



April 7, 1993

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: 1992-93 Budget Status Report- Eight Month Projection

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 as of February 28, 1993, is attached. **It shows that the City would end the year with a \$10 million deficit if current revenue and spending trends continue. I expect to offset this shortfall primarily by further curtailing expenditures. I am not asking the Mayor or Board to take any additional official action.**

Revenues continue to fall short of the budget.

The major problems with the budget continue to be on the revenue side:

- o Property taxes fell by \$9 million primarily due to assessment appeals based on lower property values.
- o Sales tax income did not reflect a greatly improved Christmas season as was widely reported; sales taxes only increased by 1% from last year.
- o Property transfer taxes and traffic fine receipts continue to deteriorate.
- o Business taxes, on the other hand, showed surprising strength by exceeding budget expectations by more than \$5 million.

Department are spending responsibly.

Departments are doing a good job of staying within budget in most cases. I expect all departments, except Muni Railway and Police, to be able to end the year under their spending targets. This projection does not include any general fund spending related to the Rodney King or Reginald Denny jury decisions.

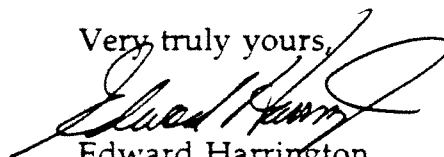
Lessons for the 1993-94 Budget.

To put 1992-93 in perspective, we are managing within our budget appreciably better than last year (e.g. last year in January we were \$55 million off target; this year at the same time we were \$5.5 million) However there are several problems we have experienced for a number of years that we need to fix for 1993-94. We will need the cooperation of all involved in the budget process to:

- o Accept more conservative revenue projections realizing that we will not soon be returning to the growth rates we traditionally experienced in the past.
- o Decide on an appropriate level of spending for Police overtime, budget that amount, and expect the Police to adhere to the budget.
- o Decide on an appropriate level of services to be provided by the City Attorney to the Muni Railway at an agreed upon price and manage within that amount. Given the history of this issue, I expect this will need to be forced by management outside of these departments.

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

Very truly yours,



Edward Harrington
Controller

CITY AND COUNTY OF SAN FRANCISCO
SUMMARY OF CHANGES IN GENERAL FUND PROJECTED RESERVE
For Fiscal Year Ending June 30, 1993
As of February 28, 1993
(In Thousands)

Unappropriated Revenue Reserves (from September 1992 Budget Revision)		\$8,842
LESS:		
Supplementals approved through Feb. 28, 1993	(\$258)	
Port Transfer Reserve	(1,000)	
CHANGES - Favorable (Unfavorable)		
Changes in Revenues:		
Property Taxes	(\$8,784)	
Property Transfer Tax	(2,300)	
Business Taxes	5,160	
Sales Tax	(3,250)	
Utility Users Tax	(2,625)	
Motor Vehicle in lieu	(1,313)	
Mental Health Subventions	(3,300)	
Social Service Subventions	(4,037)	
Traffic Fines - Parking	(7,625)	
Parking Meter Collections	(3,100)	
Interest & Other Investment Earnings	(3,000)	
Other Service Charges	(1,340)	
Others	<u>3,130</u>	(32,384)
Changes in Expenditures:		
Police Department	(\$3,948)	
Sheriff	(1,233)	
Superior Court	(917)	
Social Services	8,326	
Community Mental Health	3,420	
Community Health Services	1,199	
Municipal Court	1,024	
Workers' Compensation	(601)	
Parking and Traffic	1,084	
Other Departments	<u>4,111</u>	12,465
Changes from General Fund Supported Departments		
Municipal Railway		
-Judgements & Claims	(\$3,500)	
-Workers' Compensation	350	
-City Attorney	(1,250)	
-Revenues and Other Appropriations	<u>(990)</u>	(\$5,390)
San Francisco General Hospital		
-Appropriations	\$2,086	
-Revenues	<u>(6,243)</u>	(4,157)
Laguna Honda Hospital		
-Personal Services	\$1,657	
-Other Appropriations	893	
-Revenues	<u>(2,300)</u>	250 (9,297)
Retirement Rate Reduction, Approved Jan. 26, 1993 (General Fund Portion)		9,000
Changes in Revenue Transfers:		
Off-Street Parking Fund	3,100	
Candlestick Fund	<u>(500)</u>	2,600
Net Reduction to Unappropriated Revenue Reserves		<u>(18,874)</u>
Projected Undesignated General Fund Deficit at June 30, 1993		<u>(\$10,032)</u>

