



# Memorandum

**TO:** PUBLIC SAFETY, FINANCE AND  
STRATEGIC SUPPORT COMMITTEE

**FROM:** Jennifer A. Maguire

**SUBJECT:** BI-MONTHLY FINANCIAL REPORT  
FOR JULY/AUGUST 2014

**DATE:** October 8, 2014

Approved

Date

10/09/14

The Bi-Monthly Financial Report for July/August 2014 was jointly prepared by the City Manager's Budget Office and the Finance Department and is presented for the Public Safety, Finance and Strategic Support Committee's review. The City Manager's Budget Office has analyzed actual expenditures as compared to the 2014-2015 Modified Budget and the Finance Department has prepared a report that reflects the financial results for the two months ending August 2014.

## OVERVIEW

Through the first two months of the fiscal year, revenues and expenditures were generally tracking within the budgeted estimates in all City funds. The Administration will continue to closely monitor economic conditions and the performance in all City funds, bringing forward budget adjustments to the City Council during the year if necessary. Following are key highlights in this report:

- While it is very early in the fiscal year, and there is minimal data, overall revenues appear to be tracking within estimated levels in the General Fund.
- Expenditures also appear to be tracking within budgeted levels through August. While two departments are tracking slightly above estimated levels, expenditures will continue to be controlled and monitored to ensure appropriations stay within approved levels. While overall Police Department expenditures were below budget, overtime expenditures were tracking above estimated levels through August. The 2013-2014 Annual Report included budget actions to increase the Police Department overtime budget by \$7.8 million (from \$17.1 million to \$24.9 million), which is approximately equivalent to the overtime expenditures for 2013-2014, with an adjustment for the recent sworn and non-sworn salary increases. This additional funding was provided by reallocating \$7.0 million in anticipated vacancy savings from the salary and benefits line items to the overtime line item in the Police Department Personal Services appropriation and by rebudgeting \$800,000 in Police Department savings from 2013-2014 to 2014-2015. With this adjustment, the overtime expenditures will be in closer with year-end expectations.

**OVERVIEW (CONT'D.)**

- Development-related revenues in the General Fund continued the strong performance that was experienced beginning in 2011-2012 through 2013-2014. Overall, revenues are currently tracking to meet or exceed the budgeted estimates in each of the Development Fee Programs, with the exception of Public Works. Construction and Conveyance Tax collections also remain strong and are on track to meet the budgeted estimate.
- The Norman Y. Mineta San José International Airport (SJC) has enplaned and deplaned 1.8 million passengers, an increase of 7.2% from the figures reported through August of the prior year. While passenger growth in 2014-2015 was originally anticipated to increase by 2.0% over the 2013-2014 estimate of 8.91 million passengers, actual enplaned and deplaned passengers in 2013-2014 was 9.06 million. As the stronger than anticipated year-end activity has continued through August, it is very likely that 2014-2015 passenger levels will exceed last year's figures.
- In the Silicon Valley, moderate economic growth continues with median home prices up 9.9% from the same time last year, and unemployment rates continuing a downward trend, remaining below both State and national levels. The Administration will closely monitor the performance of the City's economically sensitive revenues to identify any changes in collection trends as appropriate.
- The Administration will continue to report to the City Council any and all significant developments through future Bi-Monthly Financial Reports and the 2014-2015 Mid-Year Budget Review.

**Economic Environment**

The Silicon Valley continues to show moderate economic growth with increasing housing prices, a declining unemployment rate, and increasing development activity.

A number of the economic indicators show improvement from the same period a year ago. Employment indicators, residential, commercial and industrial permit activity, median single-family home prices, and average days-on market have all improved.

The August 2014 employment level in the San Jose-Sunnyvale-Santa Clara Metropolitan Statistical Area (San Jose MSA) of 1.0 million was 3.2% above the August 2013 level of 973,900 and represents the highest peak since 2001.



**OVERVIEW (CONT'D.)**

<b>Unemployment Rate (Unadjusted)</b>			
	<b>Aug. 2013</b>	<b>Jul. 2014</b>	<b>Aug. 2014**</b>
San Jose Metropolitan Statistical Area*	6.9%	6.0%	5.5%
State of California	8.9%	7.9%	7.4%
United States	7.3%	6.5%	6.3%
* San Benito and Santa Clara Counties Source: California Employment Development Department. ** August 2014 estimates are preliminary and may be updated.			

The unemployment rates at the local, State, and national levels continue to show improvement. In August 2014, the unemployment rate for the San Jose Metropolitan Statistical Area of 5.5% represents a decline from the July 2014 rate of 6.0% and is well below the 6.9% rate experienced a year ago. In this region, the August 2014 unemployment rate is less than the unadjusted unemployment rate for the State (7.4%)

and the nation, which has a current unadjusted unemployment rate of 6.3%.

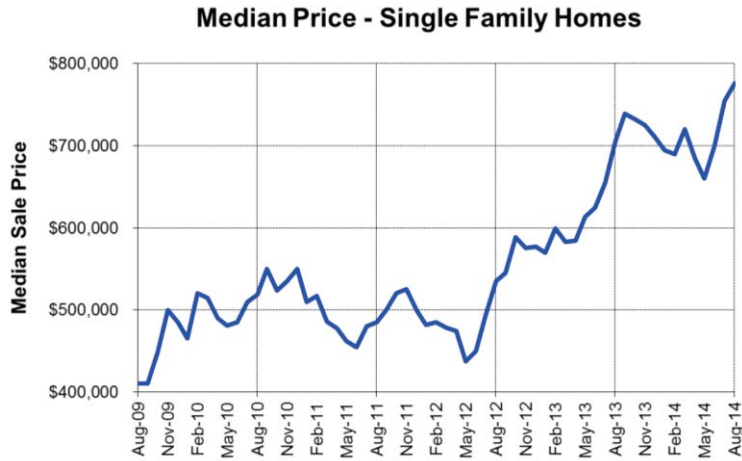
Through August, residential permit activity is tracking well above the prior year levels and is primarily driven by new construction (1,137 new dwelling units in 2014-2015 vs. 604 in 2013-2014). Valuation for new residential construction is higher than the prior year (\$140.6 million in 2014-2015 vs. \$81.0 million in 2013-2014), and valuation for alteration activity is higher than the prior year (\$19.8 million in 2014-2015 vs. \$18.5 million in 2013-2014).

Overall commercial valuation through August is significantly lower from the 2013-2014 level (\$39.8 million in 2014-2015 vs. \$115.3 million in 2013-2014). Both new commercial construction and alteration activity are down compared to prior year levels. This is partially attributable to the construction of an approximately 16,000-seat outdoor soccer stadium for the San José Earthquakes and a 27,000-square foot Whole Foods Market with a separate 6,000-square foot craft beer brewery/tap room building which is reflected in the 2013-2014 figures, while activity returned to moderate levels in 2014-2015.

Industrial construction valuation through August is also significantly lower than the 2013-2014 level (\$41.1 million in 2014-2015 vs. \$256.4 million in 2013-2014), however above 2012-2013 levels of \$32.7 million. The spike in 2013-2014 was led by new construction activity in August 2013, partially attributable to Samsung Semiconductor, a 10-story, 680,000-square foot R&D/office building and 1,545-space parking garage.

<b>Private Sector Construction Activity (Valuation in \$ Millions)</b>			
	<b>YTD August 2013</b>	<b>YTD August 2014</b>	<b>% Increase</b>
Residential	\$ 99.5	\$ 160.4	61.2%
Commercial	\$ 115.3	\$ 39.8	-65.5%
Industrial	\$ 256.4	\$ 41.1	-84.0%

**OVERVIEW (CONT'D.)**



Home prices have continued to increase. The median single-family home price in August 2014 of \$780,000 is up 9.9% from the August 2013 price of \$710,000. However, the amount of time it is taking to sell houses is increasing. The average days-on-market for single-family and multi-family dwellings in August 2014 was 29 days, which is a 34.9% increase from the 22 days-on-market in August 2013. Finally, the August 2014 number of property transfers of 685 represents a decrease of 12.6%

when compared to the 784 sales in August 2013.

On a national level, consumer confidence, which increased in both July and August, decreased in September. Says Lynn Franco, Director of The Conference Board Consumer Research Center: “Consumer confidence retreated in September after four consecutive months of improvement. A less positive assessment of the current job market, most likely due to the recent softening in growth, was the sole reason for the decline in consumers’ assessment of present-day conditions. Looking ahead, consumers were less confident about the short-term outlook for the economy and labor market, and somewhat mixed regarding their future earnings potential. All told, consumers expect economic growth to ease in the months ahead.”

Despite this dip in consumer confidence, a number of key economic indicators point toward a local economy that is expected to continue to experience growth. Economic conditions will continue to be closely monitored and will be factored into the assessment of the City’s performance in 2014-2015 as well as development of the 2016-2020 General Fund Forecast.

**GENERAL FUND**

**REVENUES**

General Fund revenues through August 2014 totaled \$153.5 million, which represents a decrease of \$12.7 million (7.6% below) from the August 2013 level of \$166.2 million. In both the current and the prior fiscal years, the majority of revenue through August can be attributed to borrowing proceeds from the Tax and Revenue Anticipation Notes (TRANs) issued for cash flow purposes (\$100 million annually in both fiscal years).

Several categories are currently tracking below the prior year level, including Sales Tax, Franchise Fees, Revenue from Local Agencies, Departmental Charges, and Transfers and Reimbursements.

<b>GENERAL FUND (CONT'D.)</b>
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However, for several of these categories, the lower collection level is primarily the result of differences in the timing of payments and true-up adjustments from the prior year rather than declines attributed to actual activity levels. Primarily in the Transfers and Reimbursements category, \$26.1 million in overhead reimbursements were completed in September 2014 rather than in the August timeframe last fiscal year. The lower collections in these categories are partially offset by higher collections in a number of categories, including Telephone Line Tax, Transient Occupancy Tax, Utility Taxes, Licenses and Permits, Business Taxes, Fines, Forfeitures and Penalties, Use of Money and Property, and Other Revenue. These higher collections were primarily due to timing of payments as well as growth in these budgeted line items.

Though it is early in the fiscal year, General Fund revenues are generally tracking to meet budgeted estimates. The following discussion highlights General Fund revenue activities through August.

**KEY GENERAL FUND REVENUES**

Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Property Tax</b>	<b>\$ 233,973,240</b>	<b>\$ 250,109</b>	<b>\$ 231,875</b>

The Property Tax category consists of Secured Property Tax, Unsecured Property Tax, SB 813 Property Tax (retroactive collections back to the point of sale for reassessments of value due to property resale), and Homeowners Property Tax Relief. Through August, \$250,000 has been received, reflecting only 0.1% of the 2014-2015 budget for this category. The increase in collections compared to the prior year was the result of higher SB 813 Property Tax receipts.

- Secured Property Taxes** represent over 90% of the revenue in the Property Tax category. As anticipated, no Secured Property Tax receipts have been received through August due to the scheduled timing of these payments. For 2014-2015, the Adopted Budget estimate of \$215 million was based on the assumption that collections would increase approximately 6% in 2014-2015. However, the final assessed value for 2014-2015 reflects 6.7% growth, slightly above current levels assumed in the 2014-2015 budget. As a result, the very preliminary estimate from the County of Santa Clara is slightly above the 2014-2015 Adopted Budget estimate by approximately \$1-2 million. This figure will be adjusted during the year based on actual experience.

Throughout the County of Santa Clara, the majority of the 2014-2015 roll growth can be attributed to changes in ownership (42.9%) and Proposition 8 (33.4%) adjustments. The remainder of the growth in assessed value reflects the impact of new construction, corrections and other adjustments, business personal property changes, and the California Consumer Price Index (CCPI) inflation factor. With the continued recovery in the real estate market, approximately 21,000 of the properties in San José that were valued at less than their purchase price in 2013-2014 were adjusted upwards in 2014-2015, restoring \$1.6

**GENERAL FUND (CONT'D.)**

billion in assessed value. There are approximately 24,000 properties that continue to receive Proposition 8 adjustments in 2014-2015 as these properties are valued at less than their purchase price.

Under Proposition 13, assessed values of all real property adjusted with the CCPI, with a 2% limit, unless there is a change in ownership, new construction, or a property has received a Proposition 8 adjustment. The CCPI adjustment for the 2014-2015 tax roll is an increase of 0.45%, significantly below the prior year level of 2.0%.

