

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

TITLE

City Chief Information Officer

APPLICANT ORGANIZATION

City and County of San Francisco, CA

DATE SUBMITTED

3/15/10

ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

| | |
|--|--|
| SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL  | TITLE <i>City Chief Information Officer</i> |
| APPLICANT ORGANIZATION <i>City & County of San Francisco, CA</i> | DATE SUBMITTED <i>3/15/10</i> |

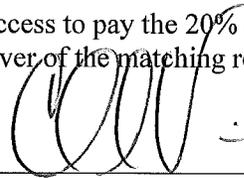
**U.S. Department of Commerce
Broadband Technology Opportunities Program
Authentication and Certifications**

1. I certify that I am the duly Authorized Organization Representative (AOR) of the applicant organization, and that I have been authorized to submit the attached application on its behalf.
2. I certify that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. §1001 and civil violations of the False Claims Act.
3. I certify that the entity(ies) I represent has and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.
4. I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements ("DOC Pre-Award Notification"), published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); the Department of Commerce American Recovery and Reinvestment Act Award Terms (Apr. 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award.
5. I certify that any funds awarded to the entity(ies) I represent as a result of this application will not result in any unjust enrichment of such entity(ies) or duplicate any funds such entity(ies) receives under federal universal service support programs administered by the Universal Service Administrative Corporation (USAC).
6. I certify that the entity(ies) I represent has secured access to pay the 20% of total project cost or has petitioned the Assistant Secretary of NTIA for a waiver of the matching requirement.

Date

3/15/10

Authorized Organization Representative Signature



Print Name

CHRIS A. VEIN

Title

C.I. Chief Information Officer

BTOP Sustainable Broadband Adoption Community Anchor Institution Detail Template

Please complete the Anchor Institution Details worksheet by providing information on Community Anchor Institutions that will be directly involved in or benefit from the project. Add rows as necessary. All community anchor institutions should be given a specified list. A Community Anchor Institution is considered a minority-serving institution post-secondary educational institution with enrollment of minority students exceeding 25% of its total enrollment. The "Role" column only requires a word or two, or a short phrase detailed explanation. A detailed explanation of the role of project partners and community anchor institutions should be provided in the essay portions of the application.

The data provided via this template will be subject to automated processing. Applicants are therefore required to provide this attachment as an Excel file, and not to convert it to PDF. When submitting a copy of their application on an appropriate electronic medium, such as CD-ROM, or flash drive. Additionally, applicants should not modify the format of the

all
posed
type from the
tion if it is a
ig 50 percent
ase, not a
nunity anchor

**cants are
to a PDF prior
as a DVD,
is file.**

BTOP SBA Community Anchor Institutions Detail Template

Title: **San Francisco Community Broadband Oportunities Program (SF-CBOP)**
 Easy Grants ID: **6890**

| Facility Name | Organization | Address Line 1 | City | State | Zip | Facility Type | Minority Serving Institution Type | Project Role |
|---|--|-----------------------------|---------------|-------|-------|--------------------------------------|-----------------------------------|------------------------|
| Bay Area Video Coalition (BAVC) | Nonprofit; Education; Workforce Development; Public Access Channel | 2727 Mariposa St. 2nd Floor | San Francisco | CA | 94110 | Other Community Support Organization | | Digital Media |
| KQED Northern California Broadcasting | Public Broadcasting Channel | 2601 Mariposa St. | San Francisco | CA | 94110 | Other Community Support Organization | | Digital Media |
| ITVS | | 651 Brannan St. | San Francisco | CA | 94107 | Other Community Support Organization | | Digital Media |
| Ninth Street Independent Film Center | | 145 Ninth St. | San Francisco | CA | 94103 | Other Community Support Organization | | Digital Media |
| Bayview Hunters Point Center for Arts & Technology (BAYCAT) | | 2415 Third St. | San Francisco | CA | 94107 | Other Community Support Organization | | Digital Media |
| YO! Youth Outlook Multimedia | | 275 Ninth St. | San Francisco | CA | 94103 | Other Community Support Organization | | Digital Media |
| Vietnamese Youth Development Center | | 150 Eddy St. | San Francisco | CA | 94103 | Other Community Support Organization | | Digital Media |
| Conscious Youth Media Crew | Nonprofit; Education; Media; Workforce Development; | 1230 Howard St | San Francisco | CA | 94103 | Other Community Support Organization | | Digital Media |
| Gray Area Foundation for the Arts | Gray Area Foundation for the Arts | 55 Taylor St. | San Francisco | CA | 94102 | Other Community Support Organization | | Digital Media |
| New America Media/Pacific News | New America Media/Pacific News | 275 Ninth Street | San Francisco | CA | 94103 | Other Community Support Organization | | Digital Media |
| Youth Speaks | Youth Speaks | 1663 Mission Street | San Francisco | CA | 94103 | Other Community Support Organization | | Digital Media |
| TechSoup | TechSoup | 435 Brannan | San Francisco | CA | 94107 | Other Community Support Organization | | Digital Media |
| StreetSide Stories | StreetSide Stories | 3130 20th Street | San Francisco | CA | 94110 | Other Community Support Organization | | Digital Media |
| African American Art & Culture Complex | Nonprofit; Education / Afterschool; Digital Media | 762 Fulton Street Suite | San Francisco | CA | 94102 | Other Community Support Organization | | Anchor community sites |
| OMI Family Resource Center | Nonprofit; Education / Afterschool; Digital Media | 650 Capitol Avenu | San Francisco | CA | 94112 | Other Community Support Organization | | Anchor community sites |
| Jackie Chan Senior Center & Adult Day | Self-Help for the Elderly | 5757Geary Street | San Francisco | ca | 94121 | Other Community Support Organization | | |
| Lady Shaw Senior Center | Self-Help for the Elderly | | San Francisco | ca | | Other Community Support Organization | | |
| St. Francis Living room | St. Francis Living room Foundation | 350 Golden Gate Avenue | San Francisco | ca | 94102 | Other Community Support Organization | | |
| Vietnamese Elderly Mutual Assistance Center | Vietnamese Elderly Mutual Assistance Center | 910 Larkin Street | San Francisco | ca | 94109 | Other Community Support Organization | | |
| Stonestown YMCA | YMCA of San Francisco | 3150 20th Ave | San Francisco | ca | 94132 | Other Community Support Organization | | |
| SF Senior Center Aquatic Park | San Francisco Senior Center | 890 Beach Street | San Francisco | ca | 94109 | Other Community Support Organization | | |
| **Castro Senior Center | Golden Gate Senior Services | 110 Diamond Street | San Francisco | ca | 94121 | Other Community Support Organization | | |

