

Memorandum

TO: PUBLIC SAFETY, FINANCE AND
STRATEGIC SUPPORT COMMITTEE

FROM: Jennifer A. Maguire

SUBJECT: BI-MONTHLY FINANCIAL
REPORT FOR MARCH/APRIL 2009

DATE: June 5, 2009

Approved

Christine J. Stupp

Date

6-8-09

The Bi-Monthly Financial Report (MFR) for March/April 2009 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.

OVERVIEW

Through April, the City's overall financial position remains relatively stable. While the severe economic slowdown has significantly impacted revenue collections in the General Fund as well as several other operating and capital funds, the budget adjustments brought forward during 2008-2009 have generally been sufficient to bring revenues and expenditures into alignment with year-end expectations. However, there are some instances where further adjustments are anticipated to be necessary before the close of the fiscal year. The Administration will continue to closely monitor economic conditions and the performance in the City's funds and will bring forward adjustments that will be necessary to ensure that individual appropriations remain within budgeted levels.

Following are key highlights in this report:

- In the General Fund, downward adjustments are expected in a number of the economically sensitive revenues, including Sales Tax, Transient Occupancy Tax, and Development Fee Programs, based on the continued slowdown in these areas. The lower collections in these revenue categories are expected to be fully offset by budget adjustments in other categories.
- On an overall basis, expenditures in the General Fund are tracking within estimated levels through April. Cost control measures remain in place, the most significant of which is the hiring freeze. If current expenditure trends continue, there are a number of departments that will end 2008-2009 below budget. There are also savings anticipated for several City-Wide appropriations based on current expenditure trends. Year-end adjustments, such as net-zero shifts between appropriations, will be brought forward to reflect actual performance.
- In the General Fund, positive revenue and expenditure variances are expected to generate sufficient 2008-2009 Ending Fund Balance/2009-2010 Beginning Fund Balance to meet the estimate used in the 2009-2010 Proposed Operating Budget of \$21.9 million. This estimate relies on minimal excess revenue, additional funding generated from the liquidation of prior year carry-over encumbrances and expenditure savings in addition to the \$6.3 million set aside during the 2008-2009 Mid-Year Budget Review.

OVERVIEW (CONT'D.)

- In the Development Fee Programs, activity continues its precipitous drop. In January, the revenue estimates for the Building, Fire and Planning Fee Programs were reduced dramatically based on the lower activity levels. It is now anticipated that further reductions to the Development Fee Programs will be necessary before the end of the fiscal year.
- Transient Occupancy Tax (TOT) receipts were tracking below the budgeted estimate through April. Based on the collections in the second half of the fiscal year, it is anticipated that downward adjustments to the TOT revenue estimates in the General Fund and the TOT Fund will be brought forward at year-end. In the Transient Occupancy Tax Fund, this is expected to impact the transfers to the three recipient organizations (Convention and Visitors Bureau, Cultural Grants, and Convention Facilities) this fiscal year. These organizations have been notified regarding the lower transfers in 2008-2009. In addition, the 2009-2010 Proposed Budget also factors in a further drop in revenues as a result of continued declines in activity.
- The record slowdown in the real estate market continues to negatively impact City revenues. To account for the larger than anticipated decline in activity, the Construction and Conveyance (C&C) Tax estimate was revised downwards as part of the 2008-2009 Mid-Year Budget Review. The modified estimate of \$19 million allows for a decline of 29% compared to 2007-2008 actual performance of \$26.8 million. Collections through April totaled \$15.2 million, which represented a decline of 25% from the \$20.3 million collected through April 2008. In addition to these revenues, the City has since received May Conveyance Tax receipts totaling \$1.5 million, which was a decline of 21% from the May 2008 collection level. At this point, it is assumed that C&C Tax receipts will meet the revised revenue estimate by year-end.
- Airport activity continues to be severely impacted by the economic slowdown. Through April, the Airport enplaned and deplaned 7.4 million passengers, a decrease of 14.4% from last year. For the month of April, activity was down 11.9%. Earlier this fiscal year, a 10% annual drop in activity was assumed. It is anticipated that the cost-saving measures implemented this year will be sufficient to cover any revenue shortfalls associated with lower activity levels. In the upcoming years, the Airport expects to face continued fiscal challenges as a result of the severe problems plaguing the entire Airline industry, the current recession, and additional costs scheduled to come on line. In response, significant cost cutting measures have been brought forward in the 2009-2010 Proposed Budget and additional actions are expected to be brought forward in 2010-2011.

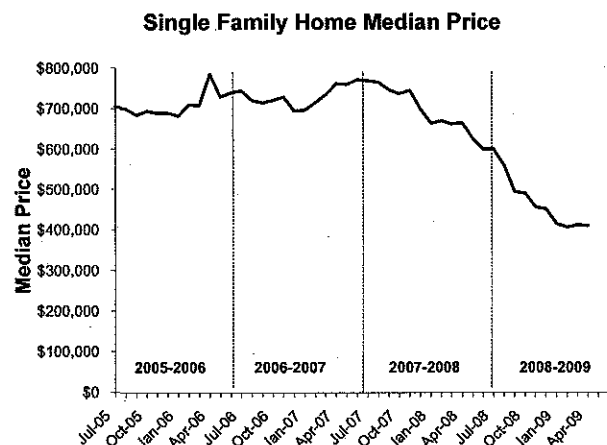
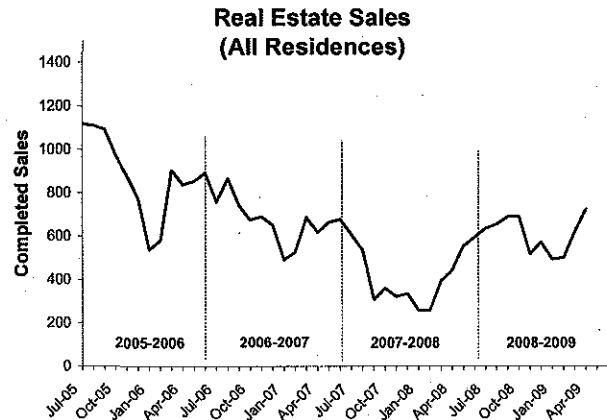
OVERVIEW (CONT'D.)

Economic Environment

The deep global recession is expected to continue to negatively impact the City's financial performance through at least 2009 and likely well into 2010.

The key economic indicators are extremely weak with few signs of improvement. The median home price for single family homes within the City, for example, has dropped 38% from \$665,000 in April 2008 to \$410,000 in April 2009. The April 2009 figure represents the lowest median home price within the City since the first quarter of 2000. With the significant decline in home prices, there has been an increase in the number of transfers. In April 2009, the 725 property transfers for all types of residences were up 64% from the 441 properties transferred in April 2008.

As is the case for the State and the nation, the number of jobs has also been declining for the past four months and remains below the prior year level. The Employment figure for April 2009 (881,500) was 4.3% below the April 2008 employment level of 921,300. This decrease marked the seventh consecutive month of year-over-year job losses for this region. The loss of 39,800 jobs over the past year was spread across several industries, including professional and business services (down 9,400 jobs), manufacturing (down 8,600 jobs), trade, transportation, and utilities (down 8,300 jobs), construction (down 6,800), and financial activities (down 2,400 jobs).



Unemployment Rate (Unadjusted)

	April 2008	March 2009	April 2009
San José Metropolitan Statistical Area	5.0%	11.1%	10.9%
State of California	6.0%	11.5%	10.9%
United States	4.8%	9.0%	8.6%

Source: California Employment Development Department

The unemployment rates at the local, State, and national levels have gone up significantly in recent months to some of the highest rates in decades. The San José metropolitan area continues to experience double-digit unemployment with a rate of 10.9% in April 2009. This figure is more than double the 5.0% rate experienced a year ago. The April 2009 unemployment rate in this region is equivalent to the unadjusted unemployment rate for the State but continues to track above the nation, which currently has an unadjusted unemployment rate of 8.6%.

OVERVIEW (CONT'D.)

Economic Environment (Cont'd.)

While many of the economic indicators remain negative, consumer confidence has improved in the past two months. The Conference Board Consumer Confidence Index has shown significant improvement in April and May 2009. Says Lynn Franco, Director of the Conference Board Consumer Research Center: "After two months of significant improvements, the Consumer Confidence Index is now at its highest level in eight months...Looking ahead, consumers are considerably less pessimistic than they were earlier this year, and expectations are that business conditions, the labor market and incomes will improve in the coming months. While confidence is still weak by historical standards, as far as consumers are concerned, the worst is now behind us."

The Administration will continue to closely monitor economic conditions and the associated impacts on the City's operating and capital funds. At this point, there is an expectation that once the economy bottoms out, the economic recovery will be slow.

GENERAL FUND

REVENUES

General Fund revenues through April 2009 totaled \$613.7 million. This was a decrease of \$5.7 million (0.9%) from the April 2008 level of \$619.4 million. Collections were lower than the prior year in several categories, including Sales Tax, Licenses and Permits, Use of Money and Property, Fines and Forfeitures, Revenue from the State, and Transfers and Reimbursements. These lower collections were partially offset by higher receipts in the Property Tax, Utility Tax, Revenue from Local Agencies, and Revenue from the Federal Government categories.

Based on collections through April, it is still anticipated that General Fund revenues will meet the overall modified budget estimate by year-end. At this point, the lower collections in certain areas, such as Sales Tax, are projected to be offset by slightly higher collections in other areas. However, if the economically sensitive revenues experience more severe declines, a net downward adjustment to the General Fund revenue estimate may be necessary by year-end. The Budget Office will continue to refine its revenue estimates and will bring forward year-end adjustments for City Council consideration later in June 2009.

The following discussion highlights General Fund revenue activities through April.

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GENERAL FUND**KEY GENERAL FUND REVENUES**

<u>Revenue</u>	2008-2009 <u>Estimate</u>	YTD <u>Actual</u>	Prior YTD <u>Collections</u>
Property Tax	\$ 207,392,000	\$ 160,412,887	\$ 154,896,734

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.

Secured Property Tax accounts for \$144.2 million of the \$160.4 million in Property Tax revenue received through April 2009. Based on information from the County of Santa Clara, Secured Property Tax receipts are projected to slightly exceed the revised budget estimate of \$191.2 million by approximately \$900,000. The 2008-2009 collections are based on the value of property assessed on January 1, 2008, with any roll corrections. Tax roll adjustments are still occurring and will continue to take place until the end of May 2009. The Budget Office is continuing to work with the County to assess what implications any fluctuation in revenues due to this factor may have on growth expectations for the overall Secured Property Tax category.

Unsecured Property Tax receipts totaled \$11.7 million through April, which should reflect all of the payments that will be received this fiscal year. The actual collections have exceeded the budgeted estimate of \$11.1 million by \$570,000.

The SB 813 Property Tax receipts of \$3.9 million through April have met the 2008-2009 budgeted estimate. While this collection level is 22% below the \$5.0 million collected through the same period last year, the 2008-2009 budgeted estimate allows for a drop of 50% in this category. When the 2008-2009 Adopted Budget was developed, it was assumed that the sharp declines in the housing market would continue to impact collections in this category through 2008-2009. The actual decline in collections in this category has not been as severe as originally anticipated. As a result, it is now estimated that the SB 813 Property Tax revenue estimate will exceed the budgeted estimate by at least \$1.0 million.

It is also anticipated that the Homeowners Property Tax Relief will come in at the budgeted level of \$1.1 million.

<u>Revenue</u>	2008-2009 <u>Estimate</u>	YTD <u>Actual</u>	Prior YTD <u>Collections</u>
Sales Tax	\$ 146,313,000	\$ 90,912,734	\$ 92,483,552

The Sales Tax category includes General Sales Tax and Proposition 172 Sales Tax. General Sales Tax receipts through April of \$90.9 million are tracking slightly below the prior year collection level of \$92.5 million. This reflects actual performance for the first two quarters along with a "triple flip" payment and advances from the State.

