



Memorandum

TO: PUBLIC SAFETY, FINANCE AND
STRATEGIC SUPPORT COMMITTEE

FROM: Jennifer A. Maguire

SUBJECT: BI-MONTHLY FINANCIAL
REPORT FOR MARCH/
APRIL 2008

DATE: June 9, 2008

Approved

Christine J. Sheppley

Date

6-9-08

The Bi-Monthly Financial Report (MFR) for March/April 2008 was jointly prepared by the City Manager's Budget Office and the Finance Department and is presented for the City Council's review.

OVERVIEW

Through April, the City's overall financial position remains stable. Revenues and expenditures are currently performing within expected levels and are tracking to meet budgeted estimates. While the City's financial performance in the current year remains on track, the slowing economic conditions are expected to impact the City's revenues in the upcoming fiscal year. As a result, the 2008-2009 Proposed Operating Budget that was released on May 1, 2008 incorporated downward adjustments to several of the economically sensitive revenue categories. As we approach the end of the fiscal year, the Administration will continue to closely monitor economic conditions and the performance in the City's funds and will bring forward adjustments that will be necessary by year-end to ensure that individual appropriations remain within the budgeted levels.

Following are key highlights in this report:

- The City's largest General Fund revenue sources, including Property Tax, Sales Tax, Franchise Fees, and Utility Tax, are all expected to end the year at or slightly above budgeted estimates. Year-end adjustments will be brought forward for City Council action later this month to recognize the additional revenue that was assumed in the development of the 2008-2009 Proposed Operating Budget.
- On an overall basis, expenditures are tracking within estimated levels through April. Cost control measures remain in place, such as the hiring freeze, and have generated significant savings in recent years. If current expenditure trends continue, there are a number of departments that will end 2007-2008 with year-end savings. There are also savings anticipated for several City-Wide appropriations based on current expenditure trends. Year-end adjustments, such as net-zero shifts between appropriations, will be brought forward to reflect actual performance as part of the City Council item described above.

OVERVIEW (CONT'D.)

- In the development of the 2008-2009 Proposed Budget, it is assumed that almost \$24 million from excess revenues and expenditure savings in the General Fund would be available at the end of 2007-2008 for use in 2008-2009. It is anticipated that this fund balance estimate will be met or slightly exceeded based on activity through April 2008.
- Development-related fee activity continues to experience mixed results with the Building and Public Works Fee Program revenues tracking below anticipated levels through April, while the Planning and Fire Fee Programs are exceeding expectations. As part of the Mid-Year Budget Review, downward adjustments to the Building (\$2 million) and Public Works (\$675,000) revenue estimates were approved based on the lower collection trends. Further reductions to these revenue estimates are expected to be brought forward as part of the year-end clean up actions to align with actual performance.
- The slowdown in the real estate market, which was anticipated when the 2007-2008 budget was developed, has resulted in a 34% drop in Construction and Conveyance Tax receipts through April. The 2007-2008 budget allows for a 35% drop in this revenue category. The weak performance in this area is expected to continue in 2008-2009 and the revenue estimates for Construction and Conveyance Taxes as well as the SB 813 Property Tax (retroactive collections back to the point of sale for reassessments of value due to property resale) were adjusted downwards as part of the 2008-2009 Proposed Budget.
- To address recent disruptions in the variable rate municipal bond market, the Finance Department brought forward actions on June 3, 2008 to refinance the City's variable rate lease revenue bonds and related budget actions. These actions addressed bonds associated with the Civic Center, Hayes Mansion, the Ice Center, and the FMC property. Additional funding of \$1.6 million from a number of special funds was required to cover the additional debt service costs this fiscal year. These actions had no net impact on the General Fund.
- Through April, the Airport has enplaned and deplaned 8.6 million passengers, a decrease of 1.7% from the figures reported through April of the prior year. Larger declines have been experienced in recent months, with a 6.8% decline for March and April when compared with March and April 2007. Due to conservative budgeting practices, the Airport budget is performing within estimated levels despite the sluggish activity levels.

Economic Environment

When the 2007-2008 Adopted Budget was prepared, it was assumed that only modest economic growth would be experienced during the fiscal year. The impacts of the slowing housing market were expected to continue to hamper growth in this region.

As expected, the economic indicators through ten months of the fiscal year, particularly the housing-related ones, have pointed to weak economic growth. The number of housing sales in San José dropped significantly in 2006-2007 and is continuing to fall with a 43% decline through April of this fiscal year. The single-family median home price has also fallen from \$762,000 in April 2007 to \$665,000 in April 2008.

OVERVIEW (CONT'D.)

Economic Environment (Cont'd.)

The following chart shows the dramatic decline in residential sales in San José over the last few years.



It is expected that the housing market will continue to experience weak performance through 2008-2009 and will most directly impact Construction and Conveyance Tax and the SB 813 Property Tax receipts. The growth in Secured Property Tax is also expected to be much lower in 2008-2009 than it has in recent years.

In the area of job growth, the employment figure for April 2008 of 919,200 was 1.3% above the April 2007 figure of 907,500 jobs. This growth rate is tracking below the job growth of 2.1% experienced in 2006-2007. The number of jobs in this region, however, remains well below the peak of 1.1 million jobs in December 2000. The unemployment rate for the San José area of 5.2% in April 2008 was slightly below the March 2008 figure of 5.5% but was up from 4.5% a year ago. The April unemployment rate for San José was above the unadjusted rate for the nation of 4.8% but was below the unadjusted figure for the State of 6.1%.

Consumer confidence also continues to fall. On a national level, the Conference Board Consumer Confidence Index, which has declined in April, fell further in May. Lynn Franco, Director of The Conference Board Consumer Research Center stated: "The Consumer Confidence Index now stands at a 16-year low. Weakening business and job conditions coupled with growing pessimism about the short-term future have further depleted consumers' confidence in the overall state of the economy. Consumers' inflation expectations, fueled by increasing prices at the pump, are now at an all-time high and are likely to rise further in the months ahead. As for the short-term outlook, the Expectations Index suggests little likelihood of a turnaround in the immediate months ahead."

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GENERAL FUND

REVENUES

General Fund revenues through April 2008 totaled \$619.4 million. This was an increase of \$22.6 million (3.8%) from the April 2007 level of \$596.8 million. Collections exceeded the prior year in several categories, including Property Tax, Transfers and Reimbursements, Utility Tax, Sales Tax, and Revenue from the State. These higher collections were partially offset by lower receipts in the Other Revenue, Revenue from Local Agencies, and Revenue from the Federal Government categories.

Based on collections through April, it is anticipated that General Fund revenues should slightly exceed the budget estimates by year-end. Given the City's conservative budgeting practices, the economically sensitive revenue categories continue to meet expectations. This is welcome news in a financial environment in which a number of local jurisdictions and the State are facing severe difficulties in the current year. The Budget Office will continue to refine its revenue estimates and will bring forward year-end adjustments to recognize the higher collections.

The following discussion highlights General Fund revenue activities through April.

KEY GENERAL FUND REVENUES

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Property Tax	\$ 198,154,000	\$ 154,896,734	\$ 135,111,303

The Property Tax category includes Secured Property Tax, Unsecured Property Tax, SB 813 Property Tax (retroactive collections back to the point of sale for reassessments of value due to property resale), and Homeowners Property Tax Relief.

Secured Property Tax accounts for \$137.7 million of the \$154.9 million in Property Tax revenue received through April 2008. Based on information from the County of Santa Clara, Secured Property Tax receipts are projected to exceed the adopted estimate of \$181.4 million by as much as \$2.5 million. This estimate has been adjusted upwards by approximately \$1 million from the last MFR based on revised estimates from the County on the impact of property reassessments during the year. The 2007-2008 collections are based on the value of property assessed on January 1, 2007, with any roll corrections. Tax roll adjustments are still occurring and will continue to take place until the end of May 2008. The Budget Office is continuing to work with the County to assess what implications any fluctuation in revenues due to this factor may have on growth expectations for the overall Secured Property Tax category.

Unsecured Property Tax receipts total \$11.1 million through April and should reflect all of the payments that will be received this fiscal year. The actual collections have exceeded the adopted budget estimate by \$438,000.

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

The SB 813 Property Tax category generated revenues of \$5.0 million through April, which is above the \$4.1 million collected through the same period last year due primarily to timing differences in the receipt of payments. Factoring out those timing differences, collections are still slightly exceeding the 2006-2007 collection level and have met the 2007-2008 budget estimate of \$5.0 million in this category. It is anticipated that collections will exceed the budgeted estimate by \$1.5 - \$2.5 million based on current collection trends. This collection pattern is unusual given the large declines in the number of real estate transactions that have occurred this year and the drop of 20.7% in this category experienced in 2006-2007. From July 2007 through April 2008, the number of residential property sales declined 43% when compared to the same period last year. While no drop is currently reflected in year-to-date receipts, it is anticipated that collections will fall significantly at some point in this area based on the slowdown in the housing market. As a result, the 2008-2009 Proposed Budget assumes a sizeable reduction in this revenue source.

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

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Sales Tax	\$ 152,636,000	\$ 92,483,552	\$ 90,532,189

The Sales Tax category includes General Sales Taxes and Proposition 172 Sales Taxes. General Sales Tax receipts through April of \$89.1 million are tracking slightly above the prior year collection level of \$87.0 million. This reflects actual performance for the first two quarters along with a "triple flip" payment and advances from the State.

In the second quarter 2007-2008, which represented activity from September through December 2007, growth of 4.4% was realized on a cash basis. Almost all of this growth, however, was the result of one-time adjustments and growth in the County pool receipts. The underlying economic growth in San José was only 0.4%. This economic growth was entirely the result of an increase in the Business-to-Business sector, which was up 6.6%. All of the other sectors experienced declines as follows: General Retail was down 0.7%; Transportation was down 0.7%; Construction was down 7.3%; Food Products was down 0.1%; and Miscellaneous was down 11.0%.

With the business-to-business growth, this sector now represents 25.1% of the sales tax collections. This figure is now only slightly below the General Retail sector, which accounts for 26.8% of the sales tax receipts. The remaining sectors account for just under half of the sales tax

GENERAL FUND (CONT'D.)

KEY GENERAL FUND REVENUES (CONT'D.)

Sales Tax (Cont'd.)

receipts as follows: Transportation (22.7%); Food Products (14.2%); Construction (10.7%); and Miscellaneous (0.6%).

As presented in the last MFR, the 4.2% growth in San José in the second quarter tracked above the County-wide growth of 2.8%, the Bay Area growth of 1.5%, and the flat performance for the State as a whole. This region experienced large variances in the Sales Tax performance, with an increase of 28.7% for Cupertino and a decline of 51.2% for Monte Sereno. Other local cities that experienced growth included Los Gatos (up 3.6%), Milpitas (up 3.2%), Morgan Hill (up 6.4%), Sunnyvale (up 8.8%), and Saratoga (up 13.7%). Jurisdictions that experienced declines included Gilroy (down 5.3%), Mountain View (down 3.5%), Santa Clara (down 8.6%), and Los Altos Hills (down 33.4%).

With the performance through the first two quarters, no growth is needed in the last two quarters of this fiscal year to meet the 2007-2008 budgeted estimate. If 2007-2008 receipts were to increase by the budgeted growth level of 3% in the next two quarters, collections would exceed the 2007-2008 estimate by \$1.7 million. This growth, however, is unlikely given the current economic environment.

The Proposition 172 Sales Tax receipts of \$3.4 million are tracking below the prior year collection level of \$3.6 million. Growth of approximately 2.5% is needed, however to meet the budgeted estimate. At this point, it is anticipated that collections will end the year slightly below the budgeted estimate. The lower collections in this category, however, are expected to be offset by slightly higher collections in the General Sales Tax category.