| Facility Name | Organization | Address Line 1 | City | State | Zip | Facility Type | Minority Serving Institution Type | Project Role |
|---|---|----------------------------------|---------------|-------|-------|--------------------------------------|-----------------------------------|--------------|
| SF Senior Center Downtown | San Francisco Senior Center | 481 O'Farrell Street | San Francisco | ca | 94102 | Other Community Support Organization | | |
| Western Addition Senior Citizens Service Center | Western Addition Senior Citizens Service Center | 13901/2 Turk Street | San Francisco | ca | 94115 | Other Community Support Organization | | |
| Eastern Park Senior Apartments | Northern California Presbyterian Homes & Services | 711 Eddy Street | San Francisco | ca | 94109 | Other Community Support Organization | | |
| 30th Street Senior Center | On Lok Day Services | 225 30th Street | San Francisco | ca | 94109 | Other Community Support Organization | | |
| Mission Neighborhood Centers | Mission Neighborhood Centers, Inc. | 362 Capp Street | San Francisco | ca | 94110 | Other Community Support Organization | | |
| Bayview Hunters Point | Bayview Hunters Point MultiPurpose Senior Ctr, Inc | 1706 Yosemite Ave. | San Francisco | ca | 94124 | Other Community Support Organization | | |
| IT Bookman Community Ctr | Southwest Community Corp. | 446 Randolph Street | San Francisco | ca | 94132 | Other Community Support Organization | | |
| Centro Latino | Centro Latino de San Francisco | 1656 15th Street | San Francisco | ca | 94103 | Other Community Support Organization | | |
| **Bernal Heights Neighborhood Center | Bernal Heights Neighborhood Center | 515 Cortland Avenue | San Francisco | ca | 94110 | Other Community Support Organization | | |
| Richmond Senior Center | Golden Gate Senior Services | 6221 Geary Blvd | San Francisco | ca | 94121 | Other Community Support Organization | | |
| Lighthouse for Blind | Lighthouse for the Blind & Visually Impaired, Inc.. | 214 Van Ness Ave | San Francisco | ca | 94102 | Other Community Support Organization | | |
| Mission YMCA | YMCA of San Francisco | 4080 Mission St. | San Francisco | ca | 94112 | Other Community Support Organization | | |
| Visitacion Valley Senior Center | Visitacion Valley Senior Center | 66 Raymond Ave. | San Francisco | ca | 94134 | Other Community Support Organization | | |
| Lady Shaw Senior Residence | Self Help for the Elderly | | San Francisco | ca | | Other Community Support Organization | | |
| Excelsior Senior Center | Bernal Heights Senior Center | 4468 Mission | San Francisco | ca | 94112 | Other Community Support Organization | | |
| Irene Swindells Center for Adult Services | Institute on Aging | 3698 California Street 2nd Floor | San Francisco | CA | 94118 | Adult Day Program | | |
| Bayview Hunters Point ADHC | Bayview Hunters Point | 1250 LaSalle | San Francisco | CA | 94124 | Medical or Healthcare Provider | | |
| Kimochi Home Adult Social Day Care Program | Kimochi, Inc. | 1531 Sutter Street | San Francisco | CA | 94109 | Other Community Support Organization | | |
| L'Chaim Adult Day Health Care | Jewish & Family Children Services | 2534 Judah Street | San Francisco | CA | 94122 | Medical or Healthcare Provider | | |
| Self Help for the Elderly Adult Day Health Care/ADCRC | Self Help for the Elderly | 408 22nd Avenue | San Francisco | CA | 94121 | Medical or Healthcare Provider | | |
| SteppingStone Golden Gate Adult Day Health Care | SteppingStone | 350 Golden Gate | San Francisco | CA | 94102 | Medical or Healthcare Provider | | |
| SteppingStone Mabini Adult Day Health Care | | 55 Mabini | San Francisco | CA | 94107 | Medical or Healthcare Provider | | |
| SteppingStone Presentation Adult Day Health Care | Steppingstone | 301 Ellis Street | San Francisco | CA | 94102 | Medical or Healthcare Provider | | |
| The Lyric | Conard House, Inc. | 140 Jones Street | San Francisco | CA | 94102 | Other Community Support Organization | | |
| Plaza Apartments | Conard House, Inc. | 988 Howard Street | San Francisco | CA | 94102 | Other Community Support Organization | | |
| Jordan Apartments | Conard House, Inc. | 820 O'Farrell Street | San Francisco | CA | 94103 | Other Community Support Organization | | |