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

	FY 92-93			VARIANCE FAVORABLE (UNFAVORABLE)	
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION		
<u>GENERAL FUND</u>					
PROPERTY TAXES					
Total property taxes	\$471,250	\$432,267	\$423,483	(8,784)	(a)
BUSINESS TAXES					
Business registration tax	\$7,222	\$7,100	\$6,900	(\$200)	
Business tax	15,732	19,590	18,050	(1,540)	
Payroll tax	119,620	122,310	129,210	6,900	
Total business taxes	\$142,574	\$149,000	\$154,160	5,160	(b)
OTHER LOCAL TAXES					
Franchise tax	\$6,991	\$6,829	\$7,419	\$590	(c)
Real property transfer tax	13,798	16,000	13,700	(2,300)	(d)
Admission tax	473	1,000	1,000	0	
Parking tax	20,875	22,465	23,565	1,100	(e)
Utility users tax	26,641	38,862	36,237	(2,625)	(f)
Hotel room tax	19,643	21,040	20,665	(375)	(g)
Sales tax	83,380	88,000	84,750	(3,250)	(h)
Total other local taxes	\$171,801	\$194,196	\$187,336	(\$6,860)	
GRANTS AND SUBVENTIONS					
Homeowner's exemption reimb.	\$6,059	\$6,362	\$6,362	\$0	
Trial court funding	18,872	19,000	18,815	(185)	(i)
Motor vehicle in lieu - county	33,604	34,620	34,163	(457)	(j)
Motor vehicle in lieu - city	24,854	26,116	25,260	(856)	(k)
Prop 99 tobacco tax	15,922	10,907	10,783	(124)	(k)
Mental health subventions	34,851	30,535	27,235	(3,300)	(l)
Child support incentive	6,981	9,305	9,090	(215)	(m)
Social service subventions	169,068	180,452	176,415	(4,037)	(n)
Realignment sales tax & veh lic fees	79,389	83,034	83,034	0	(o)
Other	5,662	5,894	7,098	1,204	(p)
Total grants and subventions	\$395,262	\$406,225	\$398,255	(\$7,970)	

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

	FY 92-93				
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)	
LICENSES, FINES AND PENALTIES					
Licenses	\$4,888	\$5,195	\$5,457	\$262	(q)
Traffic fines - parking	43,800	49,625	42,000	(7,625)	(r)
Traffic fines - moving	1,917	1,580	1,580	0	
Other fines and penalties	750	1,260	830	(430)	(s)
Total licenses, fines and penalties	<u>\$51,355</u>	<u>\$57,660</u>	<u>\$49,867</u>	<u>(\$7,793)</u>	
USE OF MONEY OR PROPERTY					
Interest & other investment earnings	\$12,128	\$9,500	\$6,500	(\$3,000)	(t)
Use of money or property	2,968	4,623	3,050	(1,573)	(u)
Total use of money or property	<u>\$15,096</u>	<u>\$14,123</u>	<u>\$9,550</u>	<u>(\$4,573)</u>	
CHARGES FOR SERVICES					
Parking meter collections	\$10,892	\$12,300	\$9,200	(\$3,100)	(v)
General government service charges	12,468	10,740	12,028	1,288	(w)
Public safety service charges	4,999	5,668	6,401	733	(x)
Other service charges	4,184	10,859	9,519	(1,340)	(y)
Total charges for services	<u>\$32,543</u>	<u>\$39,567</u>	<u>\$37,148</u>	<u>(\$2,419)</u>	
RECOVERY OF GEN. GOV'T. COSTS	<u>\$6,835</u>	<u>\$7,885</u>	<u>\$8,761</u>	<u>\$876</u>	(z)
OTHER REVENUES	<u>\$1,402</u>	<u>\$252</u>	<u>\$231</u>	<u>(\$21)</u>	
TOTAL REVENUES	<u><u>\$1,288,118</u></u>	<u><u>\$1,301,175</u></u>	<u><u>\$1,268,791</u></u>	<u><u>(\$32,384)</u></u>	

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(a) Property Tax

The projected property tax revenue shortfall of \$8.8 million reflects primarily three issues: (1) lower than budgeted growth in the assessment roll from the 1991 roll year to the 1992 roll year; (2) the impact of assessment appeals in fiscal years 1991-92 and 1992-93; and (3) the assessment of One Market Plaza.