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Transient Occupancy Tax	\$ 8,988,000	\$ 6,999,743	\$ 6,327,044

Through April, Transient Occupancy Tax collections of \$7.0 million were tracking 10.6% above the prior year collection level of \$6.3 million for the same period. This growth level exceeds the growth of 4.5% needed to meet the 2007-2008 budget estimate of \$9.0 million.

The occupancy rate at the 14 major hotels was 63.6% in April 2008, which was above both the March 2008 rate of 61.7% and the April 2007 rate of 61.1%. The average room rate increased slightly from \$146.88 in March 2008 to \$151.09 in April 2008. The average room rate in April 2008 was also above the April 2007 room rate of \$140.52. If the current collection trends continue, the 2007-2008 budget estimate will be exceeded at year-end by \$300,000 to \$500,000.

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

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Franchise Fees	\$ 39,032,000	\$ 30,758,381	\$ 30,248,177

Franchise Fee collections of \$30.8 million are tracking slightly above (1.7%) the prior year collection level and the budgeted estimate. Electric Franchise Fees are expected to meet the budgeted estimate of \$15.1 million, while the Gas Franchise Fees are expected to exceed the budget estimate of \$5.3 million by approximately \$200,000. Cable Franchise Fees are also tracking to exceed the adopted estimate of \$5.5 million by over \$1 million based on current year collection trends. Commercial Solid Waste Franchise Fees are also expected to meet or slightly exceed the budgeted estimate of \$11.6 million. To reflect this higher collection level, it is anticipated that an increase to the Franchise Fees revenue estimate will be brought forward for City Council consideration at year-end.

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Utility Tax	\$ 79,141,000	\$ 63,598,907	\$ 60,882,244

Utility Tax collections of \$63.6 million through April were up 4.5% from last year's collection level of \$60.9 million due to slightly higher collections in all categories (Electric, Gas, Water, and Telephone). It is anticipated that an upward adjustment to this revenue category will be brought forward for City Council consideration at the end of this fiscal year.

In the Electric Utility Tax category, collections of \$28.8 million were tracking 2.1% above the prior year level of \$28.2 million. Overall growth of less than 1% is needed to meet the budget estimate of \$37.0 million. It is currently anticipated that Electric Utility receipts will slightly exceed this estimate by year-end by \$250,000 to \$500,000.

In the Gas Utility Tax category, receipts of \$8.8 million were 12.3% above the prior year of \$7.8 million. The price of gas fluctuates each month and reflects an increase from the prior year. The 2007-2008 Adopted Budget estimate of \$9.7 million assumed no growth in this category. Based on the current collection trends, it is assumed that collections will exceed this budgeted estimate by approximately \$1 million.

In the Water Utility category, collections of \$6.4 million are tracking 6.1% above the prior year level of \$6.1 million and are expected to exceed the budget estimate of \$7.7 million by year-end by \$250,000 to \$500,000. When the 2007-2008 Adopted Budget was developed, it was assumed that growth of 5% over the 2006-2007 estimated collection level would be realized in 2007-2008

GENERAL FUND (CONT'D.)

KEY GENERAL FUND REVENUES (CONT'D.)

Utility Tax (Cont'd)

based on the projected rate increases. Because receipts in this category tracked above expected levels in 2006-2007, no growth is needed in 2007-2008 to meet the budgeted estimate.

Collections in the Telephone Utility Tax category of \$19.6 million are tracking above the prior year level of \$18.8 million and are targeted to meet or slightly exceed the budgeted estimate of \$24.7 million by year-end by as much as \$1 million.

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Licenses and Permits	\$ 77,486,330	\$ 62,810,068	\$ 62,574,070

Through April, Licenses and Permits revenue of \$62.8 million tracked 0.4% above the prior year level of \$62.6 million. Following is a discussion of the major components of this category.

Cardroom Business Tax collections of \$9.4 million were slightly below the prior year level of \$9.5 million. Based on prior year collection trends and actual performance through April, this revenue category is expected to slightly exceed the budget estimate of \$11.8 million by year-end. In the Business Tax category, revenues of \$12.8 million through April were tracking slightly above the prior year level of \$12.7 million and the budgeted estimate of \$12.6 million. Given the billing cycles and the year-end reconciliation for bad debt, the collections through April generally account for almost all of the revenues that will be received in this category. Disposal Facility Tax revenue of \$10.2 million through April is tracking below the \$10.4 million collected through the same period last year. Based on this lower collection level, it is anticipated that receipts will fall below the budgeted estimate of \$15 million.

Through April, Fire Permits of \$7.4 million were tracking slightly above estimated levels and well above (25.4%) the prior year receipts of \$5.9 million. Over half of the growth from the prior year was, however, the result of accounting differences and an error in the categorization of miscellaneous revenues. In 2006-2007, receipts were understated because approximately \$700,000 was not deferred from 2005-2006 to 2006-2007. After adjusting for deferrals, Fire Permit revenues were tracking approximately 12% above 2006-2007 levels. Additionally, miscellaneous revenues of \$189,000 were incorrectly booked to Fire Permits and will be reallocated. Factoring out these revenues, Fire Permits were tracking 9.3% above 2006-2007 levels. Development-related collections of \$4.1 million were 12.7% above the \$3.6 million received through April 2007. Through April, plan check revenue of \$2.3 million matched the current year estimate but was 23.6% above the prior year level of \$1.8 million. Overall development activities were exceeding budgeted revenue estimates primarily due to continued

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GENERAL FUND (CONT'D.)**KEY GENERAL FUND REVENUES (CONT'D.)****Licenses and Permits (Cont'd)**

strong activity in commercial and industrial development, despite anticipated slowdowns in residential development. While the development-related Fire Permits were exceeding the budget estimate, the non-development Fire Permits of \$3.1 million were tracking lower than anticipated and are projected to end the year below the budgeted estimate.

Through April, Building Permits revenue of \$16.3 million was tracking well below the budgeted estimate and the 2006-2007 collection level of \$17.8 million. Based on the lower collections through the first half of the year, the Building Permits revenue estimate was reduced by \$2 million as part of the Mid-Year Budget Review to \$23.0 million. Based on collections through April, it is projected that revenues could end the year below this revised estimate by an additional \$2 to \$2.5 million. It is anticipated that year-end budget adjustments will be brought forward for City Council consideration that will reduce the revenue estimate by an additional \$2 million, with offsetting reductions to the Building Division budget and Building Fee Program Reserve. While there are sufficient Building Fee Program Reserves and expenditure savings to offset any shortfall in this program this year, the lack of revenue generation remains a concern. In the Building Permit area, April residential permit activity remained slow (58 units). Commercial building permit activity also dipped to its lowest level in two years and industrial activity was slow.

The other licenses and permits are generally tracking within estimated levels through April.

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Use of Money and Property	\$ 14,129,080	\$ 13,079,151	\$ 11,766,713

Use of Money and Property revenue collections of \$13.1 million through April were above the prior year level of \$11.8 million, primarily reflecting higher than anticipated cash balances in the General Fund and other funds for which the General Fund receives the interest earnings. This category, however, is now beginning to be impacted by falling interest earning rates. Due to the strong collections in the first half of the fiscal year and the higher than anticipated cash balances, overall revenues in this category are still expected exceed the budgeted estimate by year-end by approximately \$2 million. It is anticipated that a year-end adjustment will be brought forward to increase this revenue estimate.

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

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Revenue from Local Agencies	\$ 49,511,454	\$ 33,251,081	\$ 38,928,566

This category includes reimbursement from the Redevelopment Agency for City services, grants from various agencies, reimbursement for fire suppression services in unincorporated County pockets, and reimbursement for emergency medical services. Revenues through April of \$33.3 million were below the prior year level of \$38.9 million due primarily to differences in the timing of payments and the differences in the local reimbursements budgeted. Overall, revenues in this category are expected to end the year slightly below the adopted estimate. This is due to lower than projected collections in the Central Fire District category and reimbursement from the Redevelopment Agency for City support services due to vacancies.

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Departmental Charges	\$ 30,178,518	\$ 24,534,885	\$ 23,033,323

Overall, the Departmental Charges category was performing within estimated levels through April. This was due, however, to strong performance in the Planning and Parks, Recreation and Neighborhood Services Fee categories that offset the weak performance in the Public Works Fee category. Following is a discussion of the major variances in this category.

Planning Permit revenue of \$5.7 million was well above the prior year level of \$4.1 million and is currently projected to exceed the 2007-2008 revenue estimate of \$6.3 million by as much as \$500,000. Revenues in most categories were performing at or above anticipated levels through April. This is welcome news given the weak performance in 2006-2007 that resulted in the use of almost all of the Planning Fee Reserve. It is anticipated that a budget adjustment will be brought forward in the year-end clean-up memorandum to recognize the additional revenue anticipated in 2007-2008 and to increase the Planning Fee Reserve.

Public Works revenues of \$5.2 million were, conversely, 4.7% below the prior year level of \$5.5 million and tracked below the level needed to meet the revised projections for 2007-2008. The adopted revenue estimate for this category was \$8.7 million. This estimate was reduced to \$8.0 million as part of the 2007-2008 Mid-Year Budget Review based on the lower revenue collections through the first half of the year. Based on collections through April, it is anticipated that receipts may fall short of this lower estimate as well. Collections in many of the revenue categories are performing below expectations, with the Residential Engineering, Residential Materials Testing, and Private Streets Engineering tracking well below the budgeted estimates.

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GENERAL FUND (CONT'D.)**KEY GENERAL FUND REVENUES (CONT'D.)****Departmental Charges (Cont'd)**

A shortfall of approximately \$1 million is projected by year-end if current collection trends continue. The Public Works Fee Reserve and expenditure savings are available to offset only a portion of the projected shortfall. The General Fund would be required to cover any remaining shortfall. It is anticipated that year-end budget adjustments will be brought forward for City Council consideration to reduce the revenue estimate in this category. It will also be necessary to closely monitor this fee program in 2008-2009, as the Fee Reserve for this program will be completely depleted and revenue estimates currently included in the 2008-2009 Proposed Budget may need to be revised downwards.

Collections in the Transportation Fee category were tracking slightly below anticipated levels due to lower collections in the development-related tree planning charges. Collections in the Police Fee category were also slightly below estimated levels due to lower than projected Police Officer Standards and Training (POST) reimbursements. The Parks, Recreation, and Neighborhood Services Fees, on the other hand, were tracking above expectations due to strong performance in a number of categories, including Fee Activity/Classes and Happy Hollow Park and Zoo. It is anticipated that a recommendation will be brought forward for City Council consideration to allocate a portion of the Fee Activity/Classes revenue to cover higher costs associated with delivering the fee classes.

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Other Revenue	\$ 23,044,236	\$ 19,666,807	\$ 22,977,957

The Other Revenue category contains a number of unrelated revenue sources. While almost all of the line items in this category are tracking within estimated levels, it is anticipated that overall receipts will fall below the budgeted estimate due primarily to lower collections associated with the Coyote Valley Specific Plan. The developers in Coyote Valley have decided to not move forward at this time, which will reduce the reimbursement for City services associated with preparing the Specific Plan from \$2.9 million in 2007-2008 to approximately \$1.2 million. Expenditure savings will also be generated to offset a portion of the lower revenue collections. It is anticipated that budget adjustments will be brought forward at year-end to adjust the revenue estimate and budget for this project.

GENERAL FUND (CONT'D.)

KEY GENERAL FUND REVENUES (CONT'D.)

<u>Revenue</u>	<u>2007-2008 Estimate</u>	<u>YTD Actual</u>	<u>Prior YTD Collections</u>
Transfers and Reimbursements	\$ 102,381,767	\$ 91,101,946	\$ 86,405,809

This category includes overhead reimbursements from operating and capital funds, transfers, and other reimbursements. Transfers and Reimbursement collections of \$91.1 million through April were tracking above the prior year level of \$86.4 million due primarily to differences in the amounts budgeted for transfers and overhead from various operating funds. Overall, collections in the Transfers and Reimbursements category are expected to meet or exceed budgeted estimates by year-end based on higher overhead reimbursements from capital funds.