| Facility Name | Organization | Address Line 1 | City | State | Zip | Facility Type | Minority Serving Institution Type | Project Role |
|------------------------------|---------------------------------|-----------------------|---------------|-------|-------|--------------------------------------|-----------------------------------|--------------|
| The Midori | Conard House, Inc. | 240 Hyde Street | San Francisco | CA | 94103 | Other Community Support Organization | | |
| Washburn Residence | Conard House, Inc. | 38-42 Washburn | San Francisco | CA | 94102 | Other Community Support Organization | | |
| El Dorado Hotel | Conard House, Inc. | 150 Ninth Street | San Francisco | CA | 94103 | Other Community Support Organization | | |
| The McAllister | Conard House, Inc. | 270 McAllister Street | San Francisco | CA | 94102 | Other Community Support Organization | | |
| Cooperative Apartments | Conard House, Inc. | 2441 Jackson Street | San Francisco | CA | 94115 | Other Community Support Organization | | |
| Community Services North | Conard House, Inc. | 259 Hyde Street | San Francisco | | 94103 | Other Community Support Organization | | |
| Community Services South | Conard House, Inc. | 154 Ninth Street | San Francisco | CA | 94102 | Other Community Support Organization | | |
| Valencia Garden | Mission Housing | 240 Valencia | San Francisco | CA | 94110 | Public Housing | | |
| Westside Court | BTWCSC | 2501 Sutter St | San Francisco | CA | 94115 | Public Housing | | |
| Sunnydale | CTN | 1654 Sunnydale Ave | San Francisco | CA | 94134 | Public Housing | | |
| Bernal Dwellings | CTN | 3501 Folsom | San Francisco | CA | 94110 | Public Housing | | |
| Holly Court | Tenant Assocaion | 90 Appleton | San Francisco | CA | 94110 | Public Housing | | |
| Ping Yuen | CTN | 838 Pacific Ave | San Francisco | CA | 94133 | Public Housing | | |
| Ping Yuen North | ctn | 835 Pacific Ave | San Francisco | CA | 94133 | Public Housing | | |
| Potero Hill Terrace | CTN | 1101 Connecticut | San Francisco | CA | 94107 | Public Housing | | |
| Potrero Hill Annex | CTN | 85 Turner Terrace | San Francisco | CA | 94107 | Public Housing | | |
| Hunters View | Brothers Against Guns | 1 Middlepoint | San Francisco | CA | 94124 | Public Housing | | |
| Alemany | Tenant Org | 937 Ellsworth St. | San Francisco | CA | 94110 | Public Housing | | |
| Alice Griffith | CTN | 207 Cameron Way | San Francisco | CA | 94124 | Public Housing | | |
| Hunters Point East | CTN | 1030 Oakdale Ave | San Francisco | CA | 94124 | Public Housing | | |
| Hunters Point West | CTN | 195 Kiska | San Francisco | CA | 94124 | Public Housing | | |
| Westbrook | CTN | 1 Harbour Rd | San Francisco | CA | 94124 | Public Housing | | |
| Robert Pitts | CTN | 1150 Scott St | San Francisco | CA | 94115 | Public Housing | | |
| Hayes Valley | CTN | 401 Rose Street | San Francisco | CA | 94102 | Public Housing | | |
| Plaza East | CTN | 1290 Eddy | San Francisco | CA | 94102 | Public Housing | | |
| North Beach Place Apartments | CTN | 455 Bay St | San Francisco | CA | 94133 | Public Housing | | |
| 430 Turk Street | San Francisco Housing Authority | 430 Turk Street | San Francisco | CA | 94102 | Public Housing | | |
| 1760 Bush | San Francisco Housing Authority | 1760 Bush | San Francisco | CA | 04109 | Public Housing | | |
| 951 Eddy | San Francisco Housing Authority | 951 Eddy | San Francisco | CA | 94102 | Public Housing | | |
| 363 Noe | San Francisco Housing Authority | 363 Noe | San Francisco | CA | 94114 | Public Housing | | |
| 200 Randolph | San Francisco Housing Authority | 200 Randolph | San Francisco | CA | 94132 | Public Housing | | |
| 227 Bay | San Francisco Housing Authority | 227 Bay | San Francisco | CA | 94133 | Public Housing | | |
| 462 Duboce | San Francisco Housing Authority | 462 Duboce | San Francisco | CA | 94114 | Public Housing | | |
| 2698 California | San Francisco Housing Authority | 2698 California | San Francisco | CA | 94115 | Public Housing | | |
| 939 Eddy | San Francisco Housing Authority | 939 Eddy | San Francisco | CA | 94102 | Public Housing | | |
| JFK Towers | San Francisco Housing Authority | 2451 Sacramento St | San Francisco | CA | 94115 | Public Housing | | |
| 1750 McAllister | San Francisco Housing Authority | 1750 McAllister | San Francisco | CA | 94115 | Public Housing | | |

