



February 4, 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

Dear Mayor Jordan, Ladies and Gentlemen:

Charter Section 3.302 directs the Controller to issue a report on the "projected financial condition of the City and County...(after) the first six month period of each fiscal year." The report for the 1992-93 year is attached. It shows a **projected deficit of \$5.5 million** if no actions are taken to correct the situation.

Revenues were budgeted at less than last year's actual receipts; even so, General Fund revenues are expected to be under budget by a net total of \$18.7 million. In addition, some revenue items are still unknown.

Our expectations were low. After revising our budget to reflect State cuts, total locally generated revenue (property, business, sales tax, etc.) available to the General Fund for the 1992-93 year was projected to be lower than actual receipts for either of the past two years. The two major reasons for this decrease were:

- o The continuing recession in California that is not turning around as fast as the national economy.
- o The massive diversion of property taxes from the General Fund which is expected to increase next year. The State moved \$53 million of property taxes from the General Fund to the School Districts in 1992-93; we expect an additional \$70 million will be diverted in 1993-94 for a future annual loss of over \$120 million. The Proposition J, Children's Amendment, which will take \$5.7 million this year growing to \$13 million in 1993-94.

Some revenues are expected to be under budget.

Parking Fines and meter collections are expected to be \$9.3 million below projection. This would be less than last year's collections, even with increased fines and meter rates.

Interest earnings are expected to drop by an additional \$3 million, projecting this year's receipts to be about half of last year.

Utilities Users Tax receipts are expected to be short by \$2.6 million due to the late start-up of the tax collection.

Please note that Social Service and Mental Health Subvention shortfalls are matched by decreased expenditures, for a net zero effect.

Some revenues need additional work before a good projection can be made.

Property Taxes are still being reviewed. We have received over \$2.9 billion in assessment appeals for lower assessments. We are working with the Assessor and the Assessment Appeals Board staff to further research the potential downfall for this fiscal year, which could be in excess of \$10 million. On the other hand, additional work is required on the part of the Assessor to review buildings with ownership changes which could result in sizeable upward reassessments.

Business taxes are left as budgeted since we do not receive these taxes until early March. The budgeted amount is still less than was received in 1990-91.

As usual, most Departments are keeping within expenditure budgets, with obvious, major exceptions.

The following departments are projected to be substantially over their budgets:

Muni Railway
San Francisco General Hospital
Police
Sheriff
District Attorney

Details of the shortfalls are included in this report. Supplemental appropriations have been sent to the Mayor for most of these problem areas. I expect the Mayor to prioritize these requests within available resources and provide a package to the Board in the near future.

Departments with continuing deficits will need to take additional measures to reduce expenditures to be within their budgets. Where departmental shortfalls continue to exist, all hiring and discretionary purchases will be stopped, projected deficit notices allowing mandatory work furloughs will be issued, and procedures will be started to layoff all temporary employees as of March 31, 1993.

The Mayor and Board will need to allocate available resources based on their priorities.

This projection simply nets available resources and expenditures. However, additional funds are not available to departments until they are appropriated. Policy-makers will need to make adjustments in the current budget to consider:

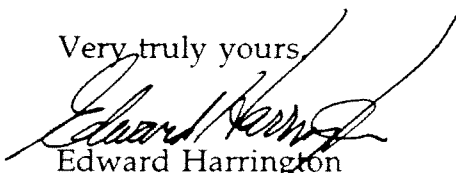
<u>Available funds</u>	(in Millions)
Beginning General Fund reserve	\$ 8.8
Less: Port transfer (legal reserve)	(1.0)
Savings from Departmental underspending	12.9
Retirement rate change effective 1/30/93	10.0
Less: Revenue shortfall	<u>(18.7)</u>
Sub-total available	\$ 12.0
 <u>Projected Overspending</u>	
Departments overspending budget (District Attorney, Sheriff, Police, Muni, S.F. General Hospital)	<u>(17.5)</u>
 Remaining shortfall	 <u>(\$5.5)</u>

Please note:

- o There is a need for the City to retain a prudent reserve for possible contingencies which may arise between now and the end of the fiscal year. The amounts shown above do not include any provision for contingencies for the balance of the fiscal year.
- o These amounts do not include any increase in programs such as the pending supplemental appropriation of \$591,000 for additional 911 staffing.
- o The \$5.5 million net shortfall could be partially offset by the use of approximately \$1.9 million in Board reserves which have not been appropriated to date. These reserves are identified in detail on page 20 of this report.
- o The remaining shortfall must be made up by raising revenues or reducing departmental overspending using all methods including, but not limited to, voluntary or mandatory work furloughs.