- In the **Unsecured Property Tax** category, the largest payment is received in October of each year, therefore, no revenue has been received through August 2014. The 2014-2015 Adopted Budget revenue estimate of \$12.9 million requires growth of 3.8% from actual 2013-2014 collection levels. However, the most recent projection from the County of Santa Clara for 2014-2015 falls below 2013-2014 levels.
- For the **SB 813 Property Tax** category, collections totaled \$250,000 through August, while \$131,000 had been received last year at this time. The 2014-2015 Adopted Budget estimate of \$2.8 million is well below the 2013-2014 actual collection level of \$5.0 million. Collections in this category are expected to decline due to an anticipated change in methodology for the SB 813 distribution. In 2004-2005, the State Motor Vehicle In-Lieu (VLF) Swap involved the permanent conversion of VLF backfill funds to Property Tax as part of the approved State budget. Since SB 813 Property Tax receipts are pooled receipts that are allocated to each jurisdiction based on their share of secured property taxes, an increase in the City's Secured Property Taxes due to the VLF conversion increased the City's share of SB 813 receipts. Per conversations with the County of Santa Clara, it is anticipated that beginning in 2014-2015, VLF receipts associated with the swap will not be considered Property Tax for the SB 813 calculation and, therefore, will reduce the City's relative share of this tax. With this change in methodology, this figure will be adjusted during the year based on actual experience as necessary once additional information is known.
- **Aircraft Property Tax** receipts are typically received in October of each year. The current 2014-2015 Adopted Budget estimate of \$2.15 million requires growth of 0.7% from 2013-2014 receipts of \$2.13 million. The current County of Santa Clara Assessor's Office estimate is slightly above the 2014-2015 budgeted level; this estimate is preliminary and will continue to be monitored.
- In the **Homeowners Property Tax Relief** category, revenues in 2014-2015 are expected to be at the budgeted estimate of \$1.0 million, which is consistent with the 2013-2014 collection level.

<b>GENERAL FUND (CONT'D.)</b>
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Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Sales Tax</b>	<b>\$ 180,024,000</b>	<b>(\$ 4,222,582)</b>	<b>(\$ 3,001,568)</b>

The Sales Tax category includes General Sales Tax and Proposition 172 Sales Tax.

**General Sales Tax** receipts through August still reflected a negative amount of \$4.8 million due to the 2013-2014 year-end accrual to account for the last quarter of 2013-2014. The current receipts do not yet reflect actual performance in 2014-2015. Information on the first quarter collections for this fiscal year will not be received until late December.

In 2013-2014, General Sales Tax collections of \$168.0 million were 5.9% above the 2012-2013 collection level of \$158.6 million. This increase reflected actual performance for the first three quarters of 2013-2014, during which growth of 8.5% (1<sup>st</sup> quarter), 7.9% (2<sup>nd</sup> quarter) and 2.4% (3<sup>rd</sup> quarter) was experienced, as well as estimated growth of 3.5% for the 4<sup>th</sup> quarter and prior year State triple flip true-up adjustments. Because a three-month lag exists between the period of sales activity and when the City receives its quarterly Sales Tax allocation, the fourth quarter (April through June) was accrued to 2013-2014 based on a 3.5% growth projection. Since the accrual was processed, Sales Tax results for the fourth quarter have become available and show an actual increase of 6.2%. This higher growth rate generated an additional \$835,000 in revenue.

The growth of 6.2% in San José in the 4<sup>th</sup> quarter of 2013-2014 was above overall sales tax growth in the State (up 4.0%), Northern California (up 5.9%), and the County of Santa Clara (up 4.8%) however, slightly below the San Francisco Bay Area (up 6.4%). Growth this quarter varied significantly across neighboring jurisdictions as shown by the following figures: Palo Alto (down 20.8%), Saratoga (down 11.0%), Sunnyvale (down 7.7%), Monte Sereno (down 4.7%), Gilroy (up 16.5%), Santa Clara (up 15.7%), and Mountain View (up 12.5%).

The 2014-2015 Adopted Budget revenue projection was developed based on actual 2013-2014 data for the first two quarters, and assumed growth of 3.5% to be realized in the last two quarters of 2013-2014 when compared to the same quarters in the prior year, followed by a 4.0% growth in 2014-2015. However, as discussed above, actual increases in the last two quarters of 2013-2014 were 2.4% and 6.2%, respectively.

The higher receipts in 2013-2014 will have a positive impact on the 2014-2015 Sales Tax estimate, in addition to a one-time Sales Tax correction payment from the State of \$682,000 due to an accounting error. These positive impacts, however, are expected to be offset by a lower than anticipated Triple Flip payment from the State. Based on the information received regarding the 2014-2015 Triple Flip payment (including the 2013-2014 true-up payment to be received in January 2015), the payment is significantly lower (\$1.5 million) than estimates used in the development of the 2014-2015 Adopted Budget. Staff is working with the City's Sales Tax consultant to understand the rationale behind this lower payment level. It is important to note that

<b>GENERAL FUND (CONT'D.)</b>
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the City will receive a true-up payment if the amount advanced by the State to cover estimated performance in 2014-2015 is too low.

Based on actual 2013-2014 receipts, adjustments associated with the 2014-2015 Triple Flip payment (including the 2013-2014 true-up payment to be received in January 2015), and a one-time correction payment, revenues are currently projected to fall slightly below the 2014-2015 Adopted Budget estimate of \$174.2 million which requires overall growth of 3.7% from the 2013-2014 year-end figure of \$168.0 million. Data for the first quarter of 2014-2015 (July – September activity) will not be available until December 2014.

Through August, the **Proposition 172 Sales Tax** receipts of \$543,000 were tracking 12.2% above 2013-2014 collections of \$485,000 through the same period. The 2014-2015 budgeted estimate of \$5.8 million requires growth of 7.0% from the prior year collection level of \$5.4 million.

Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Transient Occupancy Tax</b>	<b>\$ 11,750,000</b>	<b>\$ 1,160,186</b>	<b>\$ 318,788</b>

Through August 2014, receipts recorded in the General Fund of \$1.2 million are above the prior year's collections for the same period (\$319,000); however, the variance primarily reflects a difference in timing of payments and year-end accruals. The 2014-2015 Adopted Budget of \$11.8 million was built assuming 5% growth in TOT collections over 2013-2014 estimated receipts. However, since 2013-2014 actual receipts came in higher than assumed in the 2014-2015 budget development, growth of approximately 1% (excluding compliance revenues) is needed to meet the \$11.8 million estimate. Budget actions to increase this estimate will likely be brought forward later in 2014-2015, as appropriate.

Through August, the average hotel occupancy rate at the 14 major hotels was 80.9%, an improvement from the 72.0% occupancy rate for the same period in 2013-2014. For the same 14 hotels, the average daily room rate through August was \$155.63, up 6.5% from the \$146.20 room rate for the same period in 2013-2014. The year-to-date average revenue-per-available room (RevPAR) metric of \$125.82 represents an increase of 19.6% from the prior year level.



<b>GENERAL FUND (CONT'D.)</b>			
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Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Utility Tax</b>	<b>\$ 94,825,000</b>	<b>\$ 8,227,832</b>	<b>\$ 4,285,098</b>

Through August, Utility Tax receipts of \$8.2 million were tracking \$3.9 million above last year's collection level of \$4.3 million due primarily to higher collections in the Electricity and Gas Utility Tax categories. The majority of this variance, however, was due to differences in prior year accruals and timing of payments. The 2014-2015 budgeted estimate requires an increase of 1.1% from the prior year collection level. It should be noted that Utility Tax receipts reflect a one month lag, therefore, data for only one month of activity in 2014-2015 is available at this time. Since the adoption of the 2014-2015 Budget, a number of rate cases previously pending have final resolution from the Public Utilities Commission, which are expected to impact collections.

- In the **Electric Utility Tax** category, collections of \$4.5 million are \$3.9 million above prior year levels of \$531,000. The variance reflects a difference in timing of payments and year-end accruals. The 2014-2015 Adopted Budget requires growth of approximately 1% from 2013-2014 actual collections.
- In the **Gas Utility Tax** category, receipts of \$457,000 were \$329,000 above the prior year level of \$128,000 through August. The variance reflects a difference in timing of payments and year-end accruals. The 2014-2015 Adopted Budget estimate of \$9.1 million requires growth of 3.8% from the actual 2013-2014 collection levels of \$8.8 million. Actual collection in the Gas Utility Tax area are subject to significant fluctuations from the impact of weather conditions and/or rate changes, therefore, collections in the next several months will provide a much better indicator of receipts in this category since approximately two-thirds of the revenue in this category is typically collected in the second half of the year.
- Collections of \$734,000 in the **Water Utility Tax** category are at the prior year level (\$733,000). The 2014-2015 Adopted Budget estimate of \$11.4 million was based on growth of 1.8% over the projected 2013-2014 collection level; however, because revenues in 2013-2014 ended the year above the estimated collection level, no growth is necessary to achieve the budgeted estimate. The Public Utilities Commission recently approved a long-delayed rate increase in August 2014. It is anticipated the decision will result in a 15% increase in water bills through the end of this calendar year. However, due to the current restrictions imposed by the drought, a significant change in consumption is also anticipated. Collections will be monitored closely to determine if any adjustments are necessary.
- Collections in the **Telephone Utility Tax** category of \$2.6 million were tracking 11.2% below the prior year collection level of \$2.9 million. In 2014-2015, the budgeted estimate of \$33.0 million requires growth of less than 1% from prior year collections, as this category has fluctuated in recent years. Collection levels will continue to be monitored and adjustments brought forward as necessary during the year.

<b>GENERAL FUND (CONT'D.)</b>
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Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Business Taxes</b>	<b>\$ 43,700,000</b>	<b>\$ 6,303,068</b>	<b>\$ 4,831,396</b>

This category consists of the following: Business Tax, Cardroom Tax, Marijuana Business Tax, and Disposal Facility Tax. Through August, overall collections of \$6.3 million are tracking above prior year collection levels of \$4.8 million, reflecting higher collections in the Disposal Facility Tax and General Business Tax categories. To meet the 2014-2015 budgeted estimate, receipts in this category can drop 3.9% from the actual 2013-2014 collection level. This primarily reflects the variance in Disposal Facility Taxes, which ended the year 14.2% above estimated 2013-2014 levels. The chart below outlines the four types of revenue in the Business Tax category and provides a comparison of 2013-2014 actuals to the 2014-2015 budget as well as collections through August in both the current and prior year.

	2013-2014 Actuals	2014-2015 Adopted Budget	August 2014 Actuals	August 2013 Actuals	%
<b>Business Taxes</b>					<b>Change</b>
Cardroom Tax	\$16,325,039	\$16,000,000	\$1,378,558	\$1,344,493	2.5%
Marijuana Business Tax	6,061,046	6,000,000	471,952	547,255	-13.8%
General Business Tax	10,858,797	11,000,000	3,382,019	1,965,746	72.0%
Disposal Facility Tax	12,233,242	10,700,000	1,070,539	973,901	9.9%
<b>TOTAL</b>	<b>\$45,478,124</b>	<b>\$43,700,000</b>	<b>\$6,303,068</b>	<b>\$4,831,395</b>	<b>30.5%</b>

- **Cardroom Tax** receipts through August are 2.5% above prior year levels. Collections in this category have remained steady at \$16.3 million for the past two years and are anticipated to remain at these levels in 2014-2015.
- **Marijuana Business Tax** receipts are tracking below (13.8%, \$75,000) prior year levels, which may be due to the July 2014 startup of the Marijuana Regulatory Program due to enforcement of restrictions associated with the Regulatory Program. The receipts will continue to be monitored closely for the impact of the implementation of the Medical Marijuana Regulatory Program, as well as the potential impacts from any federal actions, and reported through these Bi-Monthly Financial Reports.
- **General Business Tax** receipts of \$3.4 million are 72.0% above prior year levels. This is primarily due to a timing difference in billing.
- **Disposal Facility Tax (DFT)** revenue of \$1.1 million through August is tracking 9.9% above the prior year levels. The 2014-2015 Adopted Budget DFT estimate of \$10.7 million was built on lower estimated 2013-2014 collections and assumed a slight decline of approximately 1%. However, based on 2013-2014 actual collections, receipts can now decline 12.5% in 2014-2015. This category will be closely monitored to determine if the strong collections in 2013-2014 are sustained. If receipts remain at this higher level, an upward adjustment to the 2014-2015 revenue estimate will be brought forward.

<b>GENERAL FUND (CONT'D.)</b>			
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Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Licenses and Permits</b>	<b>\$ 46,455,293</b>	<b>\$ 10,164,446</b>	<b>\$ 9,822,845</b>

This category includes Building Permits, Fire Permits, and Other Licenses and Permits. Through August, Licenses and Permits revenue of \$10.2 million tracked 3.5% above the prior year level of \$9.8 million. The 2014-2015 budget estimate, however, allows for a decline of 10.7% from the actual 2013-2014 collection level. Development-related activity continued to experience very strong growth in 2013-2014, exceeding the estimates used to develop the 2014-2015 Adopted Budget, and that strong performance has been sustained in the first two months of the fiscal year. If current collection trends continue, an upward adjustment to this revenue category, offset by development fee related expenditures or increases to development fee reserves, may be brought forward during 2014-2015.

