

**2016-2017  
ANNUAL REPORT**

**COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND**

| Fund  | 2016-2017<br>Budget<br>Revenues | 2016-2017<br>Actual<br>Revenues | Revenue<br>Variance | %<br>Variance | 2016-2017<br>Budget<br>Expenditures | 2016-2017<br>Actual<br>Expenditures | Expense<br>Variance | %<br>Variance | Reason for Significant<br>Variances |
|---|---------------------------------|---------------------------------|---------------------|---------------|-------------------------------------|-------------------------------------|---------------------|---------------|-------------------------------------|
| <i>General Fund</i>                                       | 1,109,678,300                   | 1,108,259,950                   | (1,418,350)         | -0.1%         | 1,251,651,183                       | 1,160,151,245                       | 91,499,938          | 7.3%          | See Section II                      |
| <i>Special Funds</i>                                      |                                 |                                 |                     |               |                                     |                                     |                     |               |                                     |
| Airport Customer Facility and Transportation Fee Fund     | 20,528,207                      | 20,172,397                      | (355,810)           | -1.7%         | 20,519,732                          | 20,334,254                          | 185,478             | 0.9%          | (See Section III)                   |
| Airport Fiscal Agent Fund                                 | 791,760,513                     | 791,665,997                     | (94,516)            | 0.0%          | 782,049,654                         | 778,613,974                         | 3,435,680           | 0.4%          |                                     |
| Airport Maintenance and Operation Fund                    | 82,573,654                      | 75,661,420                      | (6,912,234)         | -8.4%         | 85,620,340                          | 81,787,596                          | 3,832,744           | 4.5%          | (See Section III)                   |
| Airport Revenue Fund                                      | 146,009,620                     | 153,949,615                     | 7,939,995           | 5.4%          | 149,729,303                         | 143,608,142                         | 6,121,161           | 4.1%          | (See Section III)                   |
| Airport Surplus Revenue Fund                              | 14,479,990                      | 14,479,968                      | (22)                | 0.0%          | 13,479,990                          | 13,478,255                          | 1,735               | 0.0%          |                                     |
| Benefit Funds   | 80,852,000                      | 76,426,284                      | (4,425,716)         | -5.5%         | 82,069,898                          | 77,473,195                          | 4,596,703           | 5.6%          |                                     |
| Business Improvement District Fund                        | 3,862,945                       | 4,108,807                       | 245,862             | 6.4%          | 4,187,121                           | 4,078,206                           | 108,915             | 2.6%          |                                     |
| Cash Reserve Fund   | 53                              | 58                              | 5                   | 9.4%          | 0                                   | 0                                   | 0                   | 0.0%          |                                     |
| City Hall Debt Service Fund                               | 25,223,058                      | 25,334,951                      | 111,893             | 0.4%          | 25,299,000                          | 25,152,595                          | 146,405             | 0.6%          |                                     |
| Community Development Block Grant Fund                    | 8,889,991                       | 9,055,782                       | 165,791             | 1.9%          | 17,680,813                          | 13,700,076                          | 3,980,737           | 22.5%         | E1, E3                              |
| Community Facilities Revenue Fund                         | 8,741,877                       | 8,824,402                       | 82,525              | 0.9%          | 12,939,787                          | 10,519,349                          | 2,420,438           | 18.7%         | E1                                  |
| Convention and Cultural Affairs Fund                      | 13,863,304                      | 13,997,424                      | 134,120             | 1.0%          | 19,954,083                          | 13,470,856                          | 6,483,227           | 32.5%         | E3                                  |
| Convention Center Facilities District Revenue Fund        | 28,929,416                      | 14,779,509                      | (14,149,907)        | -48.9%        | 36,326,191                          | 33,440,338                          | 2,885,853           | 7.9%          | R2                                  |
| Downtown Property and Business Improvement District Fund  | 3,061,401                       | 2,979,260                       | (82,141)            | -2.7%         | 2,916,928                           | 2,916,877                           | 51                  | 0.0%          |                                     |