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GENERAL FUND (CONT'D.)**KEY GENERAL FUND REVENUES (CONT'D.)****Sales Tax (Cont'd.)**

Collections to date reflect a decline of 0.4% in the first quarter and a decline of 8.5% in the second quarter of 2008-2009. As discussed in an information memorandum distributed to the City Council on March 20, 2009, the Sales Tax decline in the most recent quarter was larger than anticipated. As part of the 2008-2009 Mid-Year Budget Review, the General Sales Tax revenue estimate was lowered by \$6 million to allow for a drop of 6.5% for the remaining three quarters of the fiscal year. With actual performance through the first two quarters, collections can drop only 5.7% for the last two quarters of the year to meet the budgeted estimate. However, given the decline in the most recent quarter and the severe downturn in the economy, it is anticipated that the drop could be much greater. For example, if revenues decline by 10% in the last two quarters of 2008-2009, sales tax receipts will end the year \$3.2 million below the estimate. It is anticipated that a year-end adjustment will be brought forward to reduce the Sales Tax revenue estimate to allow for a greater decline in these last two quarters. Data on the third quarter performance is scheduled to be released during the third week of June. For the last quarter, Sales Tax is accrued to 2008-2009 based on estimated collections as actual data for that quarter will not be received until September 2009.

Through April, the Proposition 172 Sales Tax receipts of \$3.3 million were tracking 3.9% below the prior year collection level. This collection level is currently on track to meet the modified budget estimate of \$4.3 million by year-end. The budget estimate for this category was reduced as part of the 2008-2009 Mid-Year Budget Review to allow for a drop of 4.5% this fiscal year.

<u>Revenue</u>	<u>2008-2009 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Transient Occupancy Tax	\$ 8,918,000	\$ 6,285,549	\$ 6,999,743

Through April, Transient Occupancy Tax (TOT) receipts of \$6.3 million were 10.2% below last year's level of \$7.0 million. The budgeted estimate, which was adjusted downwards as part of the 2008-2009 Mid-Year Budget Review, allows for a drop of only 6.7%. While performance in the first half of the fiscal year was only slightly below the prior year, collections in the past four months have experienced more significant declines. Based on current collection trends and an updated estimate provided by an independent consultant, Horwath HDL, it is anticipated that receipts will end the year below the budgeted estimate by approximately \$1 million. The Administration is planning to bring forward a downward adjustment to this estimate for City Council consideration as part of the 2008-2009 year-end budget actions.

The lower TOT collection level is driven by declines in both the occupancy and room rates for the City's hotels, reflecting the severe downturn in the economy. In April, total occupancy at the 14 major hotels was 47.5%, which was well below the prior year level of 63.59%. The average room rate has also declined from \$151.09 in April 2008 to \$121.23 in April 2009.

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

<u>Revenue</u>	<u>2008-2009 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Utility Tax	\$ 83,690,000	\$ 65,834,977	\$ 63,598,907

Through April, Utility Tax receipts of \$65.8 million were up 3.5% from last year's collection level of \$63.6 million. Current revenues are tracking to slightly exceed the budgeted estimate, which requires overall growth of 1.7% from the prior year.

Collection in the Electric and Gas Utility Tax category are currently projected to end the year slightly below the budgeted estimates while collections in the Water and Telephone Utility Tax categories are expected to exceed the budgeted estimates. In the Electric Utility Tax category, collections of \$28.9 million were tracking close to the prior year level of \$28.8 million. Growth of 4.3% is needed, however, to meet the Electric Utility budget estimate of \$38.8 million. In the Gas Utility Tax category, receipts of \$7.9 million were tracking 10.2% below the prior year level of \$8.8 million through April. The budgeted estimate of \$10.7 million allows for a drop of 5.1% from the prior year collection level. In the first half of the fiscal year, Gas Utility Tax receipts were tracking to exceed the budgeted estimate. However, in the latter half of the fiscal year, collections have fallen well below the budgeted estimate, reflecting declines in the price of gas. Based on the recent collection trends, it is expected that Gas Utility Tax receipts will end the year below the budgeted estimate.

Collections of \$7.4 million in the Water Utility category are tracking well above the prior year level of \$6.5 million. This higher collection level was primarily due to an accrual adjustment at the end of 2007-2008. Collections are currently on target to exceed the budgeted estimate of \$8.5 million by year-end.

Collections in the Telephone Utility Tax category of \$21.7 million were tracking above the prior year collection level of \$19.6 million. Based on the 2007-2008 actual receipts of \$26.1 million and the current collection trends, receipts are on track to exceed the budgeted estimate of \$25.7 million by year-end. This collection level may be impacted by the November 2008 ballot measure approved by the voters that became effective in April 2009 and will be closely monitored. This measure lowered the tax rate by 10% and modernized the tax base.

Based on current collection trends, the overall Utility Tax category is currently projected to exceed the budgeted estimate by between \$750,000 and \$900,000.

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

<u>Revenue</u>	<u>2008-2009 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Licenses and Permits	\$ 71,515,470	\$ 59,163,001	\$ 62,810,068

Through April, Licenses and Permits revenue of \$59.2 million tracked 5.8% below the prior year level of \$62.8 million. The 2008-2009 budgeted estimate allows for a drop of 3.4%. Significant budget adjustments were brought forward in January 2009 and as part of the 2008-2009 Mid-Year Budget Review to bring these revenue estimates into alignment with current year collection trends. Careful monitoring will continue through the remainder of the fiscal year to determine if additional revenue adjustments are necessary.

Cardroom Business Tax receipts of \$10.4 million through April were above the prior year level of \$9.4 million. Based on strong collections throughout this fiscal year, the revenue estimate for this category was increased by \$1 million as part of the 2008-2009 Mid-Year Budget Review. It is anticipated that this higher estimate will be slightly exceeded by year-end if current collection trends continue.

In the Business Tax category, revenues of \$11.1 million through April were tracking below the prior year level of \$12.8 million. A portion of this drop was the result of changes to the billing cycle. Factoring out this difference, collections are still expected to fall below the 2007-2008 collection level of \$12.6 million. The current economic slowdown has impacted the number of businesses as well as staffing levels, which directly impact Business Tax receipts. To reflect the lower collection level, the Business Tax revenue estimate was lowered by \$1.0 million to \$12.3 million as part of the 2008-2009 Mid-Year Budget Review. It is currently anticipated that this lower revenue estimate will be met by year-end.

Disposal Facility Tax revenue of \$9.2 million through April is tracking 10.5% below the prior year level of \$10.2 million. The 2008-2009 Adopted Budget allows for a drop of 5.3% in this category. Receipts are experiencing declines due to the slowdown in economic activity, which has led to the disposal of fewer tons of solid waste. Given the current economic conditions, collections are projected to end the year slightly below the budgeted estimate.

Fire Permit collections through April of \$6.8 million were tracking below (5.6%) estimated levels of \$7.2 million and below (8.6%) the prior year receipts of \$7.4 million. Development-related collections of \$3.3 million were tracking 14% below estimated levels and 19% below the \$4.1 million received through April 2008, due to lower than anticipated revenue in plan check fees, non-renewable permits, and inspector activities. Overall, development receipts are tracking to end the year at \$3.8 to \$4.0 million, falling short of the adjusted budgeted revenue estimate of \$4.7 million due to decreased activity in residential, commercial, and industrial development. Any revenue shortfall by year-end would be offset by a combination of savings from vacant positions and use of the Fire Fee Reserve. Non-development permit revenues through April of

GENERAL FUND (CONT'D.)

KEY GENERAL FUND REVENUES (CONT'D.)

Licenses and Permits (Cont'd.)

\$3.5 million were tracking 10.4% above prior year receipts. Annual renewable permit receipts are expected to end the year at budgeted levels.

Building Permit revenues of \$14.7 million were tracking 9.6% below the 2007-2008 collection level of \$16.3 million. The modified budget estimate of \$18.0 million allows for a drop of 8.8%. Development activity has remained extremely slow throughout the fiscal year, particularly in the new residential category. In April, only two permits for new residential dwelling units were issued, bringing the total number of permits issued over the past four months to 17. Commercial and industrial activity also remained slow. From the beginning of the fiscal year, collections in this category were tracking well below expectations. To address this lower collection level, the revenue estimate was adjusted downwards by a total of \$5.9 million in January 2009 and in the 2008-2009 Mid-Year Budget Review. If current collection trends continue, year-end receipts may fall below this revised estimate by as much as \$1 million. Small expenditure savings and the Building Fee Program Reserve of \$1.2 million are available to offset this potential shortfall.

Any necessary revenue adjustments in the Licenses and Permits category will be brought forward at the end of the fiscal year.

<u>Revenue</u>	<u>2008-2009 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Revenue from Local Agencies	\$ 51,216,643	\$ 41,459,309	\$ 33,363,035

This category includes reimbursement from the Redevelopment Agency for City services, grants from various agencies, reimbursement for fire suppression services in unincorporated County pockets, and reimbursement for emergency medical services. Revenues through April of \$41.5 million were above the prior year level of \$33.4 million due to differences in the timing of payments and budgeted reimbursements.

This fiscal year, the City has received \$27.9 million from the Redevelopment Agency to reimburse the City for eligible expenditures and the Convention Center Debt Service payments, which is above the prior year level of \$20.4 million. It is anticipated that reimbursement from the Redevelopment Agency will exceed the budgeted estimate due to receipt of reimbursement of \$1 million related to prior year graffiti services. Reimbursement from the Central Fire District for fire services in unincorporated county pockets is also expected to exceed the budgeted estimate of \$6.9 million by approximately \$800,000. Collections in other categories are tracking close to the budgeted estimates.

Revenues in this category are currently expected to end the year slightly above the budgeted estimate. It is anticipated that a year-end adjustment will be brought forward to recognize this additional funding to offset other revenue categories that are tracking below estimated levels.

GENERAL FUND (CONT'D.)

KEY GENERAL FUND REVENUES (CONT'D.)

<u>Revenue</u>	2008-2009 <u>Estimate</u>	YTD <u>Actual</u>	Prior YTD <u>Collections</u>
Revenue from the State Government	\$ 12,000,228	\$ 9,654,626	\$ 10,821,456

The Revenue from the State Government category includes Airplane and Motor Vehicle In-lieu payments as well as various State reimbursements and grants. Through April, Airplane In-Lieu fees of \$4.9 million were tracking slightly below the prior year collection level of \$5.2 million but exceeded the modified budget estimate of \$4.6 million.

Motor Vehicle In-Lieu payments of \$2.4 million through April were tracking approximately 33% below the prior year level of \$3.6 million. Based on the significant decline in revenues experienced this year, the 2008-2009 revenue estimate was adjusted downwards by \$2.1 million (from \$5.1 million to \$3 million) as part of the 2008-2009 Mid-Year Budget Review. With this adjustment, collections can fall 27% this fiscal year. The drop-off in revenues, however, has been more severe than anticipated at mid-year and a further reduction to this revenue estimate is likely to be necessary before the end of the fiscal year.

<u>Revenue</u>	2008-2009 <u>Estimate</u>	YTD <u>Actual</u>	Prior YTD <u>Collections</u>
Revenue from the Federal Government	\$ 5,989,062	\$ 3,660,019	\$ 2,350,259

Through April, Revenue from the Federal Government was tracking above the prior year level and is expected to end the year above the budgeted estimate. Based on current collections, \$2.8 million is expected from the 2003-2004 COPS Interoperability Communications Grant, which is well above the \$42,000 budgeted for this item. The timing of the receipt of this revenue was not known when the 2008-2009 budget was developed. The remaining revenue associated with this grant is now expected to be received in 2008-2009.

<u>Revenue</u>	2008-2009 <u>Estimate</u>	YTD <u>Actual</u>	Prior YTD <u>Collections</u>
Departmental Charges	\$ 28,647,659	\$ 22,959,388	\$ 24,534,885

Through April, Departmental Charges revenues of \$23.0 million were tracking 6.4% below the 2007-2008 collection level of \$24.5 million. The modified budget estimate of \$28.6 million allows for a drop of 7.1%. Based on the slowdown in development activity, however, revenue in this category is expected to fall below the budgeted estimate by year-end.

Planning Permit revenue of \$3.7 million was 35% below the prior year collection level of \$5.7 million. The modified budget estimate of \$4.8 million allows for a drop of 28%. Similar to the Building Permits activity, collections in this category have been tracking well below expectations from the beginning of the fiscal year. To address this lower collection level, the

GENERAL FUND (CONT'D.)

KEY GENERAL FUND REVENUES (CONT'D.)

Departmental Charges (Cont'd.)

revenue estimate was adjusted downwards by a total of \$1.9 million in January 2009 and in the 2008-2009 Mid-Year Budget Review. The revised budget estimate may still be too high based on the weak performance through April. If current collection trends continue, revenues could end the year \$500,000 - \$750,000 below the revised estimate. The Planning Fee Program Reserve (\$519,000) and expenditure savings could be used to offset all or a portion of this shortfall.

