



March 30, 1992

The Honorable Frank M. Jordan  
Mayor, City and County of San Francisco  
Room 200, City Hall

The Honorable Board of Supervisors  
Room 235, City Hall

Re: Eight-Month 1991-92 Financial Status Report

Dear Mayor Jordan, Ladies and Gentlemen:

The Charter directs the Controller to issue a report on the projected financial condition of the City and County at the end of the first eight months of the fiscal year. The report is attached. It shows that revenues have decreased by an additional \$7 million since our six-month report, but we are expected to be able to offset this shortfall with close-outs and end the year with a zero balance without requiring further cost-cutting measures.

Revenues continue to fall short of budget

**Business Taxes** were substantially collected in early March and came in under the budgeted amount by \$4.8 million or 3% below budget. **Motor Vehicle in Lieu** fees continue to run short and are now \$5.2 million or 8% below budget. Finally, **Parking Taxes** are short by an additional \$1.2 million primarily due to delinquent payments.

Departments are spending responsibly

Departments are doing a good job of staying within budget in most cases. These projections include assumptions about activities from now until June 30. The only significant new assumption since our last report is that the Department of Public Health will have additional revenue and they will use it primarily to pay for the backfilling of positions and other transition costs caused by this year's early retirement process.


Mayor Jordan, Board of Supervisors  
March 30, 1992  
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Report Format

The report has two summary pages for your convenience. Page 1 starts with the deficit from our last report and shows the changes since that time. Page 2 summarizes the year from July 1, 1991 through February 29, 1992.

If you have any questions or concerns regarding information in this report, please contact me.

Sincerely,



Edward Harrington  
Controller

EMH:aes/proj.8

## EXHIBIT A

CITY AND COUNTY OF SAN FRANCISCO  
SUMMARY OF CHANGES IN GENERAL FUND PROJECTED DEFICIT  
FROM PREVIOUS PROJECTION  
For Fiscal Year Ending June 30, 1992  
As of February 29, 1992  
(In Thousands)

Projected Undesignated General Fund Deficit as of 12/31/91			\$ (54,055)
Projected other uses of funds per 2/5/92 report			(7,000)
Revised Undesignated General Fund Deficit			<u>(61,055)</u>
Public Health Surplus after receipt of SB 855		25,000	
Bond refinancing	\$	3,445	
Reserve reductions		6,000	
Surplus fund transfers		5,000	
Total Increased Sources			<u>39,445</u>
Revised Undesignated General Fund Deficit at June 30, 1992			<u>(21,610)</u>
Based on Recommended Actions			(21,610)
Police/Fire Retirement reduction	\$	15,900	
DPH Revenue		2,425	
DSS - Rental reduction		516	
Fire Department Reduction		480	
Police Department Reduction		1,000	
Municipal Railway Reduction		1,000	
Parking Authority Reduction		289	
			<u>21,610</u>
Final Revised Undesignated General Fund Deficit as of 2/26/92			0
CHANGES - Favorable (Unfavorable):			
Changes in Revenues:			
Business taxes	\$	(4,768)	
Parking tax		(1,210)	
Motor vehicle in lieu fees		(1,800)	
Others		1,184	(6,594)
			<u>1,184</u>
Changes in Expenditures:			
Fire Department	\$	99	
Police Department		793	
Sheriff		933	
Social Services		747	
Community Health Departments		(943)	
Workers' Compensation - General Fund Departments		253	
Other Departments		661	2,543
			<u>661</u>
Changes from General Fund Supported Departments:			
Municipal Railway			
- Workers' Compensation		134	
- Revenues and Other Appropriations		592	726
			<u>592</u>
San Francisco General Hospital			
- Workers' Compensation	\$	(38)	
- Revenues and Other Appropriations		949	911
			<u>949</u>
Laguna Honda Hospital			
- Workers' Compensation	\$	131	
- Revenues and Other Appropriations		(1,169)	(599)
			<u>(1,038)</u>
Net, Other Changes			(3,552)
Estimated Year-End Close-outs			<u>7,004</u>
Revised Projected Undesignated General Fund Deficit at June 30, 1992			<u>\$ 0</u>

## EXHIBIT B

CITY AND COUNTY OF SAN FRANCISCO  
 SUMMARY OF CHANGES IN GENERAL FUND PROJECTED DEFICIT  
 For Fiscal Year Ending June 30, 1992  
 As of February 29, 1992  
 (In Thousands)

Unappropriated Revenue Reserves  
 (from 1991/92 Annual Appropriation Ordinance) \$ 9,338

## CHANGES - Favorable (Unfavorable):

## Changes in Revenues:

Property taxes	\$	(6,627)	
Business taxes		(4,768)	
Real property transfer tax		(4,900)	
Parking tax		(2,511)	
Hotel room tax		(909)	
Sales tax		(7,400)	
Other local taxes		(859)	
Motor vehicle in lieu fees		(5,171)	
Realignment revenues		(9,371)	
Other Grants & Subventions		(1,231)	
Traffic fines		(9,537)	
Licenses, fines & penalties		(3,292)	
Interest & investment earnings		(3,999)	
Others		(1,552)	
		(62,127)	(62,127)