| Economic Development Administration Loan Fund             | 1,550                           | 68                              | (1,482)             | -95.6%        | 0                                   | 0                                   | 0                   | 0.0%          | R4                                  |
| Edward Byrne Memorial Justice Assistance Grant Trust Fund | 42                              | 1,917                           | 1,875               | 4464.3%       | 181,669                             | 58,705                              | 122,964             | 67.7%         | R5, E1                              |
| Emergency Reserve Fund                                    | 17,500                          | 18,611                          | 1,111               | 6.3%          | 1,781,538                           | 1,780,296                           | 1,242               | 0.1%          |                                     |
| Federal Drug Forfeiture Fund                              | 220,000                         | 188,040                         | (31,960)            | -14.5%        | 1,296,432                           | 284,042                             | 1,012,390           | 78.1%         | R4, E1                              |
| Gas Tax Maintenance and Construction Funds                | 17,500,000                      | 17,337,123                      | (162,877)           | -0.9%         | 17,500,000                          | 17,337,123                          | 162,877             | 0.9%          |                                     |
| General Purpose Parking Fund                              | 20,731,800                      | 21,927,640                      | 1,195,840           | 5.8%          | 25,030,198                          | 14,629,547                          | 10,400,651          | 41.6%         | E1                                  |
| Gift Trust Fund   | 13,436                          | 922,245                         | 908,809             | 6764.0%       | 4,447,641                           | 1,291,946                           | 3,155,695           | 71.0%         | R5, E4                              |
| Home Investment Partnership Program Trust Fund            | 12,120,000                      | 12,967,528                      | 847,528             | 7.0%          | 11,683,134                          | 10,219,448                          | 1,463,686           | 12.5%         | E1, E3                              |
| Housing Trust Fund  | 1,120,000                       | 1,848,576                       | 728,576             | 65.1%         | 4,447,565                           | 2,826,443                           | 1,621,122           | 36.4%         | R1, E1                              |
| Ice Centre Revenue Fund                                   | 1,922,215                       | 1,924,879                       | 2,664               | 0.1%          | 2,296,510                           | 1,887,458                           | 409,052             | 17.8%         | E1                                  |
| Integrated Waste Management Fund                          | 127,286,586                     | 129,073,294                     | 1,786,708           | 1.4%          | 133,930,206                         | 130,067,679                         | 3,862,527           | 2.9%          | (See Section III)                   |
| Library Parcel Tax Fund                                   | 8,731,236                       | 8,784,337                       | 53,101              | 0.6%          | 10,435,555                          | 8,625,965                           | 1,809,590           | 17.3%         | E1                                  |
| Low and Moderate Income Housing Asset Fund                | 18,050,000                      | 19,210,473                      | 1,160,473           | 6.4%          | 43,448,099                          | 25,479,462                          | 17,968,637          | 41.4%         | E1, E3                              |
| Multi-Source Housing Fund                                 | 50,424,955                      | 48,488,121                      | (1,936,834)         | -3.8%         | 15,589,452                          | 10,328,775                          | 5,260,677           | 33.7%         | E1, E3                              |
| Municipal Golf Course Fund                                | 2,675,000                       | 2,619,763                       | (55,237)            | -2.1%         | 3,178,000                           | 3,156,688                           | 21,312              | 0.7%          |                                     |
| Public Works Program Support Fund                         | 15,265,000                      | 14,406,384                      | (858,616)           | -5.6%         | 15,781,925                          | 15,090,886                          | 691,039             | 4.4%          |                                     |
| San Jose Arena Capital Reserve Fund                       | 1,519,910                       | 1,553,769                       | 33,859              | 2.2%          | 5,480,143                           | 2,128,217                           | 3,351,926           | 61.2%         | E1                                  |