To date, the General Fund's share of revenue lost due to assessment appeals is estimated at \$13.6 million. This amount consists of the following: (1) refunds to taxpayers due to appeals of prior years' assessments; (2) current year's assessment appeals already granted; and (3) estimation of current year's assessment appeals which are scheduled for hearing by the Assessment Appeals Board through the end of the fiscal year.

The negative effects of slow tax roll growth and assessment appeals is partially offset by the assessment of One Market Plaza. The City expects tax revenue of \$11.9 million and interest payment of \$2.5 million from this assessment.

(b) Business Taxes

Business taxes received through mid-March have exceeded expectations. Projection is still somewhat uncertain because annual revenue includes a second payment which is due in July. Based on collections to date and prior year patterns, payroll tax revenue is projected to be \$6.9 million above budget, while gross receipts tax revenue is expected to fall short of budget by \$1.5 million. Combined with a \$200,000 shortfall in registration fees, a net surplus of \$5.2 million is expected.

(c) Franchise Tax

Mild growth in gas and electricity receipts, along with stronger growth in cable television receipts, leads to the current projection which is \$590,000 above budget.

(d) Real Property Transfer Tax

Revenue to date indicates a deficit of \$2.3 million from the budgeted \$16 million. Some of this shortfall will be relieved if the City is eligible for and receives payment of transfer taxes for One Market Plaza this fiscal year.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(e) Parking Tax

Combined higher current tax collections (for the first and second quarters) and payment of \$500,000 in delinquent taxes have increased projected revenue to \$23.6 million, which is \$1.1 million above budget.

(f) Utility Users Tax

Implementation of a tax rate increase and extension to out-of-state telephone calls on billings from August 1, 1992 to June 30, 1993, was delayed by the utility companies, leading to an early shortfall of \$2.6 million. Monthly payments since implementation have been on target.

(g) Hotel Tax

While projected hotel tax revenue at \$20.7 million is 5% higher than last year, growth is less than budgeted. First quarter FY 1992-93 collections were up from the first quarter of FY 1991-92, but second quarter collections were lower than the same quarter last year.

(h) Sales Tax

Sales tax revenue received through March belies the expectation of a strong holiday sales season. Sales tax collections for the October-December quarter, and for the fiscal year to date, are approximately 1% higher than last year. Given a budget estimate 5% higher than last year's revenue, a shortfall of \$3.3 million is expected.

(i) Trial Court Funding

The current projection, which is \$185,000 below budget, is based on the State's estimate of \$140 million in a state trust fund to be distributed for the fourth quarter. If deposits to the trust fund (from county filing and court reporter fees) fall short of the projected amount, local revenue will be proportionally lower.

(j) Motor Vehicle "in-lieu" Subvention

A total projected shortfall of \$1.3 million for both city and county apportionments is based on revenue received to date. Although still below budget, the projection has improved since December 1992.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(k) Tobacco Tax

The Department of Public Health staff report that based on the latest allocation estimate received from the State, tobacco tax revenues will be short by about \$124,000.

(l) Mental Health Subventions

Budget assumed that the State reimbursement for the Family Mosaic program began in January 1993. State reimbursement of this program was delayed until March at the time the six-month projection was prepared in February. As of this projection, it is anticipated that revenue from the State will not be realized before the end of the fiscal year. Hence, the total estimated revenue of \$2.5 million for this program is projected as unrealizable in the current fiscal year. The Department of Mental Health has correspondingly curtailed further expansion of this program and withheld \$1 million of program spending.

Short-Doyle Medi-Cal revenue is projected to be \$800,000 below budget. This revenue shortfall is matched by expenditure savings.

(m) Child Support Incentive

Information provided by the Family Support Bureau staff shows that delays in bringing child support court hearings will result in a reduction of incentive payments by about \$215,000.

(n) Social Service Subventions

Revenue shortfall of \$4.0 million is due mainly to a reduction in AFDC Federal/State aid and in State Administrative claims for the Medi-Cal program. These revenue reductions are the direct result of reduced expenditures. Please see footnote (dd).