While the operating overhead reimbursements are typically received at the Adopted Budget level, the capital overhead reimbursements are received based on actual capital expenditures. These reimbursements are currently tracking above anticipated levels based on the activity levels in the capital funds and should exceed the budget estimate by year-end.

In the Transfers category, collections are currently tracking as anticipated through April. Receipts in this area may, however, be negatively impacted by a reconciliation of prior year payments by the Airport Funds for Police and Fire services.

GENERAL FUND (CONT'D.)

EXPENDITURES

Through April, General Fund expenditures of \$666.6 million were 8.8% above (up \$54.0 million) the prior year level of \$612.6 million. Encumbrances of \$50.9 million were 50.0% above (\$17.0 million) the prior year level of \$33.9 million. Expenditures and encumbrances (\$717.5 million) through April constitute 73.5% of the total 2007-2008 revised budgeted uses of funds (\$975.9 million, excluding reserves). On an overall basis, cumulative departmental and non-departmental expenditures are tracking below budgeted levels through April. It is anticipated that year-end adjustments will be brought forward for City Council consideration to move a portion of these expenditure savings along with the excess revenue into an Ending Fund Balance appropriation. In the development of the 2008-2009 Proposed Budget, it is assumed that a combination of expenditure savings and excess revenue would generate approximately \$24 million for use in 2008-2009. The activity is 2007-2008 is tracking to meet this target.

Departmental expenditures of \$562.3 million were 12.0% (\$60.3 million) above the prior year level of \$502.0 million. Almost 75% of the increase in departmental expenditures occurred in the Police and Fire Departments, which were up \$44.6 million from last year. A significant portion of this increase from the prior year reflects the multiple year retroactive salary increases for Fire sworn personnel that were awarded in arbitration. Departmental expenditures are tracking within estimated levels through April and it is anticipated that departments will remain within their overall allocations. There are several departments that are currently tracking below anticipated levels and are expected to end the year with savings, including Police, Parks, Recreation and Neighborhood Services, Transportation, Finance, City Attorney's Office, City Auditor's Office, Planning, Building and Code Enforcement, Information Technology, and Fire. While overall expenditures are tracking within budgeted levels, it is anticipated that year-end adjustments will be brought forward to shift funds between the personal services and non-personal/equipment categories within a few departments to align with spending patterns.

In the non-departmental area, expenditures of \$104.3 million were slightly below the prior year level of \$110.6 million primarily due to the timing of payments, lower grant-related or reimbursement-related expenditures and lower transfers to other funds. Non-departmental expenditures are generally expected to remain within the budgeted allocations. Year-end savings are currently expected in several categories, including Workers' Compensation Claims, General Liability Claims, and Sick Leave Payments Upon Retirement.

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

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

<u>Department</u>	<u>2007-2008 Budget</u>	<u>YTD Actual</u>	<u>Prior YTD Actual</u>
Police	\$ 287,121,082	\$ 221,887,860	\$ 203,939,818

On an overall basis, Police Department expenditures are tracking close to estimated levels. Personal Services expenditures of \$208.5 million tracked close to anticipated levels (79.5% compared to the par of 80.3%). Overtime expenditures of \$7.5 million through April, however, tracked above anticipated levels with 84.3% expended. This was due in part to higher overtime for homicide investigations. The overtime budget was increased by \$977,000 as part of the Mid-Year Budget Review to reflect the additional resources necessary to staff the "high" security threat level, or "Orange Alert" advisory, issued by the federal Department of Homeland Security at the Airport. This increase was funded by a corresponding increase to the reimbursement to the General Fund from the Airport Operating Fund. Overtime expenditures through April related to the increased security threat level totaled \$780,000, with additional overtime of approximately \$197,000 projected for the remainder of 2007-2008. At this time, the Department estimates that it will end the year within its Personal Services appropriation. The Budget Office and Police Department will continue to closely monitor Personal Services to ensure expenditures are within appropriated levels by year-end.

The Department's Sworn Recruitment and Training Program is designed to use vacancy savings to fund overstrength positions for recruit academies, with an aim to fill vacant positions with street ready officers within an average of 90 days. One-time funding of \$1.3 million was rebudgeted in the 2007-2008 Adopted Budget to partially fund the Sworn Recruitment and Training Program's January 2008 Academy, and an additional \$762,000 was rebudgeted in the 2006-2007 Annual Report for this program. The Department has 1,370 authorized sworn staff. The Department graduated 30 Police recruits from the July 2007 Academy, with the officers street-ready in April 2008. In addition, the Department hired 45 Police recruits for the January 2008 Recruit Academy. Due to attrition in the academy, 37 officers from the January 2008 Recruit Academy are expected to be street-ready in October 2008.

The compensatory time balance at the end of April 2008 was 241,053 hours for sworn personnel. This represents an increase of 2,728 hours (1.1%) from the March 2008 balance of 238,325, and an 7,833 hour increase (3.4%) compared to the April 2007 balance of 233,220. The increase in sworn compensatory time balances is due to a number of factors, including responses to specific types of crimes such as homicides which require immediate and intensive investigations, and the need to backfill for street-ready vacancies. The Department's sworn compensatory time reduction program for personnel with balances over 240 hours is expected to limit growth through year-end; however, this area is a growing concern and Department staff will continue to monitor balances closely.

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GENERAL FUND (CONT'D.)**KEY GENERAL FUND EXPENDITURES (CONT'D.)****Police Department (Cont'd.)**

A total of \$17.2 million (69.4%) of the Department's Non-Personal/Equipment budget was expended or encumbered through April. After excluding the remaining balances for non-discretionary items including electricity, gas, and vehicle operation and replacement, the Department has approximately \$1.1 million, or 8.5% of the budget to expend in the remaining two months of the fiscal year. It is anticipated that the Police Department will remain within its Non-Personal/Equipment allocation. The Budget Office and the Department will monitor expenditures closely to ensure that the Department ends the year within the budgeted appropriation.

<u>Department</u>	<u>2007-2008 Budget</u>	<u>YTD Actual</u>	<u>Prior YTD Actual</u>
Fire	\$ 162,735,302	\$ 128,539,792	\$ 101,905,875

Overall, expenditures for the Fire Department were tracking within estimated levels through April with 79.0% expended.

Through April, Personal Services expenditures of \$123.0 million tracked slightly below estimated levels (79.3% versus a par level of 80.3%). The 2007-2008 budget has been adjusted to account for all retroactive payments associated with the final Fire arbitration award. Salary and benefit expenditures of \$117.0 million tracked above par level at 83.2% expended, while overtime expenditures tracked at lower than estimated levels with \$6.0 million expended (41.7%). The higher salary and benefit expenditures and the lower overtime expenditures are due largely to full staffing of all line positions that increased the regular salary expenditures and reduced the minimum staffing overtime expenditures. In addition, there are some activities that are funded by overtime (such as pre-hiring activities related to Firefighter Recruit Academies, Fire Engineer Academy, and Special Operations and other training activities) that have not yet occurred. At this time, the Fire Department expects that overtime expenditures at year-end will be lower than budgeted. Savings in this category, however, will be needed to offset projected higher expenditures in salaries and benefits. Due to the current number of overstrength Firefighters, one recruit academy budgeted for 2007-2008 may be conducted in 2008-2009. With the one rebudgeted academy, a total of three recruit academies are projected for 2008-2009 in order to address anticipated retirements beginning in July 2009. After assuming a rebudget of funds allocated for one of the recruit academies, it is anticipated that personal services expenditures for the Fire Department will be slightly below the budgeted allocation at year-end.

GENERAL FUND (CONT'D.)

KEY GENERAL FUND EXPENDITURES (CONT'D.)

Fire Department (Cont'd.)

Through April, the Fire Department had a total of 273 filled paramedics (177 front-line, 5 Supervisors, and 91 support). Of the 25 recruits that began the April 2007 Academy, 19 graduated in August 2007. Of these 19, four resigned and the remaining 15 have all completed paramedic accreditation through April 2008. The Department projects it will have no problem maintaining the target staffing level of 154 front-line Firefighter Paramedics. The number of targeted front-line Firefighter Paramedics increased (from 147) for Fire Station 33 that came online in August 2007, and Fire Station 35 that came online in October 2007. Additionally, the Department graduated 26 Recruits from the November 2007 Firefighter-EMT Recruit Academy in March 2008.

The Department's Non-Personal/Equipment budget of \$7.7 million was 86.9% expended or encumbered through April. The Department estimates that it will end the year within the budgeted allocation.

CONTINGENCY RESERVE

Through April, the General Fund Contingency Reserve was at \$29.7 million, up by \$600,000 from the 2007-2008 Adopted Budget level of \$29.1 million. The following revisions to the Contingency Reserve were approved through April:

- A decrease of \$150,000 to support the completion of the Evergreen-East Hills Development Policy Update.
- An increase of \$1,264,843 to bring the Contingency Reserve to 3% of the budget based on the Annual Report actions.
- An increase of \$150,000 to restore the funding that was used to support the Evergreen-East Hills Development Policy Update.
- A decrease of \$665,000 to provide funding necessary to transition the operation of the Mexican Heritage Plaza in 2007-2008.

OTHER FUNDS

The City's numerous special and capital funds are generally performing within estimated levels. The revenue collections in several funds, however, continue to be impacted by the slowdown in development and real estate activity. These lower collection levels have been built into the 2008-2009 Proposed Operating and Capital Budgets.

On an overall basis, expenditures are within budgeted levels in the special and capital funds. Year-end adjustments will be brought forward for those individual appropriations within a fund that are currently tracking above estimated levels. Capital project adjustments will be based on final year-end estimates and will reflect any adjustments to account for changes in the distribution of Public Works Department administrative costs. Year-end adjustments are also anticipated to reconcile final debt-related revenue and costs. On June 3, 2008, the City Council approved actions in several funds to refinance variable rate lease revenue bonds in response to the disruptions in the variable rate municipal bond market. In addition, net-zero adjustments will be recommended to move funding between appropriations, such as shifting funds from personal services to non-personal to reflect actual funding demands.

Following is a discussion of the performance in selected special and capital funds revenues and funds.

Construction and Conveyance Tax Funds

Construction and Conveyance Tax revenues continue to experience significant declines due to the slowdown in the local real estate market. Nearly 98% of the total C&C taxes are comprised of conveyance receipts, or property transfers, which are the main driver in this revenue category. In April, the number of property transfers for all types of residences has decreased by approximately 43% from the prior year. Additionally, the median home price for single family homes within the City are finally experiencing drops in values, with the median home price in April 2008 totaling \$665,000, down 13% from the April 2007 price of \$762,000. In addition, it has taken increasing amounts of time to sell these homes, with the average days-on-market increasing by 19% from 63 days in April 2008 compared to 53 days in April 2007.

Anticipating this development, the 2007-2008 Construction and Conveyance Tax estimate of \$27 million allowed for a decline of 35% compared to 2006-2007 actual performance. Collections through April totaled \$20.3 million (75% of the 2007-2008 estimate), which represents a decline of 34% from the \$30.6 million collected through April 2007. The City has since received May Conveyance Tax receipts totaling \$1.9 million. This amount is 53% lower than the May 2007 amount of \$4.0 million and bring the total decline in this revenue to almost 36%. With this decline, Construction and Conveyance collections have experienced decreases in 23 of the last 25 months when compared to the same months in the prior year. At this point, it is not clear whether C&C revenues will meet the adopted level of \$27 million. If collections do fall below this level, it is assumed that the variance will be relatively small. Actual receipts will be reconciled in the 2007-2008 Annual Report and any adjustments will be brought forward at that time. The 2008-2009 Proposed Budget was built on the assumption that collections would continue to decline into 2008-2009.