| Facility Name | Organization | Address Line 1 | City | State | Zip | Facility Type | Minority Serving Institution Type | Project Role |
|---------------------------|---------------------------------|---------------------|---------------|-------|-------|----------------|-----------------------------------|--------------|
| Mission Dolores | San Francisco Housing Authority | 1855 15th Street | San Francisco | CA | 94103 | Public Housing | | |
| 25 Sanchez | San Francisco Housing Authority | 25 Sanchez | San Francisco | CA | 94114 | Public Housing | | |
| 491 31st Avenue | San Francisco Housing Authority | 491 31st Avenue | San Francisco | CA | 94121 | Public Housing | | |
| 345 Arguello | San Francisco Housing Authority | 345 Arguello | San Francisco | CA | 94118 | Public Housing | | |
| 1880 Pine | San Francisco Housing Authority | 1880 Pine | San Francisco | CA | 94109 | Public Housing | | |
| 255 Woodside Garden | San Francisco Housing Authority | | San Francisco | CA | | Public Housing | | |
| 255 Dorland St | San Francisco Housing Authority | 255 Dorland St | San Francisco | CA | 94114 | Public Housing | | |
| Rosa Parks Apts | San Francisco Housing Authority | 939 Eddy St | San Francisco | CA | 94102 | Public Housing | | |
| 320/330 Clementina | San Francisco Housing Authority | 320/330 Clementina | San Francisco | CA | 94107 | Public Housing | | |
| 350 Ellis | San Francisco Housing Authority | 350 Ellis | San Francisco | CA | 94102 | Public Housing | | |
| 666 Ellis | San Francisco Housing Authority | 666 Ellis | San Francisco | CA | 94102 | Public Housing | | |
| 990 Pacific | San Francisco | 990 Pacific | | | 94133 | Public Housing | | |
| Anza Branch | San Francisco Public Library | 550 37th Ave. | San Francisco | CA | 94121 | Library | | |
| Bayview Branch | San Francisco Public Library | 5075 3rd St. | San Francisco | CA | 94124 | Library | | |
| Bernal Heights Branch | San Francisco Public Library | 500 Cortland Ave. | San Francisco | CA | 94110 | Library | | |
| Chinatown Branch | San Francisco Public Library | 1135 Powell St. | San Francisco | CA | 94108 | Library | | |
| Excelsior Branch | San Francisco Public Library | 4400 Mission St. | San Francisco | CA | 94112 | Library | | |
| Glen Park Branch | San Francisco Public Library | 2825 Diamond St. | San Francisco | CA | 94131 | Library | | |
| Golden Gate Valley Branch | San Francisco Public Library | 1801 Green St. | San Francisco | CA | 94123 | Library | | |
| Ingleside Branch | San Francisco Public Library | 1298 Ocean Ave. | San Francisco | CA | 94112 | Library | | |
| Merced Branch | San Francisco Public Library | 155 Winston Dr. | San Francisco | CA | 94132 | Library | | |
| Mission Branch | San Francisco Public Library | 300 Bartlett St. | San Francisco | CA | 94110 | Library | | |
| Mission Bay Branch | San Francisco Public Library | 960 4th St. | San Francisco | CA | 94158 | Library | | |
| North Beach Branch | San Francisco Public Library | 2000 Mason St. | San Francisco | CA | 94133 | Library | | |
| Oceanview Branch | San Francisco Public Library | 345 Randolph St. | San Francisco | CA | 94132 | Library | | |
| Ortega Branch | San Francisco Public Library | 3223 Ortega St. | San Francisco | CA | 94122 | Library | | |
| Park Branch | San Francisco Public Library | 1833 Page St. | San Francisco | CA | 94117 | Library | | |
| Parkside Branch | San Francisco Public Library | 1200 Taraval St. | San Francisco | CA | 94116 | Library | | |
| Portola Branch | San Francisco Public Library | 380 Bacon St. | San Francisco | CA | 94134 | Library | | |
| Presidio Branch | San Francisco Public Library | 3150 Sacramento St. | San Francisco | CA | 94115 | Library | | |
| Richmond Branch | San Francisco Public Library | 351 9th Ave. | San Francisco | CA | 94118 | Library | | |

