment to the report. In addition, the reports include a status update regarding hiring plans in each General Fund Department write up. A vacancy status table will be included for the departments where the current vacancies significantly vary from the assumed vacancies. The vacancy status update focuses on General Fund vacancies, as the attrition rate, hiring plans, and vacancies have a significant effect on the year-end projections for the General Fund.

While the status of budgeted vacant positions in the General Fund is a new addition to the quarterly budget monitoring reports, this data has been provided in prior years by the Financial Management Department in separate reports. Additional details on vacancies in the non-general funds will be included in the FY 2014 Mid-Year Budget Monitoring Report.

#### *Risks Discussion:*

A risk section has been included for each department that has a future budget or policy item where the cost or timing of the item is currently unknown or may change the current projections.

*Enhanced Structure:*

Departmental discussions will include a financial summary table and a vacancy status table, as well as discussions on revenue, expenditures, vacancy status, and risks. This will provide the reader an overview of the details regarding a specific department in one place. Discussions are included for those departments where the projection varies significantly from the current budget and/or the current vacancies are exceeding the budgeted vacancies.

# GENERAL FUND

## Overview

The FY 2014 Adopted Budget assumed the use of a prior year surplus of \$12.6 million and reserves of \$9.8 million totaling \$22.4 million combined. The \$ 9.8 million use of reserves is a result of funding required to support the non-pensionable compensation increases negotiated in the five-year labor agreements with the City’s six recognized employee organizations.

<b>General Fund Summary</b>					
<i>Table 1</i>					
<i>in millions</i>					
<b>Revenue/Expenditures</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
Revenue	\$ 1,203.0	\$ 1,204.0	\$ 1,261.4	\$ 57.4	4.8%
Expenditures	1,225.5	1,226.5	1,243.4	(16.9)	-1.4%
<b>Net Year-End Projection</b>	<b>\$ (22.4)</b>	<b>\$ (22.4)</b>	<b>\$ 18.0</b>	<b>\$ 40.5</b>	

The current FY 2014 projection reflects revenue in excess of expenditure at year-end by \$18.0 million. The projected surplus is the result of over budget revenue of \$57.4 million offset by over budget expenditures of \$16.9 million. The FY 2014 Adopted Budget assumed a net budgetary deficit of \$22.4 million; therefore, the current over budget revenue and expenditure projections represent a net \$40.5 million budgetary surplus.

The positive year-end projection is based on three months of activity and unforeseen events may impact expenditure and revenue projections. It is important to note that both the revenue and expenditure variances are less than five percent when compared to the \$1.2 billion budgets.

<b>Summary of FY 2014 General Fund Projections</b>					
<i>Table 2</i>					
<i>in millions</i>					
<b>Revenue/Expenditures</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Projected Revenue</b>					
Major General Fund Revenues	\$ 894.9	\$ 895.9	\$ 950.7	\$ 54.8	6.1%
Departmental Revenue	308.1	308.1	310.7	2.5	0.8%
Subtotal	\$ 1,203.0	\$ 1,204.0	\$ 1,261.4	\$ 57.4	4.8%
<b>Projected Expenditures</b>					
Personnel Expenditures	\$ 886.4	\$ 887.1	\$ 893.4	\$ (6.3)	-0.7%
Non-Personnel	339.1	339.4	349.9	(10.6)	-3.1%
Subtotal	\$ 1,225.5	\$ 1,226.5	\$ 1,243.4	\$ (16.9)	-1.4%
<b>Net Year-End Projection</b>	<b>\$ (22.4)</b>	<b>\$ (22.4)</b>	<b>\$ 18.0</b>	<b>\$ 40.5</b>	

## Revenue

The projected budgetary surplus of \$57.4 million is primarily the result of \$54.8 million in unanticipated receipts within the Major General Fund Revenues. The unanticipated receipts primarily include residual distributions from the Redevelopment Property Tax Trust Fund (RPTTF) of \$36.3 million and revenue from the disposition of assets following the dissolution of the San Diego Data Processing Corporation (SDDPC) of \$8.0 million.

As part of the continued wind down of the City's former Redevelopment Agency, the Successor Agency submitted a Due Diligence Report (DDR) of its Non-Housing Assets to the State Department of Finance (DOF). As a result of the DDR, the DOF has determined that the Successor Agency's available Non-Housing Assets are \$166.0 million which includes \$21.1 million in General Fund "clawback" of disallowed enforceable obligations. Upon the Successor Agency remitting the Non-Housing DDR payment, the City's General Fund is expected to receive a residual distribution from RPTTF of approximately \$34.8 million, or 21.0 percent of the payment.

Departmental revenue is also contributing to the positive variance, reflecting a \$2.5 million surplus. The surplus is a result of the Fire-Rescue Department projecting to be over budget by \$2.7 million due to a combination of reimbursements from strike team deployments and services provided to the Airport Authority during FY 2013. The Transportation and Storm Water Department is also contributing to the surplus with an over budget projection of \$1.0 million in reimbursable services performed on construction projects and street and sidewalk maintenance.

## Expenditures

The \$16.9 million deficit in expenditure projections are primarily due to \$6.3 million in over budget personnel expenditures and \$10.6 million in over budget non-personnel expenditures.

### *Personnel Expenditures:*

The current projection for personnel expenditures exceeds budget by \$6.3 million, which is primarily the result of overtime and pay in lieu of annual leave, as well as, a \$0.7 million deficit in fringe benefits.

Overall, departments are experiencing savings in salaried wages due to higher vacancies citywide than assumed in the FY 2014 Adopted Budget. The Police and Fire-Rescue Departments are projecting the most significant surplus in salaries and wages of \$1.4 million and \$3.8 million, respectively. The savings in salaries and wages offset the over budget projections in overtime and pay in lieu of annual leave. The majority of the over budget overtime expenditures are also in the Police and Fire-Rescue Departments, which are projecting to exceed their overtime budget by \$3.6 million and \$4.5 million, respectively.

The over budget fringe benefit projection is primarily the result of increased Supplemental Pension Saving Plan (SPSP) contributions by the City. Under Proposition B, new employees are also eligible to receive Interim Defined Contribution Retirement Plan with a City match. The City match is captured in the SPSP benefit category and is projected to exceed budget due to the

City hiring more SPSP eligible employees than assumed in the budget. However, due to vacancies experienced in the first quarter of the fiscal year, savings projected in other variable fringe benefit accounts are partially offsetting the over budget SPSP projection.

*Non-Personnel Expenditures:*

Non-personnel expenditure projections are anticipated to exceed budget by \$10.6 million at year-end. As mentioned previously, the over budget projections are primarily the result of unanticipated election costs and expenditures related to the 525 B Street relocation of Public Works and Public Utilities staff. Additionally, due to delays in the implementation of the Fleet Services managed competition the Fleet Services Fund expenditures are higher than what was anticipated in the budget. The increased costs related to the Fleet Services Fund are passed onto both General Fund and Non-General Fund customer departments and have been included in the current expenditure projections. The total impact to the General Fund is estimated to be \$3.2 million.

The total deficit of \$16.9 million in expenditures is primarily due to unanticipated Mayoral special election and potential run-off costs that are projected to be \$9.3 million.

## GENERAL FUND RESERVES

The City’s Reserve Policy requires the General Fund reserves to be equal to 8.0 percent of General Fund revenue. Based on unaudited actuals, the FY 2013 ending fund balance is estimated to be \$202.3 million, including \$181.9 million in reserves. The difference of \$20.4 million between the fund balance and the reserves is due to committed (non-spendable) fund balance due to loans to the former Redevelopment Agency (RDA).

The \$181.9 million in reserves represents 15.4 percent of FY 2013 unaudited actual revenue and is above the 8.0 percent target. Based on the current projections, the FY 2014 ending reserves are expected to increase by \$18.0 million. This projected reserve contribution brings the reserve level to \$199.9 million, representing 15.8 percent of FY 2014 projected revenue and continues to be above the 8.0 percent target.

<b>FY 2014 General Fund Reserve Estimates</b>		
<i>Table 3</i>	<i>in millions</i>	
<b>Description</b>	<b>Amount</b>	<b>% of Revenue</b>
Unassigned/Assigned	\$ 122.8	
Emergency (5%)	59.1	
<b>FY 2013 Ending Reserves</b>	<b>\$ 181.9</b>	<b>15.4%</b>
Committed	\$ 20.4	
<b>FY 2013 Ending Fund Balance</b>	<b>\$ 202.3</b>	
FY 2014 Projected Activity		
Projected Revenue	\$ 1,261.4	
Projected Expenditures	(1,243.4)	
Subtotal	\$ 18.0	
<b>FY 2014 Projected Ending Fund Balance</b>	<b>\$ 220.3</b>	
Committed	\$ 20.4	
<b>FY 2014 Projected Ending Reserves</b>	<b>\$ 199.9</b>	<b>15.8%</b>
Unassigned/Assigned	\$ 136.8	
Emergency (5%)	63.1	
Loan to Successor Agency	\$ (21.1)	
<b>FY 2014 Revised Projected Ending Reserves</b>	<b>\$ 178.8</b>	<b>14.2%</b>

While the above table displays a significant increase in the FY 2014 Ending Reserves projection, it is important to note that the cause of the increase in the General Fund reserve is primarily the result of unanticipated residual distributions from the Redevelopment Property Tax Trust Fund (RPTTF) resulting from the former RDA’s payment of the Non-Housing DDR.

In accordance with Assembly Bill x1 26 (ABx1 26) and Assembly Bill 1484 (AB 1484), collectively known as the Dissolution Laws, redevelopment agencies were dissolved statewide. In accordance with the Dissolution Laws, the City Council designated the City to serve as the Successor Agency to the former RDA. The Successor Agency is responsible for winding down



the operations of the former RDA including the submission of semi-annual Recognized Obligation Payment Schedules (ROPS) and the completion of due diligence reports for the former RDA’s Housing and Non-Housing Assets.

As required by the Dissolution Laws, the Successor Agency conducted the DDR of the Non-Housing Assets and submitted the findings to the State Department of Finance (DOF) in April 2013. Following a review of the Non-Housing DDR by the DOF and subsequent meet and confer proceedings, the DOF issued a final determination letter on October 31, 2013 requiring the Successor Agency to remit \$166.0 million to the San Diego County Auditor and Controller to be distributed to the local taxing entities as general property taxes on a pro rata basis. As part of the final determination letter, the DOF objected to the inclusion of the items listed in the table below as enforceable obligations and has required these items be paid (“clawback”) to the San Diego County Auditor and Controller as part of the former RDA’s Non-Housing DDR payment.

<b>Non-Housing DDR "Clawback" Amounts</b>	
<i>Table 4</i>	<i>in millions</i>
<b>Disallowed Payments</b>	<b>2nd Quarter CY 2014</b>
Pecto Park Debt Service Payment <sup>1</sup>	\$ 11.3
OIG/HUD CDBG Debt Payments	3.3
Convention Center PH II Debt Service Payment <sup>1</sup>	2.0
Long Term City Debt payment <sup>1</sup>	1.0
NTC HUD Section 108 Loan payments <sup>2</sup>	0.2
Mt. Hope HUD Section 108 Loan payments <sup>1</sup>	0.0
Payments to the City for the Barrio Logan Community Plan Update	0.2
Convention Center Phase III loan between the SDCCC and Agency	3.0
<b>Total</b>	<b>\$ 21.1</b>

<sup>1</sup> Disallowed in ROPS 3 – Letter from DOF dated Dec. 27, 2012

<sup>2</sup> Disallowed in ROPS 4 – Letter from DOF dated May 17, 2013

As a result of the Successor Agency’s Non-Housing DDR payment of \$166.0 million to the San Diego County Auditor and Controller, it is expected that the City will receive its’ pro rata share of approximately 21.0 percent, or \$34.8 million, in residual distributions from the RPTTF. While it is anticipated that the General Fund will receive a one-time distribution from the RPTTF as a result of the Successor Agency’s Non-Housing DDR payment, the City intends to dispute the items being disallowed as enforceable obligations and therefore it is recommended that the General Fund loan the \$21.1 million “clawback” amount to the Successor Agency. Since many of the items are matters of pending litigation between the City/Successor Agency and State, or could become subject of future litigation, it is in the City’s best interest to loan the funds to the Agency. Should the City/Successor Agency be successful in any current or future litigation, then the Agency may repay the City the loan amount plus any accrued interest.

Removing the \$21.1 million recommended to be loaned to the Successor Agency, the FY 2014 year-end reserve projection is reduced to \$178.8 million, or 14.2 percent of projected revenue. These reserve projections are likely to fluctuate throughout the year as year-end revenue and expenditures are adjusted and therefore will be monitored closely.

## MAJOR GENERAL FUND REVENUES

As reflected in Table 5: FY 2014 Major General Fund Revenue Projections, the City’s major revenues are projected to be over budget by \$54.8 million. The primary contributor to the positive variance is property tax revenue, which is projected to end the year over budget due to unanticipated residual distributions from the Redevelopment Property Tax Trust Fund (RPTTF) and the receipt of funds following the dissolution of the San Diego Data Processing Corporation (SDDPC). Further contributing to the positive variance are projected surpluses in revenue from sales tax, franchise fees, property transfer tax, and motor vehicle license fees. The projected surpluses in these categories are slightly offset by a minor deficit projected in transient occupancy tax revenue.

<b>FY 2014 Major General Fund Revenue Projections</b>					
<i>Table 5</i>	<i>in millions</i>				
Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Property Tax	\$ 408.0	\$ 409.0	\$ 454.0	\$ 45.0	11.0%
Sales Tax	248.1	248.1	248.5	0.4	0.2%
Transient Occupancy Tax <sup>1</sup>	87.9	87.9	87.6	(0.3)	-0.3%
Franchise Fees <sup>2</sup>	67.0	67.0	67.2	0.2	0.3%
Property Transfer Tax	7.0	7.0	8.0	0.9	13.4%
Motor Vehicle License Fees	-	-	0.6	0.6	100.0%
Other Major Revenue	76.9	76.9	84.9	8.0	10.4%
<b>Total</b>	<b>\$ 894.9</b>	<b>\$ 895.9</b>	<b>\$ 950.7</b>	<b>\$ 54.8</b>	<b>6.1%</b>

<sup>1</sup> Total City FY 2014 current revenue budget for transient occupancy tax is \$167.7 million and the projection is \$167.2 million. The balance is budgeted in the Transient Occupancy Tax Fund.

<sup>2</sup> Total City FY 2014 current revenue budget for franchise fees is \$129.1 million and the projection is \$129.3 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 revenue distributions to the City. When the FY 2014 Adopted Budget for Major General Fund Revenues was developed, it incorporated a projection of continuing improvement in the local, State, and national economies for the fiscal year. The projected year-end surplus in this category indicates that the positive signs shown by the local economic indicators during the development of the budget have generally continued through the first quarter of the fiscal year as reflected in Table 6: Local Economic Indicator. There has been some slowing in the rate of improvement possibly due to an over-correction following the ending of the recession and economic growth returning to rates that are closer to historical averages.

When compared to August 2012, the unemployment rate in the City of San Diego for August 2013 has dropped by 1.8 percent, while the total number of unemployed has decreased by 18.9 percent. There have also been significant decreases in foreclosures and notices of default when compared to the same time period last fiscal year. In addition to local employment and real estate indicators showing improvement, the University of San Diego’s (USD) Index of Leading Economic Indicators also reflects a positive change. 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.

**Local Economic Indicators**  
*Table 6*

<b>Economic Indicator</b>	<b>August 2012</b>	<b>August 2013</b>	<b>Variance %</b>
City of San Diego Unemployment	9.2%	7.4%	-1.8%
City of San Diego Number of Unemployed	65,700	53,300	-18.9%
USD Index of Leading Econ. Indicators	121.6	127.9	5.2%
San Diego County Home Sales	3,932	4,108	4.5%
San Diego County Median Home Price	\$356,694	\$427,423	19.8%
San Diego County Foreclosures	608	174	-71.4%
San Diego County Notices of Default	1,357	601	-55.7%

Source: California Employment Development Department, DataQuick Information Systems, USD Index of Leading Economic Indicators, San Diego County Assessor/Recorder/County Clerk's Office

The local economic indicators and projected year-end surplus in Major General Fund Revenues support the position that the economy is continuing to improve. Although it is anticipated that this improvement in the local economy will continue through the remainder of FY 2014, economic indicators will be closely monitored for potential impacts to the Major General Fund Revenues.