Following is a discussion of the major components of this category.

- **Building Permit** revenues of \$4.7 million through August are tracking 6.0% above the 2013-2014 collection level of \$4.4 million for the same period. The 2014-2015 budgeted revenue estimate allows for a drop of 21.1% from the prior year actuals in this category; however, revenues in building permits, plumbing permits, mechanical permits, electrical permits, and permit processing categories are tracking well above estimated levels due to increased development activity. If the current collection trend continues, it is anticipated that Building Permit revenues will exceed the budget estimate of \$25.6 million.
- Through August, **Fire Permit** collections of \$3.0 million were at prior year levels and tracking above estimated levels (\$2.7 million). This category consists of development and non-development related permits. Development related receipts of \$1.1 million through August are tracking to exceed the estimate of \$7.0 million. At this time, the Non-Development program revenues of \$1.9 million represent the first major billing cycle for non-development fire permits for this fiscal year and are anticipated to meet or exceed the \$4.1 million budgeted estimate.
- The **Other Licenses and Permits** collections of \$2.53 million are tracking 3.2% above the 2013-2014 collection level of \$2.45 million and are tracking within estimated levels. However, the 2014-2015 Adopted Budget estimate requires growth of 13.7% from the prior year actual collections, primarily reflecting a significant increase in multiple housing permits in 2014-2015. The bulk of the multiple housing permit revenue, however, is typically not received until November.

<b>GENERAL FUND (CONT'D.)</b>			
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Revenue	2014-2015 Estimate	YTD Actual	Prior YTD Collections
<b>Departmental Charges</b>	<b>\$ 39,163,435</b>	<b>\$ 8,032,283</b>	<b>\$ 8,165,585</b>

Through August, Departmental Charges revenues of \$8.0 million were tracking 1.6% below the 2013-2014 collection level of \$8.2 million. The 2014-2015 Adopted Budget estimate, however, allows for a decline of 6.0% from the prior year actual receipts. The decrease from the prior year reflects slight declines in Parks, Recreation, and Neighborhood Services, Planning, and Public Works departmental categories partially offset by growth in Miscellaneous and Transportation Departmental Charges categories. If current collection trends continue, overall Departmental Charges revenues should meet the budgeted estimate by year-end.

Development-related revenues are currently tracking below the prior year collection levels, but are expected to meet or exceed the budgeted estimates if trends continue.

- Through August, **Planning Fee** revenues of \$808,000 are 9.0% below the prior year collection level of \$889,000. The 2014-2015 Adopted Budget Planning Fee revenue estimate of \$3.6 million, however, allows for a drop of 24.0% from prior year actuals. Overall, since the 2014-2015 Adopted Budget estimate allows for a 24.0% decrease and current collection trends are only 9.0% below prior year levels, revenue collections are anticipated to meet and potentially exceed, the budget estimate.
- **Public Works Fee** revenues through August of \$1.25 million are below the prior year level of \$1.55 million (19.1%) for the same period. Revenues in most residential categories are tracking below estimated levels due to fewer single-family and multi-family residential projects that were received in the first two months of 2014-2015. Non-residential revenues are performing at or slightly below anticipated levels as well. The 2014-2015 budgeted revenue estimate of \$9.6 million allows for a slight decline of 1.3% from 2013-2014 collection levels. However, if current collection trends continue, revenues may fall below the budgeted revenue estimate in the Public Works Development Fee Program. Due to the volatile nature of these revenues, the City Manager’s Budget Office and Public Works Department will continue to monitor both development and utility revenues closely.

<b>GENERAL FUND (CONT'D.)</b>
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**EXPENDITURES**

Through August, General Fund expenditures (without encumbrances) of \$148.9 million were 9.6% above the prior year level of \$135.9 million. Encumbrances of \$70.0 million were 76.6% above the prior year level of \$39.6 million. Expenditures and encumbrances (\$218.9 million) through August constitute 17.3% of the total 2014-2015 revised budgeted uses of funds (\$1.3 billion, including reserves; \$1.1 billion, or 19.7%, excluding reserves). Overall, expenditures are tracking within estimated levels through August.

Through August, two departments are tracking slightly above the budgeted estimate in personal services expenditures, including the Office of Economic Development and the Public Works Department. It is anticipated that the majority of these higher expenditures will be addressed by reallocating costs to the appropriate funds supported by these departments. As the year progresses, expenditures will continue to be monitored closely to ensure they remain within budgeted levels.

Following is a discussion of the performance of the Police and Fire Departments, the largest General Fund departments.

**KEY GENERAL FUND EXPENDITURES**

<u>Department</u>	<u>2014-2015 Budget</u>	<u>YTD Actual</u>	<u>Prior YTD Actual</u>
<b>Police</b>	<b>\$ 327,830,324</b>	<b>\$ 40,782,515</b>	<b>\$ 40,775,898</b>

On an overall basis, the Police Department's expenditures are tracking below estimated levels through August. Personal services expenditures of \$38.2 million tracked below anticipated levels (12.6% compared to the par of 13.5%) due to lower salaries and benefits costs. However, overtime expenditures of \$3.6 million through August exceeded the budgeted estimate with 21.2% expended of the original \$17.1 million budget. To address this higher expenditure level, the 2013-2014 Annual Report included budget actions to increase the overtime budget by \$7.8 million (from \$17.1 million to \$24.9 million), which is approximately equivalent to the overtime expenditures for 2013-2014, with an adjustment for the recent sworn and non-sworn salary increases. This additional funding was provided by reallocating \$7.0 million in anticipated vacancy savings from the salary and benefits line items to the overtime line item in the Police Department Personal Services appropriation and by rebudgeting \$800,000 in Police Department savings from 2013-2014 to 2014-2015. With this adjustment, the overtime budget will be in closer alignment with the anticipated expenditures for the year.

Overtime consists of overtime expenditures and compensatory time. The Memorandum of Agreement with the Police Officer's Association (POA) limits how much overtime can be earned for pay versus compensatory time. The compensatory time balance at the end of August 2014 was

**GENERAL FUND (CONT'D.)**

178,217 hours for sworn personnel. This represents an increase of 10,907 or 6.5% compared to the August 2013 balance of 167,310.

As of September 2014, the Department had 1,109 authorized sworn staff, of which 102 were vacant (9.2%) and 62 were in training (5.6%), leaving 945 street ready sworn positions (this includes sworn employees on disability/modified duty/other leaves) as shown in the chart below. When sworn employees on Disability/Modified Duty/Other Leaves are excluded, a total of 878 sworn positions were actually available. This compares to 924 positions one year ago.

	<b>2013-2014 (as of 9/5/2013)</b>	<b>2014-2015 (as of 9/4/2014)</b>
<b>Authorized sworn staffing</b>	<b>1,109</b>	<b>1,109</b>
Vacancies	(70)	(102)
<b>Filled Sworn Staffing</b>	<b>1,039</b>	<b>1,007</b>
Field Training Officer/Recruits	(44)	(62)
<b>Street-Ready Sworn Positions</b>	<b>995</b>	<b>945</b>
Disability/Modified Duty/Other Leaves	(71)	(67)
<b>Street-Ready Sworn Positions Available</b>	<b>924</b>	<b>878</b>

In order to fill the vacant sworn positions and put more Police Officers back on patrol, the Department will conduct three Police Recruit Academies in 2014-2015 with the next one beginning in October 2014. Each academy has the capacity to host up to 45 recruits. The October Academy is set to begin with 25 recruits.

A total of \$5.8 million (23.1%) of the Department's Non-Personal/Equipment budget was expended or encumbered through August. Excluding the remaining balances for centrally-determined details, including electricity, gas, and vehicle operation and replacement, the Department has approximately \$8.8 million, or 67.0% of the non-centrally-determined appropriation available for the remainder of the fiscal year. The Budget Office and the Department will monitor expenditures closely to ensure expenditures remain within appropriated levels by year-end.

<u>Department</u>	<u>2014-2015 Budget</u>	<u>YTD Actual</u>	<u>Prior YTD Actual</u>
<b>Fire</b>	<b>\$ 175, 098,595</b>	<b>\$ 23,294,897</b>	<b>\$ 22,008,660</b>

On an overall basis, Fire Department expenditures are tracking slightly above estimated levels. Personal Services expenditures of \$22.4 million are on par with anticipated levels (at the par of 13.5%). The Fire Department's Non-Personal/Equipment budget of \$9.4 million was 27.3% expended or encumbered through August. Overall, expenditures are expected to end the year within their respective budgeted allocations. Once development fee program expenditures are excluded, personal service expenditures of \$21.8 million continue to be on par with anticipated

**GENERAL FUND (CONT'D.)**

levels and non-personal/equipment expenditures and encumbrances of \$2.6 million were 27.8% through August. Through August, overtime expenditures of \$1.6 million tracked above anticipated levels with 30.7% expended. Overtime expenditures were incurred to backfill largely due to vacancies. The September 2014 Firefighter Recruit Academy will fill the 24 sworn vacancies through August. A portion of the higher than estimated overtime expenditures was also attributed to vacation usage and strike team and mutual aid deployments; personnel were sent to respond to fires in Mendocino, Humboldt, King, and Kern counties. The Department continues to seek reimbursements from the State for costs associated with strike team deployments and actions may be brought forward to recognize and allocate those funds during 2014-2015. Disability usage through August was 18% lower than the same period in 2013-2014, while modified duty was 8% higher. Combined disability and modified duty hours through August were 8% lower than 2013-2014.

Personal services expenditures in the Development Fee Program of \$619,000 tracked slightly below estimated levels with 13.3% expended. Any savings realized in the Development Fee Program will be returned to the Program's Earmarked Reserve by year-end per City Council policy direction. The Budget Office along with the Fire Department will continue to monitor activity to ensure the department remains within its Personal Services appropriation.

Through August, the Fire Department has a sufficient number of Fire Fighter Paramedics to support the 132 front-line positions that are necessary to fully staff all apparatus. The Department projects it will have no issues maintaining the target staffing level of 132 front-line Fire Fighter Paramedics.

In accordance with the City Council's approval of a March 2010 report on annual vacancy and absence rates, the Fire Department has committed to limiting administrative assignments to the 33 sworn administrative positions authorized in 2009-2010 for overtime control purposes. However, the number of sworn administrative staff in the Department through August was 36, which was above the authorized number of 33. As a corrective action, of the three administrative assignments that exceed the budgeted number, two were transitioning from administrative assignments to line duty and the third was no longer on administrative assignment in September.

**CONTINGENCY RESERVE**

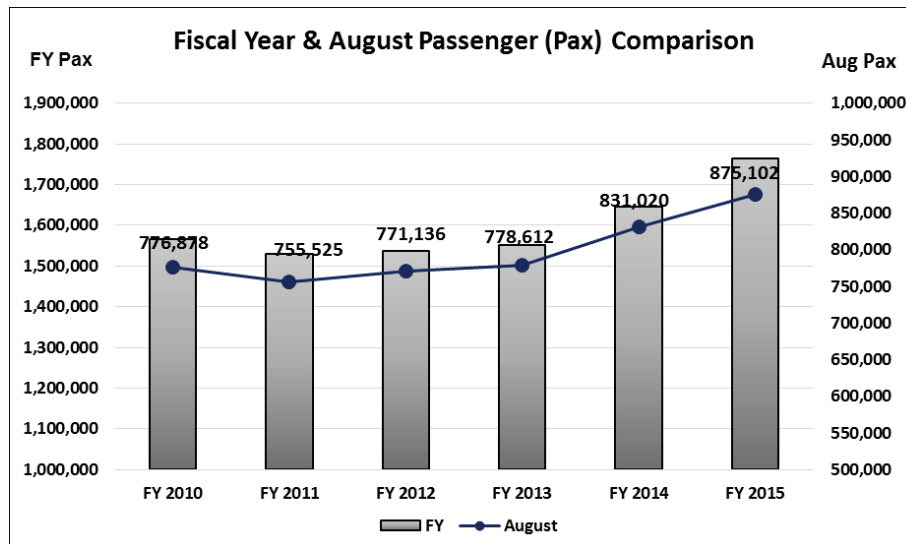
The General Fund Contingency Reserve remained at \$32.5 million through August, with no revisions through the first two months of the fiscal year. However, an increase to the Contingency Reserve of \$200,000 was included in the 2013-2014 Annual Report actions, bringing the reserve to \$32.7 million. This adjustment was necessary to comply with Council Policy 1-18, Operating Budget and Capital Improvement Program Policy, that requires the Contingency Reserve to be a minimum of 3% of the operating budget.