## Changes in Expenditures:

Fire Department	\$	(299)	
Police Department		(1,877)	
Sheriff		0	
Social Services		(6,186)	
Public Health departments		874	
Workers' Compensation - General Fund Departments		(5,904)	
Other Departments		6,088	
		(7,304)	(7,304)

## Changes from General Fund Supported Departments:

Municipal Railway			
- Workers' Compensation	\$ (1,499)		
- Revenues and Other Appropriations	326	(1,173)	

San Francisco General Hospital			
- Workers' Compensation	\$ (421)		
- Revenues and Other Appropriations	2,209	1,788	

Laguna Honda Hospital			
- Workers' Compensation	\$ (673)		
- Revenues and Other Appropriations	4,798	4,125	4,740

Net, Other Changes (3,706)

## Projected other sources (uses) of funds:

Total Additional Uses identified per 2/5/92 report		(7,000)	
Public Health Surplus after receipt of SB 855		25,000	
Moscone Center Bond refinancing		3,300	
Reserve reductions (net of transfers to MUNI)		4,000	
Special Revenue Fund Transfers		5,000	
Reduction in Contribution to Retirement System		15,900	
Parking & Traffic Department-additional savings		289	
Department "Targets"		5,566	
		52,055	52,055

\*\*\*\*> Net Reduction to Unappropriated Revenue Reserves (16,342)

\*\*\*\*> Estimated Year-end Close-outs 7,004

Revised Projected Undesignated General Fund Deficit at June 30, 1992 \$ 0

SCHEDULE OF BUDGETED AND PROJECTED REVENUES  
YEAR ENDED JUNE 30, 1992  
As of February 29, 1992  
(In Thousands)

	FY 91-92			VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL FY 90-91	REVISED BUDGET	CURRENT PROJECTION	
<b>GENERAL FUND</b>				
<b>PROPERTY TAXES</b>				
Current year - secured	\$ 377,640	\$ 408,700	\$ 398,289	\$ (10,411) (A)
Current year - unsecured	46,744	45,500	47,494	1,994 (A)
Other	24,007	24,259	26,049	1,790 (A)
Total property taxes	<u>448,391</u>	<u>478,459</u>	<u>471,832</u>	<u>(6,627)</u>
<b>BUSINESS TAXES</b>				
Business registration tax	7,476	7,400	7,483	83 (B)
Business tax	21,294	20,778	17,901	(2,877) (B)
Payroll tax	128,444	126,422	124,448	(1,974) (B)
Total business taxes	<u>157,214</u>	<u>154,600</u>	<u>149,832</u>	<u>(4,768)</u>
<b>OTHER LOCAL TAXES</b>				
Franchise tax	6,250	6,279	6,585	306
Real property transfer tax	13,695	18,000	13,100	(4,900) (C)
Admission Tax	-	800	800	-
Parking tax	17,044	23,500	20,989	(2,511) (D)
Utility users tax	25,846	28,000	26,835	(1,165) (E)
Hotel room tax	18,968	20,600	19,691	(909) (F)
Sales tax	89,485	92,600	85,200	(7,400) (G)
Total other local taxes	<u>171,288</u>	<u>189,779</u>	<u>173,200</u>	<u>(16,579)</u>
<b>GRANTS AND SUBVENTIONS</b>				
Homeowners property tax	6,272	6,272	6,059	(213)
Trial court funding	13,960	13,800	14,200	400
Motor vehicle in lieu - county	34,308	36,276	33,659	(2,617) (H)
Motor vehicle in lieu - city	25,893	27,351	24,797	(2,554) (H)
Cigarette tax	1,833	2,200	760	(1,440) (I)
Prop 99 Tobacco Tax	8,123	12,415	12,415	-
Mental health subventions	39,112	28,726	28,726	-
County health services - state	16,504	-	-	-
Medically indigent adult	2,351	-	-	-
Social services subventions	186,711	166,870	167,071	201 (J)
Sales tax & veh lic fee - realignment	-	88,409	79,038	(9,371) (K)
Other	19,666	7,563	7,384	(179)
Total grants and subventions	<u>354,733</u>	<u>389,882</u>	<u>374,109</u>	<u>(15,773)</u>

SCHEDULE OF BUDGETED AND PROJECTED REVENUES  
 YEAR ENDED JUNE 30, 1992  
 As of February 29, 1992  
 (In Thousands)