## Property Tax

<b>FY 2014 Property Tax Revenue Projections</b>					
<i>Table 7</i>					<i>in millions</i>
<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
Property Tax Growth Rate	2.2%	2.2%	4.0%	1.8%	N/A
Property Tax Projection	\$ 408.0	\$ 409.0	\$ 454.0	\$ 45.0	11.0%

A surplus is projected for property tax revenue at year-end as compared to the current budget. The projected increase from the FY 2014 Current Budget is primarily due to an anticipated residual distribution from the RPTTF. The increase in property tax is also due to an increase in the 1.0 percent base property tax and in the Motor Vehicle License Fee (MVLFF) backfill payment.

The 1.0 percent base property tax year-end projection varies from the current budget by \$6.7 million due to higher than anticipated, positive, assessed valuation growth in FY 2014 and a projected decrease in refunds. The MVLFF backfill payment varies from the current budget by \$2.0 million as a result of the true payment being higher than the current budget.

Approved assessed valuation appeals result in refunds of property taxes to the applying property owner, which negatively impacts the total projected property tax revenue to be received by the City. Since FY 2012, Financial Management has continued to monitor and analyze property tax refund amounts reported by the San Diego County Assessor/Recorder/County Clerk’s Office. As the economy improves, it is anticipated that fewer applications for assessed valuation reductions will be submitted. As a result, the FY 2014 year-end property tax projection includes lower property tax refunds compared to prior fiscal years. Financial Management will continue to monitor refund activity for the remainder of the fiscal year.

The FY 2014 year-end property tax projection includes a total tax sharing pass-through payment of \$3.4 million from the former RDA based on projections for the upcoming ROPS. The \$3.4 million payment reflects a \$0.5 million increase over the current 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 RPTTF after ROPS requirements have been met. The anticipated residual property tax payment is approximately \$9.2 million.

In addition to the residual payments from the ROPS and in accordance with the Dissolution Laws, the Successor Agency to the former RDA was required to conduct a DDR of the Successor Agency’s Non-Housing Assets and report to the DOF. Following a review of the Non-Housing DDR by the DOF and subsequent meet and confer proceedings, the DOF issued a final determination which required the Successor Agency to remit \$166.0 million to the San Diego County Auditor and Controller to be distributed to the local taxing entities as general property taxes on a pro rata basis. As a result of the Successor Agency’s payment of the Non-Housing DDR demand amount to the San Diego County Auditor and Controller, it is expected that the City will receive approximately 21.0 percent, or \$34.8 million, of this payment back when the San Diego County Auditor and Controller distributes the RPTTF payment to the taxing entities.

As result of an increase in ROPS residual distributions and the one-time distribution following the Non-Housing DDR payment, the year-end projection includes a total residual property tax payment of \$44.0 million, a \$35.8 million increase over the FY 2014 Current Budget. Combined, these components in the property tax projection result in a net projected surplus of \$45.0 million, as displayed in Table 8: FY 2014 Property Tax Revenue Projections Details.

<b>FY 2014 Property Tax Revenue Projections Details</b>					
<i>Table 8</i>					<i>in millions</i>
<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
1% Property Tax	\$ 290.4	\$ 291.4	\$ 298.1	\$ 6.7	2.3%
MVLF Backfill	106.4	106.4	108.4	2.0	1.9%
RPTTF Tax Sharing Pass-through Payments	3.0	3.0	3.4	0.5	15.4%
RPTTF Residual Property Tax	8.2	8.2	44.0	35.8	435.9%
<b>Total</b>	<b>\$ 408.0</b>	<b>\$ 409.0</b>	<b>\$ 454.0</b>	<b>\$ 45.0</b>	<b>11.0%</b>

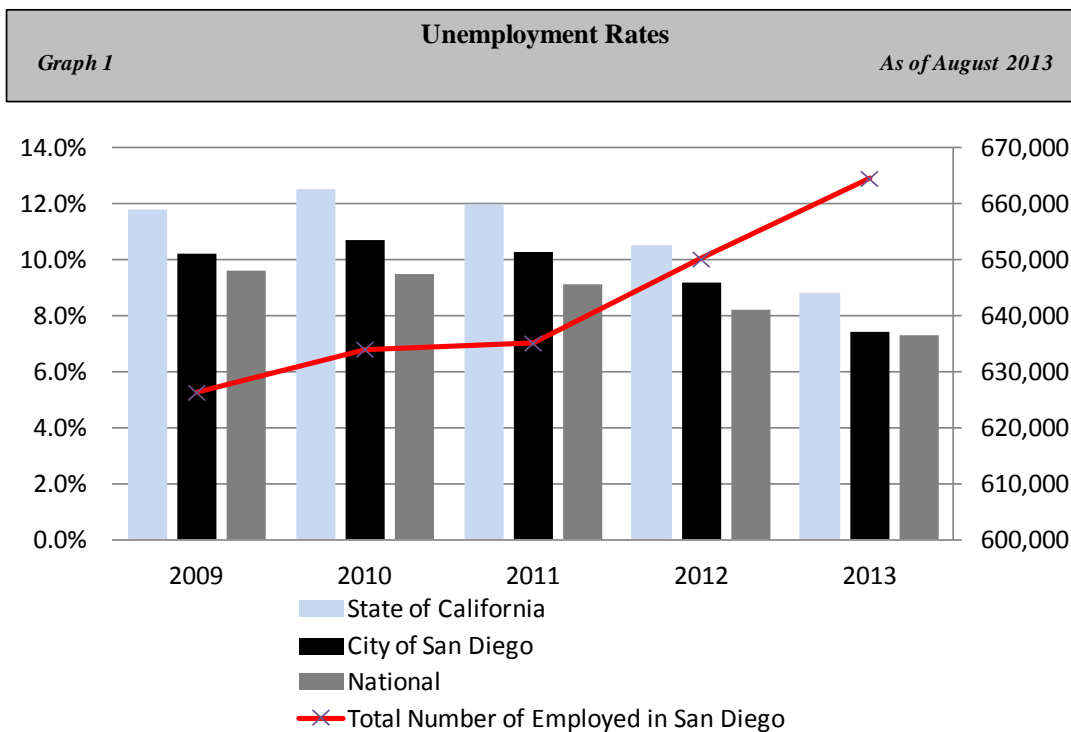
As shown above, during the first quarter of the fiscal year the budget for property tax was increased by \$1.0 million as approved by City Council on October 28, 2013 (R-308540) to offset the projected cost increases of the Improvement of Government Operations plan.

## Sales Tax

FY 2014 Sales Tax Revenue Projections					
<i>Table 9</i>		<i>in millions</i>			
Revenue Source	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Sales Tax Growth Rate	5.5%	5.5%	5.5%	0.0%	N/A
Sales Tax Projection	\$ 248.1	\$ 248.1	\$ 248.5	\$ 0.4	0.2%

A surplus is projected for sales tax revenue at year-end as compared to the current budget. The increase is primarily due to a technical correction in accrual projections at the beginning of the fiscal year. This increase is partially offset by a decrease in sales tax revenue received for the second quarter of calendar year 2013. While a surplus is projected at year-end in this category, sales tax revenue is being monitored closely for changes in consumer behavior possibly brought on by the effects of the federal government shutdown and sequestration.

The major local economic drivers of the City’s sales tax receipts include the unemployment rate and consumer confidence. As of August 2013, the San Diego unemployment rate was 7.4 percent, down from 7.8 percent for the month of July, as reported by the California Employment Development Department. The unemployment rates for both the State of California and the national unemployment rate are 8.8 percent and 7.3 percent, respectively, as shown in Graph 2: Unemployment Rates. As the local unemployment rate improves and becomes closer to historical averages, consumer confidence is projected to increase, which is anticipated to lead to continued growth in the City’s sales tax receipts.



Source: California Employment Development Department

The City of San Diego experienced a steady increase in sales tax revenue in FY 2013, with gains reported in all economic sectors. Sales tax data from MuniServices, LLC (MuniServices), the City’s sales tax consultant, indicate that expected gains in taxable sales from department retail stores, automobile sales, and service stations should help maintain this trend through FY 2014.

<b>Quarterly Sales Tax Revenue</b>			
<i>Table 10</i>	<i>in millions</i>		
<b>Economic Category</b>	<b>2nd Quarter CY 2013</b>	<b>2nd Quarter CY 2014</b>	<b>Variance %</b>
General Retail	\$ 14.6	\$ 15.1	3.0%
Food Products	12.1	12.5	3.3%
Transportation	10.7	10.8	0.9%
Business to Business	9.2	9.9	7.0%
Construction	3.9	4.1	5.1%
<b>Total</b>	<b>\$ 50.5</b>	<b>\$ 52.3</b>	<b>3.5%</b>

Source: MuniServices, LLC

Looking ahead, the holiday season taxable sales performance will provide further indication of the economic climate and consumer confidence. Any potential increase or decrease in local taxable sales performance will directly impact the sales tax revenue projection.

### Transient Occupancy Tax (TOT)

<b>FY 2014 Transient Occupancy Tax (TOT) Revenue Projections</b>					
<i>Table 11</i>	<i>in millions</i>				
<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
TOT Growth Rate	6.0%	6.0%	6.0%	0.0%	N/A
TOT Projection	\$ 87.9	\$ 87.9	\$ 87.6	\$ (0.3)	-0.3%

General Fund TOT revenue is projected to be higher at year-end than the amount received in FY 2013 due to the positive tourism growth expected to be sustained throughout FY 2014; however, a deficit in this category is projected due to the growth rate being below what was projected when the FY 2014 Adopted Budget for TOT was developed.

Major economic drivers of TOT include seasonal and non-seasonal tourism, business travel, and conventions. Sustained positive tourism growth has occurred since the economic turnaround began in FY 2010 and this trend is expected to continue through FY 2014, according to the July 2013 Quarterly Travel Forecast from the San Diego Tourism Authority (SDTA) and Tourism Economics, Inc. Slow but steady growth in hotel room demand and occupancy is forecasted through FY 2014, as displayed in Table 12: San Diego County Visitor Industry, which was prepared using data from the SDTA.

It is anticipated that the SDTA will resume marketing campaigns as soon as Tourism Marketing District (TMD) funds are released. These marketing campaigns are expected to lead to increased leisure and business travel to San Diego, which will result in increased revenue to the General Fund from transient occupancy tax.

**San Diego County Visitor Industry**  
*Table 12*

	CY 2011	CY 2012	CY 2013	CY 2014 <sup>1</sup>
<b>Visitors</b>				
Total Visits (millions)	31.1	32.3	32.7	33.3
Overnight Visits (millions)	15.8	16.1	16.3	16.6
<b>Hotel Sector</b>				
Avg. Occupancy	68.7%	70.6%	71.4%	72.5%
Avg. Daily Rate	\$ 125.59	\$ 131.05	\$ 134.23	\$ 140.90
Rev PAR <sup>2</sup>	\$ 86.27	\$ 92.49	\$ 95.89	\$ 102.11
Room Demand (growth)	3.7%	2.8%	1.9%	2.6%

Source: San Diego Tourism Authority and Tourism Economics Inc.

<sup>1</sup> Forecast - Tourism Economics Inc. July 2013

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

## Franchise Fees

<b>FY 2014 Franchise Fee Revenue Projections</b>					
					<i>in millions</i>
<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
SDG&E Growth Rate	2.0%	2.0%	2.0%	0.0%	N/A
Cables Growth Rate	4.0%	4.0%	4.0%	0.0%	N/A
Franchise Fee Projection	\$ 67.0	\$ 67.0	\$ 67.2	\$ 0.2	0.3%

A surplus is projected for franchise fee revenue at year-end as compared to the current budget. 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 refuse haulers. Approximately 90.0 percent 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. The increased year-end projection is primarily due to penalty payments received from refuse haulers.

## Property Transfer Tax

<b>FY 2014 Property Transfer Tax Projections</b>					
<i>Table 14</i>					<i>in millions</i>
<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
Property Transfer Tax Growth Rate	8.0%	8.0%	8.0%	0.0%	N/A
Property Transfer Tax Projection	\$ 7.0	\$ 7.0	\$ 8.0	\$ 0.9	13.4%

Property transfer tax is levied on the sale of residential and commercial real estate property and is highly reflective of the activity in the housing market; making property transfer tax revenues generally more volatile to market changes than the 1.0 percent property tax levy. A surplus is projected for property transfer tax revenue at year-end as compared to the current budget. The increased year-end projection is due to actual receipts exceeding budgeted amounts during the first quarter of the fiscal year. Accordingly, appreciation or depreciation in property values and sales volume in the local real estate market affect property transfer tax revenue. Changes in the marketplace are reflected in the revenue received on a monthly basis. The table below displays the latest indicators on the local real estate market. The positive statistics contribute to the projection of increased property transfer tax revenue at year-end.

<b>Local Economic Indicators</b>			
<i>Table 15</i>			
<b>Economic Indicator</b>	<b>September 2012</b>	<b>September 2013</b>	<b>Variance %</b>
San Diego County Home Sales	3,932	4,108	4.5%
San Diego County Median Home Price	\$ 356,694	\$ 427,423	19.8%
San Diego County Foreclosures	608	174	-71.4%
San Diego County Notices of Default	1,357	601	-55.7%

Source: DataQuick Information Systems, San Diego County Assessor/Recorder/County Clerk's Office

## Motor Vehicle License Fee (MVLFF)

The FY 2014 Adopted Budget did not include revenue from MVLFF due to the passage of State of California Senate Bill 89 which eliminated MVLFF allocations to cities and redirected this revenue to the State's General Fund to support public safety grants. Although no MVLFF revenue was included in the budget for this fiscal year, during the first quarter the City received a payment of \$0.6 million from the State for penalties and interest on late MVLFF payments. No additional receipts are projected for the remainder of FY 2014.



## Other Major Revenues

<b>FY 2014 Other Major Revenue Projections</b>					
<i>Table 16</i>					<i>in millions</i>
<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
Other Major Revenue Projection	\$ 76.9	\$ 76.9	\$ 84.9	\$ 8.0	10.4%

The other major revenues category includes General Governmental Services Billing (GGSB), which is a reimbursement from other City funds that utilize General Fund services, the one-cent TOT transfer into the General Fund, interest earnings attributable to the General Fund from the City investment pool, and Refuse Collector Business Tax. Other major revenues is projected to end the year over budget due to the unanticipated receipt of \$8.0 million resulting from the disposition of assets following of dissolution of the SDDPC.

## GENERAL FUND SUMMARIES BY DEPARTMENT

### City Treasurer

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 26.0	\$ 26.0	\$ 26.6	\$ 0.7	2.6%
Personnel Expenditures	11.5	11.5	11.4	0.1	0.6%
Non-Personnel Expenditures	9.0	9.0	9.0	0.0	0.5%
<b>Expenditures</b>	\$ 20.5	\$ 20.5	\$ 20.4	\$ 0.1	0.5%

<i>As of November 2013</i>		<i>FTE</i>
Budgeted Vacancies	Current Vacancies	Variance
4.00	7.00	3.00

*Revenue:*

The revenue projection includes a surplus of \$0.7 million. The surplus in Business Tax is a result of increases in compliance; the Rental Unit Business Tax surplus projection follows positive FY 2013 trends that continue throughout FY 2014; and charges for current services surplus is attributed to unbudgeted Civic San Diego revenue related to investment services for outstanding bond issuances.

*Expenditures:*

Personnel expenditure projections include a slight surplus related to current vacancies in the department. The projection reflects a variety of vacancies at different position levels which the Department plans on filling throughout the year. The surplus is also related to under-filling positions at lower job classifications, resulting in salary savings. Non-personnel expenditures are projecting to end the fiscal year at budget.

### Citywide Program Expenditures

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ -	\$ -	\$ -	\$ -	0.0%
Personnel Expenditures	-	-	-	-	0.0%
Non-Personnel Expenditures	66.1	66.1	74.9	(8.8)	-13.3%
<b>Expenditures</b>	\$ 66.1	\$ 66.1	\$ 74.9	\$ (8.8)	-13.3%

*Expenditures:*

Citywide Program Expenditure projections include unbudgeted costs for the upcoming Mayoral special election and potential run-off estimated at \$9.3 million by the Registrar of Voters. The Department is projecting savings in Preservation of Benefits (POB) expenditures and Tax Revenue Anticipation Notes (TRANS). As displayed in the table above, the savings projected POB and TRANS expenditures only slightly offset the unbudgeted elections costs.

*Risks:*

Potential risks in the Citywide Program Expenditures Department include the possibility of a more costly election than projected. Other risk factors include the likelihood that the City would have to increase the transfer to the Public Liability Fund to meet claim expenditures this fiscal year. Finally, continuing delays in the Kinder Morgan Litigation could result in additional savings for the Department.