Public Works revenues through April of \$5.0 million were 3.8% below the prior year level of \$5.2 million. To meet the 2008-2009 budget estimate of \$7.5 million, growth of 4.3% over the prior year is necessary. With the significant slowdown in development activity, collections in this category are tracking to end the year well below the budgeted estimate by year-end. In 2007-2008, a significant portion of the revenue was received at the end of the fiscal year. This is not expected to be the case this year. Based on the weak performance in recent months, the Public Works Department anticipates that revenues will likely end the year at approximately \$5.9 million, which is \$1.6 million below the budgeted estimate. To address a portion of this shortfall, the Public Works Department continues to hold fee-funded positions vacant. The use of the Fee Reserve (\$131,000) and Non-Personal/Equipment savings are also expected to address a portion of the shortfall. However, a gap is expected to remain at year-end and a significant General Fund subsidy will be required for this fee program by year end.

Collections in the majority of other fee areas, including Library, Parks, Recreation and Neighborhood Services, and Transportation are on target to meet or exceed the budgeted estimates by year-end. In the Miscellaneous Departmental Charges category, the Solid Waste Enforcement Fee revenue may end the year below the budgeted estimate by as much as \$350,000 based on current collection trends. The Police Department Fees were also tracking below projected levels through April due primarily to lower than anticipated Police Officer Standards and Training (POST) reimbursement from the State.

<u>Revenue</u>	<u>2008-2009 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Other Revenue	\$ 21,234,692	\$ 20,583,846	\$ 20,022,957

The Other Revenue category contains a number of unrelated revenue sources. While almost all of the line items in this category are tracking within estimated levels, it is anticipated that overall receipts will exceed the budgeted estimate due to higher than projected Sale of Surplus Property proceeds. The sale proceeds total \$2.3 million through April, which is above the budgeted estimate of \$961,000 due to the sale of the Stockton Warehouse at Stockton and Julian for \$1.6 million.

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

<u>Revenue</u>	<u>2008-2009 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Transfers and Reimbursements	\$ 104,720,541	\$ 79,593,361	\$ 90,633,842

This category includes overhead reimbursements from operating and capital funds, transfers, and other reimbursements. Transfers and Reimbursement collections of \$79.6 million through April were tracking below the prior year level of \$90.6 million due primarily to lower Airport reimbursements for Police and Fire services, which are expected to end the year at the budgeted estimate, lower Gas Tax payments, and lower transfers from the Emergency Communication System Support Fee Fund.

Through April, Gas Tax payments of \$8.0 million are tracking below the prior year level of \$11.7 million due to scheduled delays in payments from the State since January 2009. These payments are due, however, in June. Based on data regarding the payments that will be received, Gas Tax receipts are expected to end the year below the revised budget estimate of \$16.7 million by as much as \$500,000.

The Transfer from the Emergency Communication System Support (ECSS) Fee Fund totaled \$17.5 million through April, which was below the prior year level of \$19.6 million due primarily to the discontinuation of the ECSS fee. Revenues collected from the Emergency Communication System Support Fee were deposited in the ECSS Fund and transferred to the General Fund. This fee was discontinued as of April 1, 2009 and replaced with a Telephone Line Tax. Year-end adjustments will be brought forward to reduce the ECSS Fee Fund transfer to the General Fund and increase the General Fund revenue estimate for the Telephone Line Tax. Based on current collection trends, however, the collective amount received in these two categories may fall below the current budgeted estimate by as much as \$1 million.

On an overall basis, overhead reimbursements are expected to end the year above the budgeted estimate. While the operating overhead reimbursements are typically received at the budgeted level, the capital overhead reimbursements are received based on actual capital expenditures. These reimbursements are currently tracking above anticipated levels based on the activity levels in the capital funds and should exceed the budget estimate by \$1 million - \$2 million.

The necessary revenue adjustments in the Transfers and Reimbursements category will be brought forward at the end of the fiscal year.

GENERAL FUND (CONT'D.)

EXPENDITURES

Through April, General Fund expenditures of \$707.8 million were 6.2% above the prior year level of \$666.6 million. Encumbrances of \$35.1 million were slightly below the prior year level of \$50.9 million. Expenditures and encumbrances (\$742.9 million) through April constitute 76.8% of the total 2008-2009 revised budgeted uses of funds (\$967.0 million, excluding reserves). On an overall basis, cumulative departmental and non-departmental expenditures are tracking within budgeted levels.

General Fund expenditure savings are anticipated by year-end. In the 2009-2010 Proposed Budget, it is assumed that a combination of expenditure savings, excess revenue, and the liquidation of prior year carry-over encumbrances will generate \$21.9 million in 2008-2009 for use in 2009-2010. A portion of this amount (\$6.3 million) was set aside in a 2008-2009 Ending Fund Balance appropriation as part of the 2008-2009 Mid-Year Budget Review. The remaining funding is expected to be generated primarily from the liquidation of prior year carryover encumbrances (estimated at approximately \$6 million) and expenditure savings.

While expenditures are tracking to end the year with savings on an overall basis, there are some appropriations that are currently tracking above estimated levels and may require adjustments at year-end. For instance, personal services expenditures in the City Attorney's Office, the Parks, Recreation and Neighborhood Services Department, the Human Resources Department, and the Office of Economic Development are tracking above the par level through April. The higher personal services expenditures, due primarily to lower vacancies than budgeted, or higher staffing needed for revenue-related activities, are expected to be offset by non-personal/equipment savings in these departments or other net-zero adjustments.

Following is a discussion of the expenditure performance for the Police and Fire Departments, the City's largest General Fund departments.

KEY GENERAL FUND EXPENDITURES

<u>Department</u>	2008-2009 <u>Budget</u>	YTD <u>Actual</u>	Prior YTD <u>Actual</u>
Police	\$295,046,802	\$229,063,518	\$221,887,860

On an overall basis, Police Department expenditures appear to be tracking under estimated levels. Personal Services expenditures of \$214.5 million tracked under anticipated levels (79.5% compared to the par of 80.1%). Overtime expenditures of \$8.1 million through April tracked above anticipated levels with 85.2% expended. The higher overtime expenditure level was due, in part, to automated payouts for compensatory time over Fair Labor Standards Act (FLSA) levels (240 hours for non-sworn and 480 for sworn personnel) that were implemented at the beginning of 2008-2009. These payments accounted for approximately \$1.2 million of overtime

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GENERAL FUND (CONT'D.)

KEY GENERAL FUND EXPENDITURES (CONT'D.)

Police Department (Cont'd.)

expenditures through April. Overtime has also been incurred to backfill for vacant positions in the Communications Unit. A portion (\$721,000) of the higher overtime expenditures was for staffing the "high" security threat level, or "Orange Alert" advisory, issued by the federal Department of Homeland Security at the Airport, with additional overtime of approximately \$234,000 projected through year-end. A transfer of \$955,000 from the Airport Operations and Maintenance Fund was approved during the Mid-Year Budget Review to cover this overtime cost. At this time, the Department estimates that it will end the year within its Personal Services appropriation. The Budget Office and Police Department will continue to closely monitor Personal Services to ensure expenditures are within appropriated levels by year-end.

The Department's Sworn Recruitment and Training Program aims to fill vacant positions with street ready officers within an average of 90 days. A total of \$6.4 million was budgeted in the 2008-2009 Adopted Budget to fund the Sworn Recruitment and Training Program's July 2008 and January 2009 Academies for a total of 78 recruits. The Department has 1,392 authorized sworn staff and graduated 22 Police recruits from the July 2008 Academy, with the officers street-ready by April 2009. In addition, the Department hired 47 Police recruits for the January 2009 Recruit Academy; at this time 41 recruits are still in the academy and are estimated to be street ready by October 2009.

The compensatory time balance at the end of April 2009 was 262,036 hours for sworn personnel. This represents a decrease of 12,370 hours (5.0%) from the March 2009 balance of 249,666, and a 19,931 hour increase (8.2%) compared to the April 2008 balance of 242,105. The increase in sworn compensatory time balances is attributed to a number of factors including responses to specific types of crimes which require immediate and intensive investigations, and the need to backfill for street-ready vacancies. A \$1.0 million buy down of compensatory time was approved in the 2007-2008 Annual Report, through a rebudget of Personal Services savings, to further assist the Department in maintaining MOA compliance and reducing the compensatory time balance liability to the City. This funding was used for a one-time buy-down of 100% of sworn personnel in the Bureau of Investigations (BOI) and 30% of sworn personnel in BFO over 240 hours. The Police Department will continue to monitor the balance and is expected to implement measures to curb the level of compensatory time accrued.

A total of \$18.2 million (71.9%) of the Department's Non-Personal/Equipment budget was expended or encumbered through April. The Budget Office and the Department will monitor expenditures closely to ensure expenditures are within appropriated levels by year-end.

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

<u>Department</u>	2008-2009 <u>Budget</u>	YTD <u>Actual</u>	Prior YTD <u>Actual</u>
Fire	\$ 159,172,627	\$ 125,887,417	\$ 128,539,792

Overall, expenditures for the Fire Department were tracking within estimated levels through April.

Personal services expenditures of \$120.4 million through April were 79.8% expended, which is slightly below the par level of 80.1%. Salary expenditures tracked above par level while overtime and health expenditures tracked below estimated levels. Expenditures for salaries are anticipated to end the year above budgeted levels offset by savings in overtime and health. The Department has been closely managing personal services expenditures to keep its allocation within appropriated levels.

Through April, the Fire Department had a total of 274 filled paramedics (168 front-line, 5 Supervisors, and 101 support), compared to the 157 front-line Firefighter Paramedics that are necessary to fully staff all apparatus. The July Firefighter Paramedic Academy graduated 24 Recruits in November 2008, and all 24 have secured their paramedic accreditation. The April 2009 Academy includes 30 Firefighter Paramedic Recruits and is expected to graduate in August 2009. The Department projects that it will be able to maintain the target staffing level of 157 front-line Firefighter Paramedics.

The Department's Non-Personal/Equipment budget of \$8.2 million was 76.4% expended or encumbered through April and is expected to end the year within the budgeted allocation.

CONTINGENCY RESERVE

Through April, the General Fund Contingency Reserve was at \$30.7 million, up by \$421,711 from the 2008-2009 Adopted Budget level of \$30.3 million. The following revisions to the Contingency Reserve were approved through April:

- An increase of \$534,642 to bring the Contingency Reserve to 3% of the budget based on the Annual Report actions.
- An increase of \$112,069 to reimburse the General Fund for prior year expenditures associated with the Willows Senior Center Fire Damage Repair Project.
- A decrease of \$225,000 to provide additional funding for legal services in connection with labor relations and negotiations.

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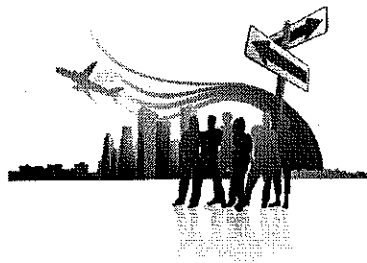
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OTHER FUNDS**Airport Funds**

On a fiscal year-to-date basis, the Norman Y. Mineta San José International Airport (SJC) has enplaned and deplaned 7.4 million passengers, a decrease of 14.4% from the figures reported through April of the prior year. The drop in activity in April of 11.9% was less than the drop experienced in March (down 22.7%) on a month-to-month comparison.

Fiscal year-to-date mail, freight and cargo totaled 120.7 million pounds, which represents an 18.6% decrease from 2007-2008. Traffic Operations (landings and takeoffs) trailed the prior year by 13.9%, Landed Weights by 10.5%, and Taxicab operations trailed last fiscal year by 18.9%. Passenger Facility Charge (PFC) revenues were 17.3% less than the prior year.