OTHER FUNDS (CONT'D.)**Other Construction-Related Revenues**

Through April, permit valuation for residential construction activity continues to be below prior year levels while commercial and industrial construction activity remains above prior year levels. Residential activity continues to be slow in April with the construction of 58 units. Commercial activity dipped to its lowest level in two years with permit valuation at \$9.8 million. A permit was issued for a 6,000-square foot *Applebee's* restaurant that will be located in *The Plant Shopping Center*, located at Curtner Avenue and Monterey Road. A permit was also issued for the *Japanese American Museum* (located on North 5th Street), a project involving demolition of one structure, construction of a 10,000-square foot new building, and relocation, conversion, and minor modification of an adjacent historic structure to make way for a new surface parking and circulation area. With recent regulatory approval of Oracle's acquisition of *BEA Systems*, the company has announced its intent to sell the Sobrato building located on Almaden Boulevard, and as a result, the tenant improvement permit issued in December will not be proceeding. Industrial activity was slow in April (though still slightly above last year's levels) with permit valuation at \$10.7 million. This permit activity drives the revenue collection in several categories, including the Construction Excise Tax, the Building and Structure Construction Tax, and the Residential Construction Tax, and is an indicator of future activity for several other categories, such as the storm and sanitary sewer system fees.

Through April, actual receipts for the seven revenue sources monitored for this report totaled \$21.2 million, which represents a decrease of 10.5% from the \$23.7 million collected through the same period last year. The major revenue sources – Building and Structure Construction Taxes and Construction Excise Taxes – tracked lower than revenues collected through the same period in 2006-2007. Building and Structure Tax receipts through April totaled \$8.1 million, which is 80.0% of the 2007-2008 estimated level of \$10.2 million. This represents a decrease of 12.2% from the revenues collected through the same period last year (\$9.3 million). The budgeted estimate for this category allows for a 4.3% drop in 2007-2008. Construction Excise Tax revenues through April totaled \$11.9 million (80.5% of the current 2007-2008 estimate of \$14.8 million), which represents a decrease of 6.8% from the revenues collected through the same period last year (\$12.8 million). The budgeted estimate for this category represents a 2.0% increase in 2007-2008. These lower collection levels have been factored into the 2008-2009 Proposed Budget and 2009-2013 Capital Improvement Program.

Other construction-related revenues are generated by Residential Construction Taxes, Municipal Water Service Connection Fees, Municipal Water Major Facilities Fees, Sanitary Sewer Fees, and Storm Drain Fees. Municipal Water Major Facilities Fees is currently tracking above prior year levels and totaled \$182,000, which represents 121.3% of the current 2007-2008 estimate of \$150,000. This collection level indicates a significant increase from the fees collected through the same period last year. In contrast, Storm Drain Fees, Sanitary Sewer Fees, Residential Construction Taxes, and Municipal Water Service Connection Fees are all tracking below prior year levels and most likely will not meet budgeted estimates by year-end. Storm Drain Fees totaled \$200,000, which represents 65.8% of the current 2007-2008 estimate of \$304,000. This

OTHER FUNDS (CONT'D.)

Other Construction-Related Revenues (Cont'd.)

collection level indicates a slight decrease of 0.2% from the fees received through the same period last year (\$201,000). Sanitary Sewer Fees totaled \$650,000, which represents 53.5% of the current 2007-2008 estimate of \$1.2 million. This collection level is 40.5% below the fees collected through the same period last year (\$1.1 million). Residential Construction Taxes totaled \$90,000, which represents 35.2% of the current 2007-2008 estimate of \$256,000 and a 66.0% decrease from the fees received through the same period last year (\$265,000). Municipal Water Service Connection Fees totaled \$13,000, which represents 3.7% of the current 2007-2008 estimate of \$360,000. This collection level reflects a 69.5% decrease from the fees collected through April 2007 (\$44,000). Municipal Water Service Connection Fees and Municipal Water Major Facilities Fees reflect actual costs recovered to install new services.

Airport Funds

On a fiscal year-to-date basis, the Norman Y. Mineta San José International Airport (SJC) has enplaned and deplaned 8.6 million passengers, a decrease of 1.7% from the figures reported through April of the prior year. March and April activity has declined 6.8% compared with March/April 2007.



SJC Passengers	Apr. 2008	Apr. 2007	% Change
Enplaned YTD	4,286,392	4,365,173	-1.8%
Deplaned YTD	4,309,876	4,383,470	-1.7%
YTD Passengers	8,596,268	8,748,643	-1.7%
Monthly Enplanements	407,204	452,346	-10.0%
Monthly Deplanements	405,167	454,307	-10.8%
April	812,371	906,653	-10.4%

Fiscal year-to-date mail, freight and cargo totaled 148.2 million pounds, which represents a 5.4% decrease from 2006-2007. Landed Weights trail last year by 1.1%, Passenger Facility Charge (PFC) revenues are 3.8% less than the previous fiscal year, and Parking Revenue is 3.2% less than last fiscal year. Taxicab operations, on the other hand, surpass last fiscal year by 2.0% and Traffic Operations (landings and takeoffs) exceed the prior year by 0.9%.

Despite the sluggish activity levels being experienced at the Airport, operating revenues through April of \$103.53 million are tracking slightly ahead of the budget estimate, reflecting the conservative budget projections. In fact, all revenue categories, except landing fees and parking and roadways, are tracking above the estimated budget. Total airline rates and charges are performing 4% above the budget benchmark, boosted by higher terminal rentals and partially

OTHER FUNDS (CONT'D.)

Airport Funds (Cont'd.)

offset by lower landing fees. Airfield revenues are tracking higher than estimated due to increased activity across all sectors within the category. Terminal concessions are also tracking slightly above projections primarily due to food and beverage revenues and advertising. Higher petroleum program revenues, combined with the receipt of a compressed natural gas tax credit from the U.S. Treasury, contributed to the favorable general and non-aviation revenues.

Revenues in the Airport Customer Facilities and Transportation Fee Fund total \$4.2 million, of which \$1.0 million is reserved for funding the Consolidated Rental Car Facility. The balance represents operating revenues used in the operation of the rental car shuttle bus transportation system, which are 7.5% below the budget estimate and 4.5% below the prior year levels.

Airport Maintenance and Operations Fund expenditures are tracking below budgeted levels in both personal and non-personal/equipment services through April 2008. Personal services expenditures of \$26.7 million are 75.5% of budget compared to the benchmark of 80.3%, with savings attributed to vacancies. The Airport has averaged 46 vacant positions per month this fiscal year. Non-personal/equipment expenditures of \$26.5 million are 59.2% of budget compared to the benchmark of 75.1%. Encumbrances of \$8.9 million bring total non-personal/equipment commitments to \$35.4 million or 79.1% of budget. Expenditures in the Airport Customer Facilities and Transportation Fee Fund are tracking below benchmarks and are 4.2% lower than last fiscal year.

Airport activity and revenue performance will continue to be carefully monitored. Year-end savings in both expenditure and reserves are anticipated and as a result, the Airport's overall budget performance is positive. Technical year-end adjustments are anticipated in the Airport Funds related to capital financing and will include budget actions to reconcile the use of commercial paper, to account for variable rate interest, to return excess construction funds upon completion of Airfield projects funded from 2001 bonds, and to recognize additional interest earnings.

Transient Occupancy Tax Fund

Transient Occupancy Tax (TOT) collections of \$10.4 million through April were \$1 million above prior year collections through the same period and were exceeding the budgeted estimate. As described earlier for General Fund Transient Occupancy Tax collections, the occupancy rate at the 14 major hotels was 63.6% in April 2008, which was above both the March 2008 rate of 61.7% and the April 2007 rate of 61.1%. The average room rate increased from \$146.88 in March 2008 to \$151.09 in April 2008. The April 2008 average room rate was also above the April 2007 room rate of \$140.52. TOT collections in this fund are anticipated to finish the year above the budgeted estimate of \$13.4 million.

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OTHER FUNDS (CONT'D.)

Vehicle Maintenance and Operations Fund

Through April, revenues are tracking slightly below anticipated levels due to the timing of payments associated with Police vehicle replacement. This reimbursement is expected by year-end. On the expenditure side, a few categories are tracking above anticipated levels, including the Inventory and the Non-Personal/Equipment appropriations. The Inventory appropriation was tracking high primarily due to increases in fuel prices as well as increases in parts expenses. The Non-Personal/Equipment appropriation was tracking above expected levels due primarily to increases in contractual expenses. Personal Services savings are available to offset a portion of these higher expenditures. Budget actions were approved by the City Council on May 20, 2008 to increase both the Non-Personal/Equipment (\$300,000) and the Inventory (\$990,000) appropriations, offset by Personal Services reduction (\$300,000) and an increase in revenue associated with departmental transfers.

Water Pollution Control Plant

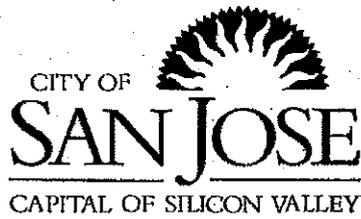
In the Water Pollution Control Plant Fund overall revenues and expenditures are tracking within estimated levels. The non-personal/equipment expenditures, however, are tracking above projected levels. This is due to higher natural gas prices and higher expenditures to address the aging infrastructure that requires a greater level of maintenance and repairs. The higher non-personal/equipment costs can be offset by lower than budgeted personal services costs. In order to avoid any potential shortfall a shift from personal services to non-personal/equipment of approximately \$2.6 million will be brought forward for City Council consideration at year-end.

CONCLUSION

Through April, the City's finances remain in sound condition, with revenues and expenditures generally tracking within estimated levels. When the 2007-2008 Adopted Budget was developed, it was assumed that only modest economic growth would be experienced this fiscal year, hampered by the slowdown in the housing market. This underlying assumption is proving to be accurate. Under the current economic environment, it is anticipated that this region, along with the State and the U.S. as a whole, will face weak economic performance in 2008-2009. The 2008-2009 Proposed Budget assumes much slower growth in the economically sensitive revenue categories.

A 2007-2008 year-end clean-up memorandum will be brought forward for City Council consideration with recommended adjustments to align the budget with actual activity levels and to avoid any overages in budgeted appropriations. As always, staff will continue to report to the City Council any and all significant developments through this reporting process.