**Development Services – Planning and Neighborhood Code Compliance**

*in millions*

<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 3.4	\$ 3.4	\$ 3.6	\$ 0.2	6.3%
Personnel Expenditures	11.7	11.7	11.2	0.4	3.7%
Non-Personnel Expenditures	3.4	3.4	2.7	0.6	19.2%
<b>Expenditures</b>	\$ 15.0	\$ 15.0	\$ 14.0	\$ 1.08	7.2%

*As of November 2013*

*FTE*

<b>Budgeted Vacancies</b>	<b>Current Vacancies</b>	<b>Variance</b>
2.00	12.00	10.00

*Revenue:*

Revenue projections in the Development Services – Planning and Neighborhood Code Compliance Department include over budget charges for current services primarily due to higher than anticipated revenue from registration fees from the new Property Value Protection Ordinance program, and higher billable charges resulting from plan reviews and services to other funds.

*Expenditures:*

Personnel expenditure projections include a savings in salaries and wages and fringe benefits. The savings in salaries and wages are attributed to positions currently vacant that will be filled by the end of the fiscal year. While pay in lieu of annual leave, termination pay, and hourly wages are projecting to exceed budget, the Department projects an overall surplus in personnel expenditures.

Non-personnel projections include under budget contractual expenditures primarily due to unforeseen Community Plan Update (CPU) program delays. Delayed CPU programs include Uptown, North Park, Golden Hill, Grantville, Southeastern San Diego, and Encanto. The delays were caused by contracting, traffic modeling capacity, changes in land use plan goals, competing stakeholder interests, and staff availability. CPUs are expected to progress at a faster pace in the second half of FY 2014. Although some CPUs are experiencing delays, the Otay Mesa and Ocean Beach CPUs will be complete by fiscal year-end.

## Economic Development

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 8.2	\$ 8.2	\$ 8.2	\$ -	0.0%
Personnel Expenditures	5.2	5.5	5.2	0.3	5.0%
Non-Personnel Expenditures	7.8	7.8	7.8	0.0	0.0%
<b>Expenditures</b>	\$ 12.9	\$ 13.2	\$ 13.0	\$ 0.3	2.1%

<i>As of November 2013</i>		<i>FTE</i>
Budgeted Vacancies	Current Vacancies	Variance
1.00	7.50	6.50

*Revenue:*

The revenue projections in the Economic Development Department are projecting to be at budget by fiscal year-end.

*Expenditures:*

Personnel expenditures in the Economic Development Department are projecting to be under budget by year-end. The projection reflects a variety of vacancies at different position levels which the department plans on filling throughout the year. City Council approved a resolution (R-308540) on October 28, 2013 authorizing an increase of \$0.3 million to support the addition of a Planning Director and Assistant Planning Director and the budget has been adjusted to reflect the increase as approved. Non-personnel expenditures are projecting to end the fiscal year at budget.

## Fire-Rescue

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 24.0	\$ 24.0	\$ 26.6	\$ 2.7	11.1%
Personnel Expenditures	189.4	189.4	193.8	(4.4)	-2.3%
Non-Personnel Expenditures	33.2	33.2	32.8	0.5	1.4%
<b>Expenditures</b>	\$ 222.7	\$ 222.7	\$ 226.6	\$ (3.9)	-1.8%

<i>As of November 2013</i>		<i>FTE</i>
Budgeted Vacancies	Current Vacancies	Variance
75.00	75.00	0.00

*Revenue:*

Revenue projections in the Fire-Rescue Department include a surplus in charges for current services primarily due to prior year reimbursements from the Airport Authority. In addition, the Department received a one-time credit payment from the helicopter maintenance provider due to the discontinuance of the maintenance program. This was an extended warranty program for which the Department paid the vendor a set price per hour since 2008. Under the contract, any funds remaining in the account after all claims are covered are split 50/50 between the City and the vendor.

Also included in the projection is a deficit for the Combustible Explosive and Dangerous Materials (CEDMAT) inspection fee revenue, which is offset by reimbursable revenue resulting from strike team deployments and a new contract for the Hazardous Material Incident Response Team (HIRT) program and false alarm penalty revenue. The Department is projecting to hire seven Fire Prevention Inspectors starting in December 2013, with five assigned to staff the CEDMAT program. The Department is anticipating increased revenue due to the hiring of the inspectors but this revenue is not expected to be realized until the end of the fiscal year.

*Expenditures:*

The personnel expenditure projection is over budget as a result of a projected deficit in overtime, pay in lieu of annual leave, hourly wages and fringe benefits. Offsetting the deficit, are savings in salary and wages and termination pay. Although overtime is projecting to exceed budget, FY 2014 projections are \$4.0 million less than FY 2013 actuals. This decrease is a result of a lower number of strike team deployments through the first part of the fiscal year as well as an infusion of 55 new fire fighters into operations from two FY 2013 academies. The Department is currently in the process of assessing the impact of the new fire fighters to quantify the positive impact on overtime expenditures. The projection also includes anticipated costs associated with one fire academy, which began in October 2013 with 30.00 Fire Recruits, as well as, additional position adjustments based on the department’s current staffing plan.

Non-personnel projections are under budget due to less than anticipated cost for fleet fuel and debt payments related to fire engines/truck purchases through the Vehicle Replacement Fund and other lease/financing options. This is partially offset with over budget expenditures for vehicle usage fees due to the delayed implementation of the Fleet Services managed competition and assignment fees.

*Risks:*

Potential risks in the Fire-Rescue Department include increased overtime if there is a change to the rate of attrition.

**Library**

<i>in millions</i>					
<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 4.1	\$ 4.1	\$ 4.1	\$ (0.0)	-1.1%
Personnel Expenditures	30.5	30.5	30.6	(0.1)	-0.4%
Non-Personnel Expenditures	13.3	13.3	13.3	0.0	0.3%
<b>Expenditures</b>	\$ 43.8	\$ 43.8	\$ 43.9	\$ (0.1)	-0.2%

<i>As of November 2013</i>		<i>FTE</i>
<b>Budgeted Vacancies</b>	<b>Current Vacancies</b>	<b>Variance</b>
14.50	22.50	8.00

*Revenue:*

The revenue in the Library Department is projecting to be close to budget by fiscal year-end.

*Expenditures:*

Personnel expenditure projections include over budget expenditures attributed to fringe benefits. Current vacancies in the Department are creating a surplus in salaries and wages; however, the Department plans to be fully staffed by the end of the fiscal year. Non-personnel expenditures are projecting to be at budget by fiscal year-end.

*Risks:*

The revenues and expenditures related to operations of the new Central Library are a significant component of the Department’s projections. The projections were developed based on the most recent and available information. As a history of actual revenue and expenditures for the new Central Library develops, the projections may be adjusted to more accurately reflect actual operations.

**Park and Recreation**

*in millions*

<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 32.9	\$ 32.9	\$ 33.2	\$ 0.2	0.7%
Personnel Expenditures	55.2	55.2	56.6	(1.3)	-2.4%
Non-Personnel Expenditures	34.7	34.7	34.4	0.3	0.9%
<b>Expenditures</b>	\$ 90.0	\$ 90.0	\$ 91.0	\$ (1.0)	-1.1%

*As of November 2013*

*FTE*

<b>Budgeted Vacancies</b>	<b>Current Vacancies</b>	<b>Variance</b>
23.50	42.00	18.50

*Revenue:*

Revenue projections in the Park and Recreation Department include a surplus in licenses and permits due to revenue associated with public rentals outside of normal hours of operation. Revenue from other agencies is also projecting a positive variance due to the one-time receipt of funds from the San Diego School District for the loss of use of the Carroll Canyon mitigation site. These positive variances are offset by deficits in charges for current services due to decreased cemetery and facility rental fees, program surcharges, and lower than anticipated Gas Tax reimbursement revenue as a result of expenditures posting directly to the Gas Tax Fund.

*Expenditures:*

Personnel projections in the Department include over budget hourly wages, pay in lieu of annual leave, overtime and fringe benefits. A portion of the over budget hourly wages are due to non-hours of operation from public rentals which is offset by revenue as mentioned above. The deficit in overtime is a result of unbudgeted open-hours during holidays and responding to emergencies such as, critical maintenance or security issues. The projection also reflects a variety of vacancies at different position levels which the department plans on filling throughout the year.

Non-personnel projections include savings in contractual expenditures due to the lengthy procurement process for large contracts such as the multi-year tree maintenance and fencing contracts. The expenditures for the brush management contract are projecting to exceed budget

due to an increased cost per acre. This deficit will be mitigated by the savings mentioned above and conservative spending.

*Risks:*

The Park and Recreation Department receives a portion of the four-cent of TOT funding for the reimbursement of tourism-related activities supported by the General Fund. If TOT receipts do not meet budget, the reimbursement of tourism related expenditures may be reduced.

**Police**

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 44.1	\$ 44.1	\$ 42.7	\$ (1.4)	-3.1%
Personnel Expenditures	354.1	354.1	355.2	(1.1)	-0.3%
Non-Personnel Expenditures	64.4	66.4	68.8	(2.4)	-3.7%
<b>Expenditures</b>	\$ 418.5	\$ 420.5	\$ 424.1	\$ (3.5)	-0.8%

<i>As of November 2013</i>		<i>FTE</i>
Budgeted Vacancies	Current Vacancies	Variance
130.50	138.50	8.00

*Revenue:*

Revenue projections in the Police Department include deficits in charges for current services primarily from Abandoned Vehicle Abatement (AVA) program revenue. The AVA program previously received funds through a \$1 surcharge from all vehicle registrations. The authorization to collect the fee expired on March 30, 2012, at which point the AVA reimbursements were put on hold. The Department is looking into the possibility of using fund balance for reimbursement of work performed. However, due to pending legal issues, the Police Department cannot project the revenue from the AVA program at this time. Municipal Court revenue is also projecting to be under budget due to red light photo enforcement adjudication expenditures that are ongoing due to delinquent or contested citations. The Significant Policy/Key Budget section provides a status update on the photo enforcement program.

*Expenditures:*

Personnel expenditure projections include over budget overtime to support the increased need for front-line law enforcement for Assembly Bill 109 Public Safety Realignment (AB 109). The law, effective October 1, 2011, mandates that individuals sentenced to non-serious, non-violent or non-sex offenses will serve sentences in county jails instead of state prison or be released early. The Department received a second unbudgeted AB 109 disbursement in FY 2014 which will partially mitigate the overtime deficit. Pay in lieu of annual leave is also projecting to exceed budget.

Non-personnel projections include over budget services paid to the County of San Diego for animal control services, consultant expenditures for sworn staff promotional examinations and for red light photo adjudication expenditures. The cost for Animal Services through the County fluctuates based on County personnel costs, population and inflation. The estimated costs for FY

2014 are exceeding the budget amounts by \$0.5 million. Promotional examinations provided to Sergeants and Lieutenants are offered every other year, the Department is required to hire external objective consultants to proctor the process. The contract for red light photo enforcement, previously budgeted in the Transportation and Storm Water Department, was discontinued late in FY 2013. However, there are continued adjudication expenditures for unpaid and contested violations, which the Police Department is now administering. The Department's non-personnel projections also include a deficit in contracts due to the delayed implementation of the Fleet Services managed competition.

*Risks:*

Potential risks in the Police Department include increased overtime if attrition rates do not improve as expected.

**Public Works – Engineering and Capital Projects**

*in millions*

<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 56.5	\$ 56.5	\$ 56.1	\$ (0.4)	-0.8%
Personnel Expenditures	55.3	55.3	56.5	(1.2)	-2.2%
Non-Personnel Expenditures	6.6	6.6	7.5	(0.9)	-13.4%
<b>Expenditures</b>	\$ 61.9	\$ 61.9	\$ 64.0	\$ (2.1)	-3.4%

<i>As of November 2013</i>		<i>FTE</i>
<b>Budgeted Vacancies</b>	<b>Current Vacancies</b>	<b>Variance</b>
17.00	27.00	10.00

*Revenue:*

Revenue year-end projections in the Public Works – Engineering & Capital Projects Department include deficits in charges for current services. The unfavorable variance is due to reimbursable positions not expected to be filled until later in the fiscal year.

*Expenditures:*

Personnel expenditure projections include a deficit in fringe benefits, overtime and unbudgeted pay in lieu of annual leave. The projection also reflects a variety of vacancies at different position levels which the department plans on filling throughout the year. Over budget non-personnel expenditures are primarily due to unbudgeted costs related to the relocation from 600 B Street to 525 B Street.



**Public Works – General Services - Facilities**

*in millions*

<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 3.9	\$ 3.9	\$ 3.7	\$ (0.2)	-5.4%
Personnel Expenditures	10.9	10.9	10.6	0.2	2.3%
Non-Personnel Expenditures	6.0	6.0	6.0	(0.0)	-0.3%
<b>Expenditures</b>	\$ 16.8	\$ 16.8	\$ 16.6	\$ 0.2	1.4%

*As of November 2013*

*FTE*

<b>Budgeted Vacancies</b>	<b>Current Vacancies</b>	<b>Variance</b>
4.00	17.00	13.00

*Revenue:*

The Public Works – General Services - Facilities Department is projecting revenue to be under budget at year-end. The revenue shortfall is attributed to performing less reimbursable work for non-general fund departments and eligible CIP projects.

*Expenditures:*

The Department is projecting personnel expenditures to be under budget at year-end. The surplus is attributed to 13.00 FTE vacant positions over the budgeted vacancies, of which the majority are projected to be filled by January 2014. The surplus in salaries and wages is offset by deficits in pay in lieu of annual leave, hourly wages and overtime.

The Department is projecting a slight deficit in non-personnel expenditures attributed to the continuing increased costs for the Maintenance, Repair and Operations (MRO) contracts, and the need to address the ongoing as-needed repairs of various City facilities.

*Risks:*

Due to the increased demand for maintenance from General Fund departments, the Department continues to have difficulties meeting the revenue target due to redirecting staff from reimbursable work. Depending on the type of maintenance work requested, the Department could see an increase in supply expenditures.

## Purchasing and Contracting

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.0	7.3%
Personnel Expenditures	4.2	4.2	4.4	(0.2)	-4.7%
Non-Personnel Expenditures	0.6	0.6	0.6	0.1	8.4%
<b>Expenditures</b>	\$ 4.8	\$ 4.8	\$ 5.0	\$ (0.1)	-3.1%

<i>As of November 2013</i>		<i>FTE</i>
Budgeted Vacancies	Current Vacancies	Variance
1.00	6.00	5.00

*Revenue:*

The revenue projections for the Purchasing and Contracting Department are projecting to be within budget at fiscal year-end.

*Expenditures:*

Personnel expenditure projections include a deficit in salaries and wages, pay in lieu of annual leave, termination pay and overtime. These deficits are offset by a surplus in hourly wages. The deficit in salaries and wages is primarily due to filling 9.00 FTE positions in support of the Prevailing Wage Ordinance. The projection reflects a variety of vacancies at different position levels which the department plans on filling by December 2013. Non-personnel expenditure projections are expected to be at budget by fiscal year-end.

## Transportation and Storm Water

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 46.9	\$ 46.9	\$ 47.9	\$ 1.0	2.1%
Personnel Expenditures	42.6	42.6	42.5	0.1	0.3%
Non-Personnel Expenditures	49.5	49.5	50.0	(0.4)	-0.9%
<b>Expenditures</b>	\$ 92.1	\$ 92.1	\$ 92.4	\$ (0.3)	-0.3%

<i>As of November 2013</i>		<i>FTE</i>
Budgeted Vacancies	Current Vacancies	Variance
16.00	55.00	39.00

*Revenue:*

Revenue projections in the Transportation and Storm Water Department include a surplus in charges for current services primarily due to reimbursable services performed on construction projects and street and sidewalk maintenance. The Department is also projecting higher reimbursable street sweeping work, which is also contributing to the positive variance.

*Expenditures:*

Personnel expenditure projections include a savings in salaries and wages attributed to a high number of vacancies through the first quarter of the fiscal year, some of which are expected to

remain vacant while the department identifies new efficiencies as an alternative to the Street and Sidewalk Maintenance managed competition. The salary savings are partially offset by over budget expenditures in overtime caused by channel work in the Tijuana River Valley and street services such as repairing traffic signals and responding to hazardous conditions. Pay in lieu of annual leave is also projecting to exceed budget. Non-personnel expenditure projections include over budget vehicle usage fees due to the delay in implementation of the Fleet Services managed competition.

*Risks:*

The Department experienced significant savings in contractual expenditures in FY 2013 due to delays in contracts and projects starting later in the fiscal year than anticipated. At this time, the Department is projecting the contracts category at budget; however, should any contracts be delayed, the Department could experience savings similar to FY 2013.