SJC Passengers	Apr. 2009	Apr. 2008	% Change
Enplaned YTD	3,664,278	4,284,818	-14.5%
Deplaned YTD	3,692,137	4,308,891	-14.3%
YTD Passengers	7,356,415	8,593,709	-14.4%
Monthly Enplanements	358,248	407,204	-12.0%
Monthly Deplanements	357,413	405,167	-11.8%
April	715,661	812,371	-11.9%

Performance of various revenue categories showed mixed results, but on an overall basis, year-to-date operating revenues of \$105.0 million are in-line with the conservative budget estimate. Revenues that performed better than projections include airfield, terminal concessions and miscellaneous rents. The parking and roadway revenue category also performed above projections, primarily due to the rise in the activities of the ground support concession providers, prior year's unremitted concession fees and higher-than-projected long-term parking and rental car concession fees. However, food and beverage revenues hovered below last year's level due to declining passenger activity as well as construction activities that reduce the number of the food and beverage outlets. As anticipated, airlines rates and charges revenue declined 2.0% from the budgeted estimate resulting from weak passenger activity.

Operating expenses through April are tracking below estimated levels in both personal services and non-personal/equipment categories. Personal services expenditures are 77.9% of modified budget compared to the benchmark of 80.1% while non-personal expenditures are 63.3% of modified budget compared to the budgeted estimate of 75.1%. Encumbrances of \$7.86 million bring total personal and non-personal commitments to \$65.9 million or 79.1% of budget.

Year-to-date Customer Facility Charges revenue total \$5.2 million or 8.7% less than the budgeted estimate and 17.8% less than last year. Expenditures and operating transfers in the Airport Customer Facility and Transportation Fee Fund total \$3.9 million, 7.5% less than budget but 7.3% greater than last year. This fund provides for annual reimbursement of all costs through a budgeted contribution from the rental car companies (RACs), which means that any funding shortfall will be made up by the RACs.

OTHER FUNDS (CONT'D.)

Benefit Funds

In February 2009, Congress approved new legislation, included in the American Recovery and Reinvestment Act (ARRA), requiring employers to assist in funding 65% of COBRA (*Consolidated Omnibus Budget Reconciliation Act*) costs to employees who were "involuntarily terminated" between September 1, 2008 and December 31, 2009. These costs are to be reimbursed via tax credit by the Federal government on a bi-weekly basis. This new legislation is anticipated to have budgetary impacts in both the current fiscal year as well as 2009-2010. Currently, Human Resources Department staff continues to identify the funding impacts of this legislation. Out of 100 former employees that were eligible for the subsidy and given an opportunity to enroll, 7 have enrolled to date. The deadline to enroll is June 15, 2009 so more enrollments are expected. Additionally, an increased number of employees are anticipated to be eligible for the program next fiscal year due to budgetary reductions as well as ongoing involuntary employee separations. Current costs are approximately \$5,500 per month. The total estimated impact in 2008-2009 is approximately \$11,000.

It is expected that costs will increase in 2009-2010 to approximately \$13,300 per month due to additional enrollments. However, costs may vary depending on the plan and coverage level selected. A review will occur after the first quarter as well as the second quarter of 2009-2010 to monitor tracking and identify if any adjustments are necessary to account for any variance.

Construction and Conveyance Tax Funds

Due to the drop in the local real estate market, Construction and Conveyance Tax revenues continue to experience severe declines. Nearly 98% of the total C&C taxes are comprised of conveyance receipts, or property transfers, which are the main driver in this revenue category. The median home price for single family homes within the City dropped 38% from \$665,000 in April 2008 to \$410,000 in April 2009. Home prices through the first fiscal year of 2009 represent the lowest median home price within the City since the first quarter of 2000. The number of property transfers for all types of residences, however, increased 64% from the prior year (from 441 transfers to 725 transfers). This higher level of activity is likely attributed to the low median home price. It is important to note that the April 2009 activity level is more in line with the typical performance for that month (April 2007 – 619 property transfers; April 2006 – 839 property transfers; and April 2005 – 1,117 property transfers). The amount of time to sell these homes has increased slightly from 63 days in April 2008 to 67 days in April 2009.

The 2008-2009 Construction and Conveyance Tax estimate of \$19 million allows for a decline of 29% compared to 2007-2008 actual performance of \$26.8 million. Collections through April totaled \$15.2 million, which represents a decline of 25% from the \$20.3 million collected through April 2008. In addition to these revenues, the City has since received May Conveyance Tax receipts totaling \$1.5 million, which is a decline of 21% from the May 2008 collection level. With this decrease, Construction and Conveyance collections have now experienced decreases in 34 out of the last 37 months when compared to the same months in the prior year.

OTHER FUNDS (CONT'D.)

Construction and Conveyance Tax Funds (Cont'd.)

Through the first half of the fiscal year collections experienced sharper declines than originally anticipated. Therefore, as part of the 2008-2009 Mid-Year Budget Review, the C&C estimate for the current year was decreased to \$19 million from the adopted estimate of \$23 million. With the exception of the Fire Construction and Conveyance Tax Fund, all of the Construction and Conveyance Tax Funds had sufficient ending fund balance to offset this drop in revenue. Based on current collection trends, it is anticipated that the revised 2008-2009 C&C estimate of \$19 million will be achieved.

Other Construction-Related Revenues

Through April, permit valuation for residential, commercial, and industrial construction activity are all below prior year levels. Residential activity has been slow with only two building permits issued for new dwelling units in April. Commercial activity was slow with valuation for commercial permit activity at \$11.7 million. Industrial activity was slow with valuation for industrial permit activity at \$8.1 million. This permit activity drives the revenue collection in several categories, including the Construction Excise Tax, the Building and Structure Construction Tax, and the Residential Construction Tax, and is an indicator of future activity for several other categories, such as the storm and sanitary sewer system fees.

Through April, actual receipts for the construction-related revenues are tracking below the prior year, reflecting the decline in construction activity. Adjustments to reduce the revenue estimate for several of these revenue categories were brought forward as part of the 2008-2009 Mid-Year Budget Review. The majority of these revenues are now expected to meet or slightly exceed the revised budget estimates. Following is a discussion of the performance for the individual revenue categories:

- *Building and Structure Construction Tax* – As part of the 2008-2009 Mid-Year Budget Review, the revenue estimate was adjusted downward by \$2.2 million bringing the estimate to \$6.5 million. Receipts through April totaled \$6.2 million, which is 95.5% of the 2008-2009 modified revenue estimate of \$6.5 million. This collection level is approximately 23.8% below the prior year collections (\$8.1 million) through April. The modified budgeted estimate for this category, however, allows for a 32.4% drop in tax receipts in 2008-2009. It is currently anticipated that this revenue estimate will be met or slightly exceeded by year-end.
- *Construction Excise Tax* – The revenue estimate was adjusted downward by \$5.975 million as part of the 2008-2009 Mid-Year Review, bringing the estimate to \$7.0 million. Offsetting budget actions were brought forward to rebalance the Construction Excise Tax Fund based on the lower revenue estimate. Receipts of \$7.1 million dropped 40.3% from the \$11.9 million collected during the same period last year; however, it slightly exceeds the current modified budgeted estimate.

OTHER FUNDS (CONT'D.)

Other Construction-Related Revenues (Cont'd.)

- *Residential Construction Taxes* – Receipts totaled \$91,000 through April, which represented 91.1% of the modified 2008-2009 estimate of \$100,000, and were slightly above fees received through the same period last year (\$90,000). The revenue estimate was adjusted downward by \$50,000 as part of the 2008-2009 Mid-Year Budget Review. It is currently estimated that year-end collections will be close to the budgeted estimate.
- *Municipal Water Service Connection Fees* – Receipts totaled \$84,000 through April, which represented 22.7% of the current 2008-2009 estimate of \$370,000. Because Municipal Water Service Connection Fees recover actual costs to install new services, this lower collection level is offset by lower costs.
- *Municipal Water Major Facilities Fees* – Collections totaled \$491,000 through April, far exceeding the 2008-2009 budgeted estimate of \$100,000.
- *Sanitary Sewer Fees* – Through April, fees totaled \$499,000, which represents 99.9% of the modified 2008-2009 estimate of \$500,000. This collection level was 23.1% below the fees collected through the same period last year (\$650,000). The revenue estimate was adjusted downward by \$407,000 as part of the 2008-2009 Mid-Year Budget Review. Collections are now expected to exceed the modified budget estimate by year-end.
- *Storm Drain Fees* – Storm Drain Fees totaled \$72,000, which represents 57.3% of the modified 2008-2009 estimate of \$125,000. The revenue estimate was adjusted downward by \$184,000 as part of the 2008-2009 Mid-Year Budget Review. This collection level was 64.2% below the fees received through the same period last year (\$200,000). Receipts in this category are expected to fall below the modified budget estimate. An additional adjustment may be brought forward at year-end.
- *North San José Traffic Impact Fee Fund* – A Mid-Year budget action was brought forward to bring the revenue estimate down to zero and to revise the expenditure budget downwards as a result of the slowdown in developer activity in the North San José area. However, revenues through April totaled \$195,000 due to unanticipated revenues collected from a developer for a new parking structure on North First Street.

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OTHER FUNDS (CONT'D.)

Transient Occupancy Tax Fund

Transient Occupancy Tax (TOT) collections of \$9.2 million through April were 11.2% below the prior year collection level of \$10.4 million. However, growth of 4% is needed to meet the 2008-2009 budget of \$14.9 million. Based on significant decline in collections in recent months, TOT receipts are expected to end the year well below the budgeted estimate.

When the 2008-2009 Mid-Year Budget Review was developed, it was projected that collections would end the year 6.7% below 2007-2008 levels. While no adjustment to the revenue estimate was brought forward at that time, it was assumed that sufficient Ending Fund Balance and expenditure savings would be available to offset the projected 2008-2009 revenue shortfall with adjustments to the three recipient organizations (Convention and Visitors Bureau, Cultural Grants program, and Convention and Cultural Affairs Fund) brought forward in 2009-2010.

Based on current collection trends and validated by an independent analysis conducted by the consultant, Horwath HTL, TOT receipts are now expected to fall below the budgeted estimate by \$3.1 million in 2008-2009, a decline of 17.6% from the 2007-2008 actual collection level. A recommendation to reduce the revenue estimate for this category will be brought forward for City Council consideration at the end of 2008-2009. Corresponding actions will be recommended at that time to reduce the Transient Occupancy Tax Fund Ending Fund Balance by \$1.2 million and the allocations to the three recipients by \$1.9 million. The TOT recipient organizations have been notified of the projected decreases to the 2008-2009 funding level. A further decline in TOT receipts of almost 17% from the 2008-2009 estimated levels is assumed in 2009-2010. The 2009-2010 Proposed Budget factors in these lower estimates.

The occupancy rate at the 14 major hotels was 47.5% in April 2009, which is lower than the March 2009 rate of 50.43% and lower than the April 2008 rate of 63.59%. The average room rate decreased from \$151.09 in April 2008, to \$121.23 in April 2009. The average room rate has declined in nine of the ten months of the year when compared to 2007-2008 levels.

CONCLUSION

While the City's various operating and capital funds are currently tracking to meet overall year-end expectations, the severe economic downturn continues to negatively impact revenue collections in a number of City funds. Budget adjustments were brought forward as part of the 2008-2009 Mid-Year Budget Review to bring projected revenues and expenditures into alignment based upon the information available at that time. However, there are areas in which revenues are now falling at a greater rate than assumed in the Mid-Year Budget Review. For example, in the General Fund it is anticipated that further downward adjustments will be needed

June 5, 2009

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CONCLUSION (CONT'D.)

to the revenue estimates for Sales Tax, Transient Occupancy Tax, and the development fee programs. These negative adjustments, however, are expected to be offset by positive revenue trends in other areas in the General Fund. At this point, it is anticipated that any necessary adjustments to the City's other various funds can be addressed within those funds as well. In the General Fund, it is important to note that with the information we have to date overall revenues and expenditures are still expected to produce sufficient fund balance to meet the budget estimate used in the development of the 2009-2010 Proposed Budget. Concerns still remain, however, regarding Sales Tax revenue performance as only two quarters have been received at this point.

A 2008-2009 year-end clean-up memorandum will be brought forward for City Council consideration with recommended adjustments to align the budget with actual activity levels and to avoid overages in budgeted appropriations. As always, staff will continue to report to the City Council any significant developments impacting the City's financial condition.