**OTHER FUNDS**

**Airport Funds**

On a fiscal year-to-date basis, the Norman Y. Mineta San José International Airport (SJC) has enplaned and deplaned 1.8 million passengers, an increase of 7.2% from the figures reported through August of the prior year. While passenger growth in 2014-2015 was originally anticipated to increase by 2.0% over the 2013-2014 estimate of 8.91 million passengers, actual enplaned and deplaned passengers in 2013-2014 was 9.06 million. As the stronger than anticipated year-end activity has continued through August, it is likely that 2014-2015 passenger levels will exceed last year's figures.

All revenue-generating activities showed increases compared to the same period in 2013-2014: Traffic Operations (landings and takeoffs) by 0.9%; Landed Weights by 0.5%; Taxicab Operations by 4.3%; Parking Exits by 5.0%; and Gallons of Aviation Fuel Sold by 5.0%. Passenger Facility Charge (PFC) revenues were 13.9% above the same period of the prior year. Fiscal year-to-date mail, freight, and cargo totaled 16.9 million pounds, which represents a 4.8% increase from August 2013.



While year-to-date revenues primarily reflect just one month of receipts, it is currently expected that revenue will meet projections by year-end.

Through August, both the Airport Customer Facility and Transportation Fee Fund and Airport Maintenance and Operation Fund expenditures tracked below budgeted levels. Personal Services expenditures were 12.2% of budget compared to the benchmark of 13.5%, while Non-Personal/Equipment expenditures (excluding encumbrances) were 5.8% in the Maintenance and Operation Fund compared to the benchmark of 8.5%. Non-Personal/Equipment expenditures (excluding encumbrances) in the Customer Facility and Transportation Fee Fund were 9.0% compared to the straight-line benchmark of 16.6%. The Administration will continue to closely monitor and report activity, revenue, and expenditure status.



<b>OTHER FUNDS (CONT'D.)</b>
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### **Construction and Conveyance Tax Funds**

Construction and Conveyance (C&C) Tax revenues continue to experience strong growth compared to receipts from the prior fiscal year. Collections through August 2014 totaled \$3.5 million, which is 9.0% of the 2014-2015 Adopted Budget estimate of \$39.0 million. This collection level is 29.6% above the \$2.7 million received through August 2013. Furthermore, the City has also received September Conveyance Tax receipts totaling \$3.6 million, representing a 38.5% increase from the \$2.6 million received in September 2013. While early receipts indicate that C&C revenues are on pace to reach or exceed the \$39.0 million Adopted Budget estimate, this historically volatile revenue source will be carefully monitored in the coming months.

Over 98% of the total Construction and Conveyance Taxes are comprised of conveyance receipts, a tax based on the value of property transfers (sales). As discussed in the Overview/Economic Environment section of this report, the strong performance in the housing market supports the higher collections in the C&C Tax receipts, though this could change if the number of sales continues to drop or the aggressive growth rates in the median home price slows.

### **Other Construction-Related Revenues**

Through August, as anticipated, revenues associated with construction activity (primarily Construction Excise Tax and Building and Structure Construction Tax) are down from 2013-2014 levels through the same period. Accordingly, the 2014-2015 Adopted Budget, allows for substantial declines from the record-setting levels experienced in 2013-2014. Permit activities drive revenue collection in several categories, including the Construction Excise Tax and the Building and Structure Construction Tax, and are an indicator of future activity for several other categories, such as storm and sanitary sewer system fees.

- *Construction Excise Tax* – The 2014-2015 revenue estimate for the Construction Excise Tax is \$21.0 million, a decrease of \$8.3 million (28.2%) from the \$29.3 million received in 2013-2014. Receipts through August totaled \$3.3 million. This collection level is down 23.0% (\$982,000) from prior year collections through August, and the category is currently tracking to meet the budgeted revenue estimate of \$21.0 million.
- *Building and Structure Construction Tax* – The 2014-2015 revenue estimate for the Building and Structure Construction Tax is \$17.0 million, a decrease of \$5.5 million (24.3%) from the \$22.5 million received in 2013-2014. Receipts through August totaled \$2.5 million, which was down 49.6% (\$2.5 million) from the prior year level. Collections in this category will be closely monitored to determine if an adjustment to this revenue estimate is necessary.

<b>OTHER FUNDS (CONT'D.)</b>
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### **Convention and Cultural Affairs Fund**

The Convention and Cultural Affairs Fund accounts for Team San Jose's (TSJ) operation of the City's Convention and Cultural Facilities. Although operations revenues are managed directly by the operator of the Convention and Cultural Facilities, TSJ has provided financial reports reviewed by the City showing operations revenues through August of \$2.7 million, compared to the August target of \$2.2 million. The higher than anticipated revenue performance is primarily due to the increase of food and beverage and contract labor revenues driven by a greater than expected number of contracted events in the facilities managed by TSJ.

Through August, expenditures of \$2.6 million were tracking at 18.7% of the budget and are anticipated to remain within budgeted levels by year end. The largest expenditure allocation to date was paid or encumbered to TSJ for the management of the City's Convention Center and other cultural facilities.

### **Transient Occupancy Tax Fund**

Through August 2014, receipts recorded in the TOT Fund of \$1.7 million are above the prior year's collections for the same period, however the variance primarily reflects a difference in timing of payments and year-end accruals. The 2014-2015 Adopted Budget estimate of \$17.7 million was built assuming 5% growth in TOT collections over 2013-2014 estimated receipts. However, since 2013-2014 actual receipts came in higher than assumed in the 2014-2015 budget development, growth of approximately 1% (excluding compliance revenues) is needed to meet the \$17.7 million estimate. Budget actions to increase this estimate will likely be brought forward later in 2014-2015, as appropriate, if current collection trends continue. The 2014-2015 expenditure allocations to the three recipient organizations (Convention and Cultural Affairs Fund, Convention and Visitors Bureau, Cultural Grants/Programs and Services) are anticipated to be fully expended by year end.

Through August, the average hotel occupancy rate at the 14 major hotels was 80.9%, an improvement from the 72.0% occupancy rate for the same period in 2013-2014. For the same 14 hotels, the average daily room rate through August was \$155.63, up 6.5% from the \$146.20 room rate for the same period in 2013-2014. The year-to-date average revenue-per-available room (RevPAR) metric of \$125.82 represents an increase of 19.6% from the prior year level.

October 8, 2014

**Subject: Bi-Monthly Financial Report for July/August 2014**

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**CONCLUSION**

Through August, the City's funds appear to be performing within budgeted expectations. The 2014-2015 Adopted Budget was built on the assumption that the economy would continue to experience growth in 2014-2015. While limited information is available, actual collection trends support this assumption, with continued strong performance in a number of the economically sensitive revenue categories. Expenditures are also generally tracking within budgeted levels through August.

As always, staff will continue to report to the City Council any and all significant developments through this and other budget reporting processes.



JENNIFER A. MAGUIRE

Deputy City Manager / Budget Director



## **FINANCE DEPARTMENT**

### Monthly Financial Report

Financial Results for the Two Months Ended August 31, 2014  
Fiscal Year 2014-2015  
*(UNAUDITED)*

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**Finance Department, City of San José**  
**Monthly Financial Report**  
**Financial Results for the Two Months Ended August 31, 2014**  
**Fiscal Year 2014-2015**  
*(UNAUDITED)*

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**Finance Department, City of San José**  
**Monthly Financial Report**  
**Financial Results for the Two Months Ended August 31, 2014**  
**Fiscal Year 2014-2015**  
*(UNAUDITED)*

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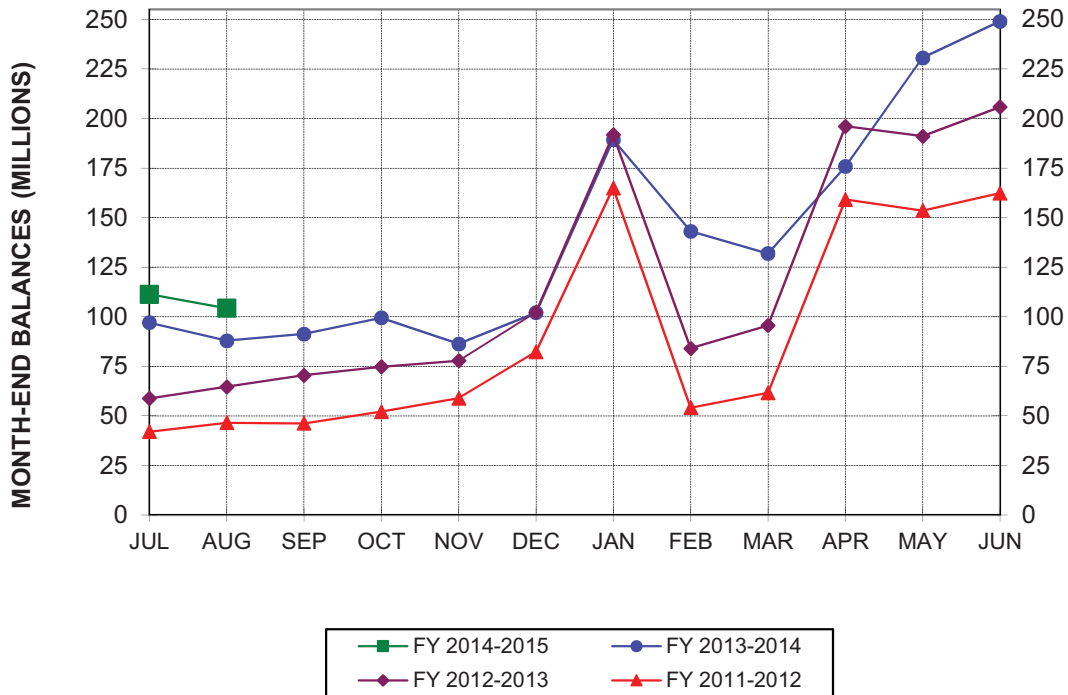
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Submitted by:



JULIA H. COOPER  
Director, Finance Department

## GENERAL FUND Comparison of Cash Balances



### GENERAL FUND MONTHLY CASH BALANCES

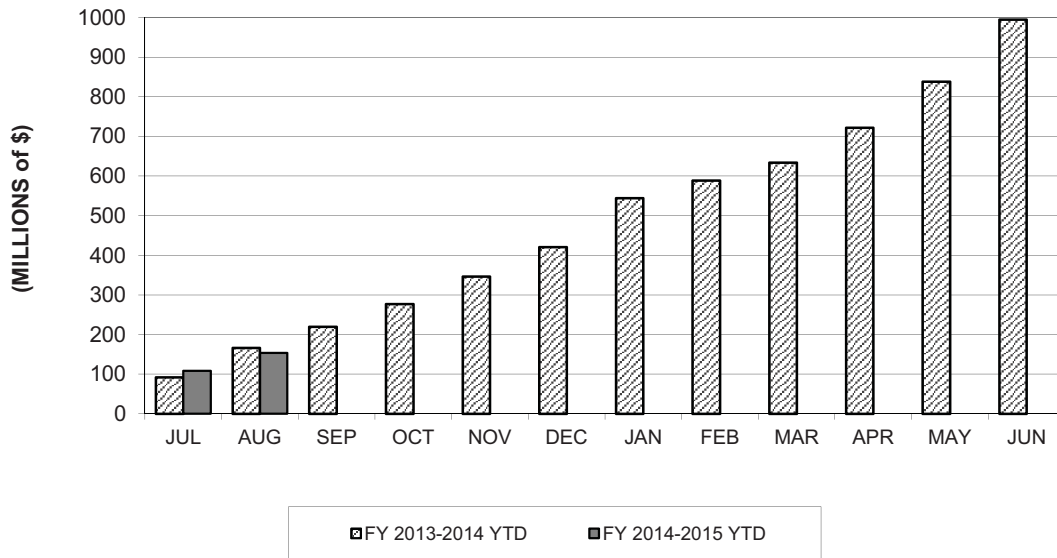
MONTH	FY 2014-2015	FY 2013-2014	FY 2012-2013	FY 2011-2012
JULY (1)	\$ 111,318,585	\$ 97,000,280	\$ 58,791,632	\$ 41,946,493
AUGUST	104,337,113	87,887,607	64,647,700	46,502,235
SEPTEMBER		91,326,643	70,484,194	46,218,737
OCTOBER		99,449,689	74,756,262	52,097,481
NOVEMBER		86,285,372	77,861,880	58,833,627
DECEMBER		102,057,315	102,312,730	82,304,186
JANUARY (2)		189,299,222	191,822,297	164,958,541
FEBRUARY (2)		143,098,965	84,006,185	54,118,810
MARCH		131,881,129	95,600,850	61,586,562
APRIL (3)		175,838,186	196,073,222	159,137,277
MAY		230,678,939	191,101,640	153,526,766
JUNE		249,043,058	205,823,965	162,325,519

Note: (1) The General Fund cash balance decreases each July mainly due to the Council's direction to annually pre-fund the employer share of retirement contributions in a lump-sum to achieve budgetary savings to the City.