## NON-GENERAL FUNDS

### Central Stores Fund

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 13.4	\$ 13.4	\$ 10.1	\$ (3.2)	-24.1%
Personnel Expenditures	1.6	1.6	1.6	0.1	3.6%
Non-Personnel Expenditures	11.7	11.7	8.6	3.2	27.0%
<b>Expenditures</b>	13.4	13.4	10.1	3.2	24.2%
<b>Net Year-End Projection</b>	\$ -	\$ -	\$ 0.0	\$ 0.0	

*Revenue:*

Revenue projections include under budget revenue from the sale of inventory items stocked in the storeroom for purchase by City departments. The demand for storeroom items is projecting to be less than budgeted in FY 2014, resulting in less revenue received from the sale of the items.

*Expenditures:*

Personnel expenditure projections include under budget salaries and wages and fringe due to two positions that were vacant in the first two periods of the fiscal year. Pay in lieu of annual leave is projecting to exceed budget, which slightly offsets the surplus from the vacancies.

Non-personnel projections include under budget expenditures in supplies due to a decreased demand from City departments for items stocked in the storeroom as described above. Central Stores is projecting to maintain lower inventory levels in order to adjust to the level of demand anticipated. The Fund projects to end the fiscal year with revenue in excess of expenditures.

*Risks:*

The Fund could receive less revenue if the demand for storeroom items declines further.

### Development Services Fund

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 45.6	\$ 45.6	\$ 49.2	\$ 3.6	7.9%
Personnel Expenditures	34.7	34.7	38.6	(3.8)	-11.1%
Non-Personnel Expenditures	11.2	11.2	10.4	0.8	6.7%
<b>Expenditures</b>	45.9	45.9	49.0	(3.1)	-6.7%
<b>Net Year-End Projection</b>	\$ (0.3)	\$ (0.3)	\$ 0.2	\$ 0.5	

*Revenue:*

The Development Services Fund revenue projections include a surplus in other licenses and permits due to increased plan reviews and building permits as a result of the improving economy. This surplus is partially offset by a deficit in charges for current services attributed to

reimbursements from other City departments and funds, earned by charging time to subdivision deposit accounts, CIP projects, or providing services to other departments.

*Expenditures:*

Personnel expenditure projections in the Development Services Fund include deficits in salaries and wages, hourly wages, pay in lieu of annual leave, overtime and fringe benefits. This is due to the department planning to hire at a faster rate than anticipated in the budget. The Department is projecting to hire 35.00 FTE positions by the end of the fiscal year.

Non-personnel expenditure projections include under budget expenditures in energy and utilities due to lower cell phone usage, which is part of the department’s conservative spending efforts to offset deficits in personnel expenditures. Other savings are projected in capital expenditures due to conservative spending in office equipment and furniture. The Department is also projecting a surplus in the employee transportation allowance program as a result of employees opting to use the new Annual Adult Regional Transportation Pass, which was introduced in FY 2014 at a lower rate. This surplus is partially offset by fines that were imposed on the City by the Regional Water Quality Control Board. The Fund is projecting to end the fiscal year with revenue in excess of expenditures.

*Risks:*

A slowdown in the national and local economy can result in lower actual revenue receipts due to a decline in the demand for building permits, plan reviews, and fire permits.

**Fleet Services Operating Fund**

	<i>in millions</i>				
<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 51.6	\$ 51.6	\$ 54.3	\$ 2.6	5.1%
Personnel Expenditures	16.6	16.6	20.1	(3.5)	-21.3%
Non-Personnel Expenditures	35.2	35.2	34.2	1.0	2.7%
<b>Expenditures</b>	51.8	51.8	54.4	(2.6)	-5.0%
<b>Net Year-End Projection</b>	\$ (0.1)	\$ (0.1)	\$ (0.1)	\$ 0.0	

*Revenue:*

The Fleet Services Operating Fund is projecting a revenue surplus due to an increase in reimbursable vehicle usage expenditures. The revenue and expenditure budget assumed savings as a result of managed competition; however, due to delays in implementation, the expenditures are higher than anticipated in the budget. The over budget expenditures are passed on to customer departments resulting in increased revenue thus offsetting the additional expenditures in the fund.

*Expenditures:*

Personnel expenditure projections in the Fleet Services Operating Fund include over budget salaries and wages attributed to the delayed implementation of the Fleet Service managed competition. Overtime is also projecting to exceed budget due to maintaining the fire engine reserve fleet.

Non-personnel expenditure projections include savings in energy and utilities due to a decrease in the cost of fuel. The projected surplus is partially offset by a deficit in supplies caused by the delay in implementing managed competition contracts, specifically in awarding the Single Source Parts Provider contract. Unbudgeted contractual expenditures for five as-needed equipment vendor contracts for maintenance of Fire reserve engines are also included in the projection. These contracts will assist Fleet Services with the transition period until the managed competition is fully implemented, and are expected to be fully expended.

The current projected deficit may be lower as the implementation of managed competition continues. The Fund is projecting expenditures to be equal to revenue at year-end.

### Golf Course Fund

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 18.4	\$ 18.4	\$ 19.1	\$ 0.7	4.0%
Personnel Expenditures	7.3	7.3	7.3	(0.0)	-0.3%
Non-Personnel Expenditures	8.4	8.4	8.3	0.0	0.4%
<b>Expenditures</b>	15.7	15.7	15.7	0.0	0.0%
<b>Net Year-End Projection</b>	\$ 2.7	\$ 2.7	\$ 3.4	\$ 0.7	

*Revenue:*

Revenue projections for the Golf Course Fund include over budget charges for current services primarily due to improved course conditions and an improving national and local economy, which has resulted in increased golf play and concessions revenue.

*Expenditures:*

Personnel and non-personnel projections for the Golf Course Fund are expected to be close to budget and the Fund projects to end the fiscal year with revenue in excess of expenditures.

### Qualcomm Stadium Operations Fund

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 16.5	\$ 16.5	\$ 17.0	\$ 0.6	3.4%
Personnel Expenditures	3.4	3.4	3.5	(0.1)	-2.6%
Non-Personnel Expenditures	13.7	13.7	13.2	0.4	3.3%
<b>Expenditures</b>	17.1	17.1	16.7	0.4	2.1%
<b>Net Year-End Projection</b>	\$ (0.6)	\$ (0.6)	\$ 0.3	\$ 0.9	

*Revenue:*

Revenue projections include over budget rents and concessions revenue from the Mexico vs. Finland soccer match in October 2013 that was not anticipated in FY 2014. Also contributing to the surplus is an increase in anticipated catering revenue that has been historically trending higher for events such as the Holiday Bowl, Poinsettia Bowl, Supercross, and Monster Jam.

*Expenditures:*

Personnel expenditure projections include over budget salaries and wages and fringe benefits. The deficit in salaries and wages is primarily due to pay in lieu of annual leave that is projecting to exceed budget.

Non-personnel projections include under budget expenditures due to anticipated savings from a decrease in the FY 2014 payment to the Chargers for the Americans with Disabilities Act (ADA) settlement. Although the Fund was budgeted to use fund balance, the current projection includes over budget revenue and under budget expenditures. Therefore, the Fund is not relying on fund balance at this time.

*Risks:*

Risks to the expenditures variance includes a fluctuation in ticket sales which may affect the final settlement amount owed to the Chargers in FY 2014.

**Recycling Fund**

	<i>in millions</i>				
<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 17.8	\$ 17.8	\$ 18.9	\$ 1.1	6.3%
Personnel Expenditures	9.9	9.9	9.9	(0.1)	-0.6%
Non-Personnel Expenditures	13.4	13.4	12.6	0.8	6.3%
<b>Expenditures</b>	23.3	23.3	22.5	0.8	3.4%
<b>Net Year-End Projection</b>	\$ (5.5)	\$ (5.5)	\$ (3.6)	\$ 1.9	

*Revenue:*

The Recycling Fund projections include over budget revenues in charges for current services due to an expected increase in AB 939 eligible tons from the Tijuana River Valley sediment removal project. A surplus is also projected in revenue from other agencies as a result of an unanticipated reimbursement from the State of California's Container Redemption Value (CRV) program.

*Expenditures:*

The Recycling Fund is projecting personnel expenditures to be slightly over budget due to a negative variance in fringe benefits. The Fund is projecting non-personnel expenditures to be under budget due to lower than budgeted fuel costs per gallon and lower than anticipated capital spending. The Fund is projecting to end the fiscal year with expenditures in excess of revenue, which will be mitigated by fund balance.

*Risks:*

The projected Department surplus is largely dependent on the projected savings in fuel usage. If fuel usage or cost per gallon increase significantly by year-end, the Department's projected use of fund balance may be greater.

## Refuse Disposal Fund

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 29.4	\$ 29.4	\$ 28.0	\$ (1.3)	-4.6%
Personnel Expenditures	14.4	14.4	14.8	(0.4)	-2.8%
Non-Personnel Expenditures	17.5	17.5	17.5	0.1	0.5%
<b>Expenditures</b>	31.9	31.9	32.2	(0.3)	-1.0%
<b>Net Year-End Projection</b>	<b>\$ (2.6)</b>	<b>\$ (2.6)</b>	<b>\$ (4.2)</b>	<b>\$ (1.7)</b>	

*Revenue:*

The Refuse Disposal Fund is projecting under budget revenue for charges to current services due to lower than anticipated refuse tonnage disposed at the Miramar Landfill.

*Expenditures:*

The Refuse Disposal Fund is projecting over budget personnel expenditures by year-end. The variance is primarily due to increased overtime associated with backfilling staff on who are on light duty or long-term disability. The Fund is projecting to end the fiscal year with expenditures in excess of revenue and is planning to use fund balance to mitigate the shortfall.

*Risks:*

The Fund could incur an additional loss of revenue if the refuse tonnage disposed remains flat.

## Sewer Utility Funds

*in millions*

Rev/PE/NPE	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
<b>Revenue</b>	\$ 409.2	\$ 409.2	\$ 396.0	\$ (13.1)	-3.2%
Personnel Expenditures	86.6	86.6	85.4	1.1	1.3%
Non-Personnel Expenditures	252.8	252.8	245.6	7.2	2.9%
<b>Expenditures</b>	339.4	339.4	331.0	8.3	2.5%
<b>Net Year-End Projection</b>	<b>\$ 69.8</b>	<b>\$ 69.8</b>	<b>\$ 65.0</b>	<b>\$ (4.8)</b>	

*Revenue:*

Revenue projections in the Sewer Utility Funds will be under budget by fiscal year-end primarily due to lower State Revolving Fund reimbursements/proceeds related to Metropolitan Biosolids Center improvements. The deficit is partially mitigated by positive projections in reimbursements from State Revolving Fund loans for pipeline rehabilitation projects. Other contributing positive variances are projected in charges for current services due to capacity fees from unanticipated permit activity within the commercial and multi-family housing categories, and sewage treatment services for the Department of the Navy in Point Loma.



*Expenditures:*

Personnel expenditures for the Sewer Utility Funds are projecting a surplus in salaries and wages and fringe benefits partially offset by deficits in hourly wages overtime and pay in lieu of annual leave.

Non-personnel expenditure projections in the Sewer Utility Funds include under budget expenditures in supplies, information technology, energy and utilities and the appropriated reserve. Supplies is projecting a savings which is primarily attributed to reduced chemical prices and consumption, while energy and utilities are projecting a savings due to reduced electrical expenditures. The positive variance in information technology is caused by delays in the Enterprise Asset Management, Geographic Information System, and computer replacement projects. The appropriated reserve surplus is due to budgeted contingency reserves not expected to be used this fiscal year. The Fund is projecting to end the fiscal year with revenue in excess of expenditures.

*Risks:*

The Sewer Utility Funds receive grant funding from the California Department of Public Health to assist in the financing of ongoing capital improvements. This funding may not be available to the City in the future due to voter approval of Proposition A, which prohibits the City from requiring the use of so-called project labor agreements on City construction projects. Recent state legislation prohibits state funding where local governments impose such restrictions.

**Transient Occupancy Tax (TOT) Fund**

*in millions*

<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 80.0	\$ 80.0	\$ 79.8	\$ (0.3)	-0.3%
Personnel Expenditures	1.2	1.2	1.1	0.1	8.4%
Non-Personnel Expenditures	86.4	86.4	86.4	0.1	0.1%
<b>Expenditures</b>	87.6	87.6	87.4	0.2	0.2%
<b>Net Year-End Projection</b>	\$ (7.6)	\$ (7.6)	\$ (7.7)	\$ (0.1)	

*Revenue:*

The current year-end projection for revenue in the TOT Fund is under budget due to lower receipts than assumed in the FY 2014 Adopted Budget. However, it should be noted that TOT revenue is projecting to be higher at year-end than the amount received in FY 2013 due to the positive tourism growth expected to be sustained throughout FY 2014.

*Expenditures:*

The Fund’s expenditures are also projecting to be under budget primarily as a result of savings within the Commission for Arts and Culture Department’s personnel expenditures due to vacancies. The Fund is projecting to end the fiscal year with expenditures in excess of revenue and is planning to use fund balance to mitigate the shortfall.

*Risks:*

It is anticipated that the SDTA will resume marketing campaigns as soon as TMD funds are released. These marketing campaigns may lead to increased leisure and business travel to San Diego, which will result in increased TOT revenue.

### Water Utility Operating Fund

*in millions*

<b>Rev/PE/NPE</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Year-End Projection</b>	<b>Variance</b>	<b>Variance %</b>
<b>Revenue</b>	\$ 427.6	\$ 427.6	\$ 428.8	\$ 1.2	0.3%
Personnel Expenditures	68.1	68.1	68.1	(0.0)	-0.1%
Non-Personnel Expenditures	371.2	371.2	373.0	(1.9)	-0.5%
<b>Expenditures</b>	439.3	439.3	441.2	(1.9)	-0.4%
<b>Net Year-End Projection</b>	<b>\$ (11.7)</b>	<b>\$ (11.7)</b>	<b>\$ (12.4)</b>	<b>\$ (0.7)</b>	

*Revenue:*

The Water Utility Operating Fund is projecting to end the fiscal year with over budget revenues primarily due to increased capacity fees from building permit activity and the reclaimed water sales to wholesale customers.

*Expenditures:*

Personnel expenditures in the Water Utility Fund are projecting to end the fiscal year close to budget. Non-personnel expenditures include an over budget projection in supplies due to increased water costs resulting from the San Diego County Water Authority rate increase that will go into effect January 1, 2014. On November 21, 2013, City Council will consider the proposed water rate increase. The Fund is projecting to end the fiscal year with expenditures in excess of revenue; however, the current projection does not include increased revenue from the proposed rate increase.

*Risks:*

The Water Utility Operating Funds receives grant funding from the California Department of Public Health to assist in the financing of ongoing capital improvements. Such funding may not be available to the City in the future due to voter approval of Proposition A, which prohibits the City from requiring the use of project labor agreements on City construction projects. Recent state legislation prohibits State funding where local governments impose such restrictions.

## SIGNIFICANT POLICY/BUDGET ITEMS

---

### City Attorney

#### *Consumer and Environmental Protection and Proposition 64 Revenue:*

The FY 2014 Adopted Budget includes revenue of \$0.9 million for reimbursable work on consumer protection from funding available in the Consumer Protection and Proposition 64 Funds. To date the Consumer Protection Unit, consisting of three Deputy City Attorneys and five administrative support staff, have received \$0.2 million. The year-end projection assumes this trend will continue and the Department will receive approximately \$0.9 million.

### Citywide Program Expenditures

#### *Kinder Morgan Litigation:*

The FY 2014 Adopted Budget includes \$0.7 million re-budgeted from a FY 2013 surplus resulting from delays in litigation expenditures. Due to additional delays experienced this fiscal year, the specific amount of savings is unknown at this time. Financial Management will provide an update in the Mid-Year Report.

#### *MTS Bus Pass Program:*

An agreement with the San Diego Unified School District (SDUSD) was executed on October 24, 2013. In addition, a check for \$0.2 million was distributed to the SDUSD on October 29, 2013. SDUSD staff anticipates the first bus passes to be distributed to San Diego High School students on November 15, 2013. Later in November, bus passes will be distributed to students at Lincoln and Crawford High Schools.

#### *Taxi Cab Study:*

The Interim Mayor's Office will be providing additional information regarding the Taxi Cab Study in the next couple of months. However, it is anticipated that the study will not be completed this fiscal year.