My staff and I will be available to answer any questions you may have.

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 December 31, 1992
(In Thousands)

Unappropriated Revenue Reserves (from September 1992 Budget Revision)		\$8,842
LESS:		
Supplementals approved through Jan 20, 1993	(\$258)	
Port Transfer Reserve	(1,000)	
CHANGES - Favorable (Unfavorable)		
Changes in Revenues:		
Property Taxes	***	
Business Taxes	***	
Utility Users Tax	(\$2,625)	
Motor Vehicle in lieu	(1,800)	
Mental Health Subventions	(2,500)	
Social Service Subventions	(792)	
Traffic Fines - Parking	(6,200)	
Parking Meter Collections	(3,100)	
Interest & Other Investment Earnings	(3,000)	
Other Service Charges	(1,224)	
Others	<u>2,554</u>	(18,687)
Changes in Expenditures:		
Police Department	(\$3,755)	
Sheriff	(2,090)	
District Attorney	(436)	
Social Services	5,113	
Community Mental Health	3,100	
Public Health - Central Office	1,541	
Workers' Compensation	(429)	
Parking and Traffic	905	
Treasurer/Tax Collector	515	
Purchaser	324	
Other Departments	<u>1,591</u>	6,379
Changes from General Fund Supported Departments		
Municipal Railway		
-Judgements & Claims	(\$2,500)	
-Workers' Compensation	(454)	
-City Attorney	(1,300)	
-Revenues and Other Appropriations	<u>(1,532)</u>	(\$5,786)
San Francisco General Hospital		
-Workers' Compensation	\$65	
-Revenues	<u>(5,100)</u>	(5,035)
Laguna Honda Hospital		
-Personal Services	\$1,500	
-Other Appropriations	893	
-Revenues	<u>(2,300)</u>	93 (10,728)
Retirement Rate Reduction, Approved Jan. 26, 1993 (General Fund Portion)	<u>10,000</u>	
Net Reduction to Unappropriated Revenue Reserves		<u>(14,294)</u>
Projected Undesignated General Fund Deficit at June 30, 1993		<u><u>(\$5,452)</u></u>

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
YEAR ENDED JUNE 30, 1993

As of December 31, 1992
(In Thousands)

*201
Report*

	ACTUAL FY91-92	REVISED BUDGET	FY 92-93	
			CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
GENERAL FUND				
PROPERTY TAXES				
Current year - secured	\$396,343	\$432,114	\$432,114	\$0
Current year - unsecured	46,577	0	0	0
Other	28,330	153	153	0
				<i>Δ to over line</i>
Total property taxes	\$471,250	\$432,267	\$432,267	***** (a)
BUSINESS TAXES				
Business registration tax	\$7,222	\$7,100	\$7,100	\$0
Business tax	15,732	19,590	19,590	0
Payroll tax	119,620	122,310	122,310	0
Total business taxes	\$142,574	\$149,000	\$149,000	***** (b)
OTHER LOCAL TAXES				
Franchise tax	\$6,991	\$6,829	\$7,419	\$590 (c)
Real property transfer tax	13,798	16,000	16,000	0 (d)
Admission tax	473	1,000	1,000	0 (e)
Parking tax	20,875	22,465	22,465	0 (f)
Utility users tax	26,641	38,862	36,237	(2,625) (g)
Hotel room tax	19,643	21,040	21,657	617 (h)
Sales tax	83,380	88,000	88,000	0 (i)
Total other local taxes	\$171,801	\$194,196	\$192,778	(\$1,418)
GRANTS AND SUBVENTIONS				
Homeowner's exemption reimb.	\$6,059	\$6,362	\$6,362	\$0
Trial court funding	18,872	19,000	18,815	(185) (j)
Motor vehicle in lieu - county	33,604	34,620	33,949	(671) (k)
Motor vehicle in lieu - city	24,854	26,116	24,987	(1,129) (k)
Prop 99 tobacco tax	15,922	10,907	10,783	(124) (l)
Mental health subventions	34,851	30,653	28,153	(2,500) (m)
Child support incentive	6,981	9,305	9,090	(215) (n)
Social service subventions	169,068	180,484	179,692	(792)
Sales tax & veh lic fee-realignment	79,389	83,034	83,034	0 (o)
Other	5,662	5,766	6,669	903 (p)
Total grants and subventions	\$395,262	\$406,247	\$401,534	(\$4,713)