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|--|---------------------------------|---------------------------------|---------------------|---------------|-------------------------------------|-------------------------------------|---------------------|---------------|-------------------------------------|
| <i>Special Funds</i>                                 |                                 |                                 |                     |               |                                     |                                     |                     |               |                                     |
| San Jose Municipal Stadium Capital Fund              | 32,000                          | 0                               | (32,000)            | -100.0%       | 35,190                              | 0                                   | 35,190              | 100.0%        | R2, E1                              |
| San José-Santa Clara Treatment Plant Operating Funds | 239,968,472                     | 242,983,534                     | 3,015,062           | 1.3%          | 262,138,428                         | 248,708,259                         | 13,430,169          | 5.1%          | (See Section III)                   |
| Special Assessment Maintenance District Funds        | 5,631,791                       | 5,410,399                       | (221,392)           | -3.9%         | 8,843,738                           | 7,069,360                           | 1,774,378           | 20.1%         | E3                                  |
| St. James Park Management District Fund              | 1,931,395                       | 1,931,952                       | 557                 | 0.0%          | 228,450                             | 10,520                              | 217,930             | 95.4%         | E1                                  |
| State Drug Forfeiture Fund                           | 105,000                         | 51,064                          | (53,936)            | -51.4%        | 727,000                             | 162,791                             | 564,209             | 77.6%         | R4, E1                              |
| Storm Sewer Operating Fund                           | 32,697,505                      | 33,172,309                      | 474,804             | 1.5%          | 37,949,041                          | 35,203,145                          | 2,745,896           | 7.2%          |                                     |
| Supplemental Law Enforcement Services Fund           | 2,359,688                       | 2,195,000                       | (164,688)           | -7.0%         | 3,321,036                           | 2,296,184                           | 1,024,852           | 30.9%         | E1                                  |
| Transient Occupancy Tax Fund                         | 27,022,000                      | 27,537,413                      | 515,413             | 1.9%          | 32,147,746                          | 27,911,660                          | 4,236,086           | 13.2%         | E1                                  |
| Vehicle Maintenance and Operations Fund              | 20,542,010                      | 19,682,655                      | (859,355)           | -4.2%         | 22,628,955                          | 21,995,884                          | 633,071             | 2.8%          |                                     |
| Workforce Development Fund                           | 14,035,652                      | 9,607,515                       | (4,428,137)         | -31.5%        | 13,368,404                          | 10,194,748                          | 3,173,656           | 23.7%         | R1, E1                              |
| Water Utility Fund                                   | 42,245,150                      | 44,731,562                      | 2,486,412           | 5.9%          | 45,386,944                          | 43,256,388                          | 2,130,556           | 4.7%          | (See Section III)                   |
| <b>Sub-Total Special Funds</b>                       | <b>1,892,945,922</b>            | <b>1,880,012,045</b>            | <b>(12,933,877)</b> | <b>-0.7%</b>  | <b>1,976,055,838</b>                | <b>1,860,575,332</b>                | <b>115,480,507</b>  | <b>5.8%</b>   |                                     |
| <i>Capital Funds</i>                                 |                                 |                                 |                     |               |                                     |                                     |                     |               |                                     |
| Airport Capital Funds                                | 69,623,000                      | 39,658,966                      | (29,964,034)        | -43.0%        | 131,849,541                         | 84,731,215                          | 47,118,326          | 35.7%         | R4, E2 (See Section III)            |
| Branch Libraries Bond Projects Fund                  | 355,000                         | 365,987                         | 10,987              | 3.1%          | 1,609,174                           | 1,076,778                           | 532,396             | 33.1%         | E1                                  |
| Building and Structure Construction Tax Fund         | 39,438,000                      | 26,542,451                      | (12,895,549)        | -32.7%        | 59,819,142                          | 31,230,880                          | 28,588,262          | 47.8%         | R2, E1 (See Section III),           |
| Construction and Conveyance Tax Funds                | 67,998,618                      | 79,537,797                      | 11,539,179          | 17.0%         | 112,074,142                         | 91,237,369                          | 20,836,773          | 18.6%         | R1, R5, E1 (See Section III)        |
| Construction Excise Tax Fund                         | 73,826,688                      | 58,183,768                      | (15,642,920)        | -21.2%        | 112,221,628                         | 78,600,935                          | 33,620,693          | 30.0%         | R2, E1 (See Section III)            |
| Contingent Lien District Fund                        | 0                               | 69,152                          | 69,152              | 100.0%        | 649,403                             | 42,542                              | 606,861             | 93.4%         | R1, E1                              |
| Convention Center Facilities District Project Fund   | 324,811                         | 323,077                         | (1,734)             | -0.5%         | 1,351,727                           | 676,193                             | 675,534             | 50.0%         | E1                                  |
| Emma Prusch Park Fund                                | 88,000                          | 89,490                          | 1,490               | 1.7%          | 233,000                             | 164,591                             | 68,409              | 29.4%         | E1                                  |
| Improvement District Fund                            | 0                               | 8,702                           | 8,702               | 100.0%        | 2,806,950                           | 2,037,023                           | 769,927             | 27.4%         | R5, E1                              |
| Lake Cunningham Fund                                 | 905,000                         | 749,308                         | (155,692)           | -17.2%        | 1,577,324                           | 1,096,344                           | 480,980             | 30.5%         | R6, E1                              |
| Major Collectors and Arterials Fund                  | 4,000                           | 82,224                          | 78,224              | 1955.6%       | 45,000                              | 125                                 | 44,875              | 99.7%         | R5, E1                              |
| Major Facilities Fund                                | 56,000                          | 93,393                          | 37,393              | 66.8%         | 1,743,000                           | 43,598                              | 1,699,402           | 97.5%         | R1, E1 (See Section III)            |
| Neighborhood Security Bond Fund                      | 222,167                         | 218,137                         | (4,030)             | -1.8%         | 605,680                             | 603,890                             | 1,790               | 0.3%          |                                     |
| Parks and Recreation Bond Projects Fund              | 98,000                          | 199,528                         | 101,528             | 103.6%        | 14,757,845                          | 734,873                             | 14,022,972          | 95.0%         | R5, E1                              |
| Residential Construction Tax Contribution Fund       | 192,000                         | 276,495                         | 84,495              | 44.0%         | 306,000                             | 37,377                              | 268,623             | 87.8%         | R6, E1                              |
| San José-Santa Clara Treatment Plant Capital Fund    | 76,697,000                      | 74,523,108                      | (2,173,892)         | -2.8%         | 277,925,710                         | 232,941,632                         | 44,984,078          | 16.2%         | E1 (See Section III)                |