| Facility Name | Organization | Address Line 1 | City | State | Zip | Facility Type | Minority Serving Institution Type | Project Role |
|--|---------------------------------------|----------------------|---------------|-------|-------|--------------------------------------|-----------------------------------|--------------|
| Sunset Branch | San Francisco Public Library | 1305 18th Ave. | San Francisco | CA | 94122 | Library | | |
| Visitacion Valley Branch | San Francisco Public Library | 45 Leland Ave. | San Francisco | CA | 94134 | Library | | |
| Western Addition Branch | San Francisco Public Library | 1550 Scott St. | San Francisco | CA | 94115 | Library | | |
| Main Library | San Francisco Public Library | 100 Larkin St. | San Francisco | CA | 94102 | Library | | |
| Mobile Hot Spot | San Francisco Public Library | 100 Larkin St. | San Francisco | CA | 94102 | Mobile | | |
| South East Campus | City College San Francisco | 1800 Oakdale Avenue | San Francisco | CA | 94124 | Community College | | |
| Civic Center One-Stop | Employment Development Department | 801 Turk Street, | San Francisco | CA | 94102 | Other Government Facility | | |
| Mission Center - One Stop | Human Services Agency | 3120 Mission Street | San Francisco | CA | 94110 | Other Community Support Organization | | |
| Southeast Center - One Stop | Human Services Agency | 1800 Oakdale Avenue, | San Francisco | CA | 94124 | Other Community Support Organization | | |
| Goodwill Center - One Stop | Goodwill | 1500 Mission Street, | San Francisco | CA | 94103 | Other Community Support Organization | | |
| Western Addition - One Stop | Rubicon Programs | 1449 Webster Street, | San Francisco | CA | 94115 | Other Community Support Organization | | |
| Chinatown Center - One Stop | Chinese Newcomers Services Center | 777 Stockton Street, | San Francisco | CA | 94108 | Other Community Support Organization | | |
| Visitacion Valley | Florence Crittenden | 73 Leland | San Francisco | CA | 94110 | Other Community Support Organization | | |
| Community Technology Center | Homeless Prenatal Program | 2500 18th Street | San Francisco | CA | 94110 | Other Community Support Organization | | |
| Phillip & Sala Burton | SFUSD | 400 Mansell St | San Francisco | CA | 94134 | School (k-12) | | |
| Civic Center Secondary | SFUSD | 727 Golden Gate Ave | San Francisco | CA | 94102 | School (k-12) | | |
| Independence High School | SFUSD | 3045 Santiago St | San Francisco | CA | 94116 | School (k-12) | | |
| Thurgood Marshall | SFUSD | 45 Conkling St | San Francisco | CA | 94124 | School (k-12) | | |
| Mission | SFUSD | 3750 18th St | San Francisco | CA | 94114 | School (k-12) | | |
| John O'Connell School of Technology | SFUSD | 2355 Folsom St | San Francisco | CA | 94110 | School (k-12) | | |
| Principals Center Collaborative (Court School) | SFUSD | 1351 42nd Ave | San Francisco | CA | 94122 | School (k-12) | | |
| Ida B Wells High School | SFUSD | 1099 Hayes St | San Francisco | CA | 94117 | School (k-12) | | |
| Downtown High School | SFUSD | 693 Vermont St | San Francisco | CA | 94107 | School (k-12) | | |
| AP Giannini Middle School | Aspiranet | 3151 Ortega Street | San Francisco | CA | 94122 | School (k-12) | | |
| George Washington High School | Richmond District Neighborhood Center | 600 - 32nd Avenue | San Francisco | CA | 94121 | School (k-12) | | |
| Visitacion Valley Middle School | Real Options for City Kids | 450 Raymond Avenue | San Francisco | CA | 94134 | School (k-12) | | |
| John Muir Elementary School | Buchanan YMCA | 380 Webster Street | San Francisco | CA | 94115 | School (k-12) | | |
| James Denman Middle School | Urban Services YMCA | 241 Oneida Avenue | San Francisco | CA | 94112 | School (k-12) | | |
| Cesar Chavez Elementary School | SF Beacon Initiative | 825 Shotwell Street | San Francisco | CA | 94110 | School (k-12) | | |
| Francisco Middle School | SF Beacon Initiative | 2190 Powell Street | San Francisco | CA | 94133 | School (k-12) | | |
| Burton High School -Beacon Center | Bayview YMCA | 400 Mansell Street | San Francisco | CA | 94134 | School (k-12) | | |

Basic Financial Statements

CITY AND COUNTY OF SAN FRANCISCO

Statement of Net Assets

June 30, 2008

(In Thousands)