	ACTUAL FY 90-91	FY 91-92		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<b>GENERAL FUND (Continued)</b>				
<b>LICENSES, FINES AND PENALTIES</b>				
Licenses	\$ 4,237	\$ 8,563	\$ 5,586	\$ (2,977) (L)
Traffic fines - parking	38,423	53,200	44,827	(8,373) (M)
Traffic fines - moving	3,063	3,680	2,772	(908) (M)
Traffic fines - boot program	36	390	134	(256) (M)
Other fines and penalties	800	1,313	998	(315) (M)
Total licenses, fines and penalties	46,559	67,146	54,317	(12,829)
<b>USE OF MONEY OR PROPERTY</b>				
Interest - unallocated	13,687	14,000	10,001	(3,999) (N)
Other interest/use of money or property	5,123	2,386	2,386	-
Total use of money or property	18,810	16,386	12,387	(3,999)
<b>CHARGES FOR SERVICES</b>				
Parking meter collections	9,864	9,400	10,737	1,337 (O)
General government service charges	12,039	13,454	12,482	(972) (P)
Public safety service charges	4,007	3,670	3,851	181
Other service charges	4,428	7,683	6,299	(1,384) (O)
Total charges for services	30,338	34,207	33,369	(838)
RECOVERY OF GENERAL GOV'T. COSTS	7,555	8,048	7,092	(956) (R)
OTHER REVENUES	3,542	117	359	242
TOTAL REVENUES	\$ 1,238,430	\$ 1,338,624	\$ 1,276,497	\$ (62,127)

NOTES TO REVENUE PROJECTION  
June 30, 1992  
As of February 29, 1992

(A) Property Taxes

Overall property tax revenues are projected to be \$6.6 million below the budget estimate. The budget was based on a 6.7% growth in property taxes; we now expect the growth to be only 5.2%.

(B) Business Taxes

Final tax remittances for the calendar year 1991, received and processed by the Tax Collector as of March 13, 1992, show an unfavorable variance of about \$4.8 million. The estimated shortfall is primarily the result of the unfavorable economic condition. In addition, the adverse decision involving the taxability of savings and loan companies' gross receipts reduced current year collections by some \$2.2 million.

(C) Real Property Transfer Tax

The continued slowdown of real estate sales as a result of the prevailing economic conditions has had a continuing adverse effect on the real property transfer tax revenues. Collections through the end of February, 1992 still show a flat trend, and unless there is a major real estate transaction before the end of the fiscal year, revenues are expected to be short by about \$4.9 million.

(D) Parking Tax

In August, 1991, the parking tax rate was increased from 20% to 25%. The increase goes directly to the General Fund. However, based on year-to-date collections, it is anticipated that the General Fund portion of the tax will be short by \$2.5 million. A large portion of this shortage stems from delinquent, uncollected taxes from financially troubled parking operators. It is predicted that collection of the delinquent amount will not be made in FY 91-92.

(E) Utility Users Tax

In December, 1991, the State Public Utilities Commission approved certain gas and electric rate increases as well as decreases on telephone rates effective January 1, 1992. The revenue decrease of \$1.2 million is projected to come mainly from reduced tax collections from the telephone companies.

(F) Hotel Tax

There was a slight improvement of hotel tax collections for the second quarter of FY 91-92. It is projected that even with increased revenues, the General Fund's share of hotel tax will fall below the budget by about \$0.9 million.

(G) Sales Tax

Estimated sales tax revenue was based on slow economic growth of approximately 3% for FY 1991-92. We project, however, that due to the continuing recession, sales tax revenue may be down by about \$7.4 million from projections and about \$4.3 million under actual FY 90-91 collections.

(H) Motor Vehicle In Lieu Fees

State subventions (regular motor vehicle in lieu fees) for the first eight months are lower than anticipated. Based on the current trend, we estimate that revenues will be down by as much as \$5.2 million from the budget.

(I) Cigarette Tax

The unfavorable variance of \$1.4 million in this revenue account is primarily due to a change in the State's allocation formula to cities and counties under SB 21.

(J) Social Services Subventions

The revenue increase is projected to match a comparable net increase of certain reimbursable program expenditures.

(K) Realignment Revenues

State realignment revenues are expected to be short by approximately 6.4% in sales tax and 7.4% in motor vehicle license fees. Since the State had budgeted \$81.2 million in sales tax and \$54.9 million in motor vehicle fees for San Francisco, the resulting shortfall is \$9.3 million.

(L) Licenses

A revenue shortfall of about \$3.0 million is expected to come primarily from sundry/miscellaneous business licenses.

(M) Traffic Fines /Boot Program

Collections to date from traffic fines indicate that revenues will be short by about \$9.5 million. Recent staff additions do not appear to have had a positive impact on collections.



**(N) Interest and Investment Earnings**

Projected interest earnings by the General Fund is about \$4.0 million lower than budget due to significantly less cash available for investment and, to a lesser degree, from the continued decline in interest rates. One major factor in the change in cash position was that the San Francisco General Hospital's short term working capital loan with the California Health Facilities Financing Authority matured and was paid back in September, 1991. To-date negotiations for a new hospital loan are still in progress; we expect the proceeds will not be available until after the end of the fiscal year. Therefore we have a continuing need to advance City Funds while awaiting State reimbursement for health care services.

**(O) Parking Meter Collections**

This year's collections from parking meters is expected to show a favorable variance of about \$1.3 million. However, the General Fund will not benefit from the projected increase because, as required by ordinance, any parking meter revenue collected in excess of \$6 million must be transferred to the Off-Street Parking Fund.

**(P) General Government Service Charges**

Various government service charges, including City Planning Commission fees and certain court fees, are expected to fall short of the budget by an aggregate amount of about \$1.0 million.