JENNIFER A. MAGUIRE
Acting Budget Director



FINANCE DEPARTMENT
Monthly Financial Report

Financial Results for the 10 Months Ended April 30, 2008
Fiscal Year 2007-08

Finance Department, City of San José
Monthly Financial Report
Financial Results for the 10 Months Ended April 30, 2008
Fiscal Year 2007-08

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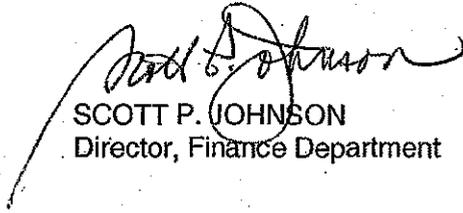
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Finance Department, City of San José
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Financial Results for the 10 Months Ended April 30, 2008
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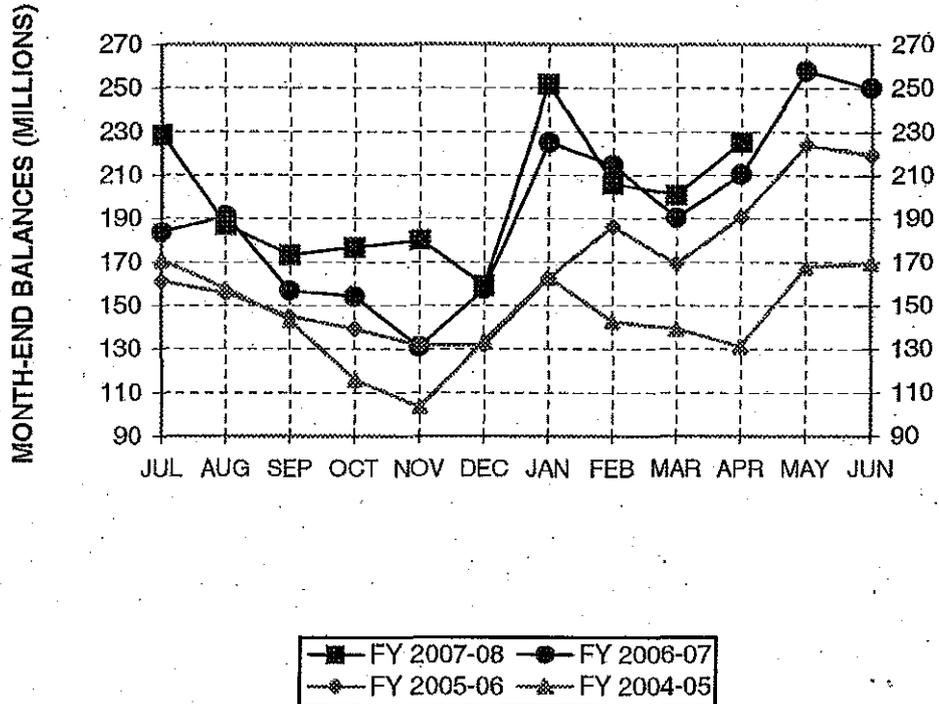
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Submitted by:


SCOTT P. JOHNSON
Director, Finance Department

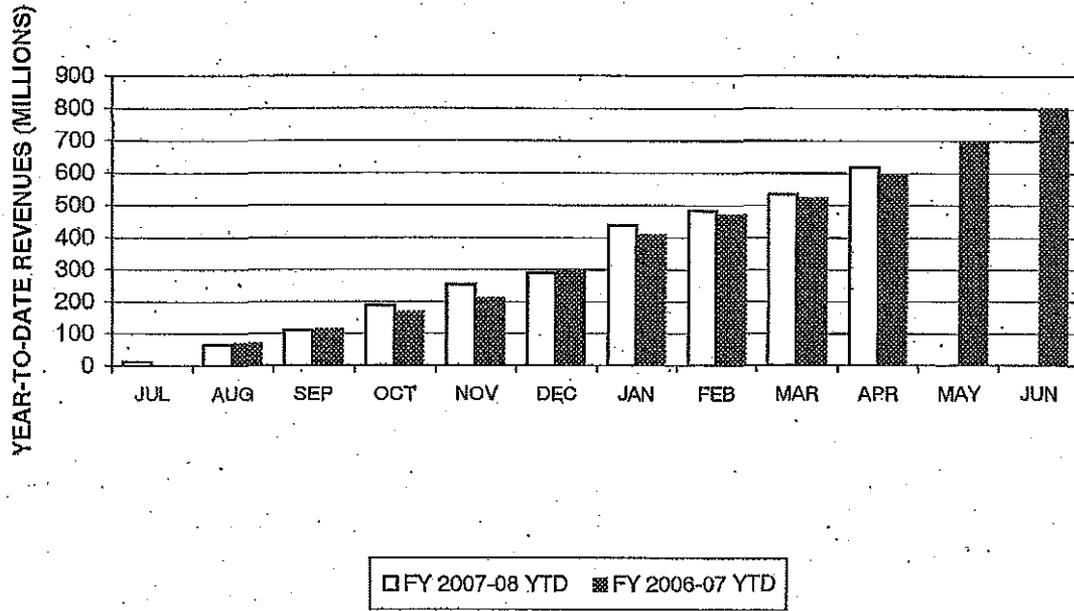
**GENERAL FUND
Comparison of Cash Balances**



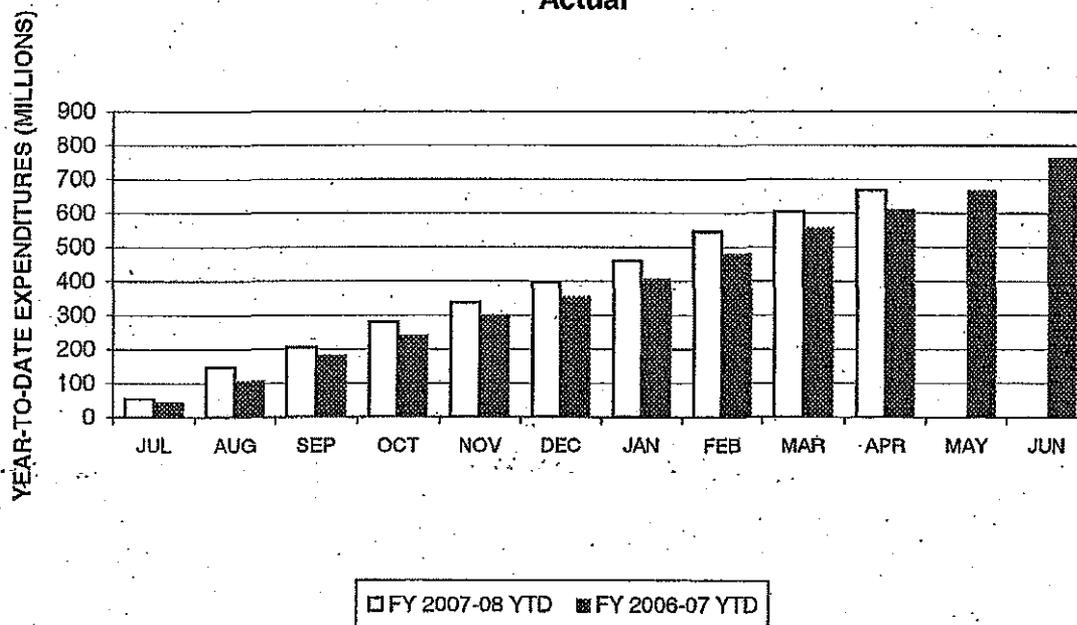
GENERAL FUND MONTHLY CASH BALANCES

MONTH	FY 2007-08	FY 2006-07	FY 2005-06	FY 2004-05
JULY	\$ 228,551,607	\$ 183,638,084	\$ 161,103,519	\$ 170,866,370
AUGUST	186,835,010	190,974,568	155,276,638	157,724,418
SEPTEMBER	173,043,887	156,674,730	144,980,057	143,118,210
OCTOBER	176,617,539	154,011,382	139,052,451	115,750,195
NOVEMBER	180,164,388	131,009,877	131,757,140	103,292,889
DECEMBER	159,164,830	157,479,064	131,612,938	133,482,542
JANUARY	251,792,153	224,766,520	162,598,761	162,721,265
FEBRUARY	205,882,438	214,574,932	186,471,797	142,587,409
MARCH	200,763,696	190,320,128	169,141,222	139,318,867
APRIL	225,008,853	210,342,744	190,637,410	131,310,126
MAY		257,771,653	224,072,193	167,609,044
JUNE		250,180,874	219,498,514	169,498,646

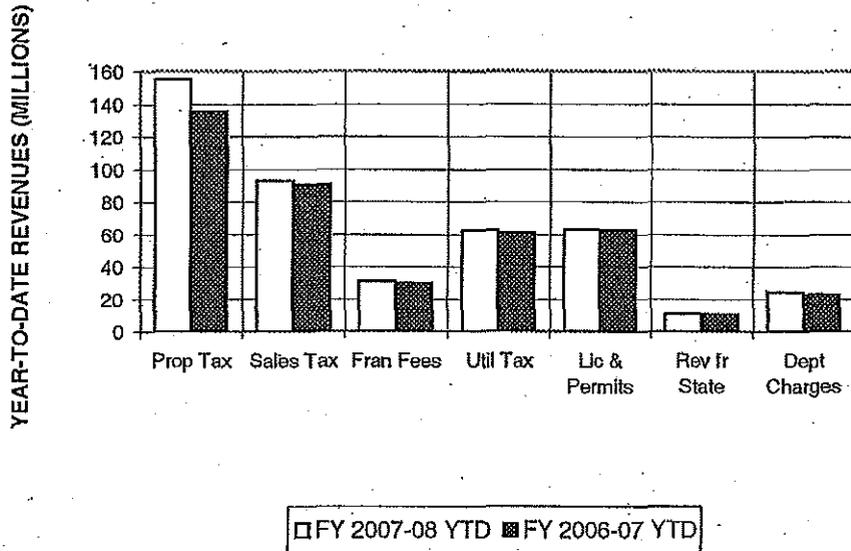
**GENERAL FUND
Comparison of YTD Revenues
Actual**



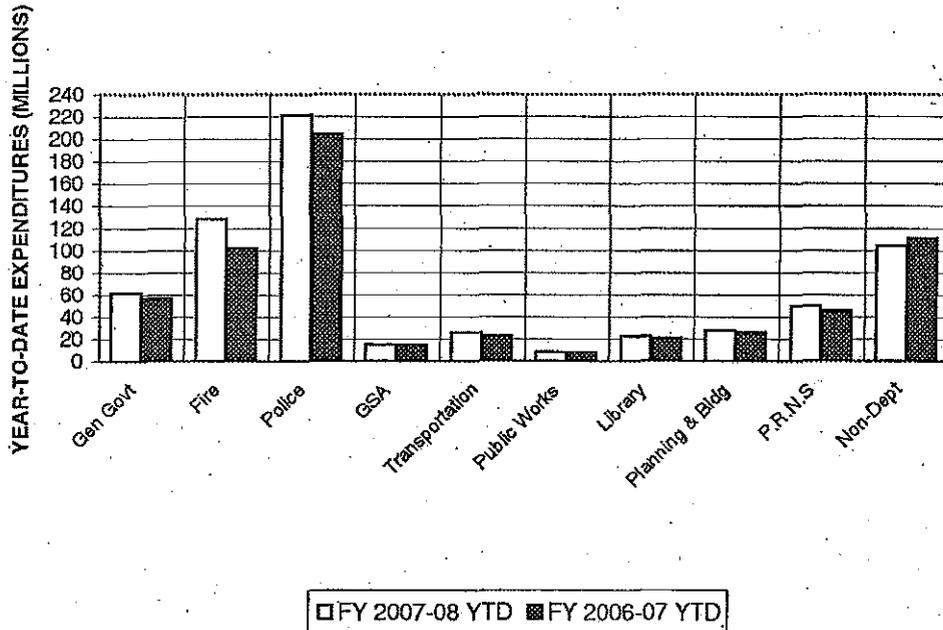
**GENERAL FUND
Comparison of YTD Expenditures
Actual**



GENERAL FUND MAJOR REVENUES
Comparison of YTD Actual vs. Prior YTD Actual
For the 10 Months Ended April 30, 2008



GENERAL FUND MAJOR EXPENDITURES
Comparison of YTD Actual vs. Prior YTD Actual
For the 10 Months Ended April 30, 2008



Note: State Budget Balancing actions resulted in the "Triple Flip", which suspended a portion of local government's Sales and Use Tax and Motor Vehicle License Fee revenues and replaced them with local property tax revenues. The 2007-2008 impact through April 2008, after receiving the first half of the triple flip payment in January 2008, is approximately \$14 million.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
FUND BALANCE, REVENUE, TRANSFERS & REIMBURSEMENTS
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)