JENNIFER A. MAGUIRE

Budget Director



FINANCE DEPARTMENT
Monthly Financial Report

Financial Results for the 10 Months Ended April 30, 2009
Fiscal Year 2008-09

Finance Department, City of San José
Monthly Financial Report
Financial Results for the 10 Months Ended April 30, 2009
Fiscal Year 2008-09

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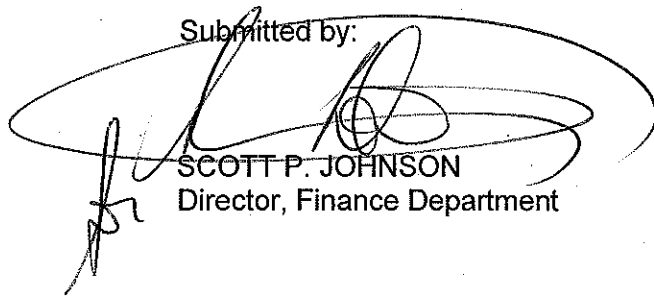
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Finance Department, City of San José
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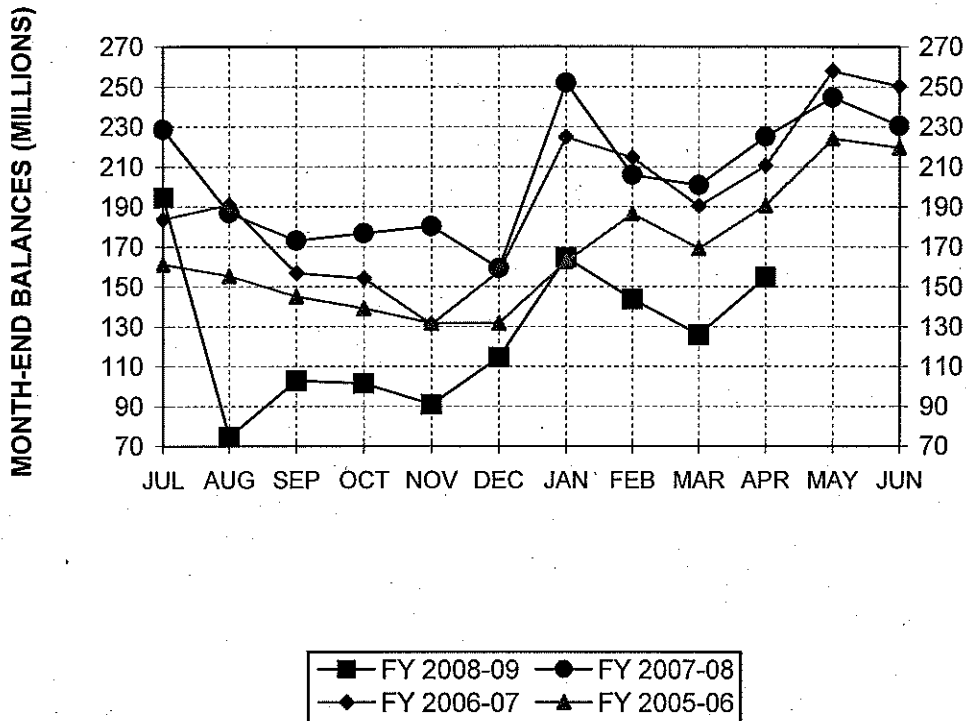
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Submitted by:



SCOTT P. JOHNSON
Director, Finance Department

GENERAL FUND Comparison of Cash Balances

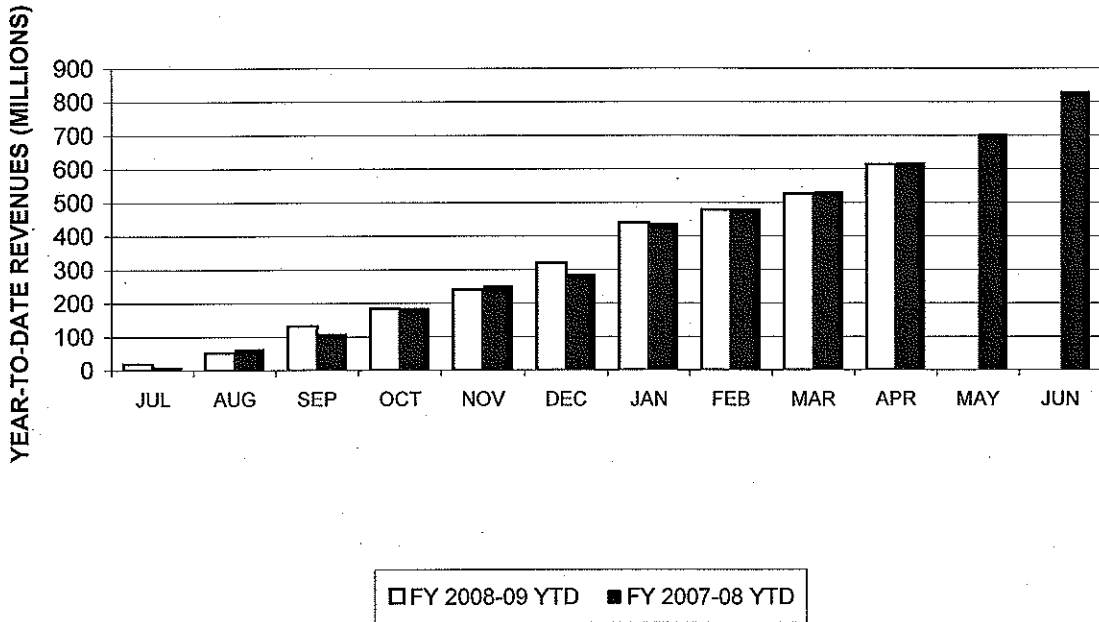


GENERAL FUND MONTHLY CASH BALANCES

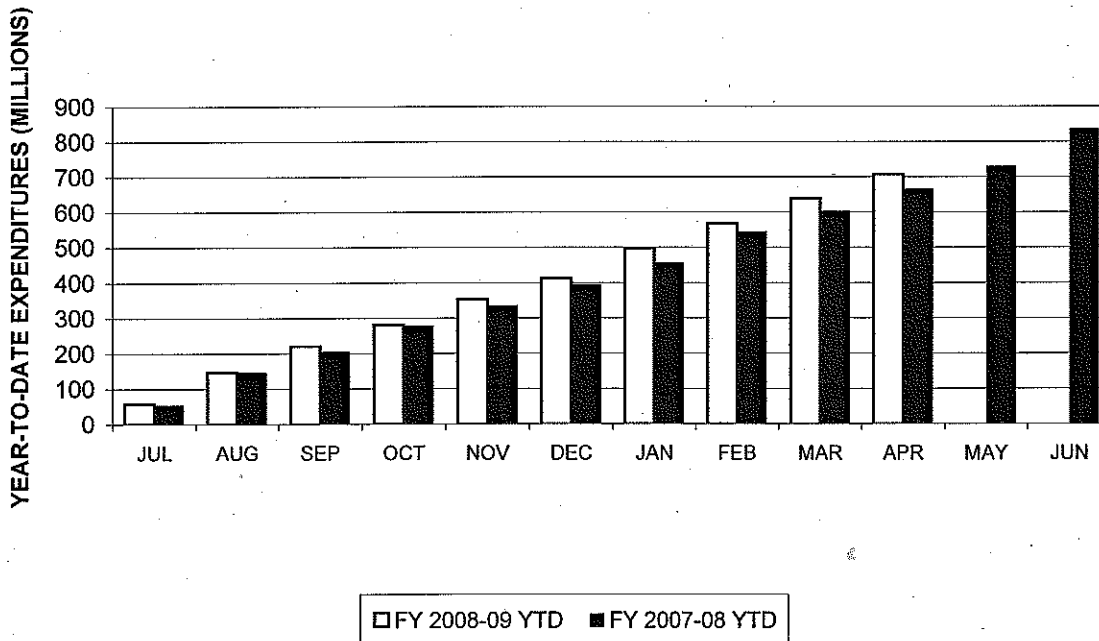
MONTH	FY 2008-09	FY 2007-08	FY 2006-07	FY 2005-06
JULY	\$ 194,527,843	\$ 228,551,607	\$ 183,638,084	\$ 161,103,519
AUGUST (1)	74,677,718	186,835,010	190,974,568	155,276,638
SEPTEMBER	102,811,355	173,043,887	156,674,730	144,980,057
OCTOBER	101,433,688	176,617,539	154,011,382	139,052,451
NOVEMBER	90,892,525	180,164,388	131,009,877	131,757,140
DECEMBER	114,535,815	159,164,830	157,479,064	131,612,938
JANUARY	164,539,700	251,792,153	224,766,520	162,598,761
FEBRUARY	143,802,507	205,882,438	214,574,932	186,471,797
MARCH	125,900,953	200,763,696	190,320,128	169,141,222
APRIL	154,701,704	225,008,853	210,342,744	190,637,410
MAY	244,545,422	257,771,653	257,771,653	224,072,193
JUNE	230,556,706	250,180,874	250,180,874	219,498,514

Note: (1) The General Fund cash balance decreased by \$91.6 million in August 2008 due to the decision to pay the City's portion of retirement contributions in a lump-sum rather than in bi-weekly contributions.

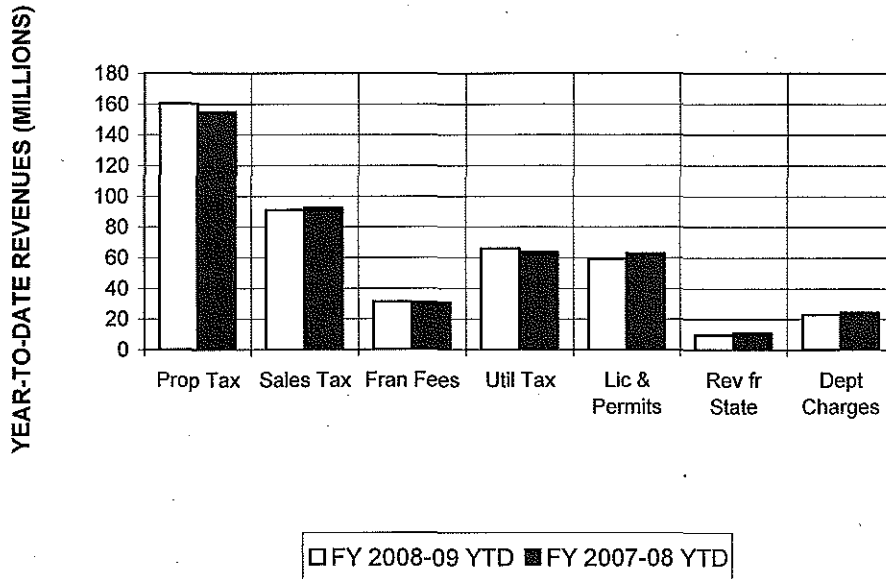
**GENERAL FUND
Comparison of YTD Revenues
Actual**



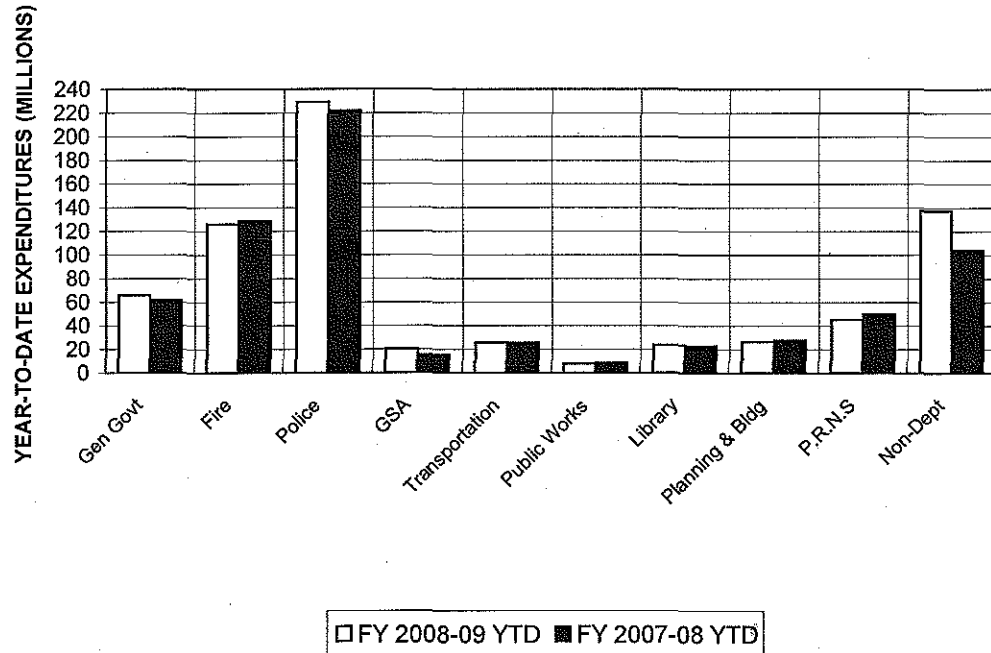
**GENERAL FUND
Comparison of YTD Expenditures
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GENERAL FUND MAJOR REVENUES
Comparison of YTD Actual vs. Prior YTD Actual
For the 10 Months Ended April 30, 2009