**(Q) Other Service Charges**

Certain departmental revenues are showing trends below budget projections. The Department of Public Health's toxic programs may fall short by about \$0.7 million. Other miscellaneous charges account for the net difference of about \$0.7 million.

**(R) Recovery of General Government Costs**

The unfavorable variance of \$0.9 million represents the difference between the amounts due from various departments in the budget instructions and the actual budget amounts approved.

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES

For year ended June 30, 1992

As of February 29, 1992

(in thousands)

GENERAL FUND	ACTUAL FY 90-91	REVISED BUDGET	F.Y.	1991-92	VARIANCE FAVORABLE (UNFAVORABLE)
			CURRENT PROJECTION		
<b>PUBLIC PROTECTION</b>					
District Attorney	\$ 21,830	22,527	22,408	119	(2)
Public Defender	8,273	8,280	8,121	159	(1)
Sheriff	31,857	33,711	33,711	0	(9)
Superior Court	18,166	19,375	19,253	122	(2)
Municipal Court	19,957	21,075	20,814	261	(2)
Juvenile Court	15,402	16,848	16,616	232	(2)
Adult Probation	5,551	6,015	5,847	168	(1)
County Clerk	4,986	5,281	4,951	330	(1)
Fire Department	143,384	146,169	146,468	(299)	(4)
Police Department	191,956	184,870	186,747	(1,877)	(5)
County Agriculture-Weights & Measures	741	777	704	73	(1)
Public Administrator/Guardian	1,922	2,127	2,109	18	(1)
Animal Care and Control	1,684	2,086	2,047	39	(1)
	465,709	469,141	469,796	(655)	
<b>PUBLIC WORKS, TRANSPORTATION AND COMMERCE</b>					
Permit Appeals	246	260	258	2	(1)
PUC Light, Heat and Power	3,697	4,463	4,463	0	
Electricity	5,862	6,086	6,023	63	(1)
Public Works	14,579	14,203	13,768	435	(1)
Parking & Traffic Commission	9,106	12,346	11,730	616	(1)
	33,490	37,358	36,242	1,116	
<b>HUMAN WELFARE AND NEIGHBORHOOD DEVELOPMENT</b>					
Human Rights Commission	1,798	1,797	1,737	60	(1)
Social Services	267,191	291,094	297,280	(6,186)	(6)
Commission on the Status of Women	565	612	607	5	(1)
	269,554	293,503	299,624	(6,121)	
<b>COMMUNITY HEALTH</b>					
Medical Examiner/Coroner	2,460	2,856	2,881	(25)	(1)
Public Health Central Office	61,518	70,346	69,952	394	(2)
Community Mental Health	95,781	124,997	124,517	480	(2)
\$	159,759	198,199	197,350	849	

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES

For year ended June 30, 1992

As of February 29, 1992

(in thousands)

GENERAL FUND (Continued)	ACTUAL FY 90-91	REVISED BUDGET	F.Y.	1991-92		
			CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)		
<b>CULTURE AND RECREATION</b>						
County Educational Office	\$ 91	1,711	1,711	0		
Art Commission	1,336	1,411	1,357	54	(1)	
Public Library	20,295	21,134	21,114	20	(1)	
Recreation and Park	35,901	35,171	35,191	(20)	(3)	
Academy of Sciences	1,804	1,797	1,780	17	(1)	
Fine Arts Museums	4,481	4,315	4,190	125	(1)	
Asian Art Museum	1,356	1,462	1,454	8	(1)	
Law Library	206	203	136	67	(1)	
	65,470	67,204	66,933	271		
<b>GENERAL ADMINISTRATION AND FINANCE</b>						
Board of Supervisors	4,960	5,428	5,285	143	(1)	
Assessor	6,575	7,046	6,859	187	(1)	
City Attorney	16,240	14,329	15,809	(1,480)	(7)	
- Interdepartmental Recovery	(10,533)	(7,895)	(9,375)	1,480	(7)	
Treasurer/Tax Collector	10,265	11,868	11,519	349	(1)	
Controller	14,706	15,553	15,323	230	(1)	
Mayor	4,905	6,247	6,247	0	(1)	
City Planning	5,674	6,765	6,232	533	(1)	
Civil Service	7,436	7,832	7,725	107	(1)	
Retirement System - Departmental		3,507	3,449	58	(8)	
Workers' Compensation-General Fund Departments	14,838	9,918	15,822	(5,904)	(8)	
Chief Administrative Officer	914	12,285	12,249	36	(1)	
Real Estate	2,207	2,214	2,206	8	(1)	
Recorder	834	847	816	31	(1)	
Registrar	2,159	3,742	3,742	0	(2)	
Purchaser	6,655	8,094	8,094	0	(1)	
- Interdepartmental Recovery	(4,445)	(4,899)	(4,899)	0	(1)	
General City Responsibility	30,679	28,772	27,314	1,458	(1)	
	114,069	131,653	134,417	(2,764)		
<b>Total General Fund</b>	\$ 1,108,051	1,197,058	1,204,362	(7,304)		

## NOTES TO FY 1991-1992 EXPENDITURE PROJECTION

Expenditure projections for personal services accounts are based on departments' expenditures as of the payperiod ending February 14, 1992, the estimated remaining expenditures required to support the existing work force plus approved requisitions unfilled to date and/or spending plans submitted by the departments. Projections, however, for selected major departments were updated to include personal services expenditures up to payperiod ending February 28, 1992.