	ADOPTED FY 2007-08 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2007-08 BUDGET	CUR YTD ACTUAL	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END BUDGETARY BASIS ACTUAL	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
Fund Balance											
Prior Year Encumbrances	\$ -	-	25,638	25,638	25,638	100.00%	25,401	101.10%	25,124	237	0.93%
Liquidation of c/o Encumbrance											
Available Balance	205,468	42,161	-	247,630	247,630	100.00%	209,418	100.00%	209,418	38,212	18.25%
Total Fund Balance	205,468	42,161	25,638	273,268	273,268	100.00%	234,919	100.12%	234,542	38,449	16.37%
General Revenues											
Property Tax	198,154	-	-	198,154	154,897	78.17%	135,111	71.23%	189,683	19,785	14.64%
Sales Tax (Note 2)	152,636	-	-	152,636	92,484	60.59%	90,532	60.37%	149,962	1,951	2.16%
Transient Occupancy Tax	8,988	-	-	8,988	7,000	77.88%	6,327	73.57%	8,600	673	10.63%
Franchise Fees	39,032	-	-	39,032	30,758	78.80%	30,248	74.84%	40,415	510	1.69%
Utility Tax	79,141	-	-	79,141	63,599	80.36%	60,882	76.94%	79,129	2,717	4.46%
Licenses and Permits	79,719	(2,233)	-	77,486	62,810	81.06%	62,574	83.92%	74,562	236	0.38%
Fines, Forfeits and Penalties	14,708	-	-	14,708	13,037	88.64%	12,939	92.06%	14,052	98	0.75%
Use of Money and Property	13,909	220	-	14,129	13,079	92.57%	11,767	75.26%	15,634	1,312	11.15%
Revenue from Local Agencies	47,243	2,268	-	49,511	33,251	67.16%	38,929	85.91%	45,314	(5,677)	-14.58%
Revenue from State of Cal.	10,429	542	-	10,971	10,821	98.64%	10,792	82.84%	13,028	29	0.27%
Revenue from Federal Government	6,143	8,201	-	14,344	2,350	16.39%	4,288	30.83%	13,907	(1,938)	-45.19%
Departmental Charges (Note 1)	30,715	(536)	-	30,179	24,535	81.30%	23,033	77.29%	29,801	1,502	6.52%
Other Revenues	18,527	4,517	-	23,044	19,667	85.34%	22,978	84.70%	27,128	(3,311)	-14.41%
Total General Revenues	699,344	12,979	-	712,323	528,288	74.16%	510,401	72.79%	701,215	17,886	3.50%
Transfers & Reimbursements											
Overhead Reimbursements	33,135	-	-	33,135	33,080	99.84%	29,953	87.32%	34,301	3,127	10.44%
Transfers from Other Funds	49,646	1,777	-	51,423	45,894	89.25%	44,737	84.89%	52,699	1,157	2.59%
Reimbursements for Services	17,825	-	-	17,825	12,128	68.04%	11,716	66.02%	17,746	412	3.52%
Total Transfers & Reimburse	100,605	1,777	-	102,382	91,102	88.98%	86,406	82.49%	104,746	4,696	5.43%
Total Sources	\$ 1,005,417	56,917	25,688	1,087,972	892,657	82.05%	831,626	79.93%	1,040,503	61,031	7.34%

Note 1 - See Supplemental Schedule on Page 7

Note 2 - State Budget Balancing actions resulted in the "Triple Flip", which suspended a portion of local government's Sales and Use Tax and Motor Vehicle License Fee revenues and replaced them with local property tax revenues. The 2007-2008 impact through April 2008, after receiving the first half of the triple flip payment in January 2008, is approximately \$14 million.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
EXPENDITURES
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)

	ADOPTED	YTD		REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END	% CHANGE	
	FY 2007-08	BUDGET	C/O	FY 2007-08	ACTUAL	ENCUMBR	ACTUAL %	YTD	OF PRIOR	BUDGETARY	CUR YTD LESS	CUR YTD ACTUAL
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	OF BUDGET	ACTUAL(1)	YEAR-END	ACTUAL	PRIOR YTD	LESS PRIOR YTD
General Government												
Mayor and Council	\$ 9,665	(65)	28	9,628	6,197	163	64.86%	5,388	80.82%	6,695	808	15.00%
City Attorney	13,385	407	1,607	15,399	10,739	1,436	69.74%	9,464	76.56%	13,969	1,275	13.48%
City Auditor	2,835	235	10	3,079	1,678	71	54.49%	1,965	82.90%	2,380	(287)	-14.61%
City Clerk	3,046	776	38	3,859	1,603	45	41.54%	2,532	68.85%	3,716	(929)	-36.70%
City Manager	9,776	2,487	338	12,600	9,070	426	71.98%	6,967	78.01%	9,271	2,103	30.18%
Finance	11,487	354	445	12,285	8,866	612	72.17%	7,990	80.41%	10,451	876	10.97%
Information Technology	16,990	524	732	18,246	12,330	1,510	67.57%	11,833	79.06%	15,707	497	4.20%
Employee Services	7,724	98	160	7,981	5,729	366	71.77%	5,034	78.20%	6,598	694	13.79%
Redevelopment Agency	1,411	44	-	1,455	959	-	65.87%	1,014	81.26%	1,248	(56)	-5.48%
Independent Police Auditor	833	29	9	871	647	6	74.90%	605	79.83%	767	42	6.96%
Office of Economic Development	4,461	83	594	5,137	3,490	444	67.94%	3,821	83.90%	5,263	(331)	-8.66%
Office of Emergency Services	532	7	-	539	394	-	73.13%	310	75.08%	413	84	27.04%
Total General Government	82,143	4,979	3,960	91,081	61,701	5,080	67.74%	56,924	78.71%	76,478	4,777	8.39%
Public Safety												
Fire	134,390	27,991	354	162,735	128,540	1,122	78.99%	101,906	80.27%	127,314	26,634	26.14%
Police	281,142	3,529	2,450	287,121	221,888	3,757	77.28%	203,940	79.22%	269,901	17,948	8.80%
Total Public Safety	415,532	31,520	2,804	449,856	350,428	4,879	77.90%	305,846	79.56%	387,215	44,582	14.58%
Capital Maintenance												
General Services	19,389	220	1,777	21,386	15,128	3,664	70.73%	14,927	78.89%	21,189	201	1.35%
Transportation	34,267	64	763	35,095	25,489	1,761	72.63%	22,467	73.46%	31,386	3,002	13.35%
Public Works	10,641	183	322	11,146	8,439	584	75.71%	8,037	81.61%	10,186	401	4.99%
Total Capital Maintenance	64,298	467	2,863	67,627	49,056	6,009	72.54%	45,452	76.54%	62,761	3,604	7.93%

(1) Does not include encumbrance balance.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
EXPENDITURES
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)

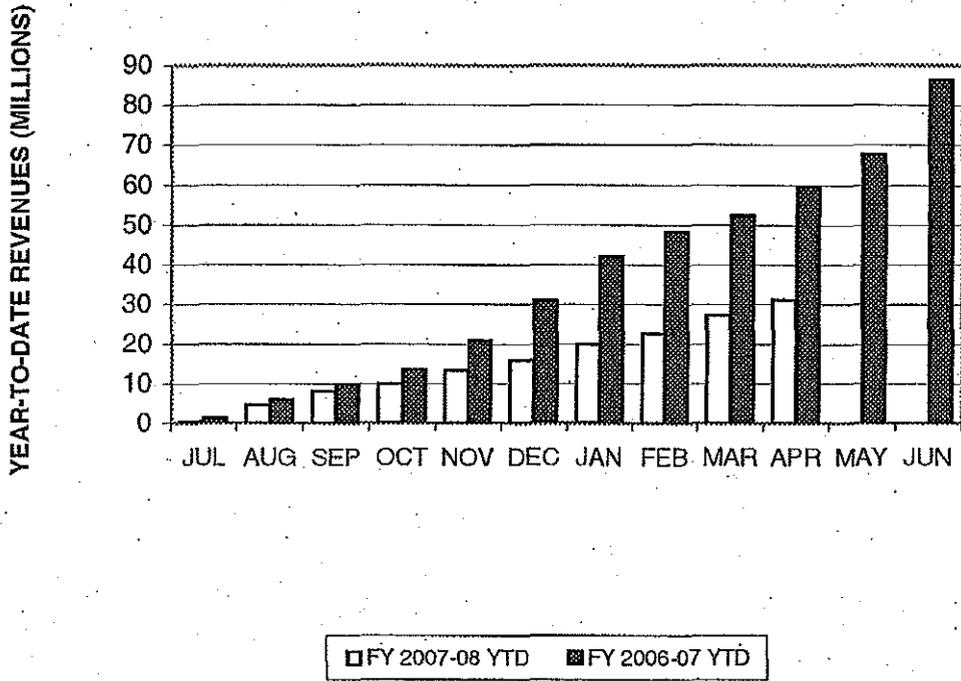
	ADOPTED FY 2007-08 BUDGET	YTD		REVISED FY 2007-08 BUDGET	YEAR-TO-DATE		CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL(1)	PRIOR YTD %	PRIOR YEAR-END	% CHANGE				
		BUDGET	AMENDMENTS		C/O ENCUMBR	ACTUAL			ENCUMBR	OF BUDGET	ACTUAL(1)	OF PRIOR YEAR-END ACTUAL	BUDGETARY BASIS ACTUAL	CUR YTD LESS PRIOR YTD ACTUAL(1)	LESS PRIOR YTD ACTUAL
Community Service															
Library	28,807	558	92	29,457	22,765	463	77.28%	21,243	78.83%	27,041	1,522	7.16%			
Planning, Bldg & Code Enf.	39,284	(661)	284	38,908	27,539	587	70.78%	26,295	79.93%	33,220	1,244	4.73%			
Park, Rec & Neigh Svcs	65,046	(478)	2,230	66,799	50,019	4,255	74.88%	45,304	79.07%	61,104	4,716	10.41%			
Environmental Services	1,786	(261)	251	1,756	819	489	46.66%	924	69.65%	1,682	(104)	-11.28%			
Total Community Services	134,924	(841)	2,837	136,920	101,143	5,795	73.87%	93,766	79.15%	123,047	7,377	7.87%			
Total Dept. Expenditures	\$ 696,896	36,124	12,464	745,484	562,328	21,763	75.43%	501,987	79.11%	649,501	60,341	12.02%			
Non-Dept Expenditures															
City-wide Expenditures:															
Econ & Neighborhood Develop.	\$ 29,920	4,143	2,063	36,126	18,594	2,386	51.47%	22,536	91.16%	26,814	(3,941)	-17.49%			
Environmental & Utility Services	1,362	14	116	1,482	554	387	37.96%	721	69.10%	1,361	(167)	-23.20%			
Public Safety	5,623	8,314	2,067	16,004	4,722	5,654	29.51%	12,950	88.29%	16,740	(6,228)	-63.54%			
Recreation & Cultural Services	11,338	2,689	1,745	15,773	6,110	1,538	38.74%	6,889	80.28%	10,491	(779)	-11.31%			
Transportation Services	3,133	(18)	325	3,440	1,548	665	44.99%	1,404	72.31%	2,266	144	10.26%			
Strategic Support	76,719	126	2,866	79,710	35,571	5,207	44.63%	29,958	71.56%	44,822	5,613	18.74%			
Total City-wide Expenditures	128,085	15,268	9,180	152,534	67,098	15,838	43.99%	74,457	80.22%	102,494	(7,359)	-9.88%			
Capital Contributions	22,380	21,368	3,993	47,741	9,509	13,280	19.92%	6,775	78.97%	12,657	2,734	40.35%			
Transfers to Other Funds	28,877	1,263	-	30,140	27,654	-	91.75%	29,409	99.83%	29,459	(1,756)	-5.97%			
Total Non-Dept Expenditures	179,342	37,899	13,174	230,414	104,261	29,118	45.25%	110,641	84.55%	144,610	(6,381)	-5.77%			
Reserves															
Contingency Reserves	29,139	600	-	29,739	-	-	0.00%	-	0.00%	-	-	0.00%			
Earmarked Reserves	100,041	(17,706)	-	82,335	-	-	0.00%	-	0.00%	-	-	0.00%			
Total Reserves	129,179	(17,106)	-	112,073	-	-	0.00%	-	0.00%	-	-	0.00%			
Total Uses	\$ 1,005,417	56,917	25,638	1,087,972	666,588	50,881	61.27%	612,628	80.04%	794,111	53,960	8.81%			

(1) Does not include encumbrance balance.