### Civic and Urban Initiatives

#### *Staffing and Program Update:*

The FY 2014 Adopted Budget includes 6.00 FTE positions, of which, two have been permanently reduced to offset expenditures related to the Improvement of Government Operations Plan as approved by the City Council on October 28, 2013. Personnel recruitments for 4.00 FTE vacant positions recently closed. The Department anticipates having staff hired by the end of November 2013. Two professional consultants have been hired and will begin developing and coordinating initiatives.

### Commission for Arts and Culture:

#### *Penny for the Arts:*

The FY 2014 Adopted Budget includes \$1.6 million to support the Penny for the Arts Blueprint. The Arts, Culture, and Community Festival Programs eligible for reimbursement are supported by \$0.6 million of the allocated amount. The remaining \$1.0 million is currently proposed to be expended as follows:

- \$0.7 million for the Arts and Culture Festival Revolving Fund to accumulate funds for major citywide festivals;
- \$0.2 million for Cultural Tourism Promotions to fund arts and culture promotional campaigns and events to attract visitors, and;
- \$0.1 million for the Online Application System used to convert the paper application process to fund programs to an online application system.

## Department of Information Technology

### *Replacement of Computers:*

The citywide computer replacement project in support of the migration to Windows 7 software is currently underway. The Department has received the first 600 computers and is installing approximately 200 computers per week. The Department is projecting to expend the entire allocated amount of \$2.1 million by fiscal year-end.

### *San Diego Data Processing Corporation (SDDPC) Dissolution:*

The dissolution of SDDPC is on target with four employees remaining through December 2013. Data centers and building maintenance have begun to transfer to the City. The final transfer to the City should be complete by the end of the calendar year. The Real Estate Assets Department is conducting an analysis to determine the course of action that would be most favorable to the City regarding the assets.

## Development Services – Planning and Neighborhood Code Compliance

### *Community Plan Updates (CPU):*

The total FY 2014 budget for CPUs is \$1.8 million, which includes \$0.5 million re-budgeted from FY 2013 savings from the Phyllis Place Project and the Uptown Cluster CPU. The current projection for CPU expenditures is \$1.3 million, a surplus of \$0.4 million. This projected surplus is due to unforeseen program delays resulting from public recommendations on land use maps, unforeseen traffic impacts, and less General Fund grant match expenditures than anticipated in the budget. The CPUs delayed in FY 2014 include Uptown, North Park, Golden Hill, Grantville, Southeastern San Diego and Encanto, as discussed earlier in this report. As mentioned earlier in this report, although some CPUs are experiencing delays, the Otay Mesa and Ocean Beach CPUs will be complete by fiscal year-end.

### *Property Value Protection Ordinance:*

A Property Value Protection Ordinance (O-20228), passed in December 2012, amended the Municipal Code requiring lenders who issue notices of default or foreclose on residential properties to register with the City. This registration information is made available to City staff to easily identify and contact the responsible party if the property lacks maintenance or security, thereby protecting the safety, welfare, and property values of neighborhoods. A notification to comply with the Ordinance has been sent to lenders for approximately 2,500 different properties. After two notices are sent and 50 days pass without a response, the lender is invoiced for the fee, plus penalty. One Administrative Aide added in the FY 2014 Adopted Budget has been hired and is providing administrative support services to record and track the notices, invoices, payments, property address, etc. A total of \$0.1 million in revenue has been received this fiscal year and the Department is projecting to be at \$0.2 million at fiscal year-end. Of this total revenue, the

penalty portion is received in the Civil Penalty Enforcement Fund and is projected to be \$65,000. The fee revenue of \$0.1 million will be realized in the General Fund.

## **Economic Development**

### *Business Improvement District (BID) Advocate Position:*

The FY 2014 Adopted Budget replaced the BID Council with a BID Advocate position. This position was filled in July 2013. The new BID Advocate position is performing the same functions as the previous BID Council, as well as involvement in projects that serve the BID Association. The BID Advocate is also involved in various City programs that affect the BIDs such as bike sharing, parking management, sidewalk cafes, sign ordinances, banner districts, food trucks, parklets, etc. Overall, direct support to the BIDs has increased as a result of the BID Advocate position

### *Emergency and Veterans Homeless Shelters:*

The FY 2014 Adopted Budget includes \$1.9 million to support the shelters for a full year of operations. Both shelters are managed by the San Diego Housing Commission (SDHC) with funding provided by the City of San Diego and various agencies through grants. Both shelters are open and have remained in the same location as in previous years. The Single Adult Emergency Shelter is at 16<sup>th</sup> Street and Newtown Avenue and the Veterans Emergency Shelter is on land owned by the Department of the Navy on Sports Arena Boulevard. While the budgeted allocation was intended to provide funding for the full year, revised cost estimates project the funding will only support operations through April 2014. If additional funding is identified to extend the shelters through June 2014, the City will need to seek an extension to operate the Veterans Emergency Shelter on the Department of the Navy land, as the current authorization ends in April 2014.

### *Homeless Check-In Center:*

The FY 2014 Adopted Budget includes \$50,000 to support the Homeless Check-In Center. The Homeless Check-In Center continues to operate at the site donated by St. Vincent de Paul at 16<sup>th</sup> and Commercial Streets. The check-in center is currently managed by the Girls Think Tank, a community advocacy group, through a contract administered by the SDHC. St. Vincent de Paul has notified the SDHC that they cannot sustain the donation of the space and will begin to charge rent beginning in January 2014. Discussions are ongoing to determine whether or not the operation of the Check-In Center at its current location can be sustained if rent is assessed and/or if alternative locations for the Check-In Center are available after December 31, 2013.

## **Environmental Services**

### *Downtown Port-a-Potty and Portland Loo Public Restrooms:*

Civic San Diego is coordinating the service and maintenance of the port-a-potty and Portland Loo public restrooms through the end of this fiscal year. The FY 2014 Adopted Budget includes \$50,000 to support this expenditure, which was transferred to Civic San Diego in September 2013. The six port-a-potty restrooms are located at the corner of 16th Street and Island Avenue and are maintained on a daily basis. The port-a-potty restrooms are scheduled to be relocated to a new location at 14th Street and Imperial Avenue in November 2013. Maintenance of the two Portland Loo public restrooms is expected to begin after installation, which is scheduled for March 2014. One Portland Loo public restroom will be located at Tailgate Park and the second at

11th Avenue and Market Street. After the two Portland Loo public restrooms are installed, two of the six existing port-a-potty restrooms will be removed.

## **Fire-Rescue**

### *Advanced Lifeguard Academy:*

The FY 2014 Adopted Budget includes \$0.2 million to support one Advanced Lifeguard Academy, which is scheduled to begin in December 2013. The Advanced Lifeguard Academy offers five additional weeks than a standard Lifeguard Academy. The participants will include both Lifeguard I and Lifeguard II positions that have not attended an Advanced Academy in the past. The Department anticipates 19 lifeguards will attend this year's Advanced Lifeguard Academy.

### *Fire Recruit Academy:*

The FY 2014 Adopted Budget includes funding to support one Fire Academy of 30 Fire Recruits. The academy began in October 2013, and is a 16-week process ending January 2014.

### *New Lifeguard Positions:*

The FY 2014 Adopted Budget includes \$0.4 million to support the addition of three positions in the Lifeguard division. The positions include 1.00 Marine Safety Captain and 2.00 Lifeguard Sergeants. Currently, all three positions have been filled.

### *Purchase of Cliff Rescue Vehicle:*

The FY 2014 Adopted Budget includes \$0.5 million re-budgeted from a FY 2013 surplus to support the expenditures to replace a Cliff Rescue Vehicle. The Department is working with the Purchasing and Contracting Department to provide specifications and competitive bids. The current estimate is slightly higher by \$50,000 than the budgeted amount. The purchase of the vehicle is on target to occur this fiscal year as planned.

### *Service Authority for Freeway Enterprise (SAFE) Funds:*

The FY 2014 Adopted Budget includes \$0.2 million re-budgeted from a FY 2013 surplus. A portion of the surplus is due to the receipt of SAFE funds as a result of the San Diego Association of Governments (SANDAG) assuming responsibility for SAFE. The SAFE funds are to be used for improving highway safety and were allocated to support helicopter equipment and various equipment for fire engines. The majority of the equipment has been purchased and is in various stages of installation. The current projection includes fully expending the budgeted amounts by fiscal year-end.

## **Library**

### *New Central Library Rental Space Revenue:*

The FY 2014 Adopted Budget includes \$0.2 million in user fee revenue for rental space at the new Central Library. Public use and rental of the event space was unknown at the time the budget was developed. Sufficient data is still unavailable at this time, as the library was recently opened September 30, 2013. Financial Management will continue to monitor this revenue and present additional information in the Mid-Year Report.

*Replacement of Public Use Computers:*

In FY 2013 approximately 271 computers, or 35.0 percent, of branch public use computers were replaced. The computers remaining are on schedule to be replaced by February 2014.

**Office of the City Auditor***Office Software:*

The Office of the City Auditor will be implementing an Electronic Workpaper System in FY 2014. This new office software is a fully integrated audit automation system. The system includes all steps of an audit, such as risk assessment, planning, scheduling, workpapers, reporting, issue tracking, and administration. This system will help streamline, standardize and make OCA more efficient and effective with audit projects while ensuring compliance with all auditing standards.. The expenditures for this software were budgeted in FY 2013; however, due to delayed vendor contract negotiations late in FY 2013, this expenditure will now occur in FY 2014. The Office of City Auditor has successfully entered into a contract with a new vendor and is anticipating the Electronic Workpaper System expenditures to occur in January 2014.

**Park and Recreation***2015 Centennial Celebration:*

The FY 2014 Adopted Budget includes \$0.4 million for the addition of 3.00 FTE positions to support the 2015 Balboa Park Centennial Celebration. The Department is anticipating that programming plans will be approved by Winter of 2014, at which time the Program Manager, District Manager and Clerical Assistant II positions will be filled. Park and Recreation Department staff continue to work closely with the Office of Special Events to ensure that the onsite staffing levels and logistical needs are met once celebration programming has been finalized.

*Balboa Park Traffic Management Plan:*

The FY 2014 Adopted Budget includes \$0.3 million re-budgeted from the FY 2013 surplus to support a traffic management plan in the Plaza de Panama at Balboa Park. The temporary traffic management plan is complete, utilizing \$150,000 of the \$0.3 million budgeted. The remaining \$150,000 will fund the new Capital Improvement Program (CIP) project, Balboa Park Alcazar Garden Parking Lot Improvements (S-14013). This project was not originally part of the traffic management plan; however, it will provide additional accessible parking spaces to the Central Mesa (West Prado) area of Balboa Park. A Memorandum to City Council, dated October 28, 2013, provided an update on the expenditures progress on implementation of the plan and the new CIP project.

*Brush Management:*

The FY 2014 Adopted Budget includes \$0.4 million for brush management. The City is required to thin 452 acres annually. The current brush management contract covers 300 acres of the required 452 for a total of \$0.9 million. This expenditure exceeds the budget by \$0.5 million. The budget assumed a price per acre of \$2,000; however, the bids were much higher at approximately \$5,700 per acre. Due to savings in fuel and conservative spending in other areas, the Department is able to absorb the over budget brush management expenditures in this fiscal year. City staff and other budgeted non-profit contracts will thin the remaining 152 acres.

*Park Assets Condition/Needs Assessment:*

The FY 2014 Adopted Budget includes \$0.3 million to support a park assets condition and needs assessment. The Public Works – Engineering and Capital Projects Department has collaborated with the Park and Recreation Department in selecting consultants to perform the assessments, which has expedited the process. The intern and the consultant are expected to be in place by January 2014. The current projection includes fully expending the budgeted amount by fiscal year-end.

*Seal Cam:*

The FY 2014 Adopted Budget includes \$50,000 to support the Seal Cam at the Children’s Pool. The Seal Cam was removed during construction of the lifeguard tower and has not been re-installed. The Department is redirecting the Seal Cam allocation to support the permitting requests to close the Children’s Pool during the seal pupping season. Financial Management will continue to monitor these expenditures and provide an update in the Mid-Year Report.

**Police***AB 109 Funds:*

The FY 2014 budget includes \$0.7 million for the addition of overtime expenditures for sworn personnel funded by AB 109 funds for the monitoring of non-violent offenders post-release. The program has been implemented and the Department has spent \$40,000 to date. The Department received a second unbudgeted \$0.8 million disbursement of AB 109 Funds in FY 2014 which will partially offset the over budget expenditures in overtime. The Department has been successful with the program to date. Every Division in the Department has conducted at least one detail and most have conducted two to three details. There have been dozens of arrests of both AB 109 probationers and other probationers contacted during these details. The Department has met with the Probation Department to ensure consistency in the management of the program as it relates to AB 109 subjects, compliance checks, and violations. The Department’s Crime Analysis Unit has partnered with their counterparts from probation and the Law Enforcement Coordinating Committee (LECC) to ensure accuracy of information, and have disseminated that information to the program managers. The Department does not currently have complete results yet, as it is compiling the figures on a monthly basis and is completing the first month’s analysis.

*Academies and Attrition:*

The Police Department expects a total of four academies to take place in FY 2014. The first academy began in August 2013 with 31 recruits, and the second academy began in October 2013 with 39 recruits. The last two academies of the fiscal year are scheduled to begin in February and May of 2014 with approximately 34 recruits per academy.

*Civilian Positions Added in FY 2014:*

The FY 2014 Adopted Budget added 4.00 FTE civilian positions including 2.00 Dispatcher IIs, 1.00 Latent Print Examiner II, and 1.00 Police Investigative Service Officer II to support the Police Department’s operations. The Department has created and filled the 2.00 Dispatcher IIs and 1.00 Latent Print Examiner II. The Department is waiting on the certification of the Police Investigative Service Officer II civilian position and will holding interviews by the end of the this year.



*Helicopter Maintenance and Fuel Expenditures:*

Helicopter maintenance is budgeted through the Seized Assets Funds in FY 2014, and the Department estimates that the Seized Assets Funds will be able to support maintenance needs this fiscal year. Helicopter fuel is budgeted in the General Fund in FY 2014, and is funded through SAFE funds. The Police Department does not have any concerns regarding funding for air support fuel or maintenance expenditures in FY 2014; however, the Department has expressed concerns about FY 2015 funding as the Seized Assets Funds may not be able to support these expenditures and the SAFE funds are a one-time revenue source.

*Neighborhood Parking Protection Ordinance:*

On July 23, 2013, City Council passed the Neighborhood Parking Protection Ordinance (O-20281) prohibiting the parking of oversized, non-motorized or recreational vehicles in residential areas within the City of San Diego. The program is currently pending the approval of the Coastal Commission which is expected in the next few months. The Department estimates the program will not go into effect until FY 2015.

*Red Light Photo Enforcement Support:*

The Red Light Photo Enforcement program was canceled on January 1, 2013. The contract was previously managed and budgeted in the Transportation and Storm Water Department; however, the Police Department is now managing the contract. At the time of expiration, approximately 4,000 citations issued prior to January 1, 2013 had yet to be adjudicated in court. Due to a backlog in the court system, at the time of expiration trials were scheduled approximately ten months after the issue date of the citation, and the Police Department has proceeded with prosecution of these cases. Expenditures for the program are not budgeted in the Police Department in FY 2014, and the Department is anticipating unbudgeted expenditures of approximately \$0.2 million for which the Department will be seeking a budget adjustment at mid-year. The Department is budgeted \$0.8 million in red light photo revenue and anticipates receiving approximately \$0.2 million.

*SAFE Funds:*

The FY 2014 Adopted Budget includes \$1.5 million re-budgeted from FY 2013 surplus to support various Police activities as discussed below. A portion of the surplus is due to the receipt SAFE funds as a result of the San Diego Association of Governments (SANDAG) assuming responsibility for SAFE. The SAFE funds are to be used for sworn officer equipment, one gyro-stabilized camera system, helicopter fuel and various traffic related equipment.

- Sworn Officer Equipment - The Department has expended \$0.1 million to date on various sworn officer equipment items. The Department anticipates fully expending the budget amount by fiscal year-end.
- Gyro-stabilized Camera System for Helicopters - The Air Support Unit is currently evaluating a new generation gyro-stabilized camera system. The Department met with the anticipated vendor, and is working with the Purchasing and Contracting Department to develop specifications. Once the final vendor is selected, the vendor and the Air Support Unit will finalize the testing process and purchase the gyro-stabilized camera with the

SAFE funds by fiscal year-end. Given the vendors extensive history of providing quality camera systems, the Department is confident that the vendor will meet all expectations.