GENERAL FUND MAJOR EXPENDITURES
Comparison of YTD Actual vs. Prior YTD Actual
For the 10 Months Ended April 30, 2009



Note: 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 2008-2009 impact through April 2009 is approximately \$0.8 million.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
FUND BALANCE, REVENUE, TRANSFERS & REIMBURSEMENTS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)

	ADOPTED FY 2008-09 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2008-09 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
Fund Balance											
Prior Year Encumbrances	\$ -	-	37,578	37,578	37,578	100.00%	22,124	88.16%	25,096	15,454	69.85%
Liquidation of c/o Encumbrance	-	-	-	-	-	-	-	-	-	-	-
Available Balance	202,862	20,769	-	223,651	223,651	100.00%	153,454	61.97%	247,630	70,197	45.74%
Total Fund Balance	202,862	20,769	37,578	261,229	261,229	100.00%	175,578	64.38%	272,726	85,651	48.78%
General Revenues											
Property Tax	208,267	(875)	-	207,392	160,413	77.35%	154,897	76.04%	203,718	5,516	3.56%
Sales Tax (Note 1)	152,536	(6,223)	-	146,313	90,913	62.14%	92,484	60.05%	154,002	(1,571)	-1.70%
Telephone Line Tax (Note 2)	-	-	-	-	2,901	0.00%	-	0.00%	-	2,901	0.00%
Transient Occupancy Tax	9,972	(1,054)	-	8,918	6,286	70.49%	7,000	73.22%	9,560	(714)	-10.20%
Franchise Fees	41,621	-	-	41,621	31,105	74.73%	30,758	74.90%	41,064	347	1.13%
Utility Tax	83,690	-	-	83,690	65,835	78.67%	63,599	77.32%	82,254	2,236	3.52%
Licenses and Permits	78,884	(7,368)	-	71,516	59,163	82.73%	62,810	84.81%	74,059	(3,647)	-5.81%
Fines, Forfeits and Penalties	15,726	(570)	-	15,156	11,018	72.70%	13,037	83.57%	15,601	(2,019)	-15.49%
Use of Money and Property	13,222	(2,469)	-	10,753	8,193	76.19%	13,079	73.10%	17,891	(4,886)	-37.36%
Revenue from Local Agencies	48,072	3,145	-	51,217	41,459	80.95%	33,251	67.68%	49,127	8,208	24.68%
Revenue from State of Cal.	10,265	1,735	-	12,000	9,655	80.46%	10,821	87.88%	12,314	(1,166)	-10.78%
Revenue from Federal Government	3,815	2,174	-	5,989	3,660	61.11%	2,350	31.72%	7,409	1,310	55.74%
Departmental Charges (Note 3)	30,863	(2,216)	-	28,647	22,960	80.15%	24,534	79.55%	30,842	(1,574)	-6.42%
Other Revenues	17,496	3,739	-	21,235	20,584	96.93%	19,667	83.99%	23,416	917	4.66%
Total General Revenues	714,429	(9,982)	-	704,447	534,145	75.82%	528,287	73.25%	721,257	5,858	1.11%
Transfers & Reimbursements											
Overhead Reimbursements	34,254	1,614	-	35,868	33,959	94.68%	33,080	87.79%	37,680	879	2.66%
Transfers from Other Funds	51,717	(182)	-	51,535	37,386	72.54%	45,894	89.80%	51,105	(8,508)	-18.54%
Reimbursements for Services	17,818	(500)	-	17,318	8,248	47.63%	12,128	68.52%	17,699	(3,880)	-31.99%
Total Transfers & Reimburse	103,789	932	-	104,721	79,593	76.00%	91,102	85.55%	106,484	(11,509)	-12.63%
Total Sources	\$ 1,021,100	11,719	37,578	1,070,397	874,967	81.74%	794,967	72.24%	1,100,467	80,000	10.06%

Note 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 2008-2009 impact through April 2009 is approximately \$0.8 million.

Note 2 - Chapter 4.52 was added to the Municipal Code (by voters per 2008 Measure J) to replace the Emergency Communications System Support Fee, originally mandated by Municipal Code Chapter 8.20.

Note 3 - See Supplemental Schedule on Page 7

**CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
EXPENDITURES
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)**

	ADOPTED FY 2008-09 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2008-09 BUDGET	YEAR-TO-DATE		CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL(1)	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END BUDGETARY BASIS ACTUAL	CUR YTD LESS PRIOR YTD ACTUAL(1)	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
					ACTUAL	ENCUMBR						
General Government												
Mayor and Council	\$ 10,339	(371)	90	10,058	6,261	181	62.25%	6,197	82.28%	7,532	64	1.03%
City Attorney	13,384	(2)	1,706	15,088	10,865	1,326	72.01%	10,739	80.60%	13,323	126	1.17%
City Auditor	2,642	3	162	2,807	1,985	70	70.72%	1,678	80.71%	2,079	307	18.30%
City Clerk	4,470	116	11	4,597	2,781	8	60.50%	1,603	66.27%	2,419	1,178	73.49%
City Manager	12,094	145	346	12,585	9,193	250	73.05%	9,070	80.32%	11,293	123	1.36%
Finance	12,502	(2)	130	12,630	9,622	359	76.18%	8,866	79.01%	11,221	756	8.53%
Information Technology	17,274	120	685	18,079	12,906	1,237	71.39%	12,330	79.55%	15,499	576	4.67%
Human Resources	7,914	13	110	8,037	6,006	191	74.73%	5,729	79.85%	7,175	277	4.84%
Redevelopment Agency	1,897	54	-	1,951	1,623	-	83.19%	959	81.62%	1,175	664	69.24%
Independent Police Auditor	830	9	7	846	646	7	76.36%	647	80.37%	805	(1)	-0.15%
Office of Economic Development	4,274	162	336	4,772	3,629	234	76.05%	3,490	80.32%	4,345	139	3.98%
Office of Emergency Services	541	7	-	548	403	-	73.54%	394	150.38%	262	9	2.28%
Total General Government	88,161	254	3,583	91,998	65,920	3,863	71.65%	61,702	80.00%	77,128	4,218	6.84%
Public Safety												
Fire	158,203	540	430	159,173	125,887	841	79.09%	128,540	81.25%	158,203	(2,653)	-2.06%
Police	281,147	11,512	2,262	294,921	229,064	3,668	77.67%	221,888	79.30%	279,794	7,176	3.23%
Total Public Safety	439,350	12,052	2,692	454,094	354,951	4,509	78.17%	350,428	80.01%	437,997	4,523	1.29%
Capital Maintenance												
General Services	24,927	(462)	757	25,222	20,209	1,664	80.12%	15,128	84.08%	17,992	5,081	33.59%
Transportation	32,895	(271)	843	33,467	25,609	1,249	76.52%	25,489	77.98%	32,688	120	0.47%
Public Works	9,860	374	51	10,285	7,797	252	75.81%	8,439	85.11%	9,915	(642)	-7.61%
Total Capital Maintenance	67,682	(359)	1,651	68,974	53,615	3,165	77.73%	49,056	80.96%	60,595	4,559	9.29%

(1) Does not include encumbrance balance.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
EXPENDITURES
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)

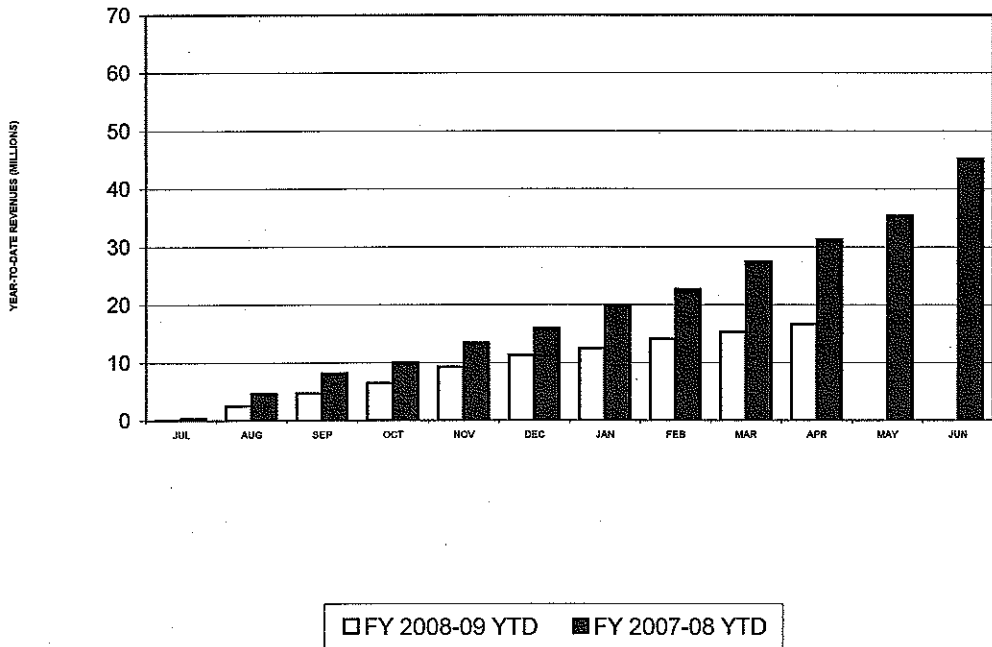
	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END	CUR YTD LESS	% CHANGE
	FY 2008-09	BUDGET		FY 2008-09	ACTUAL	ENCUMBR	ACTUAL %	YTD	OF PRIOR	BUDGETARY		PRIOR YTD
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	OF BUDGET	ACTUAL(1)	ACTUAL	ACTUAL	ACTUAL(1)	ACTUAL
Community Service												
Library	29,575	423	258	30,256	23,681	262	78.27%	22,765	79.43%	28,661	916	4.02%
Planning, Bldg & Code Enf.	36,780	(2,892)	648	34,536	26,512	437	76.77%	27,539	80.48%	34,218	(1,027)	-3.73%
Park, Rec & Neigh Svcs	59,009	(599)	785	59,195	45,292	3,871	76.51%	50,019	78.54%	63,687	(4,727)	-9.45%
Environmental Services	842	(110)	263	995	420	187	42.21%	819	71.16%	1,151	(399)	48.72%
Total Community Services	126,206	(3,178)	1,954	124,982	95,905	4,757	76.74%	101,142	79.19%	127,717	(5,237)	-5.18%
Total Dept. Expenditures	\$ 721,399	8,769	9,880	740,048	570,391	16,294	77.07%	562,328	79.94%	703,437	8,063	1.43%
Non-Dept Expenditures												
City-wide Expenditures:												
Econ & Neighborhood Develop.	\$ 30,566	5,530	1,553	37,649	28,431	3,122	75.52%	18,594	66.16%	28,103	9,837	52.90%
Environmental & Utility Services	989	2,161	125	3,275	1,829	221	55.85%	554	52.96%	1,046	1,275	230.14%
Public Safety	5,861	1,174	2,399	9,434	4,798	879	50.86%	4,722	53.14%	8,886	76	1.61%
Recreation & Cultural Services	12,652	1,510	1,073	15,235	6,918	2,088	45.41%	6,110	68.18%	8,962	808	13.22%
Transportation Services	3,034	694	362	4,090	1,742	801	42.59%	1,548	74.96%	2,065	194	12.53%
Strategic Support	69,557	(1,073)	4,207	72,691	40,579	3,731	55.82%	35,571	79.17%	44,929	5,008	14.08%
Total City-wide Expenditures	122,659	9,996	9,719	142,374	84,297	10,842	59.21%	67,099	71.39%	93,991	17,198	25.63%
Capital Contributions	33,663	(6,536)	17,979	45,106	14,847	7,970	32.92%	9,509	86.86%	10,947	5,338	56.14%
Transfers to Other Funds	32,812	6,075	-	38,887	38,255	-	98.37%	27,654	91.04%	30,374	10,601	38.33%
Total Non-Dept Expenditures	189,134	9,535	27,698	226,367	137,399	18,812	60.70%	104,262	77.05%	135,312	33,137	31.78%
Reserves												
Contingency Reserves	30,294	422	-	30,716	-	-	0.00%	-	0.00%	-	-	0.00%
Earmarked Reserves	80,273	(7,276)	-	72,997	-	-	0.00%	-	0.00%	-	-	0.00%
Total Reserves	110,567	(6,854)	-	103,713	-	-	0.00%	-	0.00%	-	-	0.00%
Total Uses	\$ 1,021,100	11,450	37,578	1,070,128	707,790	35,106	66.14%	666,590	79.47%	838,749	41,200	6.18%

(1) Does not include encumbrance balance.