(o) Health & Welfare Realignment - Sales Tax & Vehicle License Fees

Monthly receipts from the state appear to be on budget, although a lack of historical data makes projection difficult.

(p) Other Grants and Subventions

The favorable variance of about \$1.2 million is expected to come primarily from indirect cost recovery on various AIDS-related grants of the Department of Public Health.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(q) Licenses

Increased collections from various food establishments and eating places will bring in a net increase of \$262,000 above this year's budget estimates.

(r) Traffic Fines - Parking

The current shortfall estimate of \$7.6 million is based on the Department of Parking and Traffic's projections, and takes into consideration the cumulative shortfall to date, late implementation of a penalty for late payment of fines, and completion of most parking meter repairs. This projection reflects further deterioration since December.

(s) Other Fines and Penalties

Contributors to the \$430,000 shortfall are consumer protection fines, court fines, unclaimed bail and probation costs.

(t) Interest & Other Investment Earnings

Continual decline in General Fund cash balance and interest rates results in a \$3 million shortfall. There is no change between this projection and the six-month projection.

(u) Use of Money or Property

Most revenue in this category comes from garage rents, which are coming in below budget, leading to an expected shortfall of \$1.6 million.

(v) Parking Meter Collections

Collections are below budget due to widespread meter vandalism, and resulting delays in conversion to higher hourly rates and repair of jammed meters. Collections were lowest in November, and have been improving gradually as repairs are completed. The projected annual shortfall of \$3.1 million directly affects the Off Street Parking Fund, which is expected to absorb the loss.

(w) General Government Service Charges

Court filing and reporter fees retained by the City are higher than budgeted, because anticipated legislation requiring their remittance to the state did not take effect until September 1992.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(x) Public Safety Service Charges

A car towing surcharge which was implemented in September 1992 and administered by the Department of Parking and Traffic, is expected to generate \$748,000 this year. In addition, we expect that fees collected by the Fire Department will be \$429,000 above budget. These increases will be offset in part by a net shortfall in other fees, including receipts from securing copies of accident reports, totalling \$444,000. The net positive variance is about \$733,000.

(y) Other Service Charges

Revenue from the boarding of prisoners will fall short of the budgeted amounts by about \$400,000. It is also anticipated by the Department of Public Health staff that the receipts from the various toxics programs may fall below budget by about \$564,000 due to program delays. Other budgeted revenues, including patient payments, show a decrease of \$336,000, for a total unfavorable variance of about \$1.3 million.

(z) Recovery of General Government Costs

The favorable variance of \$876,000 is primarily attributable to higher than expected indirect cost reimbursements from non-general fund departments for services supported by the General Fund.

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

	FY 92-93			VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	
<u>GENERAL FUND</u>				
PUBLIC PROTECTION				
District Attorney	\$22,023	\$25,036	\$25,036	\$0
Public Defender	8,191	8,904	\$8,704	200
Sheriff	36,232	46,380	\$47,613	(1,233) (aa)
Superior Court	19,190	24,966	\$25,883	(917) (bb)
Municipal Court	19,802	20,905	\$19,781	1,124
Juvenile Court	15,953	16,936	\$16,676	260
Adult Probation	5,721	6,515	\$6,333	182
County Clerk	4,992	0	\$0	0
Fire Department	133,062	131,210	\$130,652	558
Police Department	177,212	158,810	\$162,758	(3,948) (cc)
County Agriculture-Weights/Measures	693	760	\$700	60
Public Administrator/Guardian	1,903	2,276	\$2,222	54
Animal Care and Control	2,058	2,086	\$2,073	13
TOTAL PUBLIC PROTECTION	<u>\$447,032</u>	<u>\$444,784</u>	<u>\$448,431</u>	<u>(\$3,647)</u>
PUBLIC WORKS, TRANSPORTATION AND COMMERCE				
Permit Appeals	\$258	\$255	\$255	\$0
PUC Light, Heat and Power	4,107	4,562	\$4,433	129
Electricity	5,908	4,062	\$3,994	68
Public Works	11,206	9,714	\$9,714	0
Parking and Traffic Commission	11,030	12,860	\$11,776	1,084
TOTAL PUBLIC WORKS, ETC.	<u>\$32,509</u>	<u>\$31,453</u>	<u>\$30,172</u>	<u>\$1,281</u>
HUMAN WELFARE AND NEIGHBORHOOD DEVELOPMENT				
Human Rights Commission	\$1,644	\$1,599	\$1,484	\$115
Social Services	277,804	309,242	\$300,916	8,326 (dd)
Commission on the Status of Women	608	959	\$956	3
TOTAL HUMAN WELFARE, ETC.	<u>\$280,056</u>	<u>\$311,800</u>	<u>\$303,356</u>	<u>\$8,444</u>
COMMUNITY HEALTH				
Medical Examiner/Coroner	\$2,822	\$3,290	\$3,262	\$28
Community Health Services	58,984	104,263	\$103,064	1,199
Community Mental Health	126,661	138,143	\$134,723	3,420 (dd)
TOTAL COMMUNITY HEALTH	<u>\$188,467</u>	<u>\$245,696</u>	<u>\$241,049</u>	<u>\$4,647</u>