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
 YEAR ENDED JUNE 30, 1993
 As of December 31, 1992
 (In Thousands)

	ACTUAL FY91-92	FY 92-93		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<u>GENERAL FUND</u>				
LICENSES, FINES AND PENALTIES				
Licenses	\$4,888	\$5,195	\$5,458	\$263 (q)
Traffic fines - parking	43,800	49,625	43,425	(6,200) (r)
Traffic fines - moving	1,917	1,580	1,580	0
Other fines and penalties	<u>750</u>	<u>1,260</u>	<u>800</u>	<u>(460) (s)</u>
Total licenses, fines and penalties	<u>\$51,355</u>	<u>\$57,660</u>	<u>\$51,263</u>	<u>(\$6,397)</u>
USE OF MONEY OR PROPERTY				
Interest & other investment earnings	\$12,128	\$9,306	\$6,306	(\$3,000) (t)
Use of money or property	<u>2,968</u>	<u>4,623</u>	<u>3,200</u>	<u>(1,423) (u)</u>
Total use of money or property	<u>\$15,096</u>	<u>\$13,929</u>	<u>\$9,506</u>	<u>(\$4,423)</u>
CHARGES FOR SERVICES				
Parking meter collections	\$10,892	\$12,300	\$9,200	(\$3,100) (v)
General government service charges	12,468	10,740	11,881	1,141 (w)
Public safety service charges	4,999	5,668	6,382	714 (x)
Other service charges	<u>4,184</u>	<u>10,741</u>	<u>9,517</u>	<u>(1,224) (y)</u>
Total charges for service	<u>\$32,543</u>	<u>\$39,449</u>	<u>\$36,980</u>	<u>(\$2,469)</u>
RECOVERY OF GENERAL GOVT. COSTS	<u>\$6,835</u>	<u>\$7,885</u>	<u>\$8,761</u>	<u>\$876 (z)</u>
OTHER REVENUES	<u>\$1,402</u>	<u>\$252</u>	<u>\$109</u>	<u>(\$143) (aa)</u>
TOTAL REVENUES	<u>\$1,288,118</u>	<u>\$1,300,885</u>	<u>\$1,282,198</u>	<u>(\$18,687)</u>

1,344,500

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Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of December 31, 1992

(a) Property Tax

Information is still pending regarding Proposition 8 appeals and other items. Proposition 8 essentially allows a taxpayer to appeal for a reduction in property value due to damage, destruction, depreciation or other factors causing a decline in value of property. The net effect of all open items is not estimable at this time.

(b) Business Taxes

Payroll and gross receipts taxes are received in early March, so no collections are available as a basis for projection. Budgeted revenue is 4.5% higher than last year's collections, but lower than those of Fiscal Year 1990-91.

Business registration fees are lower than last year, probably due to late mailing of delinquency notices. The Tax Collector reports more active business accounts than in prior years.

(c) Franchise Tax

Budgeted revenue is less than last year's actual revenue; 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 is similar to that received in the two prior years, suggesting a possible shortfall from the budgeted amount of \$16 million; however, a stronger real estate market is expected to increase revenue in the second half of the year.

(e) Admission Tax

The current projection that budgeted revenue of \$1 million will be realized depends on the Giants' payment of the tax; exempting the Giants would produce a shortfall of \$500,000 (based on a loss of \$700,000 offset by higher than expected receipts from the 49ers).

(f) Parking Tax

Payments received to date are from first quarter collections only, and are running close to budget. Expected payment of delinquent taxes would increase annual revenue by \$500,000 to \$1 million above projection; however, a large payment depends on a property sale that has not yet been completed.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of December 31, 1992

(g) 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. According to the Tax Collector, the utility companies may be liable for the higher tax from the early months even if they did not collect it.

(h) Hotel Tax

First quarter collections indicate an annual increase of \$617,000 above budget. Second quarter taxes will be received in early February.

(i) Sales Tax

Sales taxes for the period from July to November were somewhat below budget, suggesting a shortfall of up to \$1.8 million; due to reports of a strong holiday sales season, however, the projection will not be changed until those sales tax collections are received in March.

(j) Trial Court Funding

The current projection, \$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.

(k) Motor Vehicle "in-lieu" Subvention

A total projected shortfall of \$1.8 million for both city and county apportionments is based on revenue received to date, and matches the State Controller's projection.