For this reporting period, minor non-personal services accounts were not reviewed as it is assumed that departments are able to operate within their budget. Major non-personal accounts, however, were reviewed and are reflected in this projection.

### (1) MISC. DEPTS. DEFICITS - NON PERSONAL SERVICES APPROPRIATIONS ONLY

These departments are projected to have surpluses in their personal services accounts at the end of the fiscal year provided that no additional personnel requisitions are added to increase their level of staffing. The department may, with the approval of the Mayor, request our office to transfer funds from personal services appropriations with projected surpluses to cover projected deficits in non-personal appropriations.

<u>DEPARTMENT</u>	<u>ACCOUNT TITLE</u>	<u>PROJECTED DEFICIT</u>
ADULT PROBATION	OTHER CONTRACTUAL SERVICES	\$13,000
ASIAN ART MUSEUM	OTHER CONTRACTUAL SERVICES	\$26,052
CHIEF ADMIN OFFICER	MATERIALS & SUPPLIES	\$ 1,000
	SERVICES-OTHER DEPARTMENT	<u>6,000</u>
		\$ 7,000

### (2) MISC DEPTS. DEFICITS - MISC APPROPRIATIONS INCLUDING PERSONAL SERVICES

Overall projections for these departments indicate that a net surplus in non-personal services appropriations will occur at year end. However, deficits are projected in personal services appropriations as itemized below. These departments may, with the approval of the Mayor, request our office to transfer funds from non-personal appropriations with projected surpluses to cover the projected deficits.

<u>DEPARTMENT</u>	<u>ACCOUNT TITLE</u>	<u>PROJECTED DEFICIT</u>
COMM. MENTAL HEALTH	TEMPORARY SALARIES	\$294,808
DISTRICT ATTORNEY	PERMANENT SALARIES	\$ 52,727
DPH-CENTRAL OFFICE	TEMPORARY SALARIES	\$191,267
	OVERTIME	<u>2,814</u>
		\$194,081

<u>DEPARTMENT</u>	<u>ACCOUNT TITLE</u>	<u>PROJECTED DEFICIT</u>
JUVENILE COURT	OVERTIME	\$ 3,440
	PROFESSIONAL SERVICES	3,100
	MATERIALS AND SUPPLIES	34,988
	EQUIPMENT LEASE/PURCH	<u>6,314</u>
		\$ 47,842
MUNICIPAL COURT	OTHER PERSONAL SERVICES	\$ 25,916
	TEMPORARY SALARIES	20,042
	OVERTIME	6,341
	FEES & OTHER COMP	<u>141,203</u>
	\$193,502	
REGISTRAR	TEMP SALARIES	\$ 55,941
	OVERTIME	22,677
	HOLIDAY PAY	7,738
	OTHER CONTRACTUAL SERVICES	35,977
	RENTAL OF PROPERTY	6,500
	FEES & OTHER COMP	<u>64,387</u>
		\$193,220
SUPERIOR COURT	PERMANENT SALARIES	\$184,996
	OTHER PERSONAL SERVICES	<u>99,619</u>
	\$284,615	

(3) RECREATION AND PARKS DEPARTMENT

Overall projection for this department indicates a net deficit of \$19,715 as shown below:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
PERMANENT SALARIES	\$416,633
TEMPORARY SALARIES	(401,593)
MANDATORY FRINGES	(73,474)
OVERTIME	4,113
HOLIDAY PAY	<u>34,606</u>
Net Projected Deficit	<u>\$(19,715)</u>

The department will request transfer of funds from Permanent Salaries to Temporary Salaries and will reduce expenditures in non-personal services appropriations to remain within budget.

(4) FIRE DEPARTMENT

Current projections indicate that the Fire Department will have an overall deficit of \$299,242 as detailed below:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS/ (DEFICIT)</u>
SALARIES, including Overtime	\$(2,068,433)
MANDATORY FRINGE BENEFITS	1,525,998
OTHER APPROPRIATIONS	723,193
MAYOR'S DEFICIT REDUCTION	<u>(480,000)</u>
Net Projected Deficit	<u>(\$299,242)</u>

The projected deficit is due to the remaining undefined departments' share of \$480,000 to help close the \$5.566 million budget gap which existed as of December 31, 1991.

(5) POLICE DEPARTMENT

Based on the department's expenditures per the payroll ending February 14, 1992 the Police Department is projected to have a net deficit of (\$1,876,760) as detailed below.

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS/ (DEFICIT)</u>
SALARIES, including Overtime	\$(1,507,903)
MANDATORY FRINGE BENEFITS	631,143
MAYOR'S DEFICIT REDUCTION	<u>(1,000,000)</u>
Net Projected Deficit	<u>\$(1,876,760)</u>

Overtime costs in the amount of \$700,000 will be charged to the Narcotic Forfeiture Fund and the Housing Authority for overtime work related to their programs. Record room overtime will be reduced by \$50,000. A scheduled academy class in May 18, 1992 will be delayed to June 29, 1992. This delay would result in a savings of \$250,000 in uniform salaries and fringes for this fiscal year. Despite these changes the department will still have a of \$877,000 as of June 30, 1992 and must also arrange to reduce expenditures by an additional \$1 million to meet the department's share of the City's budget deficit.