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

	FY 92-93			VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	
GENERAL FUND				
CULTURE AND RECREATION				
County Educational Office	\$1,711	\$1,719	\$1,719	\$0
Art Commission	1,294	1,317	\$1,314	3
Public Library	20,369	20,557	\$20,557	0 (ee)
Recreation and Park	34,299	33,887	\$33,887	0
Academy of Sciences	1,758	1,535	\$1,535	0
Fine Arts Museum	4,235	4,018	\$3,840	178
Asian Art Museum	1,348	1,294	\$1,294	0
Law Library	138	198	\$198	0 (ee)
TOTAL CULTURE, ETC.	\$65,152	\$64,525	\$64,344	\$181
GENERAL ADMINISTRATION & FINANCE				
Board of Supervisors	\$4,858	\$5,129	\$5,129	\$0
Assessor	5,990	7,113	\$6,813	300
City Attorney	5,937	7,541	\$7,467	74
Treasurer/Tax Collector	11,308	11,227	\$10,408	819
Controller	17,240	15,270	\$15,270	0
Mayor	6,207	5,938	\$5,938	0 (ff)
City Planning	5,832	6,226	\$5,974	252
Civil Service	7,522	8,416	\$8,416	0 (ff)
Retirement System - Departmental	3,360	3,808	\$3,608	200
Workers' Comp. - General Fund	14,238	12,763	\$13,364	(601) (gg)
Chief Administrative Officer	1,039	1,416	\$1,416	0
Real Estate	2,178	2,149	\$2,144	5
Recorder	800	1,075	\$1,060	15
Registrar	3,718	2,613	\$2,613	0 (hh)
Purchaser	3,011	3,076	\$2,581	495
General City Responsibility	38,475	30,068	\$30,068	0
TOTAL GENERAL ADMIN.	\$131,713	\$123,828	\$122,269	\$1,559
TOTAL GENERAL FUND	\$1,144,929	\$1,222,086	\$1,209,621	\$12,465

Notes to Expenditure Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(aa) Sheriff

Supplemental appropriations for the Sheriff totalling \$1,442,702 have been submitted. In addition, the Sheriff has tentatively identified funds previously set aside to house prisoners in private facilities as a source of funding for additional materials and supplies.

(bb) Superior Court

A supplemental appropriation was submitted on April 2, 1993 for additional attorney fees.

(cc) Police

Supplemental appropriations have been submitted to offset \$3,490,100 of the projected deficit (\$3,235,100 for salary and overtime deficits and \$255,000 for dispatcher positions). The remaining deficit has not been addressed. A dispute exists between the Police Department and the Housing Authority over the amount charged to the Housing Authority for patrol services. An unfavorable resolution of this dispute would increase the Police deficit by as much as \$600,000. This projection does not include any overtime which might be required later in the year due to Rodney King or Reginald Denny jury decisions.

(dd) Social Services, Mental Health

Subvention revenue reductions due to decreased expenditures result in the following net changes:

Social Services		Mental Health	
Revenues	(\$4,037,000)	Revenues	(\$3,300,000)
Expenditures	<u>8,326,000</u>	Expenditures	<u>3,420,000</u>
Net Variance	\$4,289,000	Net Variance	\$120,000

(ee) Public Library, Law Library

Requires continuation of mandatory work furloughs to achieve a balanced budget.

(ff) Mayor, Civil Service

Requires continuation of voluntary leave program to achieve a balanced budget.