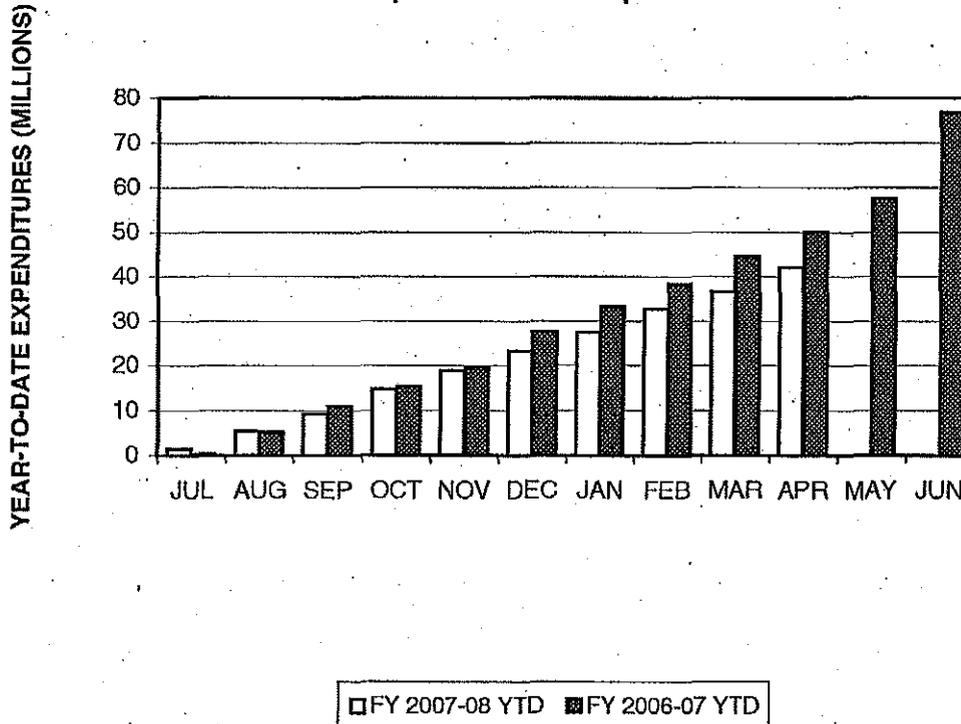
CITY OF SAN JOSE
 GENERAL FUND SOURCE AND USE OF FUNDS
 FOR THE 10 MONTHS ENDED APRIL 30, 2008
 SUPPLEMENTAL SCHEDULE - DEPARTMENTAL REVENUES
 (UNAUDITED)
 (\$000's)

	ADOPTED FY 2007-08 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2007-08 BUDGET	CUR YTD ACTUAL	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END BUDGETARY BASIS ACTUAL	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
Police	\$ 1,568	139	-	1,707	1,345	78.78%	1,395	82.39%	1,693	(50)	-3.60%
Public Works	8,674	(675)	-	7,999	5,196	64.96%	5,453	67.63%	8,063	(257)	-4.71%
Transportation	1,049	-	-	1,049	853	81.32%	1,188	95.52%	1,244	(335)	-28.19%
Library	1,307	-	-	1,307	1,024	78.41%	1,003	74.26%	1,351	21	2.10%
Planning, Bldg & Code Enf	6,264	-	-	6,264	5,899	94.18%	4,251	79.65%	5,337	1,649	38.78%
Parks Rec & Neigh Svcs	7,953	-	-	7,953	7,428	93.40%	6,870	81.61%	8,419	557	8.11%
Miscellaneous Dept Charges	3,900	-	-	3,900	2,789	71.52%	2,873	77.76%	3,694	(84)	-2.91%
Total Departmental Revenues	\$ 30,715	(536)	-	30,179	24,535	81.30%	23,033	77.29%	29,801	1,502	6.52%

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



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



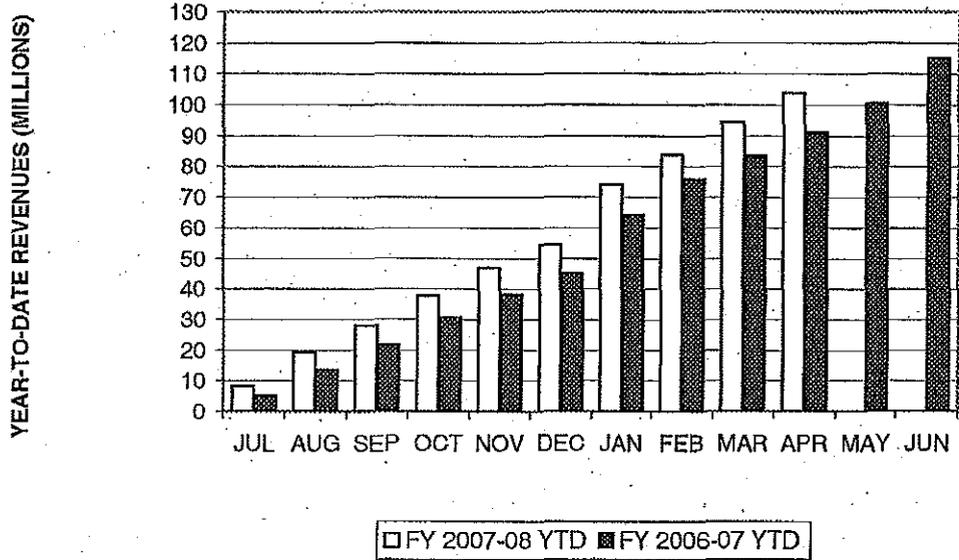
**CITY OF SAN JOSE
SPECIAL REVENUE FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2007-08 BUDGET	BUDGET AMENDMENTS		FY 2007-08 BUDGET	ACTUAL	ENCUMBR	Y-T-D ACTUAL
Construction/Conveyance Tax							
Prior Year Encumbrance	\$ -	-	13,217	13,217	13,217	N/A	21,586
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	84,720	16,289	-	101,009	101,009	N/A	83,440
Revenues	43,610	7,147	-	50,757	31,275	N/A	59,642
Total Sources	128,330	23,436	13,217	164,983	145,501	N/A	164,668
Total Uses	128,330	23,436	13,217	164,983	42,085	20,528	50,089
Gas Tax							
Prior Year Encumbrance	-	-	-	-	-	N/A	-
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	-	-	-	-	-	N/A	-
Revenues	17,200	-	-	17,200	11,736	N/A	11,626
Total Sources	17,200	-	-	17,200	11,736	N/A	11,626
Total Uses	17,200	-	-	17,200	11,736	-	11,500
Building and Structures							
Prior Year Encumbrance	-	-	8,020	8,020	8,020	N/A	10,027
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	13,599	6,382	-	19,982	19,982	N/A	25,820
Revenues	19,753	3,549	-	23,302	11,476	N/A	10,385
Total Sources	33,352	9,931	8,020	51,303	39,478	N/A	46,232
Total Uses	33,352	9,931	8,020	51,303	13,504	9,852	16,230
Residential Construction							
Prior Year Encumbrance	-	-	1	1	1	N/A	1
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	1,370	(33)	-	1,337	1,337	N/A	1,207
Revenues	256	-	-	256	90	N/A	315
Total Sources	1,626	(33)	1	1,594	1,428	N/A	1,524
Total Uses	\$ 1,626	(33)	1	1,594	88	-	95

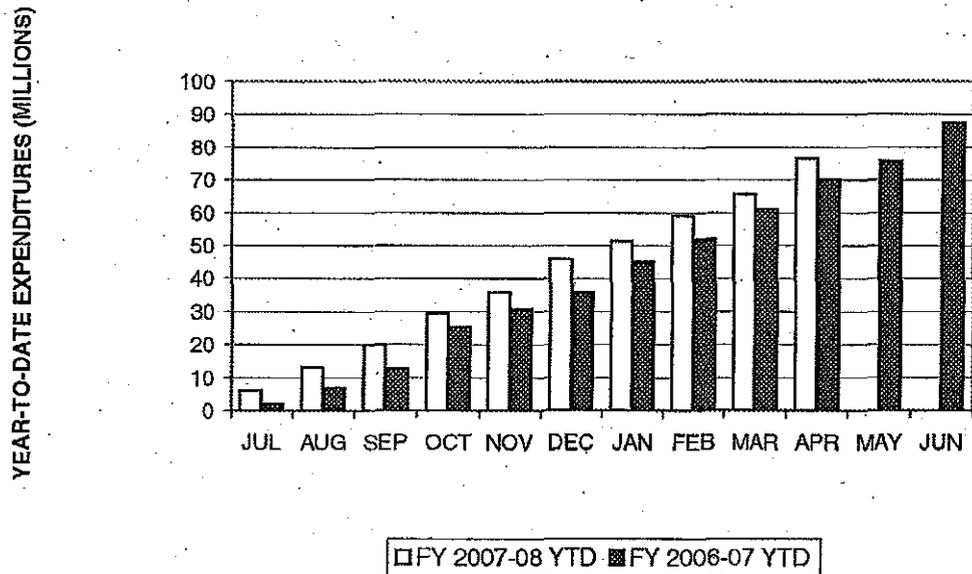
**CITY OF SAN JOSE
SPECIAL REVENUE FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)**

	ADOPTED FY 2007-08 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2007-08 BUDGET	YEAR-TO-DATE		PRIOR Y-T-D ACTUAL
					ACTUAL	ENCUMBR	
Transient Occupancy Tax							
Prior Year Encumbrance	\$ -	-	127	127	127	N/A	78
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	3,753	424	-	4,176	4,176	N/A	3,706
Revenues	13,450	-	-	13,450	10,502	N/A	9,518
Total Sources	17,203	424	127	17,753	14,805	N/A	13,303
Total Uses	17,203	424	127	17,753	11,720	605	9,876
Conventions, Arts & Entertainment							
Prior Year Encumbrance	-	-	338	338	338	N/A	150
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	2,088	1,992	-	4,080	4,080	N/A	578
Revenues	18,535	150	-	18,685	14,635	N/A	12,488
Total Sources	20,624	2,142	338	23,104	19,054	N/A	13,217
Total Uses	20,624	2,142	338	23,104	14,329	356	12,839
Golf							
Prior Year Encumbrance	-	-	11	11	11	N/A	11
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	698	135	-	833	833	N/A	764
Revenues	2,180	-	-	2,180	2,025	N/A	1,774
Total Sources	2,878	135	11	3,024	2,868	N/A	2,549
Total Uses	2,878	135	11	3,024	2,003	11	1,959
Other Funds							
Prior Year Encumbrance	-	-	47,869	47,869	47,869	N/A	49,640
Liquidation of c/o Encumbrance	-	-	-	-	-	N/A	-
Beginning Fund Balance	170,368	16,833	-	187,201	187,201	N/A	172,292
Revenues	443,023	62,134	-	505,157	364,276	N/A	290,712
Total Sources	613,391	78,967	47,869	740,226	599,346	N/A	512,645
Total Uses	\$ 613,391	78,967	47,869	740,226	344,580	101,007	289,098