(6) DEPARTMENT OF SOCIAL SERVICES (DSS)

Detail projections for DSS Personal Services accounts and general fund supported assistance aid programs and other appropriations with material variances are shown below.

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS/ (DEFICIT)</u>
SALARIES	\$1,716,650
MANDATORY FRINGE BENEFITS	333,706
RENTAL OF PROPERTY	516,000
CITY ATTORNEY'S SERVICES	(45,297)
AFDC	725,268
FOSTER CARE	(1,283,908)
ADOPTION CARE	(304,684)
GENERAL ASSISTANCE	(7,328,105)
MAYOR'S DEFICIT REDUCTION	(516,000)
Net Projected Deficit	<u>(\$6,186,370)</u>

The personal services accounts show a projected surplus of \$1,716,650 based on expenditures up to payperiod ending February 14, 1992. This includes a supplemental appropriation of \$2,238,485 certified in February to fill 93 positions of various classifications which, according to the department, may not be all filled by June 30, 1992.

The general assistance projected deficit of \$7,328,105 is slightly reduced compared to last December's projection of \$7.5M. However, the adoption and foster care programs now are projected with unfavorable variances. Last projection the department stated that these programs will be administered within their respective budgets. The reduction of the total departments unfavorable variance to \$5.67M is due to the supplemental appropriation in permanent salaries and fringes, and the declared \$516,000 surplus in rental property. The declared surplus in rental of property will cover the department's share of the projected city's deficit of the December projection.

(7) CITY ATTORNEY

The City Attorney has a total budget of \$14.3 million of which \$6.5 million is funded by the general fund and the balance from enterprise departments. The department also received funding from other sources such as non-annually budgeted funds, non-general fund work orders, and from the school district which bring the total available resources to \$15.7 million as of February 29, 1992. The budget and projected expenditures are presented as follows:

Available resources:	<u>AMOUNT</u>
General Fund	\$ 6,463,929
Enterprise Funds	<u>7,865,071</u>
Total Annually budgeted funds	\$ 14,329,000
Other Funds (non-annually budgeted)	355,107
School District	215,446
Work Orders (non-general funds)	<u>807,528</u>
Total available as of 2/29/92	\$ 15,707,081
Projected expenditures:	<u>17,187,332</u>
Projected deficit	<u>\$(1,480,251)</u>

According to the department, this projected deficit will be funded thru additional billings to various enterprise departments, other special revenue funded departments, and additional billings to general fund and general fund supported departments. The departments that will be billed are listed as follows:

Enterprise and special revenue funded departments:

<u>DEPARTMENT</u>	<u>AMOUNT</u>
Retirement- Trust Fund	\$ 204,698
PUC-and Hetch Hetchy	114,118
Port Commission	71,337
Health Service System	68,186
War Memorial	21,780
Rent Board	17,984
Parking Authority	16,796
Airport	<u>13,849</u>
Total	<u>\$ 528,748</u>

General fund and general fund supported departments:

<u>DEPARTMENT</u>	<u>AMOUNT</u>
PUC-Muni Railway	\$554,000
Retirement-Workers' Comp	188,613
San Francisco General Hospital	93,150
Recreation & Park	70,443
Social Services	<u>45,297</u>
Total	<u>\$ 951,503</u>
Total Projected Recovery	<u>\$1,480,251</u>



(8) RETIREMENT SYSTEM (including WORKERS' COMPENSATION )

Based on the department's expenditures per pay period ending February 14, 1992, the Retirement System is projected to have a surplus of \$246,336 in both salaries and fringe benefits. However, a projected deficit of \$188,613 in City Attorney's services will result in a net projected surplus of \$57,723.

Detail projections are as follows:

ACCOUNT TITLE	PROJECTED SURPLUS/ <u>(DEFICIT)</u>
SALARIES	\$ 196,472
MANDATORY FRINGE BENEFITS	49,864
CITY ATTORNEY	<u>(188,613)</u>
Total Departmental Expenditures	\$ 57,723
WORKERS' COMPENSATION	
POLICE DEPARTMENT	\$(2,375,215)
FIRE DEPARTMENT	(1,811,272)
RECREATION AND PARK	(514,569)
SHERIFF	(271,158)
JUVENILE COURT	(245,889)
PUBLIC HEALTH CENTRAL OFFICE	(235,903)
OTHER GENERAL FUNDED DEPARTMENTS	<u>(449,779)</u>
Projected Deficit	<u>\$(5,903,785)</u>
Net Projected Deficit	<u>\$(5,846,062)</u>

The current year's projected deficit of \$5,903,785 does not include \$2,592,355 projected deficit for Laguna Honda, S.F.General Hospital and Municipal Railway which is reflected in their individual projections. Based on eight months actual charges and projections based on prior year trends for the last eight months, the projected deficit will amount to \$8,496,140. A request for the supplemental appropriation will be submitted based on the last eight months of charges.