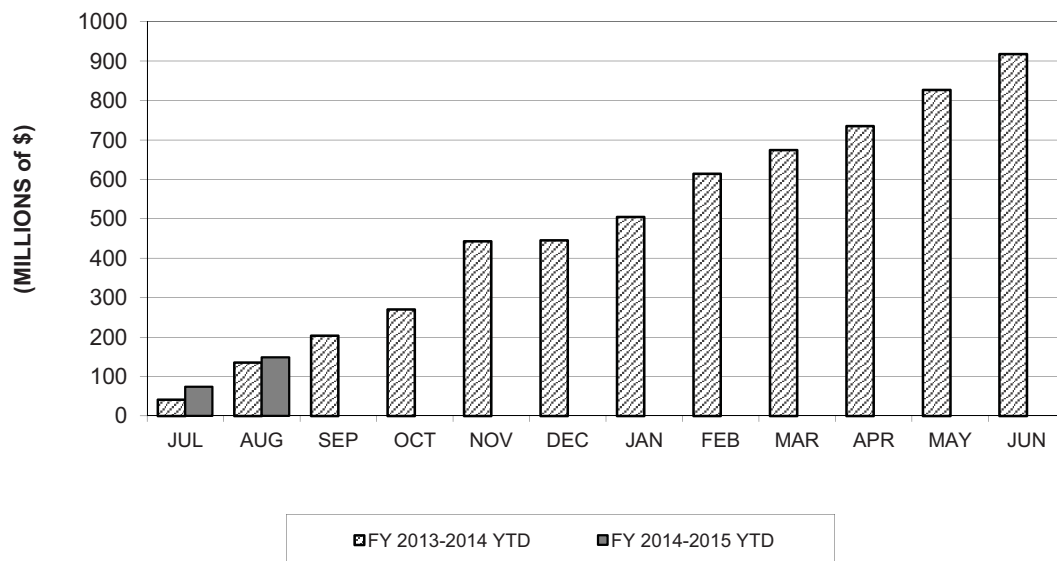
Note: (2) The General Fund cash balance decreases each February mainly due to the repayment of the Tax and Revenue Anticipation Notes (TRANS) in the amount of \$100 million.

Note: (3) The General Fund cash balance increases each April mainly due to the receipt of the second annual installment of property taxes from Santa Clara County.

**GENERAL FUND  
Comparison of YTD Revenues  
Actual**

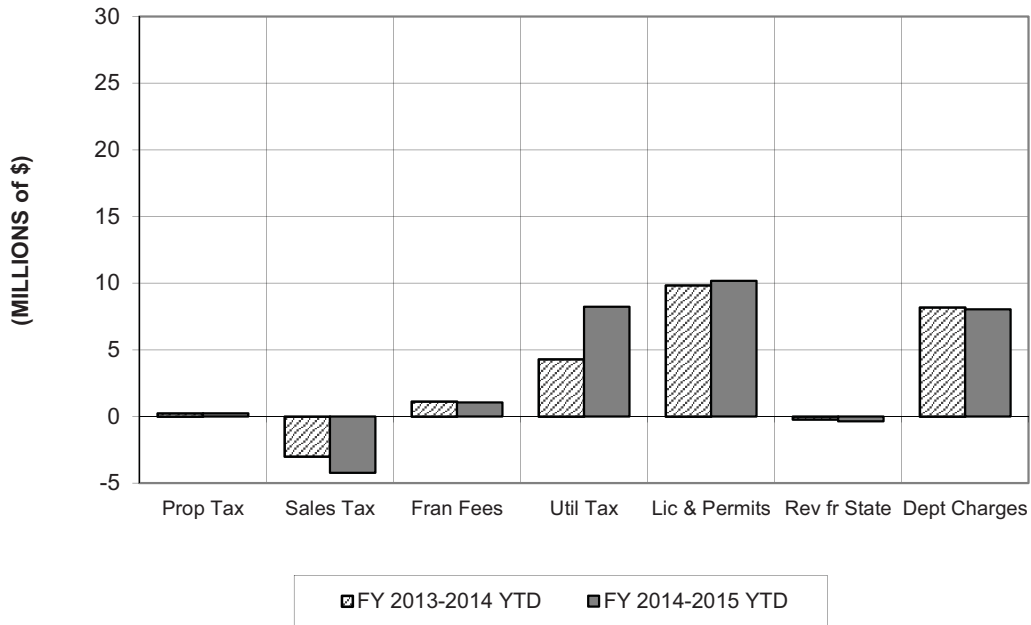


**GENERAL FUND  
Comparison of YTD Expenditures  
Actual**

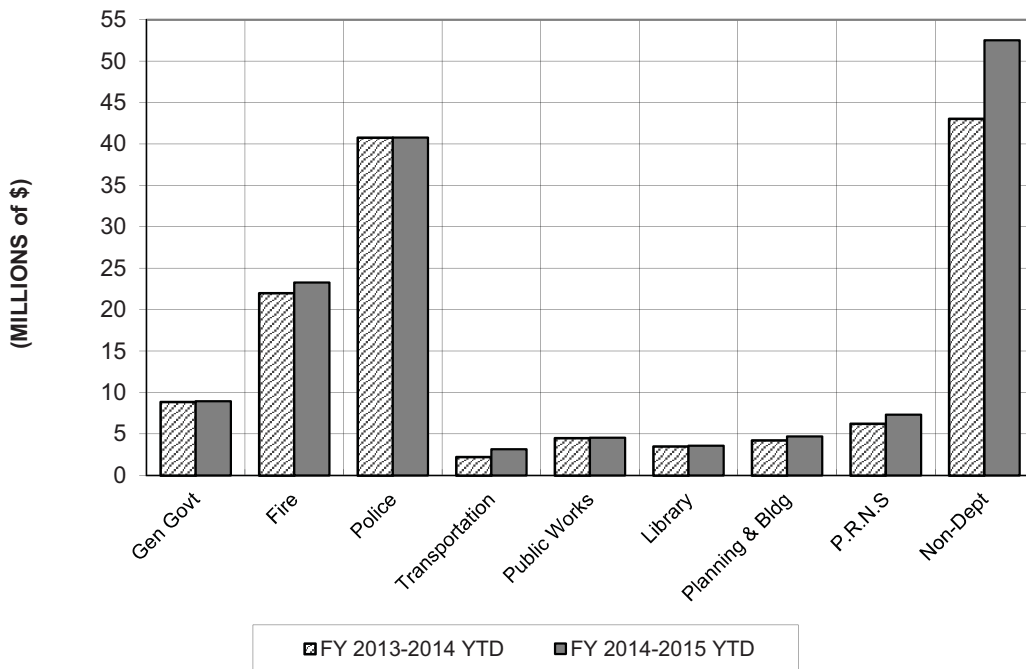




**GENERAL FUND MAJOR REVENUES**  
**Comparison of YTD Actual vs. Prior YTD Actual**  
**For the Two Months Ended August 31, 2014**



**GENERAL FUND MAJOR EXPENDITURES**  
**Comparison of YTD Actual vs. Prior YTD Actual**  
**For the Two Months Ended August 31, 2014**



Negative General Fund Revenue amounts, notably Sales Tax and Revenue from the State, were caused by the reversal of amounts accrued in FY 13-14 that have not yet been received in full as of August 31, 2014 but are expected to be received shortly thereafter.

**CITY OF SAN JOSE**  
**GENERAL FUND SOURCE AND USE OF FUNDS**  
**FUND BALANCE, REVENUE, TRANSFERS & REIMBURSEMENTS**  
**FOR THE TWO MONTHS ENDED AUGUST 31, 2014**

(UNAUDITED)

(\$000's)

	ADOPTED FY 2014-2015 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2014-2015 BUDGET	CUR YTD ACTUAL (*)	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END BUDGETARY BASIS ACTUAL	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
<b>Fund Balance</b>											
Prior Year Encumbrances	-	-	48,668	48,668	48,668	100.00%	19,122	105.18%	18,181	29,546	154.51%
Liquidation of c/o Encumbrance	-	-	-	-	-	-	-	-	-	-	-
Available Balance	253,068	596	-	253,664	253,664	100.00%	213,006	98.99%	215,181	40,658	19.09%
<b>Total Fund Balance</b>	<b>253,068</b>	<b>596</b>	<b>48,668</b>	<b>302,332</b>	<b>302,332</b>	<b>100.00%</b>	<b>232,128</b>	<b>99.47%</b>	<b>233,362</b>	<b>70,204</b>	<b>30.24%</b>
<b>General Revenues</b>											
Property Tax	233,973	-	-	233,973	250	0.11%	232	0.10%	223,645	18	7.76%
Sales Tax (1)	180,024	-	-	180,024	(4,223)	-2.35%	(3,002)	-1.73%	173,412	(1,221)	-40.67%
Telephone Line Tax	20,700	-	-	20,700	1,731	8.36%	1,569	7.58%	20,692	162	10.33%
Transient Occupancy Tax	11,750	-	-	11,750	1,160	9.87%	319	2.69%	11,873	841	263.64%
Franchise Fees	45,347	-	-	45,347	1,046	2.31%	1,118	2.44%	45,749	(72)	-6.44%
Utility Tax	94,825	-	-	94,825	8,228	8.68%	4,285	4.57%	93,794	3,943	92.02%
Business Taxes	43,700	-	-	43,700	6,303	14.42%	4,831	10.62%	45,478	1,472	30.47%
Licenses and Permits	46,375	80	-	46,455	10,180	21.91%	9,823	18.89%	52,014	357	3.63%
Fines, Forfeits and Penalties	14,205	-	-	14,205	1,762	12.40%	1,513	10.20%	14,835	249	16.46%
Use of Money and Property	2,847	67	-	2,914	460	15.79%	335	9.65%	3,473	125	37.31%
Revenue from Local Agencies	22,612	750	-	23,362	(68)	-0.29%	375	1.06%	35,228	(443)	-118.13%
Revenue from State of Cal.	11,195	-	-	11,195	(364)	-3.25%	(214)	-1.77%	12,086	(150)	-70.09%
Revenue from Federal Government	4,171	-	-	4,171	(632)	-15.15%	580	4.35%	13,344	(1,212)	-208.97%
Departmental Charges	39,164	-	-	39,164	8,032	20.51%	8,165	19.59%	41,683	(133)	-1.63%
Other Revenues	15,161	100,000	-	115,161	108,068	93.84%	107,254	79.17%	135,479	814	0.76%
<b>Total General Revenues</b>	<b>786,049</b>	<b>100,897</b>	<b>-</b>	<b>886,946</b>	<b>141,933</b>	<b>16.00%</b>	<b>137,183</b>	<b>14.87%</b>	<b>922,785</b>	<b>4,750</b>	<b>3.46%</b>
<b>Transfers &amp; Reimbursements</b>											
Overhead Reimbursements	39,000	-	-	39,000	671	1.72%	23,105	63.40%	36,445	(22,434)	-97.10%
Transfers from Other Funds	19,138	-	-	19,138	10,844	56.66%	5,865	34.65%	16,926	4,979	84.89%
Reimbursements for Services	15,776	-	-	15,776	20	0.13%	20	0.11%	18,481	-	0.00%
<b>Total Transfers &amp; Reimburse</b>	<b>73,914</b>	<b>-</b>	<b>-</b>	<b>73,914</b>	<b>11,535</b>	<b>15.61%</b>	<b>28,990</b>	<b>40.35%</b>	<b>71,852</b>	<b>(17,455)</b>	<b>-60.21%</b>
<b>Total Sources</b>	<b>1,113,031</b>	<b>101,493</b>	<b>48,668</b>	<b>1,263,192</b>	<b>455,800</b>	<b>36.08%</b>	<b>398,301</b>	<b>32.43%</b>	<b>1,227,999</b>	<b>57,499</b>	<b>14.44%</b>

(1) - State Budget Balancing actions resulted in the "Triple Flip", which suspended a portion of local governments' Sales and Use Tax and Motor Vehicle License Fee revenues and replaced them with local property tax revenues. The 2014-2015 negatively cumulative impact through August 2014 is approximately \$2.8 million.