Notes to Expenditure Projection
Fiscal Year Ending June 30, 1993
As of February 28, 1993

(gg) Workers' Compensation

The current year's projection for Workers' Compensation for general fund departments is listed below.

Sheriff	(\$191,000)
Police	(358,000)
Fire	471,000
Recreation & Park	(267,000)
Municipal Court	(50,000)
Juvenile Court	(194,000)
Purchasing	(68,000)
Public Health Central Office	107,000
Other Departments - Net	<u>(51,000)</u>
	<u>(\$601,000)</u>

(hh) Registrar

A school district special election, if required, is estimated to cost \$500,000. The school district will be required to transfer funds to the registrar to cover the cost of the special election.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
EXPENDITURES AND OTHER SOURCES(USES)
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

		FY 92-93		
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<u>SAN FRANCISCO MUNICIPAL RAILWAY</u>				
REVENUES:				
Sales Tax Allocation - MTC	\$49,447	\$47,882	\$45,882	(\$2,000)
Operating Assistance	7,508	7,508	7,508	0
MTC Bridge Toll Allocation	5,349	3,132	3,132	0
Total Grants and Subventions	\$62,304	\$58,522	\$56,522	(\$2,000)
Passenger Fares	\$82,413	\$89,203	\$87,203	(2,000)
Other	2,284	2,715	2,565	(150)
Total Charges for Services	\$84,697	\$91,918	\$89,768	(\$2,150)
TOTAL REVENUES	\$147,001	\$150,440	\$146,290	(\$4,150)
EXPENDITURES & ENCUMBRANCES				
Personal Services	\$195,924	\$200,643	\$198,090	\$2,553
Contractual Services	14,929	14,858	14,858	\$0
Materials and Supplies	15,022	15,564	15,564	\$0
Fixed Charges & Claims	11,145	9,686	13,586	(\$3,900)
Services of Other Departments	4,579	5,436	6,186	(\$750)
Workers' Compensation	6,892	6,916	6,566	\$350
Other Operating Expenses	16,968	13,977	13,560	\$417
Facilities Maint. & Capital Projects	2,992	3,015	3,015	\$0
TOTAL EXPENDITURES	\$268,451	\$270,095	\$271,425	(\$1,330)
OTHER FINANCING SOURCES(USES)	\$2,656	\$16,841	\$16,841	\$0
CONTRIBUTION FROM GENERAL FUND	\$118,794	\$102,814	\$108,294	(\$5,480)

SAN FRANCISCO MUNICIPAL RAILWAY
Fiscal Year Ending June 30, 1993
As of February 28, 1993

Revenues

The department is projecting a revenue shortfall of \$4,150,000, consisting mainly of the following:

Transportation Development Act sales tax	\$2,000,000
Cable car/Fast Pass revenue	\$2,000,000

Expenditures

Additional funds are required for:

Claims	\$3,500,000
Services of City Attorney	1,250,000
JPB - CalTrain	650,000
Security Services	<u>350,000</u>
	\$5,750,000

These overexpenditures will be partially offset by the following:

Salary Savings	\$1,633,000
Mandatory Furloughs	920,000
Light, Heat & Power	500,000
Other Non-Salary Savings	<u>1,367,000</u>
	\$4,420,000

The Joint Powers Board (JPB) - CalTrain payment will not be required if the JPB approves action pending before it. All new personnel requisitions have been held by the Controller's Office since January 1, 1993.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
EXPENDITURES AND OTHER SOURCES(USES)
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

	ACTUAL FY91-92	REVISED BUDGET	FY 92-93	
			CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<u>SAN FRANCISCO GENERAL HOSPITAL</u>				
REVENUES:				
Patient Net Revenue	\$147,835	\$195,594	\$189,351	(\$6,243)
Other	1,951	24,757	24,757	0
Total Charges for Services	\$149,786	\$220,351	\$214,108	(\$6,243)
Realignment Revenue	\$41,213	\$43,055	\$43,055	\$0
Interest Earnings & Other	\$249	\$0	\$0	\$0
TOTAL REVENUES	\$191,248	\$263,406	\$257,163	(\$6,243)
EXPENDITURES & ENCUMBRANCES				
Personal Services	\$152,260	\$163,661	\$161,700	\$1,961
Contractual Services	34,928	38,872	38,572	\$300
Materials and Supplies	29,440	31,404	31,004	\$400
Services of Other Departments	5,019	6,681	6,831	(\$150)
Workers' Compensation	1,317	1,350	1,425	(\$75)
Other Operating Expenses	13,648	13,937	13,937	\$0
Facilities Maint. & Capital Projects	1,517	492	842	(\$350)
TOTAL EXPENDITURES	\$238,129	\$256,397	\$254,311	\$2,086
OTHER FINANCING SOURCES(USES)	\$8,114	(\$14,869)	(\$14,869)	\$0
CONTRIBUTION FROM GENERAL FUND	\$38,767	\$7,860	\$12,017	(\$4,157)