(9) SHERIFF

A supplemental appropriation totaling \$1,832,309 was pending before the Board of Supervisors as of February 29, 1992. Pursuant to a Federal Court order requiring the City to reduce jail overcrowding or face fines, the City will contract with the Alameda County Sheriff's Department to house excess prisoners over the population cap of the City's jail. Overtime will cost approximately \$55,000 to transport prisoners to and from the jail facilities located in Alameda County. The balance of overtime is to maintain the required staffing levels when deputies are on vacation, sick pay, training and construction related work. These changes will allow the sheriff to remain within budget this fiscal year.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES,  
EXPENDITURES AND OTHER SOURCES/(USES)  
For year ended June 30, 1992  
As of February 29, 1992  
(in thousands)

	ACTUAL FY 90-91	FY 91-92		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<b>MUNICIPAL RAILWAY</b>				
<b>REVENUES:</b>				
Sales tax allocation - MTC	\$ 44,750	53,207	51,007	(2,200)
Sales tax cont	0	2,650	2,650	0
Operating assistance	7,818	7,532	7,532	0
MTC bridge toll allocation	1,300	3,209	3,209	0
Grants	6,210	0	0	0
Total grants and subventions	60,078	66,598	64,398	(2,200)
Passenger fares	77,621	80,932	81,932	1,000
Other	4,113	2,865	2,865	0
Total charges for services	81,734	83,797	84,797	1,000
Total Revenues	141,812	150,395	149,195	(1,200)
<b>EXPENDITURES &amp; ENCUMBRANCES:</b>				
Personal Services	196,811	197,950	197,324	626
Contractual Services	10,952	13,569	13,569	0
Materials & Supplies	15,422	15,565	15,015	550
Fixed Charges	4,466	4,453	4,953	(500)
Services of other Departments	21,982	23,430	22,730	700
Workers' Compensation	5,410	5,616	7,115	(1,499)
Other Operating Expenses	8,547	10,236	10,086	150
Facilities Maint. & Capital Projects	935	1,696	1,696	0
Total Expenditures and Encumbrances	264,525	272,515	272,488	27
<b>OTHER FINANCING SOURCES/(USES)</b>				
Contribution from General Fund	\$ (122,062)	(117,628)	(118,801)	(1,173)

- See notes following schedules -

**NOTES TO FY 1991-1992 REVENUES AND EXPENDITURE PROJECTION  
MUNICIPAL RAILWAY OPERATING FUND**

**REVENUES:**

The PUC staff recent revenue forecast, which include collections through February, 1992, shows that Muni Railway's fare revenues will be higher than budget by \$1.0 million. However, sales tax revenues are expected to be down by \$2.2 million. They are optimistic, however, that other revenues will be on target.

**EXPENDITURES:**

Based on the current spending trends excluding an overexpenditure of \$1,499,000 in worker's compensation, Municipal Railway's operating budget is projected to have an overall surplus of \$1,526,000 in the expenditure accounts as indicated below. The department will have an overall projected surplus of \$27,000 including worker's compensation overexpenditure.

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS/ (DEFICIT)</u>
SALARIES	\$ 626,000
OTHER APPROPRIATIONS	1,900,000
MAYOR'S DEFICIT REDUCTION	<u>(1,000,000)</u>
SUBTOTAL	\$1,526,000
WORKERS' COMPENSATION	<u>(1,499,000)</u>
Net Projected Surplus	<u>\$ 27,000</u>

The current projected operating surplus of \$1,526,000, excluding the projected overexpenditure in worker's compensation, reflects the action taken by the department in their deficit reduction program which is in response to the Mayor's request for the department to share \$1 million of the remaining \$5.566 million projected budget gap in the current year.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES,  
EXPENDITURES AND OTHER SOURCES/(USES)  
For year ended June 30, 1992  
As of February 29, 1992  
(in thousands)

	ACTUAL FY 90-91	FY 91-92		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<b>SAN FRANCISCO GENERAL HOSPITAL</b>				
<b>REVENUES:</b>				
Grants	\$ 3,000	0	0	0
County health services	23,619	0	0	0
Medically indigent adult	20,121	0	0	0
SLIAG	1,274	0	0	0
Realignment Revenue	0	51,264	51,264	0
<b>Total subventions</b>	<b>48,014</b>	<b>51,264</b>	<b>51,264</b>	<b>0</b>
Patient net revenue	106,098	107,790	116,635	8,845
Other	1,550	2,091	2,115	24
<b>Total charges for services</b>	<b>107,648</b>	<b>109,881</b>	<b>118,750</b>	<b>8,869</b>
Interest and other investment earnings	1,769	515	515	0
<b>Total Revenues</b>	<b>157,431</b>	<b>161,660</b>	<b>170,529</b>	<b>8,869</b>
<b>EXPENDITURES &amp; ENCUMBRANCES:</b>				
Personal Services	146,454	150,959	153,436	(2,477)
Contractual Services	40,041	44,023	45,282	(1,259)
Materials & Supplies	25,777	26,990	27,089	(99)
Fixed Charges	3,816	930	930	0
Services of other Departments	6,137	7,315	7,315	0
Workers' Compensation	1,159	1,212	1,633	(421)
Other Operating Expenses	3,115	4,097	4,097	0
Facilities Maint. & Capital Projects	1,118	2,370	2,370	0
<b>Total Expenditures and Encumbrances</b>	<b>227,617</b>	<b>237,896</b>	<b>242,152</b>	<b>(4,256)</b>
<b>OTHER FINANCING SOURCES/(USES)</b>	<b>(3,648)</b>	<b>12,337</b>	<b>9,512</b>	<b>(2,825)</b>
Contribution from General Fund	\$ (73,834)	(63,899)	(62,111)	1,788