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|---|---------------------------------|---------------------------------|---------------------|---------------|-------------------------------------|-------------------------------------|---------------------|---------------|-------------------------------------|
| <i>Capital Funds</i>                                  |                                 |                                 |                     |               |                                     |                                     |                     |               |                                     |
| Sanitary Sewer Connection Fee Fund                    | 709,000                         | 873,043                         | 164,043             | 23.1%         | 5,909,394                           | 4,778,745                           | 1,130,649           | 19.1%         | R1, E1 (See Section III)            |
| Sewer Service and Use Charge Capital Improvement Fund | 33,780,000                      | 33,496,807                      | (283,193)           | -0.8%         | 109,155,401                         | 69,720,254                          | 39,435,147          | 36.1%         | E1 (See Section III)                |
| Storm Drainage Fee Fund                               | 185,000                         | 221,671                         | 36,671              | 19.8%         | 464,552                             | 242,080                             | 222,472             | 47.9%         | R1, E2                              |
| Storm Sewer Capital Fund                              | 12,888,000                      | 11,791,911                      | (1,096,089)         | -8.5%         | 43,067,803                          | 26,070,288                          | 16,997,515          | 39.5%         | E1, E2                              |
| Subdivision Park Trust Fund                           | 537,000                         | 17,672,585                      | 17,135,585          | 3191.0%       | 49,693,100                          | 32,088,874                          | 17,604,226          | 35.4%         | R5, E1                              |
| Underground Utility Fund                              | 780,000                         | 2,321,993                       | 1,541,993           | 197.7%        | 2,236,000                           | 323,082                             | 1,912,918           | 85.6%         | R5, E1                              |
| Water Utility Capital Fund                            | 5,330,000                       | 5,304,845                       | (25,155)            | -0.5%         | 11,225,098                          | 10,082,895                          | 1,142,203           | 10.2%         | E1 (See Section III)                |
| <b>Sub-Total Capital Funds</b>                        | <b>384,037,284</b>              | <b>352,604,438</b>              | <b>(31,432,846)</b> | <b>-8.2%</b>  | <b>941,326,613</b>                  | <b>668,561,584</b>                  | <b>272,765,030</b>  | <b>29.0%</b>  |                                     |
| <b>TOTAL ALL FUNDS</b>                                | <b>3,386,661,506</b>            | <b>3,340,876,433</b>            | <b>(45,785,073)</b> | <b>-1.4%</b>  | <b>4,169,033,635</b>                | <b>3,689,288,160</b>                | <b>479,745,474</b>  | <b>11.5%</b>  |                                     |

Reasons for Significant Variances in Revenues

- R1 Revenues collected from taxes, fees, and charges came in higher than anticipated
- R2 Revenues collected from taxes, fees, and charges came in lower than anticipated
- R3 Revenues collected from grants and reimbursements came in higher than anticipated
- R4 Revenues collected from grants and reimbursements came in lower than anticipated
- R5 Interest earnings, developer/agency contributions, and other miscellaneous revenue came in higher than anticipated
- R6 Interest earnings, developer/agency contributions, and other miscellaneous revenue came in lower than anticipated
- R7 Transfers from various funds were higher than anticipated
- R8 Transfers from various funds were lower than anticipated

Reasons for Significant Variances in Expenditures

- E1 Expenditures were lower than anticipated due to the delay of projects and/or change in schedule of expenditures
- E2 Expenditures were lower than anticipated due to project/program savings
- E3 Expenditures were lower than anticipated due to lower operating costs (e.g., personal services and non-personal/equipment cost savings)
- E4 Expenditures were lower than anticipated due to unspent gifts
- E5 Expenditures/Transfers to various funds were lower than budgeted based on actual 2016-2017 activity