SAN FRANCISCO GENERAL HOSPITAL
Fiscal Year Ending June 30, 1993
As of February 28, 1993

Revenues

The department is projecting a revenue shortfall of \$6.2 million. This under-realization is made up of the following:

Medicare/Medi-Cal inpatient revenue	\$3,900,000
Outpatient Clinics	2,100,000
Psychiatry and paramedics	200,000

Maintaining the shortfall at \$6.2 million is contingent on the success of various remedial operational plans proposed by the department.

On February 1, the City remitted \$6 million to the State under SB 1255. (SB 1255 essentially provides additional funding to hospitals that provide a significant portion of their services to Medi-Cal recipients). Public Health officials anticipate that contribution to this funding pool will generate an increase in the fixed rate for inpatient Medi-Cal services resulting in additional revenue to partially offset the hospital's revenue shortfall. The exact allocation from SB 1255 is not available at this time.

Expenditures

The department stated earlier in the year that projected revenue shortfalls would be offset by a mandatory work furlough plan and reductions in service contracts which together would save approximately \$3,000,000 this fiscal year.

Action has been taken to implement both of these cost savings programs. These projections reflect savings of \$800,000 accrued to date.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
EXPENDITURES AND OTHER SOURCES(USES)
YEAR ENDED JUNE 30, 1993
As of February 28, 1993
(In Thousands)

	FY 92-93			VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	
<u>LAGUNA HONDA HOSPITAL</u>				
REVENUES:				
Patient Net Revenue	\$83,765	\$91,328	\$89,028	(\$2,300)
Other	237	281	281	0
Total Charges for Services	\$84,002	\$91,609	\$89,309	(\$2,300)
Realignment Revenue	\$544	\$568	\$568	\$0
TOTAL REVENUES	\$84,546	\$92,177	\$89,877	(\$2,300)
EXPENDITURES & ENCUMBRANCES				
Personal Services	\$78,135	\$88,321	\$86,664	\$1,657
Contractual Services	900	1,479	979	\$500
Materials and Supplies	6,890	6,667	6,167	\$500
Services of Other Departments	1,742	2,859	2,859	\$0
Workers' Compensation	1,278	1,144	1,251	(\$107)
Other Operating Expenses	2,078	1,431	1,431	\$0
Facilities Maint. & Capital Projects	340	620	620	\$0
TOTAL EXPENDITURES	\$91,363	\$102,521	\$99,971	\$2,550
OTHER FINANCING SOURCES(USES)	(\$874)	\$646	\$646	\$0
CONTRIBUTION FROM GENERAL FUND	\$7,691	\$9,698	\$9,448	\$250

LAGUNA HONDA HOSPITAL
Fiscal Year Ending June 30, 1993
As of February 28, 1993

Revenues

Laguna Honda Hospital estimates a revenue shortfall of \$2.3 million, caused mainly by shortfall of Medicare/Medi-Cal revenue and a rate decrease in patient revenues. This shortfall is offset by corresponding decreases in expenditures as noted. There has been a slight improvement from the six-month projection.

BOARD OF SUPERVISORS RESERVES
REFLECTING BUDGET COMMITTEE ACTION
THROUGH APRIL 1, 1993

<u>Title/Purpose</u>	<u>Amount</u>
AIDS Prevention	\$820,736
AIDS Prevention Group Meeting	60,000
Children's Zoo Admission	40,000
DPH - Disability Access	75,000
DSS - Rep. Payee	84,509
Public Library - Jails	35,000
Public Library - Sunday Service	125,000
Aging - "Pleasure Endeavors"	57,847
Restore Swimming Pool Hours	<u>100,000</u>
Total Available Reserves	<u>\$1,398,092</u>