| | Primary Government | | | Component Units | |
|---|----------------------------|---------------------------------|----------------------|--|--|
| | Governmental Activities | Business- Type Activities | Total | San Francisco Redevelopment Agency | Treasure Island Development Authority |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Deposits and investments with City Treasury..... | \$ 1,162,391 | \$ 991,537 | \$ 2,153,928 | \$ - | \$ 3,551 |
| Deposits and investments outside City Treasury..... | 49,076 | 9,109 | 58,185 | 270,247 | - |
| Receivables (net of allowance for uncollectible amounts of \$72,381 for the primary government): | | | | | |
| Property taxes and penalties..... | 57,175 | - | 57,175 | 20,297 | - |
| Other local taxes..... | 197,381 | - | 197,381 | - | - |
| Federal and state grants and subventions..... | 156,543 | 36,623 | 193,166 | - | - |
| Charges for services..... | 54,854 | 206,507 | 261,361 | - | - |
| Interest and other..... | 20,816 | 43,107 | 63,923 | 5,215 | 15 |
| Loans receivable..... | - | 134 | 134 | - | - |
| Capital lease receivable from primary government..... | - | - | - | 14,840 | - |
| Due from component unit..... | 2,700 | - | 2,700 | - | - |
| Inventories..... | - | 56,248 | 56,248 | - | - |
| Deferred charges and other assets..... | 11,966 | 6,918 | 18,884 | 662 | - |
| Restricted assets: | | | | | |
| Deposits and investments with City Treasury..... | - | 129,421 | 129,421 | - | - |
| Deposits and investments outside City Treasury..... | - | 47,388 | 47,388 | 91,833 | - |
| Grants and other receivables..... | - | 342 | 342 | 1,191 | - |
| Total current assets..... | <u>1,712,902</u> | <u>1,527,334</u> | <u>3,240,236</u> | <u>404,285</u> | <u>3,566</u> |
| Noncurrent assets: | | | | | |
| Loans receivable (net of allowance for uncollectible amounts of \$453,577 and \$211,187 for the primary government and component unit, respectively)..... | 67,335 | 188 | 67,523 | 10,746 | - |
| Advance to component units..... | 6,460 | 2,599 | 9,059 | - | - |
| Capital lease receivable from primary government..... | - | - | - | 157,136 | - |
| Deferred charges and other assets..... | 23,002 | 60,413 | 83,415 | 13,560 | - |
| Restricted assets: | | | | | |
| Deposits and investments with City Treasury..... | - | 191,989 | 191,989 | - | - |
| Deposits and investments outside City Treasury..... | 95,727 | 301,500 | 397,227 | 30,652 | - |
| Grants and other receivables..... | - | 25,626 | 25,626 | - | - |
| Property held for resale..... | - | - | - | 15,821 | - |
| Capital assets: | | | | | |
| Land and other assets not being depreciated..... | 400,504 | 1,390,516 | 1,791,020 | 132,249 | - |
| Facilities, infrastructure, and equipment, net of depreciation..... | <u>2,530,573</u> | <u>7,757,878</u> | <u>10,288,451</u> | <u>141,193</u> | - |
| Total capital assets..... | <u>2,931,077</u> | <u>9,148,394</u> | <u>12,079,471</u> | <u>273,442</u> | - |
| Total noncurrent assets..... | <u>3,123,601</u> | <u>9,730,709</u> | <u>12,854,310</u> | <u>501,357</u> | - |
| Total assets..... | <u>\$ 4,836,503</u> | <u>\$ 11,258,043</u> | <u>\$ 16,094,546</u> | <u>\$ 905,642</u> | <u>\$ 3,566</u> |

(Continued)

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Net Assets (Continued)

June 30, 2008

(In Thousands)