(\*) - Current Year-To-Date Actual is based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

**CITY OF SAN JOSE  
GENERAL FUND SOURCE AND USE OF FUNDS  
EXPENDITURES  
FOR THE TWO MONTHS ENDED AUGUST 31, 2014  
( UNAUDITED )  
( \$000's )**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END	CUR YTD LESS	% CHANGE
	FY 2014-2015	BUDGET		FY 2014-2015	ACTUAL	ENCUMBR	OF BUDGET	YTD	OF PRIOR	BUDGETARY	PRIOR YTD	CUR YTD ACTUAL
	BUDGET	AMENDMENTS		BUDGET	ACTUAL	ENCUMBR	ACTUAL (1)	ACTUAL	YEAR-END	BASIS	ACTUAL (1)	LESS PRIOR YTD
<b>General Government</b>												
Mayor and Council	11,281	-	58	11,339	1,140	124	10.05%	1,111	13.06%	8,505	29	2.61%
City Attorney	13,295	-	359	13,654	1,712	502	12.54%	1,514	12.77%	11,859	198	13.08%
City Auditor	2,290	-	13	2,303	292	13	12.68%	236	12.38%	1,906	56	23.73%
City Clerk	2,512	-	-	2,512	262	28	10.43%	242	12.44%	1,946	20	8.26%
City Manager	12,482	-	536	13,018	1,432	883	11.00%	1,216	12.50%	9,727	216	17.76%
Finance	14,024	-	288	14,312	1,568	619	10.96%	1,563	12.96%	12,064	5	0.32%
Information Technology	15,402	-	1,741	17,143	1,263	2,197	7.37%	1,587	13.00%	12,203	(324)	-20.42%
Human Resources	7,226	-	190	7,416	584	1,626	7.87%	788	14.71%	5,356	(204)	-25.89%
Independent Police Auditor	1,177	-	-	1,177	157	-	13.34%	144	12.91%	1,115	13	9.03%
Office of Economic Development	4,297	67	152	4,516	522	186	11.56%	481	12.05%	3,991	41	8.52%
<b>Total General Government</b>	<b>83,986</b>	<b>67</b>	<b>3,337</b>	<b>87,390</b>	<b>8,932</b>	<b>6,178</b>	<b>10.22%</b>	<b>8,882</b>	<b>12.93%</b>	<b>68,672</b>	<b>50</b>	<b>0.56%</b>
<b>Public Safety</b>												
Fire	174,283	-	816	175,099	23,295	1,715	13.30%	22,009	13.57%	162,151	1,286	5.84%
Police	326,289	80	1,461	327,830	40,783	3,300	12.44%	40,776	13.47%	302,670	7	0.02%
<b>Total Public Safety</b>	<b>500,572</b>	<b>80</b>	<b>2,277</b>	<b>502,929</b>	<b>64,078</b>	<b>5,015</b>	<b>12.74%</b>	<b>62,785</b>	<b>13.51%</b>	<b>464,821</b>	<b>1,293</b>	<b>2.06%</b>
<b>Capital Maintenance</b>												
Transportation	28,344	-	1,227	29,571	3,155	2,480	10.67%	2,228	8.69%	25,652	927	41.61%
Public Works	36,838	-	256	37,094	4,533	3,315	12.22%	4,510	12.72%	35,467	23	0.51%
<b>Total Capital Maintenance</b>	<b>65,182</b>	<b>-</b>	<b>1,483</b>	<b>66,665</b>	<b>7,688</b>	<b>5,795</b>	<b>11.53%</b>	<b>6,738</b>	<b>11.02%</b>	<b>61,119</b>	<b>950</b>	<b>14.10%</b>
<b>Community Service</b>												
Housing	238	-	-	238	24	-	10.08%	19	10.86%	175	5	26.32%
Library	27,664	-	111	27,775	3,575	570	12.87%	3,523	13.60%	25,898	52	1.48%
Planning, Bldg & Code Enf.	42,578	-	756	43,334	4,694	1,026	10.83%	4,227	12.52%	33,755	467	11.05%
Park, Rec & Neigh Svcs	56,066	-	664	56,730	7,330	2,582	12.92%	6,259	12.14%	51,553	1,071	17.11%
Environmental Services	703	-	18	721	62	40	8.60%	417	59.15%	705	(355)	-85.13%
<b>Total Community Services</b>	<b>127,249</b>	<b>-</b>	<b>1,549</b>	<b>128,798</b>	<b>15,685</b>	<b>4,218</b>	<b>12.18%</b>	<b>14,445</b>	<b>12.89%</b>	<b>112,086</b>	<b>1,240</b>	<b>8.58%</b>
<b>Total Dept. Expenditures</b>	<b>776,989</b>	<b>147</b>	<b>8,646</b>	<b>785,782</b>	<b>96,383</b>	<b>21,206</b>	<b>12.27%</b>	<b>92,850</b>	<b>13.14%</b>	<b>706,698</b>	<b>3,533</b>	<b>3.81%</b>

(1) Does not include encumbrance balance.

(\*) - Current Year-To-Date Actual is based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

**CITY OF SAN JOSE  
GENERAL FUND SOURCE AND USE OF FUNDS  
EXPENDITURES  
FOR THE TWO MONTHS ENDED AUGUST 31, 2014  
( UNAUDITED )  
( \$000's )**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END	CUR YTD LESS	% CHANGE
	FY 2014-2015	BUDGET		FY 2014-2015	ACTUAL	ENCUMBR	OF BUDGET	YTD	OF PRIOR	BUDGETARY		PRIOR YTD
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL %	ACTUAL (1)	ACTUAL	ACTUAL	ACTUAL (1)	LESS PRIOR YTD
<b>Non-Dept Expenditures</b>												
City-wide Expenditures:												
Econ & Neighborhood Develop.	30,127	1,700	1,568	33,395	13,307	6,831	39.85%	13,137	54.00%	24,328	170	1.29%
Environmental & Utility Services	1,089	-	322	1,411	168	172	11.91%	149	13.48%	1,105	19	12.75%
Public Safety	19,467	-	251	19,718	1,267	608	6.43%	1,718	9.14%	18,792	(451)	-26.25%
Recreation & Cultural Services	9,165	-	620	9,785	278	859	2.84%	626	7.48%	8,373	(348)	-55.59%
Transportation Services	5,903	-	345	6,248	386	1,114	6.18%	507	9.18%	5,520	(121)	-23.87%
Strategic Support	38,039	100,600	32,688	171,327	959	34,782	0.56%	1,089	0.87%	125,113	(130)	-11.94%
<b>Total City-wide Expenditures</b>	<b>103,790</b>	<b>102,300</b>	<b>35,794</b>	<b>241,884</b>	<b>16,365</b>	<b>44,366</b>	<b>6.77%</b>	<b>17,226</b>	<b>9.40%</b>	<b>183,231</b>	<b>(861)</b>	<b>-5.00%</b>
Other Non-Dept Expenditures:												
Capital Improvements	34,624	596	4,228	39,448	237	4,381	0.60%	208	6.37%	3,267	29	13.94%
Transfers to Other Funds	35,917	-	-	35,917	35,917	-	100.00%	25,635	103.03%	24,882	10,282	40.11%
<b>Total Non-Dept Expenditures</b>	<b>174,331</b>	<b>102,896</b>	<b>40,022</b>	<b>317,249</b>	<b>52,519</b>	<b>48,747</b>	<b>16.55%</b>	<b>43,069</b>	<b>20.38%</b>	<b>211,380</b>	<b>9,450</b>	<b>21.94%</b>
<b>Reserves</b>												
Contingency Reserves	32,500	-	-	32,500	-	-	0.00%	-	0.00%	-	-	0.00%
Earmarked Reserves	129,211	(1,550)	-	127,661	-	-	0.00%	-	0.00%	-	-	0.00%
<b>Total Reserves</b>	<b>161,711</b>	<b>(1,550)</b>	<b>-</b>	<b>160,161</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Total Uses</b>	<b>1,113,031</b>	<b>101,493</b>	<b>48,668</b>	<b>1,263,192</b>	<b>148,902</b>	<b>69,953</b>	<b>11.79%</b>	<b>135,919</b>	<b>14.80%</b>	<b>918,078</b>	<b>12,983</b>	<b>9.55%</b>

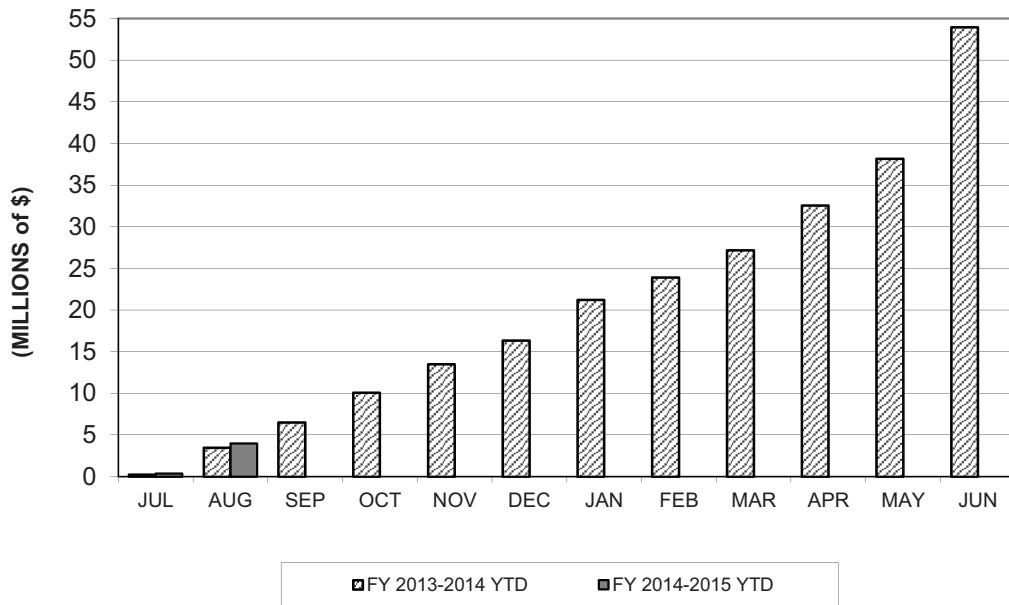
(1) Does not include encumbrance balance.

(\*) - Current Year-To-Date Actual is based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

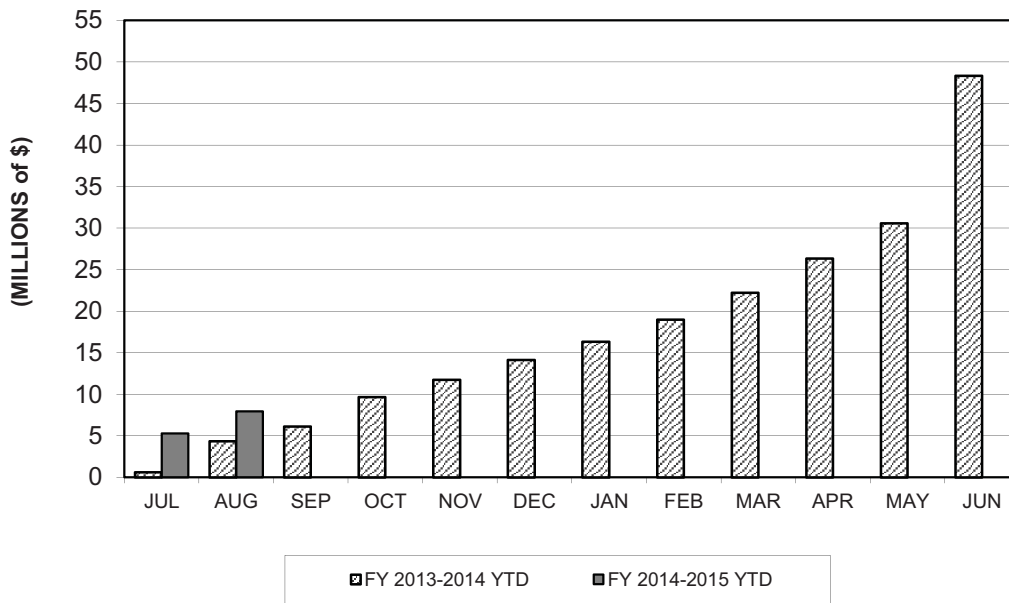
**CITY OF SAN JOSE**  
**GENERAL FUND SOURCE AND USE OF FUNDS**  
**FOR THE TWO MONTHS ENDED AUGUST 31, 2014**  
**SUPPLEMENTAL SCHEDULE - DEPARTMENTAL REVENUES**  
*(UNAUDITED)*  
*(\$000's)*