- See notes following schedules -

**NOTES TO FY 1991-1992 REVENUES AND EXPENDITURE PROJECTION  
SAN FRANCISCO GENERAL HOSPITAL OPERATING FUND**

**REVENUES:**

The hospital staff's revised calculation showed that they will exceed budgeted revenues from patient care by about \$8.8 million. This calculation is based on increased Medicare utilization, impact of Medi-Cal eligibility on Medicare and disproportionate share payments, and increase collections in ambulance services. However, revenue transfers from the Tobacco Tax Fund (Prop 99) may be short by about \$0.4 million.

**EXPENDITURES:**

Based on personal services expenditures to February 14, 1992 plus the estimated amounts required to maintain the level of staffing for the remainder of the fiscal year, excluding an overexpenditure of \$420,644 in workers' compensation, SFGH is projected to have a net deficit of \$3,835,000 in personal services accounts and other appropriations.

Detail projections are as follows:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS/ (DEFICIT)</u>
SALARIES	\$(2,477,000)
MANDATORY FRINGE BENEFITS	(1,259,000)
OTHER APPROPRIATIONS	<u>(99,000)</u>
Subtotal	\$(3,835,000)
WORKERS'S COMPENSATION	<u>(421,000)</u>
Net Projected Deficit	<u><u>\$(4,256,000)</u></u>

The department will submit a request for supplemental appropriation to cover the projected deficit in early April which will be funded by increased 1991-92 hospital revenues.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES,  
EXPENDITURES AND OTHER SOURCES/(USES)  
For year ended June 30, 1992  
As of February 29, 1992  
(in thousands)

	ACTUAL FY 90-91	FY 91-92		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<b>LAGUNA HONDA HOSPITAL</b>				
<b>REVENUES:</b>				
Grants	\$ 0	0	0	0
County health services	614	0	0	0
Realignment Revenue	0	614	614	0
<b>Total subventions</b>	<b>614</b>	<b>614</b>	<b>614</b>	<b>0</b>
Hospital service charges	76,375	79,567	84,315	4,748
Other	81	266	227	(39)
<b>Total charges for services</b>	<b>76,456</b>	<b>79,833</b>	<b>84,542</b>	<b>4,709</b>
<b>Total Revenues</b>	<b>77,070</b>	<b>80,447</b>	<b>85,156</b>	<b>4,709</b>
<b>EXPENDITURES &amp; ENCUMBRANCES:</b>				
Personal Services	75,892	79,158	78,914	244
Contractual Services	2,550	2,812	3,114	(302)
Materials & Supplies	6,303	6,589	6,587	2
Fixed Charges	14	20	15	5
Services of other Departments	1,978	2,977	2,884	93
Workers' Compensation	756	833	1,506	(673)
Other Operating Expenses	786	1,241	1,194	47
Facilities Maint. & Capital Projects	451	387	387	0
<b>Total Expenditures and Encumbrances</b>	<b>88,730</b>	<b>94,017</b>	<b>94,601</b>	<b>(584)</b>
<b>OTHER FINANCING SOURCES/(USES)</b>	<b>(1,804)</b>	<b>214</b>	<b>214</b>	<b>0</b>
Contribution from General Fund	\$ (13,464)	(13,356)	(9,231)	4,125

- See notes following schedules -

**NOTES TO FY 1991-1992 REVENUES AND EXPENDITURE PROJECTION  
LAGUNA HONDA HOSPITAL OPERATING FUND**

**REVENUES:**

Revised estimates by Laguna Honda Hospital staff show that the Medi-Cal rate increase in August, 1991, will generate additional revenues of about \$4.7 million which is a decrease of \$1.1 million from their December, 1991 estimate.

**EXPENDITURES:**

Based on department's expenditures per payroll ending February 14, 1992, including estimated costs to fill critical vacant positions, the personal services accounts and other appropriations, the department is projected to have a net surplus of \$88,878. However, the department is projected to have an overexpenditure in workers' compensation of \$672,852 which will result in an overall projected deficit of \$583,974.

Detail projections are as follows:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS/ (DEFICIT)</u>
SALARIES	\$( 247,075)
MANDATORY FRINGE BENEFITS	491,613
OTHER APPROPRIATIONS	(155,660)
Subtotal	\$ 88,878
WORKERS' COMPENSATION	<u>( 672,852)</u>
Net Projected Deficit	<u>\$( 583,974)</u>