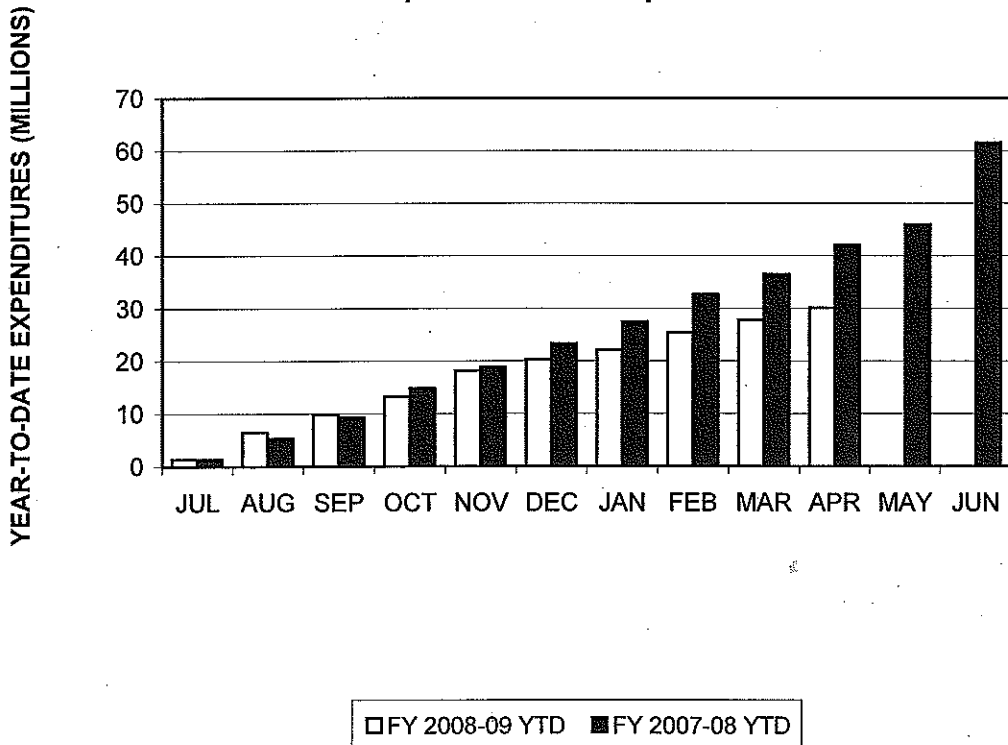
CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
SUPPLEMENTAL SCHEDULE - DEPARTMENTAL REVENUES
(UNAUDITED)
(\$000's)

	ADOPTED FY 2008-09 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2008-09 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	\$ 1,763	-	-	1,763	1,332	75.55%	1,345	79.87%	1,684	(13)	-0.97%
Public Works	7,511	-	-	7,511	4,998	66.54%	5,196	72.16%	7,201	(198)	-3.81%
Transportation	956	-	-	956	926	96.86%	853	60.75%	1,404	73	8.56%
Library	1,216	-	-	1,216	971	79.85%	1,024	76.13%	1,345	(53)	-5.18%
Planning, Bldg & Code Enf	6,702	(1,948)	-	4,754	3,841	80.80%	5,899	89.51%	6,590	(2,058)	-34.89%
Parks Rec & Neigh Svcs	6,357	188	-	6,545	7,129	108.92%	7,428	83.53%	8,893	(299)	-4.03%
Miscellaneous Dept Charges	6,358	(456)	-	5,902	3,763	63.76%	2,789	74.87%	3,725	974	34.92%
Total Departmental Revenues \$	30,863	(2,216)	-	28,647	22,960	80.15%	24,534	79.55%	30,842	(1,574)	-6.42%

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



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



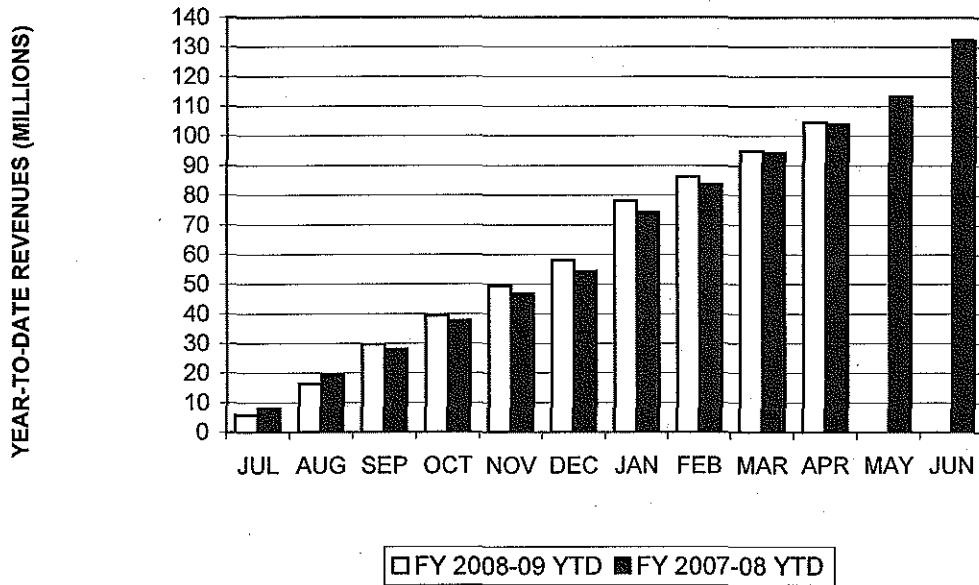
**CITY OF SAN JOSE
SPECIAL REVENUE FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)**

	ADOPTED FY 2008-09 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2008-09 BUDGET	YEAR-TO-DATE		PRIOR Y-T-D ACTUAL
					ACTUAL	ENCUMBR	
Construction/Conveyance Tax							
Prior Year Encumbrance	\$ -	-	11,279	11,279	11,279	N/A	13,217
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	80,039	6,598	-	86,637	86,637	N/A	101,009
Revenues	49,982	(16,929)	-	33,053	16,674	N/A	31,275
Total Sources	130,021	(10,331)	11,279	130,969	114,590	N/A	145,501
Total Uses	130,021	(10,331)	11,279	130,969	30,075	9,511	42,085
Gas Tax							
Prior Year Encumbrance	-	-	-	-	-	N/A	-
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	-	-	-	-	-	N/A	-
Revenues	17,200	-	-	17,200	8,031	N/A	11,736
Total Sources	17,200	-	-	17,200	8,031	N/A	11,736
Total Uses	17,200	-	-	17,200	8,031	0	11,736
Building and Structures							
Prior Year Encumbrance	-	-	6,322	6,322	6,322	N/A	8,020
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	12,701	5,535	-	18,236	18,236	N/A	19,982
Revenues	15,813	4,754	-	20,567	13,535	N/A	11,476
Total Sources	28,514	10,289	6,322	45,125	38,093	N/A	39,478
Total Uses	28,514	10,289	6,322	45,125	17,433	4,492	13,504
Residential Construction							
Prior Year Encumbrance	-	-	-	-	-	N/A	1
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	1,315	24	-	1,339	1,339	N/A	1,337
Revenues	150	(50)	-	100	91	N/A	90
Total Sources	1,465	(26)	-	1,439	1,430	N/A	1,428
Total Uses	\$ 1,465	(26)	-	1,439	113	0	88

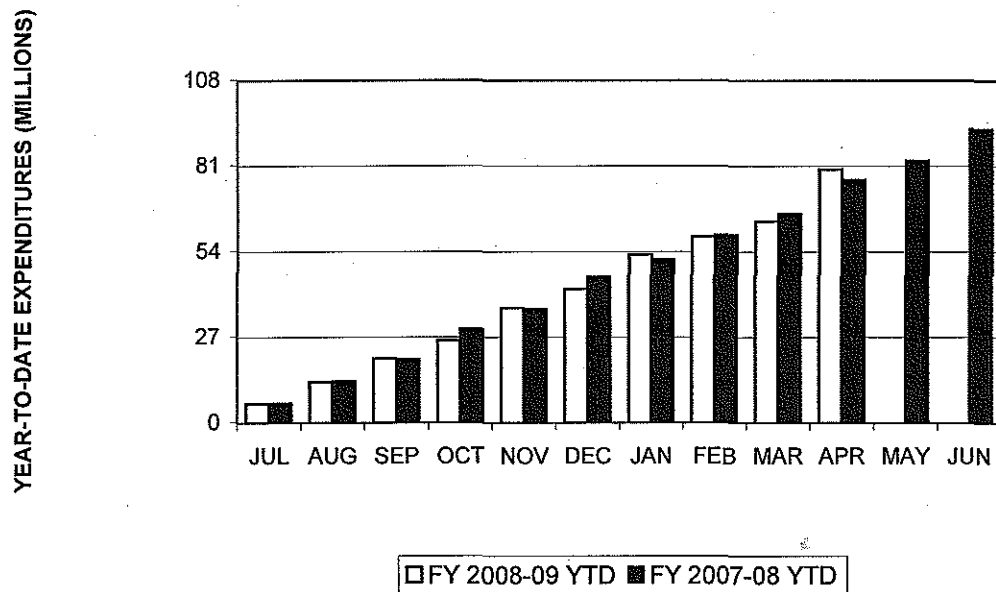
**CITY OF SAN JOSE
SPECIAL REVENUE FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)**

	ADOPTED FY 2008-09 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2008-09 BUDGET	YEAR-TO-DATE		PRIOR Y-T-D ACTUAL
					ACTUAL	ENCUMBR	
Transient Occupancy Tax							
Prior Year Encumbrance	\$ -	-	401	401	401	N/A	127
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	4,058	59	-	4,117	4,117	N/A	4,176
Revenues	14,984	-	-	14,984	9,317	N/A	10,502
Total Sources	19,042	59	401	19,502	13,835	N/A	14,805
Total Uses	19,042	59	401	19,502	12,947	592	11,720
Conventions, Arts & Entertainment							
Prior Year Encumbrance	-	-	689	689	689	N/A	338
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	6,429	1,177	-	7,606	7,606	N/A	4,080
Revenues	19,887	(819)	-	19,068	16,517	N/A	14,635
Total Sources	26,316	358	689	27,363	24,812	N/A	19,053
Total Uses	26,316	358	689	27,363	15,178	565	14,329
Golf							
Prior Year Encumbrance	-	-	-	-	-	N/A	11
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	791	134	-	925	925	N/A	833
Revenues	2,123	(190)	-	1,933	2,336	N/A	2,025
Total Sources	2,914	(56)	-	2,858	3,261	N/A	2,869
Total Uses	2,914	(56)	-	2,858	2,113	7	2,003
Other Funds							
Prior Year Encumbrance	-	-	53,631	53,631	53,631	N/A	47,869
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	193,130	20,767	-	213,897	213,897	N/A	187,201
Revenues	617,629	(88,406)	-	529,223	402,611	N/A	364,276
Total Sources	810,759	(67,639)	53,631	796,751	670,139	N/A	599,346
Total Uses	\$ 810,759	(67,639)	53,631	796,751	368,128	90,025	344,580