| | Primary Government | | | Component Units | |
|---|----------------------------|---------------------------------|---------------------|--|--|
| | Governmental Activities | Business- Type Activities | Total | San Francisco Redevelopment Agency | Treasure Island Development Authority |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable..... | \$ 240,585 | \$ 155,329 | \$ 395,914 | \$ 9,702 | \$ 2,809 |
| Accrued payroll..... | 82,870 | 62,271 | 145,141 | 48 | - |
| Accrued vacation and sick leave pay..... | 73,440 | 49,114 | 122,554 | 1,011 | - |
| Accrued workers' compensation..... | 37,685 | 26,573 | 64,258 | - | - |
| Estimated claims payable..... | 41,249 | 27,215 | 68,464 | - | - |
| Bonds, loans, capital leases, and other payables..... | 299,066 | 207,029 | 506,095 | 36,684 | - |
| Capital lease payable to component unit..... | 14,840 | - | 14,840 | - | - |
| Accrued interest payable..... | 11,569 | 13,426 | 24,995 | 30,963 | - |
| Unearned grant and subvention revenues..... | 15,494 | - | 15,494 | - | - |
| Due to primary government..... | - | - | - | 2,700 | - |
| Internal balances..... | 6,802 | (6,802) | - | - | - |
| Deferred credits and other liabilities..... | 103,206 | 197,963 | 301,169 | 3,643 | 403 |
| Liabilities payable from restricted assets: | | | | | |
| Bonds, loans, capital leases, and other payables..... | - | 37,119 | 37,119 | - | - |
| Accrued interest payable..... | - | 27,448 | 27,448 | - | - |
| Other..... | - | 54,670 | 54,670 | - | - |
| Total current liabilities..... | <u>926,806</u> | <u>851,355</u> | <u>1,778,161</u> | <u>84,751</u> | <u>3,212</u> |
| Noncurrent liabilities: | | | | | |
| Accrued vacation and sick leave pay..... | 64,763 | 37,499 | 102,262 | 1,066 | - |
| Accrued workers' compensation..... | 166,645 | 120,703 | 287,348 | - | - |
| Other postemployment benefits obligation..... | 164,786 | 120,383 | 285,169 | 493 | - |
| Estimated claims payable..... | 72,955 | 65,523 | 138,478 | - | - |
| Bonds, loans, capital leases, and other payables..... | 1,698,356 | 5,169,576 | 6,867,932 | 825,563 | - |
| Advance from primary government..... | - | - | - | 6,460 | 2,599 |
| Capital lease payable to component unit..... | 157,136 | - | 157,136 | - | - |
| Accrued interest payable..... | - | - | - | 57,910 | - |
| Deferred credits and other liabilities..... | - | 44,655 | 44,655 | 3,406 | - |
| Total noncurrent liabilities..... | <u>2,324,641</u> | <u>5,558,339</u> | <u>7,882,980</u> | <u>894,898</u> | <u>2,599</u> |
| Total liabilities..... | <u>3,251,447</u> | <u>6,409,694</u> | <u>9,661,141</u> | <u>979,649</u> | <u>5,811</u> |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt..... | 1,436,842 | 3,935,008 | 5,371,850 | 66,728 | - |
| Restricted for: | | | | | |
| Reserve for rainy day..... | 117,792 | - | 117,792 | - | - |
| Debt service..... | 23,130 | 282,187 | 305,317 | - | - |
| Capital projects..... | - | 111,463 | 111,463 | - | - |
| Community development..... | 95,136 | - | 95,136 | - | - |
| Transportation Authority activities..... | 1,693 | - | 1,693 | - | - |
| Grants and other purposes..... | 172,360 | 28,254 | 200,614 | - | - |
| Unrestricted (deficit)..... | <u>(261,897)</u> | <u>491,437</u> | <u>229,540</u> | <u>(140,735)</u> | <u>(2,245)</u> |
| Total net assets (deficit)..... | <u>\$ 1,585,056</u> | <u>\$ 4,848,349</u> | <u>\$ 6,433,405</u> | <u>\$ (74,007)</u> | <u>\$ (2,245)</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

**Statement of Activities
Year ended June 30, 2008**

(In Thousands)

| Functions/Programs | Expenses | Net (Expense) Revenue and Changes in Net Assets | | | | | | | |
|--|--------------------|---|------------------------------------|----------------------------------|-------------------------|--------------------------|------------------------------------|---------------------------------------|-------------------|
| | | Program Revenues | | | Primary Government | | Component Units | | |
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | San Francisco Redevelopment Agency | Treasure Island Development Authority | |
| Primary government: | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Public protection..... | \$1,020,457 | \$ 66,343 | \$ 116,042 | \$ - | \$ (838,072) | \$ - | \$ (838,072) | \$ - | \$ - |
| Public works, transportation and commerce..... | 342,411 | 115,939 | 42,779 | 23,941 | (159,752) | - | (159,752) | - | - |
| Human welfare and neighborhood development... | 848,195 | 108,956 | 472,846 | 570 | (265,823) | - | (265,823) | - | - |
| Community health..... | 567,410 | 52,455 | 277,142 | 1,389 | (236,424) | - | (236,424) | - | - |
| Culture and recreation..... | 347,433 | 70,576 | 2,970 | 10,179 | (263,708) | - | (263,708) | - | - |
| General administration and finance..... | 250,295 | 20,376 | 6,526 | - | (223,393) | - | (223,393) | - | - |
| General City responsibilities.... | 80,887 | 26,980 | 7,784 | - | (46,123) | - | (46,123) | - | - |
| Unallocated interest on long-term debt..... | 97,694 | - | - | - | (97,694) | - | (97,694) | - | - |
| Total governmental activities..... | <u>3,554,782</u> | <u>461,625</u> | <u>926,089</u> | <u>36,079</u> | <u>(2,130,989)</u> | <u>-</u> | <u>(2,130,989)</u> | <u>-</u> | <u>-</u> |
| Business-type activities: | | | | | | | | | |
| Airport..... | 651,581 | 535,771 | - | 41,060 | - | (74,750) | (74,750) | - | - |
| Transportation..... | 830,411 | 257,341 | 118,522 | 107,509 | - | (347,039) | (347,039) | - | - |
| Port..... | 67,495 | 64,498 | - | 3,942 | - | 945 | 945 | - | - |
| Water..... | 252,802 | 234,216 | 1,958 | - | - | (16,628) | (16,628) | - | - |
| Power..... | 109,436 | 119,855 | 52 | - | - | 10,471 | 10,471 | - | - |
| Hospitals..... | 812,399 | 558,167 | 61,193 | - | - | (193,039) | (193,039) | - | - |
| Sewer..... | 182,712 | 202,549 | - | - | - | 19,837 | 19,837 | - | - |
| Market..... | 1,052 | 1,564 | - | - | - | 512 | 512 | - | - |
| Total business-type activities..... | <u>2,907,888</u> | <u>1,973,961</u> | <u>181,725</u> | <u>152,511</u> | <u>-</u> | <u>(599,691)</u> | <u>(599,691)</u> | <u>-</u> | <u>-</u> |
| Total primary government..... | <u>\$6,462,670</u> | <u>\$2,435,586</u> | <u>\$ 1,107,814</u> | <u>\$ 188,590</u> | <u>(2,130,989)</u> | <u>(599,691)</u> | <u>(2,730,680)</u> | <u>-</u> | <u>-</u> |
| Component units: | | | | | | | | | |
| San Francisco Redevelopment Agency..... | \$ 185,575 | \$ 22,189 | \$ 13,949 | \$ - | | | | (149,437) | - |
| Treasure Island Development Authority..... | 7,881 | 7,955 | - | - | | | | - | 74 |
| Total component units..... | <u>\$ 193,456</u> | <u>\$ 30,144</u> | <u>\$ 13,949</u> | <u>\$ -</u> | | | | <u>(149,437)</u> | <u>74</u> |
| General Revenues: | | | | | | | | | |
| Taxes: | | | | | | | | | |
| Property taxes..... | | | | | 1,189,511 | - | 1,189,511 | 102,559 | - |
| Business taxes..... | | | | | 396,025 | - | 396,025 | - | - |
| Other local taxes..... | | | | | 652,971 | - | 652,971 | 5,393 | - |
| Interest and investment income..... | | | | | 57,929 | 67,217 | 125,146 | 16,451 | 93 |
| Other..... | | | | | 25,939 | 233,244 | 259,183 | 8,570 | 1,742 |
| Special item..... | | | | | - | (41,026) | (41,026) | - | - |
| Transfers - internal activities of primary government..... | | | | | (477,341) | 477,341 | - | - | - |
| Total general revenues, special item and transfers.. | | | | | <u>1,845,034</u> | <u>736,776</u> | <u>2,581,810</u> | <u>132,973</u> | <u>1,835</u> |
| Change in net assets..... | | | | | (285,955) | 137,085 | (148,870) | (16,464) | 1,909 |
| Net assets (deficit) - beginning..... | | | | | <u>1,871,011</u> | <u>4,711,264</u> | <u>6,582,275</u> | <u>(57,543)</u> | <u>(4,154)</u> |
| Net assets (deficit) - ending..... | | | | | <u>\$ 1,585,056</u> | <u>\$ 4,848,349</u> | <u>\$ 6,433,405</u> | <u>\$ (74,007)</u> | <u>\$ (2,245)</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