(l) 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.

(m) Mental Health Subventions

Budget assumed implementation of the Family Mosaic program in January 1993. Implementation of this program is delayed until March, resulting in a revenue shortfall of \$1.5 million. In addition, Short-Doyle medical revenue is projected to be \$1 million below budget. This revenue shortfall is matched by expenditure savings.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of December 31, 1992

(n) 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.

(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 \$903,000 is expected to come primarily from indirect cost recovery on various AIDS-related grants of the Department of Public Health.

(q) Licenses

Increased collections from various food establishments and eating places will bring in a net increase of \$263,000 above this year's budget estimates.

(r) Traffic Fines - Parking

The current shortfall estimate of \$6.2 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 expectations that parking meters will be repaired late in the fiscal year.

(s) Other Fines and Penalties

Contributors to the \$460,000 shortfall are court fines, consumer protection 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.

(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 \$1.4 million.

Notes to Revenue Projection
Fiscal Year Ending June 30, 1993
As of December 31, 1992

(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 are expected to improve gradually as repairs are completed. The projected annual shortfall of \$3.1 million directly affects the Off Street Parking Fund; however, if the fund cannot absorb the loss, the general fund will be affected.

(w) General Government Service Charges

Court fees for filings and court reporters are higher than budgeted, because state legislation requiring their remittance to the state did not take effect until September.

(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 \$460,000 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 \$494,000. The net positive variance is about \$714,000.

(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 \$638,000 due to program delays. Other budgeted revenues, including patient payments, show a decrease of \$200,000, for a total unfavorable variance of about \$1.2 million.

(z) Recovery of General Government Costs

This favorable variance is primarily attributable to higher than expected indirect cost reimbursements from non-general fund departments for services supported by the General Fund.

(aa) Other Revenues

The shortfall shown in the amount of about \$143,000 is primarily caused by a reduction in the number of people applying for marriage licenses as compared to the budget.

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES
YEAR ENDED JUNE 30, 1993
As of December 31, 1992
(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	\$25,472	(\$436)
Public Defender	8,191	8,904	8,904	0
Sheriff	36,232	46,380	48,470	(2,090) (bb)
Superior Court	19,190	24,966	24,966	0
Municipal Court	19,802	20,905	20,655	250
Juvenile Court	15,953	16,936	16,484	452
Adult Probation	5,721	6,515	6,371	144
County Clerk	4,992	0	0	0
Fire Department	133,062	131,210	131,018	192
Police Department	177,212	158,810	162,565	(3,755) (bb)
County Agriculture-Weights/Measures	693	760	760	0
Public Administrator/Guardian	1,903	2,276	2,254	22
Animal Care and Control	2,058	2,086	\$2,054	32
TOTAL PUBLIC PROTECTION	<u>\$447,032</u>	<u>\$444,784</u>	<u>\$449,973</u>	<u>(\$5,189)</u>
PUBLIC WORKS, TRANSPORTATION AND COMMERCE				
Permit Appeals	\$258	\$255	\$255	\$0
PUC Light, Heat and Power	4,107	4,562	4,512	50
Electricity	5,908	4,062	4,046	16
Public Works	11,206	9,714	9,714	0
Parking and Traffic Commission	11,030	12,860	11,955	905
TOTAL PUBLIC WORKS, ETC.	<u>\$32,509</u>	<u>\$31,453</u>	<u>\$30,482</u>	<u>\$971</u>
HUMAN WELFARE AND NEIGHBORHOOD DEVELOPMENT				
Human Rights Commission	\$1,644	\$1,599	\$1,540	\$59
Social Services	277,804	309,242	304,129	5,113 (ee)
Commission on the Status of Women	608	959	959	0
TOTAL HUMAN WELFARE, ETC.	<u>\$280,056</u>	<u>\$311,800</u>	<u>\$306,628</u>	<u>\$5,172</u>
COMMUNITY HEALTH				
Medical Examiner/Coroner	\$2,822	\$3,290	\$3,380	(\$90) (bb)
Public Health Central Office	58,984	104,263	102,722	1,541
Community Mental Health	126,661	138,143	135,043	3,100 (ee)
TOTAL COMMUNITY HEALTH	<u>\$188,467</u>	<u>\$245,696</u>	<u>\$241,145</u>	<u>\$4,551</u>

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES
YEAR ENDED JUNE 30, 1993
As of December 31, 1992
(In Thousands)