- Helicopter Fuel - The Department currently has a contract and purchase order in place for FY 2014 helicopter fuel expenditures. The Department is currently applying helicopter fuel invoices to the SAFE funds, which are projected to be expended by the end of the fiscal year.
- Various Traffic Related Equipment - Due to the dollar amount of SAFE funds allocated to the Department for traffic related items, a Request for Proposal (RFP) is not required for the purchase of these items. However, the Police Department is working with the Purchasing and Contracting Department, as well as various vendors to procure all the traffic related equipment funded with SAFE funds. These funds will be spent by fiscal year-end.

*Sworn Officer Equipment:*

The FY 2014 Adopted Budget includes \$1.1 million re-budgeted from a FY 2013 surplus for the purchase of sworn police officer equipment. The Department has spent \$67,000 of the funds to date on body armor, and is working on procuring the rest of the items. The Department is projecting to expend all of the funds by fiscal year-end.

*Sworn Officer Retention Program:*

The FY 2014 Adopted Budget includes \$2.0 million budgeted in the General Fund Appropriated Reserve for the purpose of funding a Police retention program. City Council approved the use of this budget to increase uniform and equipment allowance, and provide funding for police officer recruitment activities on August 28, 2013 (R-308405). The budget has been transferred to the Police Department and uniform allowance has been distributed to current officers that were eligible to receive the retention program allocation.

## **Public Works – General Services - Facilities**

*Deferred Capital Support Positions:*

The FY 2014 Adopted Budget includes \$0.9 million for the addition of 9.00 FTE positions to provide additional support for operations and maintenance for deferred capital backlog. With the exception of one position, the Refrigeration Mechanic, the positions are expected to be filled by January 2014. The certification list for the Refrigeration Mechanic position was re-issued to meet the specific requirements of the Department and is expected to be filled by March 2014. Financial Management will provide an update on the status of hiring these positions as well as the impact to the deferred maintenance in the Mid-Year Report.

*Facilities Condition/Needs Assessment:*

The FY 2014 Adopted Budget includes \$1.0 million to support a facilities condition and needs assessment. The Department has collaborated with the Public Works – Engineering and Capital Projects Department in selecting a consultant to perform the assessments, which has expedited the process. The consultant contract is expected to be in place by December 2013 with the assessment study beginning shortly thereafter. The current projection anticipates fully expending

the budgeted amount. The Department will continue to monitor the progress and provide an update in the Mid-Year Report.

## **Purchasing and Contracts**

### *Prevailing Wage Ordinance:*

The Prevailing Wage Ordinance (O-20299), passed on September 23, 2013, requires that contractors and subcontractors comply with all provisions of the State prevailing wage law on municipal projects that are "public works" within the meaning of the State prevailing wage law. The Ordinance, which goes into effect January 1, 2014, applies to construction work over \$25,000 and maintenance/alteration/repair/demolition work over \$15,000. A written report to the City Council, evaluating the implementation of the Ordinance, recommendations for improvement, the successes and challenges of administering and monitoring contractor compliance, and the fiscal impact shall be provided annually by October 1, beginning after implementation in January. The current projection includes the hiring of 9.00 FTE positions by January 2014 in support of the Prevailing Wage Ordinance. The majority of the expenditures for these positions are projected to be absorbed by the Purchasing and Contracts Department through savings realized in the first half of the fiscal year.

## **Transportation and Storm Water**

### *Citywide Bike Program Coordinator:*

The temporarily assigned Citywide Bike Program Coordinator position has been re-assigned back to planning and managing right-of-way maintenance. A Senior Traffic Engineer continues to plan and implement the City of San Diego's Bicycle Master Plan and related bicycle initiatives. The Bicycle Master Plan identifies 510 miles of existing bikeways and 595 miles of proposed facilities.

### *SAFE Funds:*

The FY 2014 Adopted Budget includes \$2.4 million re-budgeted from a FY 2013 surplus. A portion of the surplus is due to the receipt of SAFE funds as a result of the San Diego Association of Governments (SANDAG) assuming responsibility for SAFE. The SAFE funds are to be used for improving highway safety and were allocated to support the upgrades to the City's traffic control system and partial funding for changeable message signs. The \$2.0 million budgeted for the traffic control system will be transferred to the Traffic Signal Communications Master Plan (TSCMP) CIP project and is expected to be expended in FY 2015 after specific projects are identified. The procurement of the changeable message signs are expected to be fully expended by fiscal year-end.

### *Sidewalk Condition/Needs Assessment:*

The FY 2014 Adopted Budget includes \$1.0 million to support a sidewalk condition and needs assessment. Interviews for 24 student engineers are currently occurring. Two Jr. Civil Engineers are expected to be in place by December 2013 with the assessment beginning shortly thereafter. The assessment is scheduled to take 12 months, ending in middle of next fiscal year. The current projection includes savings of \$0.2 million that may need to be re-budgeted in FY 2015 to complete the work. The Department will continue to monitor the progress and provide an update in the Mid-Year Report.

*Traffic Signal Communications Master Plan (TSCMP):*

The FY 2014 Adopted Budget includes \$0.2 million to support the TSCMP and Pedestrian Safety studies. The current projection includes fully expending the allocation by fiscal year-end and completion of the studies.

*Tree Trimming:*

The Department anticipates award of the tree-trimming contract will occur in December 2013 and the planned tree trimming work for this fiscal year will be completed as anticipated.

## CONCLUSION

---

The current FY 2014 year-end projection reflects revenue in excess of expenditure by \$18.0 million. The projected surplus is the result of over budget revenue of \$57.4 million offset by over budget expenditures of \$16.9 million. Given the FY 2014 Adopted Budget assumed the use of \$22.4 million in reserves, the current over budget revenue and expenditure projections represent a net \$40.5 million budgetary surplus.

The positive year-end projection is based on three months of activity and unforeseen events may impact expenditure and revenue projections as the year progresses. As a result, no additional increases to service levels are being recommended at this time. Financial Management will continue to closely monitor the revenue and expenditures and will provide a revised projection in the FY 2014 Mid-Year Budget Monitoring Report using six months of actual activity.

## ATTACHMENTS

---

- I. General Fund Projected Revenues
- II. General Fund Projected Expenditures
- III. Non-General Fund Projections
- IV. Budgeted Vacancies as of November 2013
- V. Non-General Fund Reserves

General Fund Projected Revenues					
Department	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Major General Fund Revenues					
Charges for Current Services	\$ 24,601,720	\$ 24,601,720	\$ 24,601,720	\$ -	0.0%
Franchise Fees <sup>1</sup>	67,049,845	67,049,845	67,249,845	200,000	0.3%
Interest and Dividends	859,389	859,389	859,389	-	0.0%
Motor Vehicle License Fees	-	-	583,841	583,841	100.0%
Fines Forfeitures and Penalties	-	-	600	600	100.0%
Other Revenue	-	150,000	150,000	-	0.0%
Property Tax <sup>2</sup>	408,003,167	408,995,302	453,978,802	44,983,500	11.0%
Property Transfer Tax	7,026,588	7,026,588	7,965,340	938,752	13.4%
Refuse Collector Business Tax	710,000	660,000	700,000	40,000	6.1%
Revenue from Money and Property	-	555,876	555,876	-	0.0%
Sales Tax	248,138,819	248,138,819	248,542,213	403,394	0.2%
Transfers In	50,682,208	50,026,332	57,998,167	7,971,835	15.9%
Transient Occupancy Tax <sup>3</sup>	87,857,500	87,857,500	87,561,231	(296,269)	-0.3%
<i>Subtotal Major General Fund Revenues</i>	<u>\$ 894,929,236</u>	<u>\$ 895,921,371</u>	<u>\$ 950,747,024</u>	<u>\$ 54,825,653</u>	<u>6.1%</u>
Administration	403,761	403,761	403,762	1	0.0%
City Attorney	5,581,169	5,581,169	5,524,236	(56,933)	-1.0%
City Auditor	-	-	-	-	0.0%
City Clerk	18,404	18,404	57,664	39,260	213.3%
City Comptroller	2,468,547	2,468,547	2,142,420	(326,127)	-13.2%
City Treasurer	25,963,475	25,963,475	26,630,305	666,830	2.6%
Citywide Program Expenditures	-	-	-	-	0.0%
Council Administration	-	-	-	-	0.0%
Council District 1	-	-	-	-	0.0%
Council District 1 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 2	-	-	-	-	0.0%
Council District 2 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 3	-	-	-	-	0.0%
Council District 3 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 4	-	-	-	-	0.0%
Council District 4 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 5	-	-	-	-	0.0%
Council District 5 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 6	-	-	-	-	0.0%
Council District 6 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 7	-	-	-	-	0.0%
Council District 7 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 8	-	-	-	-	0.0%
Council District 8 - Community Projects, Programs and Services	-	-	-	-	0.0%
Council District 9	-	-	-	-	0.0%
Council District 9 - Community Projects, Programs and Services	-	-	-	-	0.0%
Debt Management	548,645	548,645	663,649	115,004	21.0%

### General Fund Projected Revenues

Department	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Department of Information Technology	\$ -	\$ -	\$ -	\$ -	0.0%
Development Services - Planning and Neighborhood Code Compliance	3,412,712	3,412,712	3,629,013	216,301	6.3%
Economic Development	8,245,963	8,245,963	8,245,963	-	0.0%
Environmental Services	1,259,829	1,259,829	1,392,286	132,457	10.5%
Ethics Commission	-	-	86	86	100.0%
Financial Management	5,000	5,000	-	(5,000)	-100.0%
Fire-Rescue	23,966,763	23,966,763	26,634,576	2,667,813	11.1%
Human Resources	-	-	-	-	0.0%
Library	4,125,753	4,125,753	4,081,554	(44,199)	-1.1%
Office of ADA Compliance & Accessibility	15,116	15,116	15,116	-	0.0%
Office of Homeland Security	930,957	930,957	802,585	(128,372)	-13.8%
Office of the Assistant Chief Operating Officer	-	-	-	-	0.0%
Office of the Chief Financial Officer	450,000	450,000	165,046	(284,954)	-63.3%
Office of the Chief Operating Officer	-	-	-	-	0.0%
Office of the Independent Budget Analyst	-	-	-	-	0.0%
Office of the Mayor	308,400	308,400	308,400	-	0.0%
Multimedia Services	113,300	113,300	113,300	-	0.0%
Park and Recreation	32,907,371	32,907,371	33,150,210	242,839	0.7%
Personnel	6,000	6,000	12,149	6,149	102.5%
Police	44,102,071	44,102,071	42,731,720	(1,370,351)	-3.1%
Public Utilities - Reservoir Recreation	940,000	940,000	1,173,000	233,000	24.8%
Public Works - Contracting	1,053,393	1,053,393	1,053,393	-	0.0%
Public Works - Engineering and Capital Projects	56,527,343	56,527,343	56,081,411	(445,932)	-0.8%
Public Works - General Services - Facilities	3,881,596	3,881,596	3,672,471	(209,125)	-5.4%
Purchasing and Contracting	659,554	659,554	707,813	48,259	7.3%
Real Estate Assets	43,344,297	43,344,297	43,391,336	47,039	0.1%
Transportation and Storm Water	46,879,695	46,879,695	47,867,026	987,331	2.1%
<b>Total General Fund Revenues</b>	<b>\$ 1,203,048,350</b>	<b>\$ 1,204,040,485</b>	<b>\$ 1,261,397,514</b>	<b>\$ 57,357,029</b>	<b>4.8%</b>

The current budget presented in this table is as of September 2013 (accounting period 3) unless otherwise noted.

<sup>1</sup> Total City FY 2014 current revenue budget for franchise fees is \$129.1 million and the projection is \$129.3 million. The balance is budgeted in the Environmental Growth and Underground Surcharge Funds.

<sup>2</sup> The current budget has been modified to reflect an increase or decrease in appropriations as approved by City Council on October 28, 2013 (R-308540).

<sup>3</sup> Total City FY 2014 current revenue budget for TOT is \$167.7 million and the projection is \$167.2 million. The balance is budgeted in the Transient Occupancy Tax Fund.



## General Fund Projected Expenditures

Department	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Administration <sup>1</sup>	\$ 1,802,385	\$ 1,568,543	\$ 1,683,510	\$ (114,967)	-7.3%
City Attorney	45,689,443	45,689,443	46,123,746	(434,303)	-1.0%
City Auditor	3,888,785	3,888,785	3,699,708	189,077	4.9%
City Clerk	5,314,707	5,314,707	5,238,765	75,942	1.4%
City Comptroller	11,035,845	11,035,845	10,885,677	150,168	1.4%
City Treasurer	20,495,483	20,495,483	20,388,588	106,895	0.5%
Citywide Program Expenditures					
Assessments to Public Property	504,200	504,200	504,200	-	0.0%
Business Cooperation Program	350,000	350,000	322,275	27,725	-7.9%
Citywide Elections	1,800,000	1,800,000	11,252,959	(9,452,959)	525.2%
Corporate Master Leases Rent	9,570,118	9,570,118	9,569,885	233	-5.3%
Deferred Capital Debt Service	10,699,819	10,699,819	10,776,246	(76,427)	0.7%
Employee Personal Prop Claims	5,000	5,000	-	5,000	-100.0%
Insurance	1,562,879	1,562,879	1,562,879	-	0.0%
Leverage of Employee Pick-up Savings	8,007,675	8,007,675	8,007,674	1	0.0%
Memberships	630,000	630,000	630,000	-	0.0%
Preservation of Benefits	1,700,000	1,700,000	1,405,434	294,566	-17.3%
Property Tax Administration	3,823,343	3,823,343	3,823,343	-	0.0%
Public Liab Claimes Xfer-Claims Fund	14,506,208	14,506,208	14,506,208	-	0.0%
Public Liab Claimes Xfer-Reserves	101,700	101,700	101,700	-	0.0%
Public Use Leases	1,582,144	1,582,144	1,582,144	-	0.0%
Special Consulting Services	3,240,000	3,240,000	3,140,000	100,000	-3.1%
Supplemental Cost of Living Adjustment (COLA)	1,400,858	1,400,858	1,400,858	-	0.0%
TRANS Interest Expense Transfer Fund	314,000	314,000	-	314,000	-100.0%
Transfer to Park Improvement Funds	5,614,678	5,614,678	5,614,678	-	0.0%
Transportation Subsidy	659,179	659,179	659,102	77	0.0%
<i>Subtotal Citywide Program Expenditures</i>	<u>\$ 66,071,801</u>	<u>\$ 66,071,801</u>	<u>\$ 74,859,585</u>	<u>\$ (8,787,784)</u>	<u>-13.3%</u>
Council Administration	1,896,193	1,896,193	1,740,114	156,079	8.2%
Council District 1	1,036,717	1,036,717	908,167	128,550	12.4%
Council District 1 - Community Projects, Programs and Services	99,872	99,872	99,872	-	0.0%
Council District 2	1,014,968	1,014,968	894,554	120,414	11.9%
Council District 2 - Community Projects, Programs and Services	114,128	114,128	114,128	-	0.0%
Council District 3	1,116,696	1,116,696	896,726	219,970	19.7%
Council District 3 - Community Projects, Programs and Services	127,446	122,446	122,446	-	0.0%
Council District 4	1,090,395	1,090,395	1,077,274	13,121	1.2%