	ADOPTED FY 2014-2015 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2014-2015 BUDGET	CUR YTD ACTUAL	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END BUDGETARY BASIS ACTUAL	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
Police	1,182	-	-	1,182	171	14.47%	233	19.35%	1,204	(62)	-26.61%
Public Works	9,604	-	-	9,604	1,252	13.04%	1,547	15.89%	9,734	(295)	-19.07%
Transportation	1,464	-	-	1,464	332	22.68%	218	18.12%	1,203	114	52.29%
Library	1,050	-	-	1,050	(1)	-0.10%	4	0.37%	1,069	(5)	-125.00%
Planning, Bldg & Code Enf	3,600	-	-	3,600	808	22.44%	889	18.76%	4,739	(81)	-9.11%
Parks Rec & Neigh Svcs	16,523	-	-	16,523	4,429	26.81%	4,685	28.18%	16,625	(256)	-5.46%
Miscellaneous Dept Charges	5,741	-	-	5,741	1,041	18.13%	589	8.29%	7,109	452	76.74%
<b>Total Departmental Revenues</b>	<b>39,164</b>	<b>-</b>	<b>-</b>	<b>39,164</b>	<b>8,032</b>	<b>20.51%</b>	<b>8,165</b>	<b>19.59%</b>	<b>41,683</b>	<b>(133)</b>	<b>-1.63%</b>

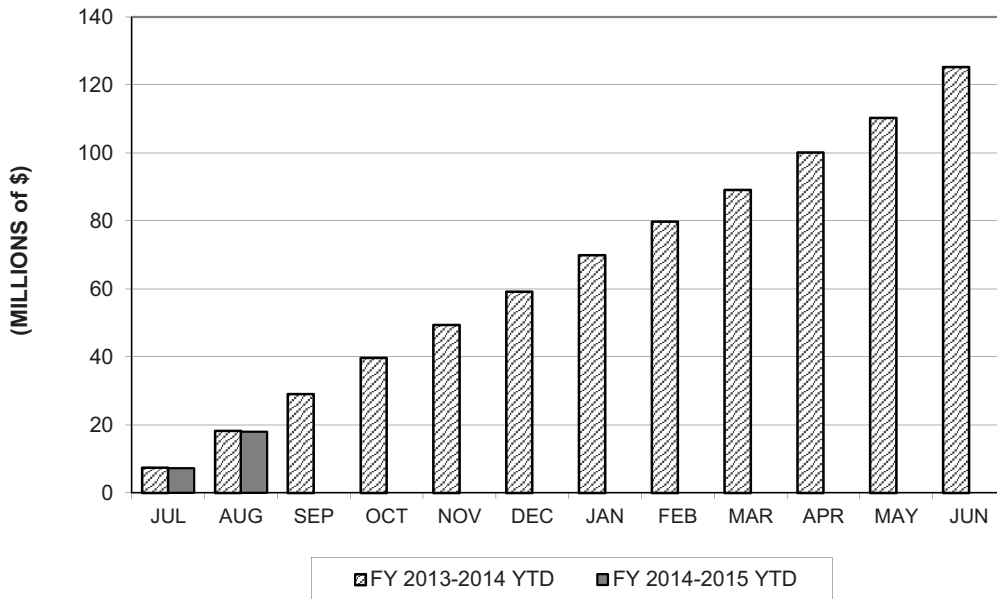
**CONSTRUCTION & CONVEYANCE TAX FUNDS  
Comparison of YTD Revenues**



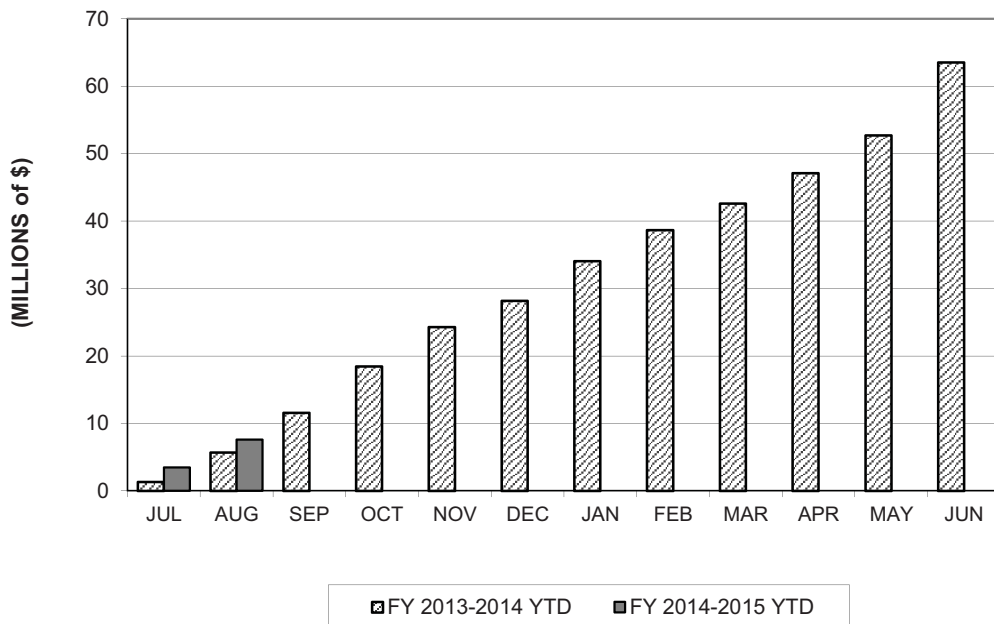
**CONSTRUCTION & CONVEYANCE TAX FUNDS  
Comparison of YTD Expenditures**



**AIRPORT REVENUE FUND 521  
Comparison of YTD Revenues**

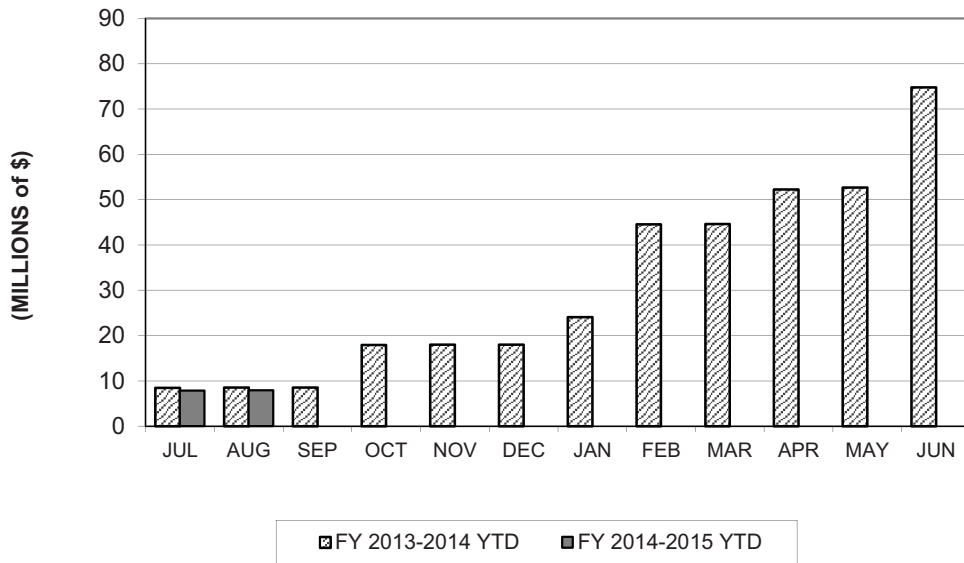


**AIRPORT MAINTENANCE & OPERATING FUND 523  
Comparison of YTD Expenditures**



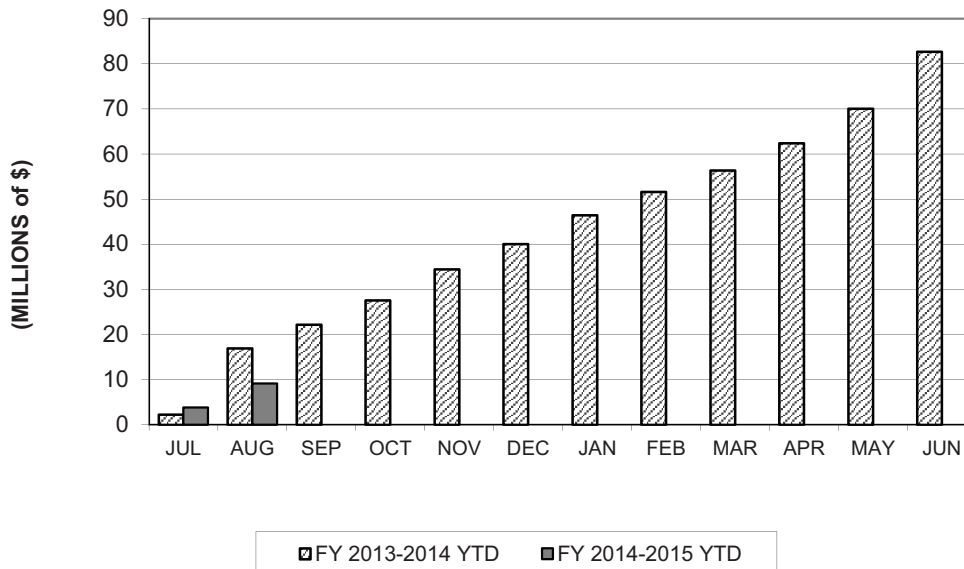
Note: The graphs above include the airport revenue fund (521) and operating fund (523) only.

**WPCP OPERATING FUND 513  
Comparison of YTD Revenues**



FY 2013-2014 YTD
  FY 2014-2015 YTD

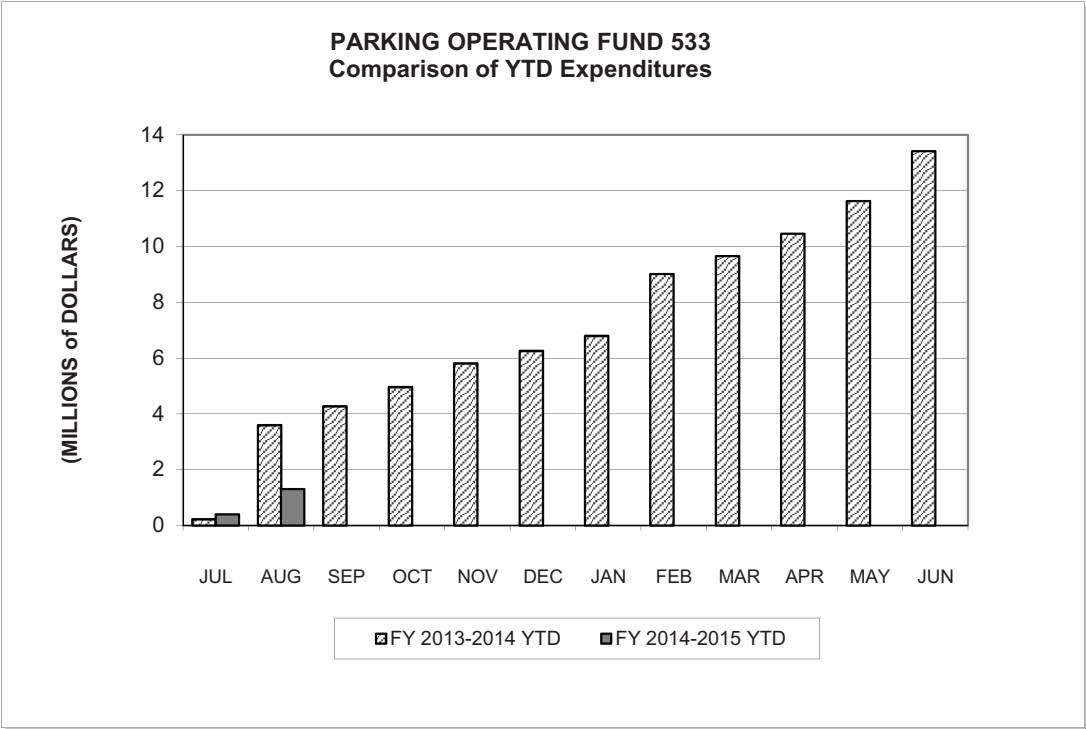
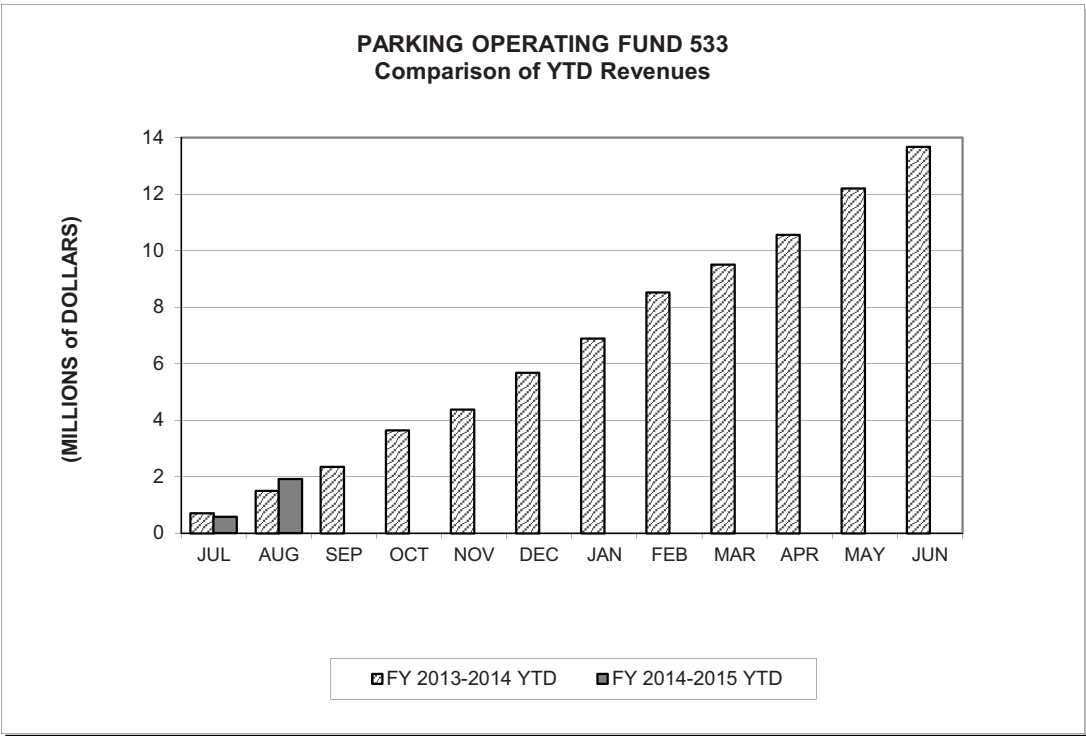
**WPCP OPERATING FUND 513  
Comparison of YTD Expenditures**



