COMPARISON OF CITY MANAGER AND CITIZENS' BUDGET PROJECT FISCAL FORECASTS

Budget Element	City Manager Figure	Citizens' Budget Figure	Commentary
'04 Budgeted Revenues	+$743,000,000	+$743,000,000	'04 budget as adopted by Council.
'04 Budgeted Expenditures	-743,000,000	-743,000,000	'04 budget as adopted by Council.
'04 State Funding Cut	-13,886,896	-13,886,896	Mid year VLF take away by state government.
'04 City Revenues Above Budget Projection	+12,800,000	+12,800,000	We accept manager's estimate.
Cedar Fire Expenditures	-6,421,788	-6,421,788	We accept manager's estimate.
Unbudgeted '04 Spending	-15,675,000	-15,675,000	This level of unbudgeted spending is the part of a pattern of intentional underfunding of departments.
Manager Cuts in '04	+10,722,000	+10,722,000	We accept manager's estimate, but are checking to ensure no "shift" of General Fund expenses to Enterprise or Special funds is occurring.
Cedar Fire Donors and Reimbursements	+4,514,176	+3,983,272	Federal reimbursement of $530,904 for the Local Assistance Center in Scripps Ranch has been rejected; appeal pending-revenue uncertain.
Sales Tax Accounting Gimmick	+$10,000,000	+$0	We reject accounting gimmicks that show "phantom" income to the City when no net increase in revenues are generated.
FINAL '04 Expenditures	-754,374,888	-754,374,888	Addition of all expenditures above
FINAL '04 Revenues	+756,427,280	+745,896,376	Addition of all revenues above
'04 Budget Surplus/Deficit	**+2,052,492**	**-8,478,512**	**Requires Immediate Action to Close Gap**
'05 Projected Expenditures	-$849,000,000	-$849,000,000	We will revise our original projection of $827,257,785 up to meet the Manager's figure.
'05 Projected Revenues (Major/Minor Sources)	+786,000,000	+$771,000,000	NOTE: Manager's economic projection is quite rosy and remains $15 million above even our "High" revenue estimate. We accept his number anyway.
INITIAL '05 SHORTFALL	**-$60,947,508**	**-$86,478,512**	**Includes '04 Surplus/Deficit**
Fund Transfers	+8,000,000	+0-$8,000,000	Before agreeing to this estimate, we must check to ensure no inappropriate "shift" from Special Fund or Enterprise Fund. This represents a whopping 20% increase over baseline.
Delayed Capital Improvements	+3,000,000	+0	A reduction in CIP expenditure is counted as "additional revenue" in Manager's estimate.
Fee Increases	+7,000,000	+0	Our estimate of 'baseline' shortfall excludes any new fees.
Miscellaneous Revenues	+18,000,000	+0-$18,000,000	Undefined revenue "enhancements," unknown '04 carry-over; (includes $3m increase in lease revenues charged by city to tenants representing a whopping 10% increase over baseline)
Public Safety Communications Project	0	-6,000,000	Manager does NOT fund this key project; assumes Homeland Security Grant will come through.
State Budget Impact	$0	-14,750,000	This level is the "floor" in state cuts to the city.
Total Deficit or "Shortfall"	**-24, 947,508**	**-81,228,512 to -107,228,512**	**Using City Manager's own numbers, this confirms the original range provided.**