## General Fund Projected Expenditures

Department	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Council District 4 - Community Projects, Programs and Services	\$ 248,440	\$ 243,440	\$ 243,440	\$ -	0.0%
Council District 5	1,106,870	1,106,870	789,594	317,276	28.7%
Council District 5 - Community Projects, Programs and Services	285,933	285,933	285,933	-	0.0%
Council District 6	1,077,243	1,077,243	906,683	170,560	15.8%
Council District 6 - Community Projects, Programs and Services	120,558	120,558	120,558	-	0.0%
Council District 7	1,091,570	1,091,570	957,433	134,137	12.3%
Council District 7 - Community Projects, Programs and Services	151,175	149,151	149,151	-	0.0%
Council District 8	1,145,266	1,145,266	1,018,540	126,726	11.1%
Council District 8 - Community Projects, Programs and Services	98,422	98,422	98,422	-	0.0%
Council District 9	1,083,123	1,083,123	848,600	234,523	21.7%
Council District 9 - Community Projects, Programs and Services	124,684	124,684	124,684	-	0.0%
Civic & Urban Initiatives <sup>1</sup>	945,987	713,960	639,791	74,169	10.4%
Debt Management	2,447,811	2,447,811	2,357,256	90,555	3.7%
Department of Information Technology	2,600,000	2,600,000	2,600,148	(148)	0.0%
Development Services - Planning and Neighborhood Code Compliance	15,048,760	15,048,760	13,967,289	1,081,471	7.2%
Economic Development <sup>1</sup>	12,944,622	13,246,154	12,970,011	276,143	2.1%
Environmental Services	36,169,845	36,169,845	36,660,625	(490,780)	-1.4%
Ethics Commission	977,334	977,334	1,009,617	(32,283)	-3.3%
Financial Management	4,091,604	4,091,604	4,061,410	30,194	0.7%
Fire-Rescue	222,679,306	222,679,306	226,586,795	(3,907,489)	-1.8%
General Fund Appropriated Reserve	2,000,000	-	-	-	0.0%
Human Resources	2,990,862	2,990,862	2,947,880	42,982	1.4%
Library	43,811,917	43,811,917	43,894,150	(82,233)	-0.2%
Multimedia Services	688,991	688,991	687,523	1,468	0.2%
Office of ADA Compliance & Accessibility	627,463	627,463	446,832	180,631	28.8%
Office of Homeland Security	1,735,205	1,735,205	1,887,477	(152,272)	-8.8%
Office of the Assistant Chief Operating Officer <sup>1</sup>	1,291,039	1,546,039	1,637,485	(91,446)	-5.9%
Office of the Chief Financial Officer	990,531	990,531	903,073	87,458	8.8%
Office of the Chief Operating Officer <sup>1</sup>	568,630	1,470,103	1,321,156	148,947	10.1%
Office of the Independent Budget Analyst	1,775,306	1,775,306	1,768,289	7,017	0.4%
Office of the Mayor	3,671,233	3,671,233	3,662,690	8,543	0.2%
Park and Recreation	89,967,980	89,975,004	90,989,061	(1,014,057)	-1.1%
Personnel	7,012,193	7,012,193	7,008,958	3,235	0.0%
Police	418,542,912	420,547,912	424,095,641	(3,547,729)	-0.8%
Public Utilities - Reservoir Recreation	1,969,446	1,969,446	1,986,893	(17,447)	-0.9%

<b>General Fund Projected Expenditures</b>
--

Department	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Public Works - Contracting	\$ 2,107,234	\$ 2,107,234	\$ 2,159,166	\$ (51,932)	-2.5%
Public Works - Engineering and Capital Projects	61,907,263	61,907,263	63,992,980	(2,085,717)	-3.4%
Public Works - General Services - Facilities	16,830,075	16,830,075	16,598,586	231,489	1.4%
Purchasing and Contracting	4,804,683	4,804,683	4,952,299	(147,616)	-3.1%
Real Estate Assets	4,852,350	4,852,350	4,873,503	(21,153)	-0.4%
Transportation and Storm Water	92,112,469	92,112,469	92,428,371	(315,902)	-0.3%
<b>Total General Fund Expenditures</b>	<b>\$ 1,225,491,199</b>	<b>\$ 1,226,483,335</b>	<b>\$ 1,243,370,852</b>	<b>\$ (16,887,517)</b>	<b>-1.4%</b>

The current budget presented in this table is as of September 2013 (accounting period 3) unless otherwise noted.

<sup>1</sup>The current budget has been modified to reflect an increase or decrease in appropriations as approved by City Council on October 28, 2013 (R-308540).

Non-General Fund Projections						
Fund	Revenue/ Expenditure	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Airports Fund	Revenue	\$ 4,690,334	4,690,334	\$ 4,641,134	\$ (49,200)	-1.0%
	Expenditures	5,791,497	5,791,497	5,859,226	(67,729)	-1.2%
Central Stores Fund	Revenue	13,356,784	13,356,784	10,134,649	(3,222,135)	-24.1%
	Expenditures	13,356,784	13,356,784	10,123,648	3,233,136	24.2%
Concourse and Parking Garages Operating Fund	Revenue	2,704,844	2,704,844	2,704,844	0	0.0%
	Expenditures	2,667,291	2,667,291	2,678,335	(11,044)	-0.4%
Development Services Fund	Revenue	45,581,357	45,581,357	49,203,016	3,621,659	7.9%
	Expenditures	45,915,463	45,915,463	49,000,031	(3,084,568)	-6.7%
Energy Conservation Program Fund	Revenue	2,319,443	2,319,443	2,330,049	10,606	0.5%
	Expenditures	2,351,728	2,351,728	2,120,151	231,577	9.8%
Facilities Financing Fund	Revenue	2,110,074	2,110,074	1,999,258	(110,816)	-5.3%
	Expenditures	2,110,074	2,110,074	1,993,289	116,785	5.5%
Fire/EMS Transportation Program Fund	Revenue	10,770,000	10,770,000	10,778,217	8,217	0.1%
	Expenditures	11,516,495	11,516,495	11,442,553	73,942	0.6%
Fleet Services Operating Fund	Revenue	51,647,391	51,647,391	54,274,319	2,626,928	5.1%
	Expenditures	51,783,287	51,783,287	54,367,864	(2,584,577)	-5.0%
GIS Fund	Revenue	1,616,274	1,616,274	1,594,883	(21,391)	-1.3%
	Expenditures	1,585,038	1,585,038	1,544,552	40,486	2.6%
Golf Course Fund	Revenue	18,371,747	18,371,747	19,105,748	734,001	4.0%
	Expenditures	15,670,084	15,670,084	15,664,850	5,234	0.0%
Information Technology Fund	Revenue	9,089,850	9,089,850	9,090,687	837	0.0%
	Expenditures	10,233,304	10,233,304	9,872,758	360,546	3.5%
Junior Lifeguard Program Fund	Revenue	596,027	596,027	596,027	0	0.0%
	Expenditures	596,027	596,027	598,137	(2,110)	-0.4%
Local Enforcement Agency Fund	Revenue	795,693	795,693	658,438	(137,255)	-17.2%
	Expenditures	879,255	879,255	738,936	140,319	16.0%
Los Peñasquitos Canyon Preserve Fund	Revenue	186,000	186,000	192,539	6,539	3.5%
	Expenditures	221,253	221,253	219,114	2,139	1.0%
OneSD Support Fund	Revenue	21,101,243	21,101,243	21,097,167	(4,076)	0.0%
	Expenditures	21,185,217	21,185,217	21,095,628	89,589	0.4%

Fund	Revenue/ Expenditure	Adopted Budget	Current Budget	Year-End Projection	Variance	Variance %
Petco Park Fund	Revenue	\$ 16,494,163	\$ 16,494,163	\$ 16,476,197	\$ (17,966)	-0.1%
	Expenditures	17,405,049	17,405,049	17,395,538	9,511	0.1%
Publishing Services Fund	Revenue	3,413,041	3,413,041	3,220,379	(192,662)	-5.6%
	Expenditures	3,304,127	3,304,127	3,106,860	197,267	6.0%
Qualcomm Stadium Operations Fund	Revenue	16,477,809	16,477,809	17,043,494	565,685	3.4%
	Expenditures	17,090,437	17,090,437	16,730,710	359,727	2.1%
Recycling Fund	Revenue	17,777,651	17,777,651	18,896,675	1,119,024	6.3%
	Expenditures	23,292,297	23,292,297	22,505,013	787,284	3.4%
Refuse Disposal Fund	Revenue	29,374,301	29,374,301	28,032,253	(1,342,048)	-4.6%
	Expenditures	31,932,996	31,932,996	32,242,856	(309,860)	-1.0%
Risk Management Administration Fund	Revenue	9,060,699	9,060,699	9,060,699	(0)	0.0%
	Expenditures	9,810,299	9,810,299	9,851,284	(40,985)	-0.4%
Sewer Utility Funds <sup>1</sup>	Revenue	409,155,844	409,155,844	396,034,643	(13,121,201)	-3.2%
	Expenditures	339,369,494	339,381,201	331,032,164	8,349,037	2.5%
Transient Occupancy Tax Fund						
Commission for Arts and Culture Department	Revenue	-	-	-	-	0.0%
Special Events Department	Revenue	150,000	150,000	150,000	-	0.0%
Special Promotional Programs	Revenue	79,870,455	79,870,455	79,601,119	(269,336)	-0.3%
<i>Total Transient Occupancy Tax Fund Revenue</i>		<u>\$ 80,020,455</u>	<u>\$ 80,020,455</u>	<u>\$ 79,751,119</u>	<u>\$ (269,336)</u>	
Commission for Arts and Culture Department	Expenditures	1,022,971	1,022,971	909,881	113,090	11.1%
Special Events Department	Expenditures	788,474	788,474	802,799	(14,325)	-1.8%
Special Promotional Programs	Expenditures	85,788,909	85,788,909	85,618,338	170,571	0.2%
<i>Total Transient Occupancy Tax Fund Expenditures</i>		<u>\$ 87,600,354</u>	<u>\$ 87,600,354</u>	<u>\$ 87,331,018</u>	<u>\$ 269,336</u>	
Underground Surcharge Fund	Revenue	49,091,916	49,091,916	49,091,866	(50)	0.0%
	Expenditures	49,092,936	49,092,936	49,101,001	(8,065)	0.0%
Water Utility Operating Fund <sup>1</sup>	Revenue	427,607,269	427,607,269	428,821,910	1,214,641	0.3%
	Expenditures	439,290,546	439,290,546	441,188,602	(1,898,056)	-0.4%
Wireless Communications Technology Fund	Revenue	7,534,476	7,534,476	7,553,591	19,115	0.3%
	Expenditures	8,869,368	8,869,368	8,430,981	438,387	4.9%

The current budget presented in this table is as of September 2013 (accounting period 3) unless otherwise noted. Capital Improvements Program expenditure budgets are excluded.

<sup>1</sup> Revenues in the Sewer Utility and Water Utility Operating Funds support both Operating and Capital Improvements Program (CIP) activity; however, only Operating expenditures are reflected in this report.

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
<b>GENERAL FUND</b>			
<b>Administration</b>			
Department Director		1.00	
<b>Administration Total</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>
<b>City Comptroller</b>			
Accountant 2		2.00	
Accountant 3		2.00	
Financial Operations Manager		1.00	
Payroll Audit Specialist 2		1.00	
Principal Accountant		0.50	
<b>City Comptroller Total</b>	<b>3.00</b>	<b>6.50</b>	<b>3.50</b>
<b>City Treasurer</b>			
Administrative Aide 2		1.00	
Associate Management Analyst		1.00	
Parking Meter Supervisor		1.00	
Parking Meter Technician		3.00	
Senior Account Clerk		1.00	
<b>City Treasurer Total</b>	<b>4.00</b>	<b>7.00</b>	<b>3.00</b>
<b>Civic &amp; Urban Initiatives</b>			
Program Coordinator		4.00	
Program Manager		2.00	
<b>Civic &amp; Urban Initiatives Total</b>	<b>-</b>	<b>6.00</b>	<b>6.00</b>
<b>Debt Management</b>			
Program Coordinator		1.00	
Word Processing Operator		1.00	
<b>Debt Management Total</b>	<b>1.00</b>	<b>2.00</b>	<b>1.00</b>
<b>Development Services - Planning &amp; Neighborhood Code Compliance</b>			
Account Clerk		1.00	
Combination Inspector 2		1.00	
Deputy Director		1.00	
Development Project Manager 3		1.00	
Principal Engineering Aide		1.00	
Program Manager		2.00	
Senior Planner		1.00	
Senior Planner		1.00	
Word Processing Operator		1.00	
Zoning Investigator 2		2.00	
<b>Development Services - Planning &amp; Neighborhood Code Compliance Total</b>	<b>2.00</b>	<b>12.00</b>	<b>10.00</b>
<b>Economic Development</b>			
Accountant 2		1.00	
Administrative Aide 1		1.00	
Administrative Aide 2		1.00	
Associate Management Analyst		1.00	
Community Development Specialist 2		2.00	
Senior Management Analyst		1.00	
Word Processing Operator		0.50	
<b>Economic Development Total</b>	<b>1.00</b>	<b>7.50</b>	<b>6.50</b>
<b>Environmental Services</b>			
Associate Management Analyst		1.38	
Hazardous Materials Inspector 3		1.00	
Public Information Clerk		0.63	

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
Sanitation Driver 1		3.00	
Sanitation Driver 3		2.00	
<b>Environmental Services Total</b>	<b>5.23</b>	<b>8.01</b>	<b>2.78</b>
<b>Financial Management</b>			
Associate Budget Development Analyst		2.00	
Senior Budget Development Analyst		1.00	
<b>Financial Management Total</b>	<b>1.00</b>	<b>3.00</b>	<b>2.00</b>
<b>Fire-Rescue</b>			
Administrative Aide 2		1.00	
Building Maintenance Supervisor		1.00	
Building Service Technician		1.00	
Construction Estimator		2.00	
Deputy Fire Chief		2.00	
Fire Captain		10.00	
Fire Dispatch Supervisor		1.00	
Fire Dispatcher		5.00	
Fire Engineer		11.00	
Fire Fighter 2		20.00	
Fire Fighter 3		4.00	
Fire Helicopter Pilot		2.00	
Fire Prevention Inspector 2		7.00	
Fire Prevention Inspector 2-Civilian		1.00	
Fire Prevention Supervisor		1.00	
Information Systems Analyst 2		2.00	
Lifeguard 2		1.00	
Payroll Specialist 2		1.00	
Senior Drafting Aide		1.00	
Storekeeper 1		1.00	
<b>Fire-Rescue Total</b>	<b>75.00</b>	<b>75.00</b>	<b>-</b>
<b>Human Resources</b>			
<b>Library</b>	<b>-</b>	<b>-</b>	<b>-</b>
Assistant Management Analyst		1.00	
Information Systems Technician		1.00	
Librarian 3		3.00	
Library Aide		8.50	
Library Assistant		2.50	
Library Clerk		3.50	
Library Technician		1.00	
Payroll Specialist 2		1.00	
Supervising Librarian		1.00	
<b>Library Total</b>	<b>14.50</b>	<b>22.50</b>	<b>8.00</b>
<b>Multimedia Services</b>			
Multimedia Production Coordinator		1.00	
<b>Multimedia Services Total</b>	<b>-</b>	<b>1.00</b>	<b>1.00</b>
<b>Office of Homeland Security</b>	<b>1.00</b>	<b>-</b>	<b>(1.00)</b>
<b>Office of ADA Compliance &amp; Accessibility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Office of the Chief Financial Officer</b>			
Executive Secretary		1.00	
<b>Office of the Chief Financial Officer Total</b>	<b>-</b>	<b>1.00</b>	<b>1.00</b>
<b>Office of the Chief Operating Officer</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
<b>Office of the Mayor</b>			
Mayor		1.00	
Mayor Representative 2		1.00	
<b>Office of the Mayor Total</b>	<b>-</b>	<b>2.00</b>	<b>2.00</b>
<b>Park &amp; Recreation</b>			
Area Manager 2		1.00	
Assistant Recreation Center Director		1.00	
Biologist 3		2.00	
Clerical Assistant 2		2.00	
Custodian 2		3.00	
District Manager		1.00	
Equipment Operator 2		1.00	
Equipment Technician 1		1.00	
Grounds Maintenance Manager		2.00	
Grounds Maintenance Supervisor		2.00	
Grounds Maintenance Worker 1		2.00	
Grounds Maintenance Worker 2		6.00	
Laborer		2.00	
Light Equipment Operator		1.00	
Park Ranger		5.00	
Pesticide Applicator		1.00	
Program Manager		2.00	
Recreation Specialist		0.50	
Recreation Specialist		0.50	
Senior Park Ranger		1.00	
Supervising Recreation Specialist		1.00	
Swimming Pool Manager 2		3.00	
Utility Worker 1		1.00	
<b>Park &amp; Recreation Total</b>	<b>23.50</b>	<b>42.00</b>	<b>18.50</b>
<b>Police</b>			
Account Clerk		1.00	
Administrative Aide 2		2.00	
Associate Management Analyst		1.00	
Building Maintenance Supervisor		1.00	
Clerical Assistant 2		1.00	
Criminalist 2		1.00	
Criminalist 2		1.00	
Dispatcher 2		2.00	
Information Systems Analyst 2		1.00	
Information Systems Analyst 3		2.00	
Latent Print Examiner 2		1.00	
Parking Enforcement Officer 1		4.00	
Police Captain		3.00	
Police Code Compliance Officer		2.00	
Police Code Compliance Supervisor		1.00	
Police Detective		53.00	
Police Dispatcher		2.50	
Police Investigative Aide 2		1.00	
Police Lieutenant		6.00	
Police Officer 2		8.00	
Police Officer 3		1.00	
Police Property and Evidence Clerk		1.00	
Police Records Clerk		2.00	
Police Records Data Specialist		1.00	



## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
Police Sergeant		34.00	
Program Manager		2.00	
Word Processing Operator		3.00	
<b>Police Total</b>	<b>130.50</b>	<b>138.50</b>	<b>8.00</b>
<b>Public Works - Contracting</b>			
Administrative Aide 2		1.00	
<b>Public Works - Contracting Total</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>
<b>Public Works - Engineering &amp; Capital Projects</b>			
Account Clerk		1.00	
Assistant Engineer-Civil		10.00	
Associate Engineer-Civil		3.00	
Associate Planner		1.00	
Principal Engineering Aide		5.00	
Principal Traffic Engineering Aide		1.00	
Senior Civil Engineer		1.00	
Senior Land Surveyor		1.00	
Senior Planner		1.00	
Senior Public Information Officer		1.00	
Senior Survey Aide		1.00	
Word Processing Operator		1.00	
<b>Public Works - Engineering &amp; Capital Projects Total</b>	<b>17.00</b>	<b>27.00</b>	<b>10.00</b>
<b>Public Works - General Services - Facilities</b>			
Building Service Technician		1.00	
Building Supervisor		1.00	
Carpenter		1.00	
Carpenter Supervisor		1.00	
Electrician		1.00	
Electrician Supervisor		1.00	
Heating, Ventilation, and Air Conditioning Supervisor		1.00	
Painter		1.00	
Painter Supervisor		1.00	
Plumber		2.00	
Plumber Supervisor		1.00	
Refrigeration Mechanic		3.00	
Rofer		2.00	
<b>Public Works - General Services Total</b>	<b>4.00</b>	<b>17.00</b>	<b>13.00</b>
<b>Purchasing &amp; Contracting</b>			
Associate Management Analyst		2.00	
Program Manager		1.00	
Senior Management Analyst		1.00	
Senior Procurement Specialist		1.00	
Supervising Management Analyst		1.00	
<b>Purchasing &amp; Contracting Total</b>	<b>1.00</b>	<b>6.00</b>	<b>5.00</b>
<b>Real Estate Assets</b>			
Program Manager		1.00	
<b>Real Estate Assets Total</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>
<b>Transportation &amp; Storm Water</b>			
Administrative Aide 2		1.00	
Assistant Engineer-Electrical		1.00	
Associate Engineer-Civil		2.00	
Associate Engineer-Traffic		1.00	
Associate Planner		1.00	
Biologist 2		1.00	

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
Electrician		1.00	
Electrician Supervisor		1.00	
Equipment Operator 2		1.00	
Heavy Truck Driver 2		6.00	
Information Systems Analyst 2		1.00	
Junior Engineer-Civil		2.00	
Motor Sweeper Operator		2.00	
Motor Sweeper Supervisor		1.00	
Parking Enforcement Officer 1		1.00	
Principal Traffic Engineering Aide		2.00	
Program Manager		1.00	
Public Works Supervisor		3.00	
Senior Civil Engineer		1.00	
Senior Clerk/Typist		1.00	
Senior Engineering Aide		2.00	
Senior Public Information Officer		1.00	
Traffic Signal Technician 2		3.00	
Utility Worker 1		12.00	
Utility Worker 2		6.00	
<b>Transportation &amp; Storm Water Total</b>	<b>16.00</b>	<b>55.00</b>	<b>39.00</b>
<b>Non-Mayoral Departments Total</b>	<b>24.50</b>	<b>53.00</b>	<b>28.50</b>
<b>GENERAL FUND TOTAL</b>	<b>327.23</b>	<b>495.01</b>	<b>167.78</b>
<b>NON-GENERAL FUNDS</b>			
<b>Airports Fund</b>	<b>1.00</b>	<b>-</b>	<b>(1.00)</b>
<b>Central Stores Fund</b>			
Auto Messenger 2		1.00	
Storekeeper 1		1.00	
<b>Central Stores Fund Total</b>	<b>1.00</b>	<b>2.00</b>	<b>1.00</b>
<b>Concourse and Parking Garages Operating Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Development Services Fund</b>			
Administrative Aide 2		1.00	
Apprentice 1-Electrician (4 Yr)		1.00	
Assistant Deputy Director		1.00	
Assistant Development Services Director		1.00	
Assistant Engineer-Civil		8.00	
Assistant Engineer-Traffic		2.00	
Associate Engineer-Civil		2.00	
Associate Engineer-Civil		1.00	
Associate Engineer-Electrical		1.00	
Associate Planner		13.00	
Biologist 3		1.00	
Cashier		1.00	
Clerical Assistant 2		8.00	
Combination Inspector 2		13.00	
Deputy Director		1.00	
Development Project Manager 1		4.00	
Development Project Manager 2		1.00	
Development Project Manager 3		2.00	
Electrical Inspector 2		3.00	
Executive Secretary		0.75	
Junior Engineering Aide		1.00	
Land Surveying Assistant		2.00	

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
Mechanical Inspector 2		1.00	
Payroll Specialist 2		2.00	
Plan Review Specialist 3		5.00	
Plan Review Specialist 4		1.00	
Program Manager		1.00	
Public Information Clerk		7.00	
Senior Cashier		1.00	
Senior Civil Engineer		2.00	
Senior Clerk/Typist		4.00	
Senior Combination Inspector		1.00	
Senior Drafting Aide		5.00	
Senior Engineer-Fire Protection		1.00	
Senior Engineering Aide		1.00	
Senior Engineering Geologist		1.00	
Senior Land Surveyor		1.00	
Senior Mechanical Inspector		1.00	
Senior Planner		1.00	
Senior Structural Inspector		1.00	
Senior Traffic Engineer		1.00	
Structural Engineering Associate		3.00	
Structural Inspector 2		4.00	
Supervising Plan Review Specialist		2.00	
Supervising Public Information Officer		1.00	
Word Processing Operator		9.00	
<b>Development Services Fund Total</b>	<b>145.75</b>	<b>125.75</b>	<b>(20.00)</b>
<b>Energy Conservation Program Fund</b>			
Administrative Aide 2		1.00	
Associate Management Analyst		1.00	
Program Manager		1.00	
<b>Energy Conservation Program Fund Total</b>	<b>0.15</b>	<b>3.00</b>	<b>2.85</b>
<b>Facilities Financing Fund</b>			
Program Manager		1.00	
Senior Management Analyst		1.00	
Word Processing Operator		1.00	
<b>Facilities Financing Fund Total</b>	<b>1.00</b>	<b>3.00</b>	<b>2.00</b>
<b>Fire/Emergency Medical Services Transportation Program Fund</b>			
Administrative Aide 2		1.00	
Quality Management Coordinator		1.00	
<b>Fire/Emergency Medical Services Transportation Program Fund Total</b>	<b>-</b>	<b>2.00</b>	<b>2.00</b>
<b>Fleet Services Operating Fund</b>			
Account Clerk		1.00	
Associate Management Analyst		1.00	
Equipment Mechanic		10.00	
Equipment Service Writer		1.00	
Fleet Attendant		1.00	
Fleet Team Leader		2.00	
Machinist		1.00	
Senior Motive Service Technician		10.00	
Stock Clerk		1.00	
Storekeeper 1		2.00	
Welder		1.00	

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
<b>Fleet Services Operating Fund Total</b>	-	31.00	31.00
<b>GIS Fund</b>			
Applications Programmer 2		1.00	
<b>GIS Fund Total</b>	-	1.00	1.00
<b>Golf Course Fund</b>			
Greenskeeper		1.00	
Grounds Maintenance Worker 1		2.00	
Senior Public Information Officer		1.00	
<b>Golf Course Fund Total</b>	4.00	4.00	-
<b>Information Technology Fund</b>			
Graphic Designer		1.00	
Information Systems Analyst 4		1.00	
<b>Information Technology Fund Total</b>	2.00	2.00	-
<b>Junior Lifeguard Program Fund</b>			
<b>Local Enforcement Agency Fund</b>	-	-	-
Hazardous Materials Inspector 3		1.00	
<b>Local Enforcement Agency Fund Total</b>	1.00	1.00	-
<b>Los Penasquitos Canyon Preserve Fund</b>			
<b>Sewer Utility Funds</b>			
Account Clerk		0.60	
Accountant 3		0.30	
Administrative Aide 1		0.51	
Administrative Aide 2		0.60	
Assistant Chemist		2.00	
Assistant Engineer-Civil		2.52	
Assistant Metropolitan Wastewater Director		0.51	
Associate Engineer-Civil		1.00	
Associate Engineer-Mechanical		0.77	
Associate Management Analyst		2.12	
Associate Planner		0.79	
Biologist 2		1.00	
Biologist 3		0.79	
Building Service Technician		0.67	
Cashier		0.50	
Clerical Assistant 2		2.10	
Code Compliance Officer		0.50	
Customer Information and Billing Manager		0.50	
Customer Services Representative		5.75	
Deputy Director		0.67	
Equipment Technician 2		1.00	
Field Representative		0.50	
Heavy Truck Driver 2		1.00	
Information Systems Analyst 2		0.53	
Information Systems Analyst 3		1.59	
Instrumentation and Control Technician		2.00	
Laboratory Technician		5.00	
Organization Effectiveness Specialist 3		0.61	
Plant Process Control Electrician		1.00	
Plant Technician 1		4.00	
Plant Technician 2		10.00	
Plant Technician Supervisor		4.00	
Power Plant Operator		2.00	
Program Manager		2.50	

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
Pump Station Operator		1.00	
Recycling Program Manager		0.51	
Safety and Training Manager		1.02	
Safety Representative 2		0.51	
Senior Civil Engineer		0.51	
Senior Drafting Aide		1.02	
Senior Electrical Engineer		1.00	
Senior Engineering Aide		2.00	
Senior Management Analyst		0.60	
Senior Power Plant Supervisor		1.00	
Senior Water Utility Supervisor		5.00	
Storekeeper 2		1.00	
Trainer		1.02	
Utility Worker 1		2.00	
Wastewater Operations Supervisor		1.00	
Wastewater Plant Operator		4.00	
Wastewater Pretreatment Inspector 2		1.00	
Water Utility Worker		9.00	
Word Processing Operator		0.54	
<b>Sewer Utility Funds Total</b>	<b>40.40</b>	<b>93.66</b>	<b>53.26</b>
<b>OneSD Support Fund</b>			
Program Manager		2.00	
<b>OneSD Support Fund Total</b>	<b>-</b>	<b>2.00</b>	<b>2.00</b>
<b>PETCO Park Fund</b>			
<b>Publishing Services Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>
Senior Publishing Specialist		1.00	
<b>Publishing Services Fund Total</b>	<b>-</b>	<b>1.00</b>	<b>1.00</b>
<b>Qualcomm Stadium Operating Fund</b>			
Building Service Technician		1.00	
Clerical Assistant 2		1.00	
<b>Qualcomm Stadium Operating Fund Total</b>	<b>1.00</b>	<b>2.00</b>	<b>1.00</b>
<b>Recycling Fund</b>			
Associate Engineer-Civil		0.45	
Associate Management Analyst		0.28	
Custodian 2		1.00	
Hazardous Materials Inspector 2		0.50	
Public Information Clerk		0.16	
Sanitation Driver 1		5.00	
Sanitation Driver 2		3.00	
Utility Worker 2		1.50	
<b>Recycling Fund Total</b>	<b>4.28</b>	<b>11.89</b>	<b>7.61</b>
<b>Refuse Disposal Fund</b>			
Associate Engineer-Civil		0.55	
Associate Management Analyst		0.34	
Code Compliance Officer		3.00	
Equipment Technician 1		1.00	
Public Information Clerk		0.21	
Public Works Supervisor		1.00	
Utility Worker 1		1.00	
Utility Worker 2		2.00	
Word Processing Operator		1.00	
<b>Refuse Disposal Fund Total</b>	<b>6.34</b>	<b>10.10</b>	<b>3.76</b>

## Budgeted Vacancies as of November 2013

As of November 5, 2013

FTE

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
<b>Risk Management Administration Fund</b>			
Claims and Insurance Manager		1.00	
Claims Clerk		1.00	
Claims Representative 2		1.00	
Employee Assistance Counselor		0.50	
Risk Management Director		1.00	
Supervising Management Analyst		1.00	
Workers' Compensation Claims Aide		2.00	
Workers' Compensation Claims Representative 2		1.00	
<b>Risk Management Administration Fund Total</b>	<b>2.00</b>	<b>8.50</b>	<b>6.50</b>
<b>Transient Occupancy Tax Fund</b>			
Public Art Program Administrator		1.00	
<b>Transient Occupancy Tax Fund Total</b>	<b>-</b>	<b>1.00</b>	<b>1.00</b>
<b>Underground Surcharge Fund</b>			
<b>Underground Surcharge Fund Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Water Utility Operating Fund</b>			
Account Clerk		0.40	
Accountant 3		0.20	
Administrative Aide 1		0.49	
Administrative Aide 2		0.40	
Assistant Engineer-Civil		1.48	
Assistant Engineer-Corrosion		1.00	
Assistant Metropolitan Wastewater Director		0.49	
Assistant Reservoir Keeper		1.00	
Associate Engineer-Corrosion		1.00	
Associate Engineer-Mechanical		0.23	
Associate Management Analyst		3.63	
Associate Planner		0.21	
Biologist 3		0.21	
Building Service Technician		0.33	
Carpenter		1.00	
Cashier		0.50	
Clerical Assistant 2		1.40	
Code Compliance Officer		0.50	
Customer Information and Billing Manager		0.50	
Customer Services Representative		5.75	
Deputy Director		0.33	
Equipment Operator 2		2.00	
Field Representative		0.50	
Heavy Truck Driver 2		1.00	
Information Systems Analyst 2		0.47	
Information Systems Analyst 3		1.41	
Instrumentation and Control Technician		1.00	
Laboratory Technician		4.00	
Lake Aide 1		1.00	
Lake Aide 2		1.00	
Organization Effectiveness Specialist 3		0.39	
Program Manager		0.50	
Recycling Program Manager		0.49	
Safety and Training Manager		0.98	
Safety Representative 2		0.49	
Senior Backflow & Cross Connection Specialist		3.00	
Senior Civil Engineer		0.49	
Senior Drafting Aide		0.98	
Senior Management Analyst		0.40	

<b>Budgeted Vacancies as of November 2013</b>
---

<i>As of November 5, 2013</i>	<i>FTE</i>
-------------------------------	------------

Department Name / Position Job Name	Budgeted Vacancies	Current Vacancies	Variance
Supervising Meter Reader		1.00	
Trainer		0.98	
Water Systems Technician 3		3.00	
Water Systems Technician 4		4.00	
Word Processing Operator		2.46	
<b>Water Utility Operating Fund Total</b>	<b>36.60</b>	<b>52.59</b>	<b>15.99</b>
<b>Wireless Communications Technology Fund</b>			
Associate Communications Engineer		2.00	
Communications Technician		4.00	
Deputy Director		1.00	
<b>Wireless Communications Technology Fund Total</b>	<b>2.00</b>	<b>7.00</b>	<b>5.00</b>

## Non-General Fund Reserves

*in millions*

Fund	Reserve Type	FY 2014 Target	Status
Development Services Fund	Appropriated Reserve	\$ 341,774	Budgeted
Public Liability Fund	Fund Balance	29,300,000	On Target
Workers Compensation Fund	Fund Balance	46,200,000	On Target
Long-Term Disability Fund	Fund Balance	12,000,000	On Target
Water Utility Funds	Appropriated Reserve <sup>1</sup>	3,500,000	Budgeted
	Operating Reserve	30,662,165	On Target
	Capital Reserve	5,000,000	Budgeted
	Rate Stabilization Reserve	20,500,000	On Target
	Secondary Purchase Reserve	12,544,475	On Target
	Dedicated Reserve from Efficiency & Savings <sup>2</sup>	29,901,772	N/A
Sewer Utility Funds	Appropriated Reserve	3,500,000	Budgeted
	Operating Reserve	43,314,185	On Target
	Capital Reserve	5,000,000	Budgeted
	Rate Stabilization Reserve	21,300,000	On Target
	Dedicated Reserve from Efficiency & Savings <sup>2</sup>	27,043,918	N/A
Refuse Disposal Fund	Appropriated Reserve	920,000	Budgeted
	Fund Balance	3,680,000	On Target
Recycling Enterprise Fund	Appropriated Reserve	480,000	Budgeted
	Fund Balance	1,920,000	On Target

<sup>1</sup>The \$2.7 million of Appropriated Reserve was used to support unanticipated expenditures in the first quarter. The Fund intends to replenish the Appropriated Reserve by fiscal year-end as potential savings are realized.

<sup>2</sup>The amount displayed for the Dedicated Reserve from Efficiency & Savings (DRES) represents the fund balance as of June 30, 2013, as a reserve target for this fund is not required.