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

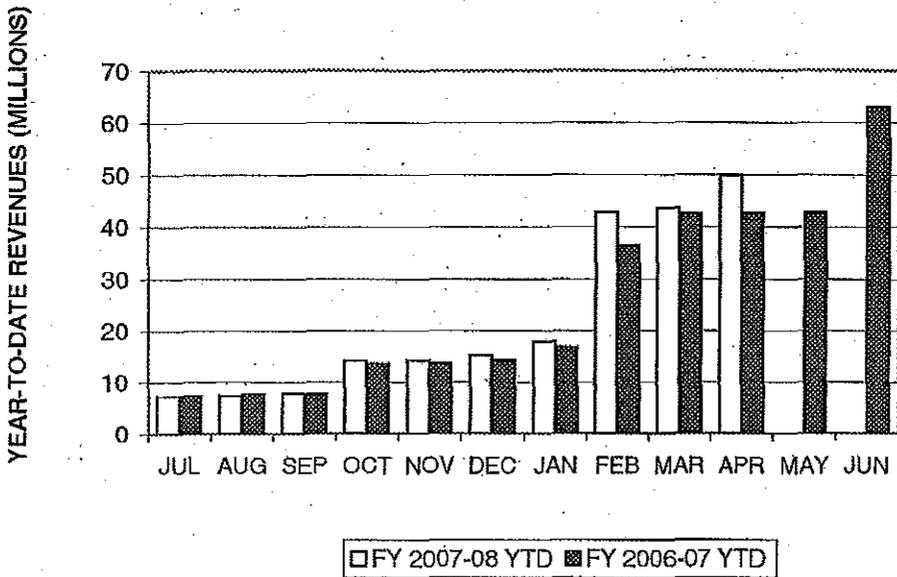


**AIRPORT MAINTENANCE & OPERATING FUND 523
Comparison of YTD Expenditures**

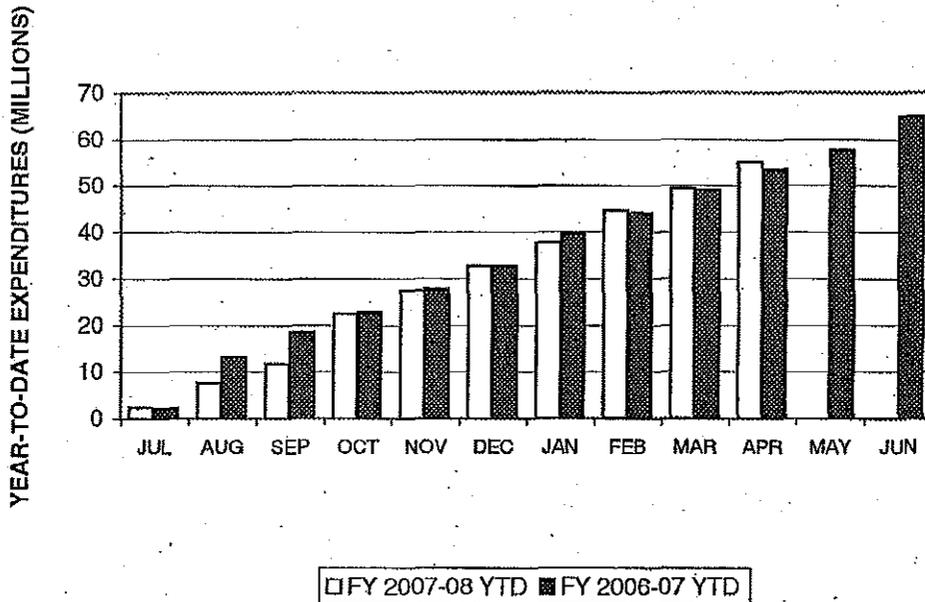


Note: The graphs above include the airport revenue fund (521) and operating fund (523) only.

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

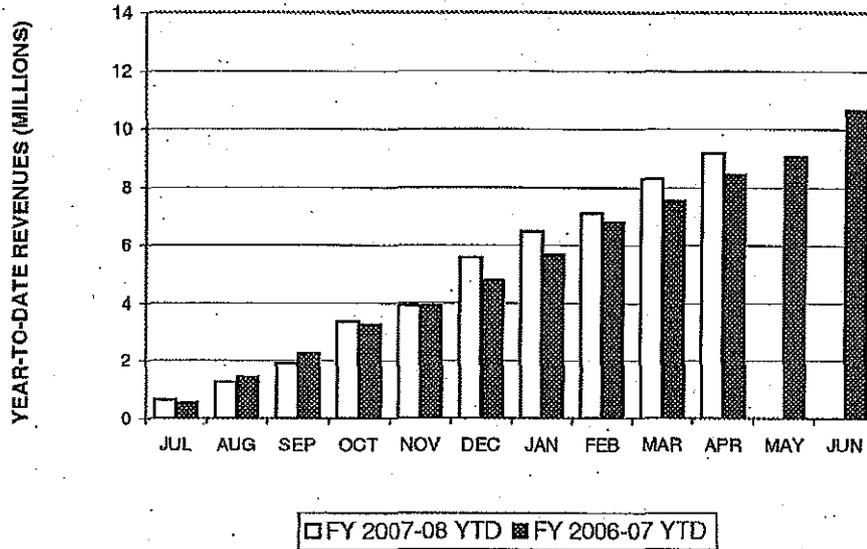


**WPCP OPERATING FUND 513
Comparison of YTD Expenditures**

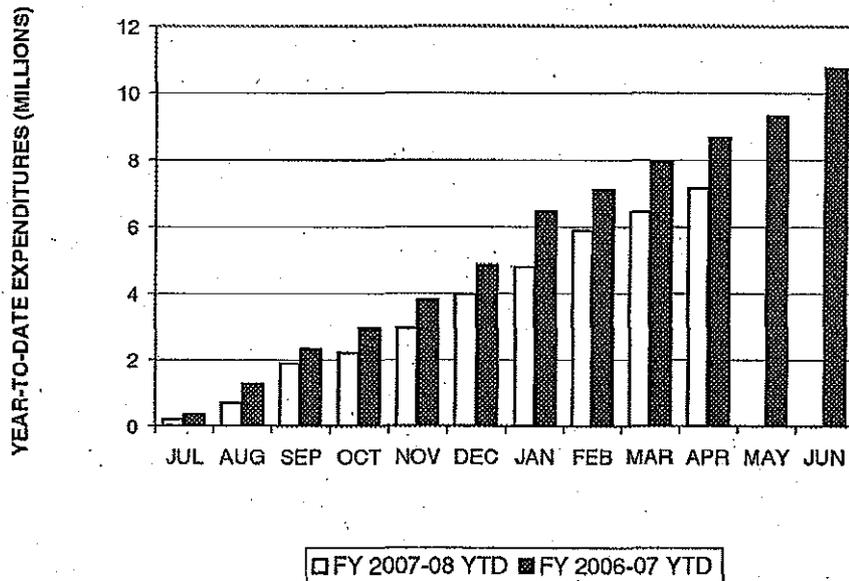


Note: Graphs above are only for WPCP operating fund (513).

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



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



Note: Prior to the March MFR, accounting transfer that artificially increased revenues and expenditures by the same amount were included in Fund 533. Starting with the March MFR, an adjustment has been made to Fund 533 to appropriately net out these transfers so that actual operational revenues and expenditures can be compared to the prior year amounts.

**CITY OF SAN JOSE
ENTERPRISE FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)**

	ADOPTED FY 2007-08 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2007-08 BUDGET	YEAR-TO-DATE		PRIOR Y-T-D ACTUAL
					ACTUAL	ENCUMBR	
Airport							
Prior Year Encumbrance	\$ -	-	187,391	187,391	187,391	N/A	71,021
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	685,863	(211,934)	-	473,929	473,929	N/A	456,618
Revenues	1,308,762	92,048	-	1,400,810	844,678	N/A	251,836
Total Sources	1,994,625	(119,886)	187,391	2,062,130	1,505,998	N/A	779,475
Total Uses	1,994,625	(119,886)	187,391	2,062,130	962,131	491,228	296,249
(Note 1)							
Waste Water Treatment							
Prior Year Encumbrance	-	-	34,556	34,556	34,556	N/A	85,416
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	147,623	38,437	-	186,060	186,060	N/A	164,205
Revenues	248,843	-	-	248,843	192,113	N/A	132,585
Total Sources	396,466	38,437	34,556	469,460	412,729	N/A	382,206
Total Uses	396,466	38,437	34,556	469,460	165,091	42,663	167,819
(Note 2)							
Municipal Water							
Prior Year Encumbrance	-	-	1,096	1,096	1,096	N/A	1,845
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	11,481	(607)	-	10,874	10,874	N/A	11,018
Revenues	28,798	-	-	28,798	23,213	N/A	22,574
Total Sources	40,279	(607)	1,096	40,768	35,183	N/A	35,437
Total Uses	40,279	(607)	1,096	40,768	21,442	2,976	19,994
Parking							
Prior Year Encumbrance	-	-	786	786	786	N/A	1,988
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	11,816	1,229	-	13,045	13,045	N/A	12,338
Revenues	10,425	5,100	-	15,525	9,168	N/A	8,423
Total Sources	22,241	6,329	786	29,356	22,999	N/A	22,749
Total Uses	\$ 22,241	6,329	786	29,356	7,150	2,302	8,674

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

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

**CITY OF SAN JOSE
CAPITAL PROJECT FUNDS
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2007-08 BUDGET	BUDGET AMENDMENTS		FY 2007-08 BUDGET	ACTUAL	ENCUMBER	Y-T-D ACTUAL
Construction Excise							
Prior Year Encumbrance	\$ -	-	7,161	7,161	7,161	N/A	2,630
Liquidation of c/o Enc.	-	-	-	-	-	N/A	-
Beginning Fund Balance	12,004	3,118	-	15,122	15,122	N/A	20,714
Revenues	32,584	15,615	-	48,199	31,414	N/A	23,587
Total Sources	44,588	18,733	7,161	70,482	53,697	N/A	46,932
Total Uses	44,588	18,733	7,161	70,482	29,655	6,192	23,146
Redevelopment Projects							
Prior Year Encumbrance	-	-	3,057	3,057	3,057	N/A	4,121
Liquidation of c/o Enc.	-	-	-	-	-	N/A	-
Beginning Fund Balance	2,654	4,716	-	7,370	7,370	N/A	7,887
Revenues	103	5,838	-	5,941	6,221	N/A	8,312
Total Sources	2,757	10,554	3,057	16,368	16,648	N/A	20,320
Total Uses	2,757	10,554	3,057	16,368	4,756	5,421	6,014
Other							
Prior Year Encumbrance	-	-	47,501	47,501	47,501	N/A	45,934
Liquidation of c/o Enc.	-	-	-	-	-	N/A	-
Beginning Fund Balance	260,216	2,187	-	262,404	262,404	N/A	223,739
Revenues	69,540	7,868	-	77,408	12,759	N/A	15,146
Total Sources	329,756	10,056	47,501	387,313	322,663	N/A	284,819
Total Uses	\$ 329,756	10,056	47,501	387,313	55,001	121,674	43,974

CITY OF SAN JOSE
OTHER FUND TYPES
SOURCE AND USE OF FUNDS
FOR THE 10 MONTHS ENDED APRIL 30, 2008
(UNAUDITED)
(\$000's)

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2007-08 BUDGET	BUDGET AMENDMENTS		FY 2007-08 BUDGET	ACTUAL	ENCUMBR	Y-T-D ACTUAL
Trust and Agency							
Prior Year Encumbrance	\$ -	-	28	28	28	N/A	72
Liquidation of c/o Enc	-	-	-	-	-	N/A	-
Beginning Fund Balance	2,345	(156)	-	2,189	2,189	N/A	3,209
Revenues	1,211	329	-	1,540	2,028	N/A	3,725
Total Sources	3,556	174	28	3,757	4,245	N/A	7,007
Total Uses	\$ 3,556	174	28	3,757	956	36	4,838