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

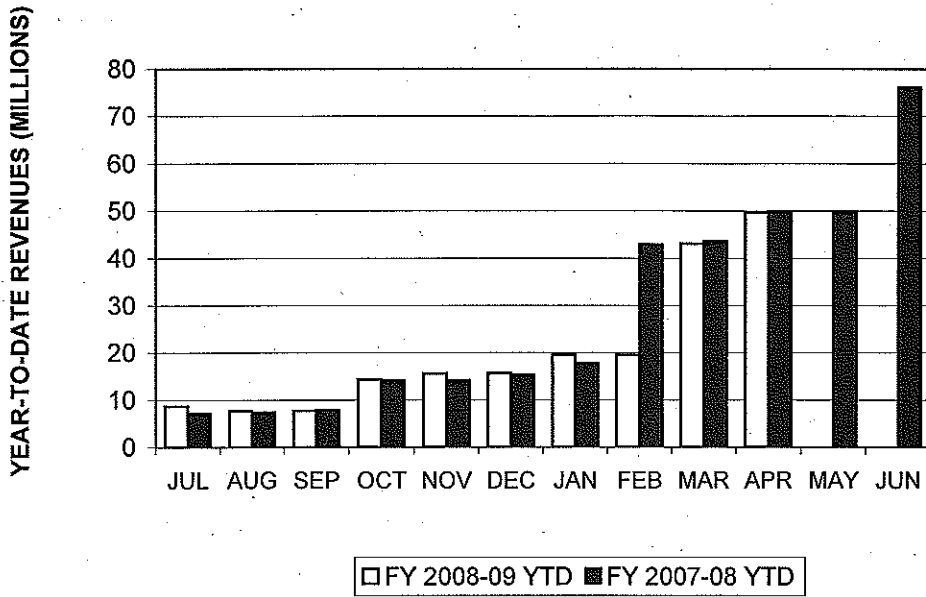


**AIRPORT MAINTENANCE & OPERATING FUND 523
Comparison of YTD Expenditures**

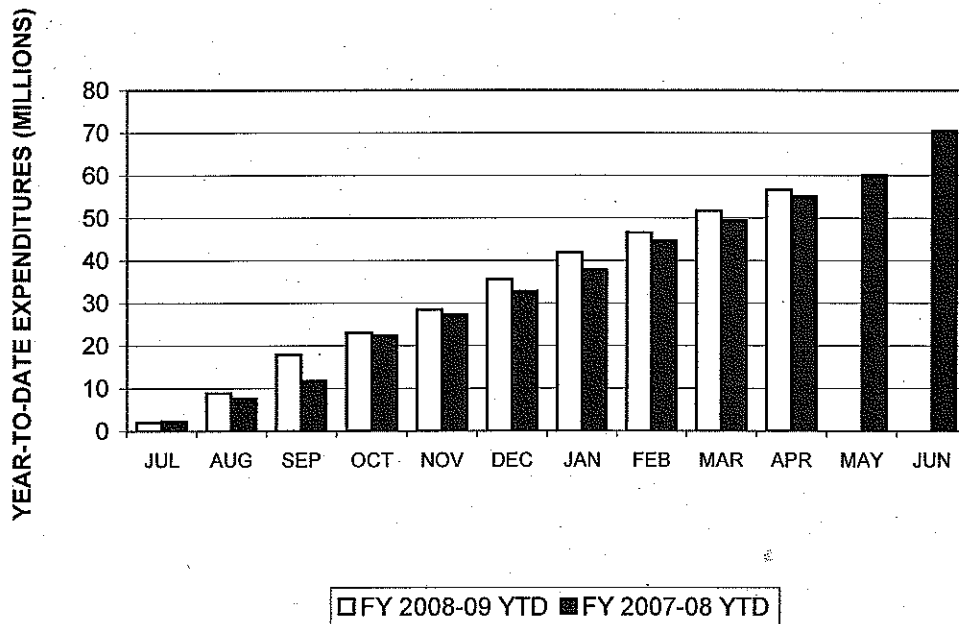


Note: The graphs above include the airport revenue fund (521) and operating fund (523) only.

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

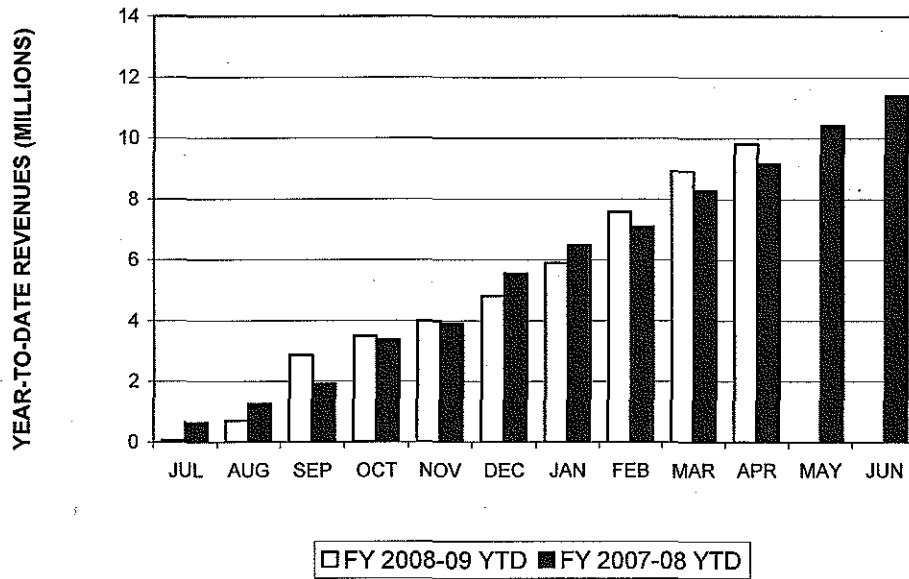


**WPCP OPERATING FUND 513
Comparison of YTD Expenditures**

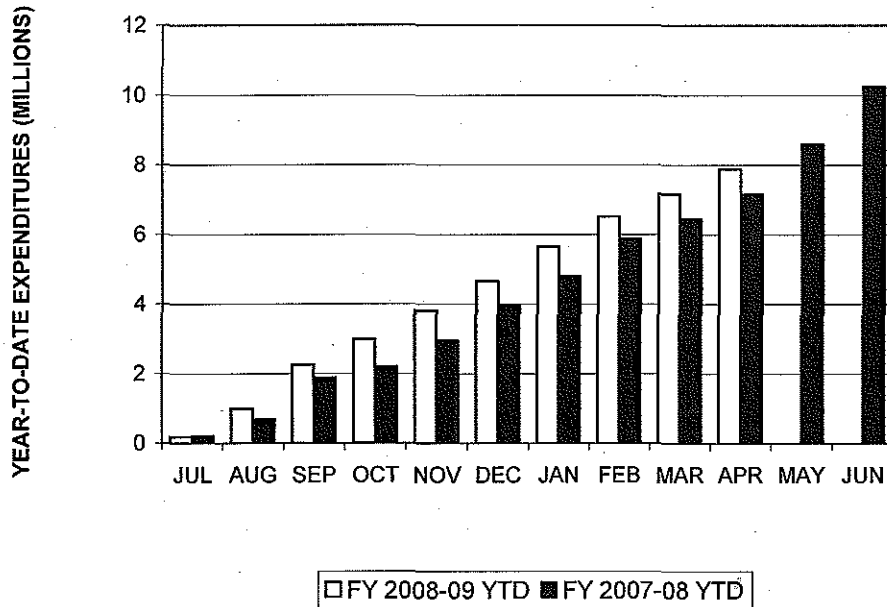


Note: Graphs above are only for WPCP operating fund (513).

**PARKING OPERATING FUND 533
Comparison of YTD Revenues**



**PARKING OPERATING FUND 533
Comparison of YTD Expenditures**



Accounting transfers that artificially increased revenues and expenditures by the same amount were included in fund 533. An adjustment has been made to net out these transfers so that actual and operational revenues and expenditures can be compared to prior year amounts.

**CITY OF SAN JOSE
ENTERPRISE FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O ENCUMBR	REVISED	YEAR-TO-DATE		PRIOR
	FY 2008-09 BUDGET	BUDGET AMENDMENTS		FY 2008-09 BUDGET	ACTUAL	ENCUMBR	Y-T-D ACTUAL
Airport							
Prior Year Encumbrance	\$ -	-	496,111	496,111	496,111	N/A	187,391
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	589,935	40,923	-	630,858	630,858	N/A	473,929
Revenues	404,483	(12,169)	-	392,314	400,474	N/A	844,678
Total Sources	994,418	28,754	496,111	1,519,283	1,527,443	N/A	1,505,998
Total Uses	994,418	28,754	496,111	1,519,283	470,922	432,626	962,131
(Note 1)							
Waste Water Treatment							
Prior Year Encumbrance	-	-	53,882	53,882	53,882	N/A	34,556
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	170,257	1,500	-	171,757	171,757	N/A	186,060
Revenues	245,551	35,970	-	281,521	208,535	N/A	192,113
Total Sources	415,808	37,470	53,882	507,160	434,174	N/A	412,729
Total Uses	415,808	37,470	53,882	507,160	166,020	54,950	165,091
(Note 2)							
Municipal Water							
Prior Year Encumbrance	-	-	1,635	1,635	1,635	N/A	1,096
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	9,155	262	-	9,417	9,417	N/A	10,874
Revenues	30,433	35	-	30,468	25,843	N/A	23,213
Total Sources	39,588	297	1,635	41,520	36,895	N/A	35,183
Total Uses	39,588	297	1,635	41,520	21,590	1,827	21,442
Parking							
Prior Year Encumbrance	-	-	1,057	1,057	1,057	N/A	786
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	12,442	1,748	-	14,190	14,190	N/A	13,045
Revenues	16,954	(5,100)	-	11,854	9,812	N/A	9,168
Total Sources	29,396	(3,352)	1,057	27,101	25,059	N/A	22,999
Total Uses	\$ 29,396	(3,352)	1,057	27,101	7,879	1,276	7,150
(Note 3)							

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

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

Note 3 - Accounting transfers that artificially increased revenues and expenditures by the same amount were included in the parking funds. An adjustment has been made to net out these transfers so that actual and operational revenues and expenditures can be compared to prior year amounts.

**CITY OF SAN JOSE
CAPITAL PROJECT FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2008-09 BUDGET	BUDGET AMENDMENTS		FY 2008-09 BUDGET	ACTUAL	ENCUMBER	Y-T-D ACTUAL
Construction Excise							
Prior Year Encumbrance	\$ -	-	8,042	8,042	8,042	N/A	7,161
Liquidation of c/o Enc.	-	-	-	-	-	N/A	-
Beginning Fund Balance	16,636	(7,037)	-	9,599	9,599	N/A	15,122
Revenues	29,535	3,969	-	33,504	29,955	N/A	31,414
Total Sources	46,171	(3,068)	8,042	51,145	47,596	N/A	53,697
Total Uses	46,171	(3,068)	8,042	51,145	28,719	7,667	29,655
Redevelopment Projects							
Prior Year Encumbrance	-	-	4,945	4,945	4,945	N/A	3,057
Liquidation of c/o Enc.	-	-	-	-	-	N/A	-
Beginning Fund Balance	3,340	4,734	-	8,074	8,074	N/A	7,370
Revenues	-	3,333	-	3,333	6,440	N/A	6,221
Total Sources	3,340	8,067	4,945	16,352	19,459	N/A	16,648
Total Uses	3,340	8,067	4,945	16,352	7,023	4,225	4,756
Other							
Prior Year Encumbrance	-	-	128,956	128,956	128,956	N/A	47,501
Liquidation of c/o Enc.	-	-	-	-	-	N/A	-
Beginning Fund Balance	140,942	3,715	-	144,657	144,657	N/A	262,404
Revenues	30,429	3,024	-	33,453	9,066	N/A	12,759
Total Sources	171,371	6,739	128,956	307,066	282,679	N/A	322,664
Total Uses	\$ 171,371	6,739	128,956	307,066	89,223	86,817	55,001

**CITY OF SAN JOSE
OTHER FUND TYPES
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2009
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2008-09 BUDGET	BUDGET AMENDMENTS		FY 2008-09 BUDGET	ACTUAL	ENCUMBR	Y-T-D ACTUAL
Trust and Agency							
Prior Year Encumbrance	\$ -	-	33	33	33	N/A	28
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	2,197	181	-	2,378	2,378	N/A	2,189
Revenues	203	313	-	516	810	N/A	2,028
Total Sources	<u>2,400</u>	<u>494</u>	<u>33</u>	<u>2,927</u>	<u>3,221</u>	<u>N/A</u>	<u>4,245</u>
Total Uses	<u>\$ 2,400</u>	<u>494</u>	<u>33</u>	<u>2,927</u>	<u>808</u>	<u>30</u>	<u>956</u>