FY 2013-2014 YTD
  FY 2014-2015 YTD

Note: The graphs above are only for the WPCP operating fund (513).





Note: The graphs above are only for the Parking operating fund (533).

**CITY OF SAN JOSE  
SPECIAL FUNDS  
SOURCE AND USE OF FUNDS  
FOR THE TWO MONTHS ENDED AUGUST 31, 2014  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2013-2014	BUDGET		FY 2013-2014	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
<b>Construction/Conveyance Tax</b>							
Prior Year Encumbrance	-	-	7,319	7,319	7,319	-	3,049
Beginning Fund Balance	72,073	-	-	72,073	72,073	-	62,524
Revenues	55,313	2,065	-	57,378	3,983	-	3,462
<b>Total Sources</b>	<b>127,386</b>	<b>2,065</b>	<b>7,319</b>	<b>136,770</b>	<b>83,375</b>	<b>-</b>	<b>69,035</b>
<b>Total Uses</b>	<b>127,386</b>	<b>2,065</b>	<b>7,319</b>	<b>136,770</b>	<b>7,935</b>	<b>10,051</b>	<b>4,348</b>
<b>Airport</b>							
Prior Year Encumbrance	-	-	6,793	6,793	6,793	-	8,000
Beginning Fund Balance	303,449	-	-	303,449	303,449	-	317,786
Revenues	356,222	-	-	356,222	21,307	-	33,190
<b>Total Sources</b>	<b>659,671</b>	<b>-</b>	<b>6,793</b>	<b>666,464</b>	<b>331,549</b>	<b>-</b>	<b>358,976</b>
<b>Total Uses</b>	<b>659,671</b>	<b>-</b>	<b>6,793</b>	<b>666,464</b>	<b>19,986</b>	<b>17,305</b>	<b>28,766</b>
<b>Waste Water Treatment</b>							
Prior Year Encumbrance	-	-	92,772	92,772	92,772	-	45,864
Beginning Fund Balance	268,287	-	-	268,287	268,287	-	277,989
Revenues	328,982	-	-	328,982	148,628	-	139,046
<b>Total Sources</b>	<b>597,269</b>	<b>-</b>	<b>92,772</b>	<b>690,041</b>	<b>509,687</b>	<b>-</b>	<b>462,899</b>
<b>Total Uses</b>	<b>597,269</b>	<b>-</b>	<b>92,772</b>	<b>690,041</b>	<b>22,861</b>	<b>122,835</b>	<b>38,962</b>
<b>Parking</b>							
Prior Year Encumbrance	-	-	1,163	1,163	1,163	-	1,179
Beginning Fund Balance	13,492	-	-	13,492	13,492	-	12,044
Revenues	17,333	-	-	17,333	1,912	-	1,501
<b>Total Sources</b>	<b>30,825</b>	<b>-</b>	<b>1,163</b>	<b>31,988</b>	<b>16,567</b>	<b>-</b>	<b>14,724</b>
<b>Total Uses</b>	<b>30,825</b>	<b>-</b>	<b>1,163</b>	<b>31,988</b>	<b>1,301</b>	<b>4,700</b>	<b>3,597</b>
<b>Municipal Water</b>							
Prior Year Encumbrance	-	-	2,399	2,399	2,399	-	1,407
Beginning Fund Balance	16,546	98	-	16,644	16,644	-	16,396
Revenues	40,565	-	-	40,565	9,792	-	9,624
<b>Total Sources</b>	<b>57,111</b>	<b>98</b>	<b>2,399</b>	<b>59,608</b>	<b>28,835</b>	<b>-</b>	<b>27,427</b>
<b>Total Uses</b>	<b>57,111</b>	<b>98</b>	<b>2,399</b>	<b>59,608</b>	<b>5,857</b>	<b>3,896</b>	<b>5,906</b>

(1) - All Airport Funds, including operating, revenue, capital and debt service.

(2) - All Waste Water Funds, including operating, revenue, capital and debt service.

**CITY OF SAN JOSE**  
**SPECIAL FUNDS**  
**SOURCE AND USE OF FUNDS**  
**FOR THE TWO MONTHS ENDED AUGUST 31, 2014**  
*(UNAUDITED)*  
*( \$000's )*

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2013-2014	BUDGET		FY 2013-2014	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
<b>Gas Tax</b>							
Revenues	15,000	-	-	15,000	20	-	1,513
<b>Total Sources</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>20</b>	<b>-</b>	<b>1,513</b>
<b>Total Uses</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>20</b>	<b>-</b>	<b>20</b>
<b>Building and Structures</b>							
Prior Year Encumbrance	-	-	4,582	4,582	4,582	-	7,531
Beginning Fund Balance	25,528	429	-	25,957	25,957	-	14,516
Revenues	28,806	-	-	28,806	2,579	-	5,494
<b>Total Sources</b>	<b>54,334</b>	<b>429</b>	<b>4,582</b>	<b>59,345</b>	<b>33,118</b>	<b>-</b>	<b>27,541</b>
<b>Total Uses</b>	<b>54,334</b>	<b>429</b>	<b>4,582</b>	<b>59,345</b>	<b>1,033</b>	<b>5,626</b>	<b>1,825</b>
<b>Residential Construction</b>							
Beginning Fund Balance	1,106	-	-	1,106	1,106	-	1,421
Revenues	229	-	-	229	55	-	13
<b>Total Sources</b>	<b>1,335</b>	<b>-</b>	<b>-</b>	<b>1,335</b>	<b>1,161</b>	<b>-</b>	<b>1,434</b>
<b>Total Uses</b>	<b>1,335</b>	<b>-</b>	<b>-</b>	<b>1,335</b>	<b>2</b>	<b>-</b>	<b>2</b>
<b>Transient Occupancy Tax</b>							
Prior Year Encumbrance	-	-	163	163	163	-	120
Beginning Fund Balance	2,806	-	-	2,806	2,806	-	3,934
Revenues	17,658	-	-	17,658	1,746	-	488
<b>Total Sources</b>	<b>20,464</b>	<b>-</b>	<b>163</b>	<b>20,627</b>	<b>4,715</b>	<b>-</b>	<b>4,542</b>
<b>Total Uses</b>	<b>20,464</b>	<b>-</b>	<b>163</b>	<b>20,627</b>	<b>711</b>	<b>6,596</b>	<b>817</b>
<b>Conventions, Arts &amp; Entertainment</b>							
Prior Year Encumbrance	-	-	17	17	17	-	698
Beginning Fund Balance	4,774	-	-	4,774	4,774	-	4,939
Revenues	9,228	-	-	9,228	(1,250)	-	790
<b>Total Sources</b>	<b>14,002</b>	<b>-</b>	<b>17</b>	<b>14,019</b>	<b>3,541</b>	<b>-</b>	<b>6,427</b>
<b>Total Uses</b>	<b>14,002</b>	<b>-</b>	<b>17</b>	<b>14,019</b>	<b>962</b>	<b>1,663</b>	<b>9,024</b>

**CITY OF SAN JOSE  
SPECIAL FUNDS  
SOURCE AND USE OF FUNDS  
FOR THE TWO MONTHS ENDED AUGUST 31, 2014  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2013-2014	BUDGET		FY 2013-2014	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
<b>Golf</b>							
Beginning Fund Balance	584	-	-	584	584	-	339
Revenues	2,167	-	-	2,167	1,727	-	2,137
<b>Total Sources</b>	<b>2,751</b>	<b>-</b>	<b>-</b>	<b>2,751</b>	<b>2,311</b>	<b>-</b>	<b>2,476</b>
<b>Total Uses</b>	<b>2,751</b>	<b>-</b>	<b>-</b>	<b>2,751</b>	<b>1,426</b>	<b>-</b>	<b>1,406</b>
<b>Other Funds</b>							
Prior Year Encumbrance	-	-	18,428	18,428	18,428	-	19,005
Beginning Fund Balance	214,051	49	-	214,100	214,100	-	207,309
Revenues	385,731	552	-	386,283	105,156	-	92,278
<b>Total Sources</b>	<b>599,782</b>	<b>601</b>	<b>18,428</b>	<b>618,811</b>	<b>337,684</b>	<b>-</b>	<b>318,592</b>
<b>Total Uses</b>	<b>599,782</b>	<b>601</b>	<b>18,428</b>	<b>618,811</b>	<b>43,747</b>	<b>133,076</b>	<b>39,997</b>
	-	-	-	-			

**CITY OF SAN JOSE**  
**CAPITAL PROJECT FUNDS**  
**SOURCE AND USE OF FUNDS**  
**FOR THE TWO MONTHS ENDED AUGUST 31, 2014**  
*(UNAUDITED)*  
*( \$000's )*

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2013-2014	BUDGET		FY 2013-2014	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
<b>Construction Excise</b>							
Prior Year Encumbrance	-	-	27,208	27,208	27,208	-	8,108
Beginning Fund Balance	59,511	-	-	59,511	59,511	-	50,773
Revenues	70,461	-	-	70,461	4,679	-	5,915
<b>Total Sources</b>	<b>129,972</b>	<b>-</b>	<b>27,208</b>	<b>157,180</b>	<b>91,398</b>	<b>-</b>	<b>64,796</b>
<b>Total Uses</b>	<b>129,972</b>	<b>-</b>	<b>27,208</b>	<b>157,180</b>	<b>4,920</b>	<b>30,928</b>	<b>5,632</b>
<b>Other</b>							
Prior Year Encumbrance	-	-	17,151	17,151	17,151	-	13,577
Beginning Fund Balance	29,515	-	-	29,515	29,515	-	36,617
Revenues	10,006	-	-	10,006	951	-	281
<b>Total Sources</b>	<b>39,521</b>	<b>-</b>	<b>17,151</b>	<b>56,672</b>	<b>47,617</b>	<b>-</b>	<b>50,475</b>
<b>Total Uses</b>	<b>39,521</b>	<b>-</b>	<b>17,151</b>	<b>56,672</b>	<b>53</b>	<b>17,360</b>	<b>597</b>

**CITY OF SAN JOSE  
OTHER FUND TYPES  
SOURCE AND USE OF FUNDS  
FOR THE TWO MONTHS ENDED AUGUST 31, 2014  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2013-2014	BUDGET		FY 2013-2014	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
<b>Trust and Agency</b>							
Prior Year Encumbrance	-	-	13	13	13	-	36
Beginning Fund Balance	4,818	-	-	4,818	4,818	-	5,551
Revenues	887	-	-	887	388	-	694
<b>Total Sources</b>	<b>5,705</b>	<b>-</b>	<b>13</b>	<b>5,718</b>	<b>5,219</b>	<b>-</b>	<b>6,281</b>
<b>Total Uses</b>	<b>5,705</b>	<b>-</b>	<b>13</b>	<b>5,718</b>	<b>62</b>	<b>12</b>	<b>130</b>