	FY 92-93			VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	
<u>GENERAL FUND</u>				
CULTURE AND RECREATION				
County Educational Office	\$1,711	\$1,719	\$1,719	\$0
Art Commission	1,294	1,317	1,297	20
Public Library	20,369	20,557	20,557	0 (dd)
Recreation and Park	34,299	33,887	33,882	5
Academy of Sciences	1,758	1,535	1,535	0
Fine Arts Museum	4,235	4,018	3,966	52
Asian Art Museum	1,348	1,294	1,294	0
Law Library	138	198	198	0
TOTAL CULTURE, ETC.	<u>\$65,152</u>	<u>\$64,525</u>	<u>\$64,448</u>	<u>\$77</u>
GENERAL ADMINISTRATION & FINANCE				
Board of Supervisors	\$4,858	\$5,129	\$5,097	\$32
Assessor	5,990	7,113	7,113	0
City Attorney	5,937	7,541	7,467	74
Treasurer/Tax Collector	11,308	11,227	10,712	515
Controller	17,240	15,270	15,270	0
Mayor	6,207	5,938	5,938	0 (cc)
City Planning	5,832	6,226	6,099	127
Civil Service	7,522	8,416	8,416	0 (cc)
Retirement System - Departmental	3,360	3,808	3,808	0
Workers' Comp. - General Fund	14,238	12,763	13,192	(429) (gg)
Chief Administrative Officer	1,039	1,416	1,409	7
Real Estate	2,178	2,149	2,149	0
Recorder	800	1,075	1,094	(19) (bb)
Registrar	3,718	2,613	2,447	166 (ff)
Purchaser	3,011	3,076	2,752	324
General City Responsibility	38,475	30,068	30,068	0
TOTAL GENERAL ADMIN.	<u>\$131,713</u>	<u>\$123,828</u>	<u>\$123,031</u>	<u>\$797</u>
TOTAL GENERAL FUND	<u>\$1,144,929</u>	<u>\$1,222,086</u>	<u>\$1,215,707</u>	<u>\$6,379</u>

Notes to Expenditure Projection
 Fiscal Year Ending June 30, 1993
 As of December 31, 1992

- (bb) Supplemental appropriations have been submitted to Controller for certification.
- (cc) Requires continuation of voluntary leave program to achieve balanced budget.
- (dd) Requires mandatory work furlough to achieve balanced budget.
- (ee) A proportional subvention revenue reduction will occur due to decreased expenditures.
- (ff) A special election, if required, is estimated to cost \$806,000. A supplemental appropriation amounting to \$660,000 will be required if a special election is held.
- (gg) The current year's projection for Worker's Compensation for general fund departments is listed below. Supplemental appropriations will be required to meet departmental deficits.

Sheriff	(\$249,825)
Police	(377,859)
Fire	630,613
Recreation & Park	(267,946)
Municipal Court	(57,912)
Juvenile Court	(213,789)
Purchasing	(74,836)
Public Health Central Office	110,730
Other Departments - Net	<u>72,213</u>
	(428,611)

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
EXPENDITURES AND OTHER SOURCES(USES)
YEAR ENDED JUNE 30, 1993
As of December 31, 1992
(In Thousands)

	ACTUAL FY91-92	FY 92-93		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<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	\$88,325	(\$878)
Other	2,284	2,715	2,565	(150)
Total Charges for Services	\$84,697	\$91,918	\$90,890	(\$1,028)
TOTAL REVENUES	\$147,001	\$150,440	\$147,412	(\$3,028)
EXPENDITURES & ENCUMBRANCES				
Personal Services	\$195,924	\$200,643	\$199,505	\$1,138
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	12,736	(\$3,050)
Services of Other Departments	4,579	5,436	5,436	\$0
Workers' Compensation	6,892	6,916	6,462	\$454
Other Operating Expenses	16,968	13,977	15,277	(\$1,300)
Facilities Maint. & Capital Projects	2,992	3,015	3,015	\$0
TOTAL EXPENDITURES	\$268,451	\$270,095	\$272,853	(\$2,758)
OTHER FINANCING SOURCES(USES)	\$2,656	\$16,841	\$16,841	\$0
CONTRIBUTION FROM GENERAL FUND	\$118,794	\$102,814	\$108,600	(\$5,786)

SAN FRANCISCO MUNICIPAL RAILWAY
Fiscal Year Ending June 30, 1993
As of December 31, 1992

Revenues

The department is projecting a revenue shortfall of \$3 million, consisting mainly of the following:

Transportation Development Act sales tax	\$2,000,000
Cable car/Fast Pass revenue	900,000

Expenditures

Additional funds are required for:

Claims	\$2,500,000
BARTD payments for Fast Pass acceptance	550,000
Services of City Attorney	1,000,000
Security Services	<u>300,000</u>
	\$4,350,000

This overexpenditure will be partially offset by projected salary and workers' compensation savings. 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 December 31, 1992
(In Thousands)

	FY 92-93			VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	
<u>SAN FRANCISCO GENERAL HOSPITAL</u>				
REVENUES:				
Patient Net Revenue	\$147,835	\$194,764	\$189,664	(\$5,100)
Other	1,951	2,628	2,628	0
Total Charges for Services	\$149,786	\$197,392	\$192,292	(\$5,100)
Realignment Revenue	\$41,213	\$43,055	\$43,055	\$0
Interest Earnings	\$249	\$0	\$0	\$0
TOTAL REVENUES	<u>\$191,248</u>	<u>\$240,447</u>	<u>\$235,347</u>	<u>(\$5,100)</u>
EXPENDITURES & ENCUMBRANCES				
Personal Services	\$152,260	\$163,661	\$163,661	\$0
Contractual Services	34,928	38,872	38,872	\$0
Materials and Supplies	29,440	31,404	31,404	\$0
Services of Other Departments	5,019	6,681	6,681	\$0
Workers' Compensation	1,317	1,350	1,285	\$65
Other Operating Expenses	13,648	13,937	13,937	\$0
Facilities Maint. & Capital Projects	1,517	492	492	\$0
TOTAL EXPENDITURES	\$238,129	\$256,397	\$256,332	\$65
OTHER FINANCING SOURCES(USES)	<u>\$8,114</u>	<u>\$8,090</u>	<u>\$8,090</u>	<u>\$0</u>
CONTRIBUTION FROM GENERAL FUND	<u>\$38,767</u>	<u>\$7,860</u>	<u>\$12,895</u>	<u>(\$5,035)</u>

SAN FRANCISCO GENERAL HOSPITAL
Fiscal Year Ending June 30, 1993
As of December 31, 1992

Revenues

The department is projecting a revenue shortfall of \$5.1 million. This under-realization is made up of the following:

Medicare/Medi-Cal inpatient revenue	\$3,000,000
Outpatient Clinics	1,900,000
Psychiatry and paramedics	200,000

Maintaining the shortfall at \$5.1 million is contingent on the success of various remedial operational plans proposed by the department.

On February 1, the department 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 will be available in early March.

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.

No action has been taken to implement either of these cost savings programs.

SCHEDULE OF BUDGETED AND PROJECTED REVENUES
EXPENDITURES AND OTHER SOURCES(USES)
YEAR ENDED JUNE 30, 1993
As of December 31, 1992
(In Thousands)

		FY 92-93		
	ACTUAL FY91-92	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<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	<u>\$84,546</u>	<u>\$92,177</u>	<u>\$89,877</u>	<u>(\$2,300)</u>
EXPENDITURES & ENCUMBRANCES				
Personal Services	\$78,135	\$88,321	\$86,821	\$1,500
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	<u>\$91,363</u>	<u>\$102,521</u>	<u>\$100,128</u>	<u>\$2,393</u>
OTHER FINANCING SOURCES(USES)	<u>(\$874)</u>	<u>\$646</u>	<u>\$646</u>	<u>\$0</u>
CONTRIBUTION FROM GENERAL FUND	<u>\$7,691</u>	<u>\$9,698</u>	<u>\$9,605</u>	<u>\$93</u>

LAGUNA HONDA HOSPITAL
Fiscal Year Ending June 30, 1993
As of December 31, 1992

Revenues

Laguna Honda Hospital estimates a revenue shortfall of \$2.1 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.

BOARD OF SUPERVISORS RESERVES

AS OF FEBRUARY 1, 1993

<u>Title/Purpose</u>	<u>Amount</u>
AIDS Prevention	\$1,000,000
AIDS Prevention Group Meeting	60,000
Children's Zoo Admission	40,000
Commission on Aging - Skilled Nursing	57,847
DPH - Disability Access	75,000
Police - Senior Escort Program	350,000
Public Library - Jails	35,000
Public Library - Sunday Service	125,000
Restore Swimming Pool Hours	100,000
Status of Women	<u>50,000</u>
Total Available Reserves	<u>\$1,892,847</u>