**Balance Sheet
Governmental Funds**

June 30, 2008

(with comparative financial information as of June 30, 2007)

(In Thousands)

| | General Fund | | Other Governmental Funds | | Total Governmental Funds | |
|--|-------------------|-------------------|--------------------------|---------------------|--------------------------|---------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| ASSETS | | | | | | |
| Deposits and investments with City Treasury..... | \$ 400,328 | \$ 489,610 | \$ 750,431 | \$ 849,221 | \$ 1,150,759 | \$ 1,338,831 |
| Deposits and investments outside City Treasury..... | 242 | 225 | 48,834 | 51,518 | 49,076 | 51,743 |
| Receivables: | | | | | | |
| Property taxes and penalties..... | 47,312 | 48,348 | 9,863 | 11,330 | 57,175 | 59,678 |
| Other local taxes..... | 182,112 | 171,134 | 15,269 | 15,049 | 197,381 | 186,183 |
| Federal and state grants and subventions..... | 57,531 | 84,416 | 99,012 | 77,251 | 156,543 | 161,667 |
| Charges for services..... | 43,152 | 22,239 | 11,556 | 8,357 | 54,708 | 30,596 |
| Interest and other..... | 13,145 | 15,346 | 6,323 | 15,041 | 19,468 | 30,387 |
| Due from other funds..... | 16,890 | 30,115 | 11,578 | 16,644 | 28,468 | 46,759 |
| Due from component unit..... | 6,581 | 5,707 | 2,579 | 958 | 9,160 | 6,665 |
| Loans receivable (net of allowance for uncollectible amounts of \$453,577 in 2008; \$414,545 in 2007)..... | 10 | - | 67,325 | 64,504 | 67,335 | 64,504 |
| Deferred charges and other assets..... | 6,486 | 7,823 | 3,819 | 1,789 | 10,305 | 9,612 |
| Total assets..... | \$ 773,789 | \$ 874,963 | \$ 1,026,589 | \$ 1,111,662 | \$ 1,800,378 | \$ 1,986,625 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable..... | \$ 118,109 | \$ 99,151 | \$ 114,889 | \$ 82,424 | \$ 232,998 | \$ 181,575 |
| Accrued payroll..... | 65,640 | 56,494 | 15,279 | 12,628 | 80,919 | 69,122 |
| Deferred tax, grant and subvention revenues..... | 83,973 | 44,122 | 59,457 | 22,899 | 143,430 | 67,021 |
| Due to other funds..... | 1,501 | 1,272 | 22,575 | 49,963 | 24,076 | 51,235 |
| Deferred credits and other liabilities..... | 98,931 | 132,463 | 98,355 | 83,270 | 197,286 | 215,733 |
| Bonds, loans, capital leases, and other payables..... | - | - | 150,000 | 150,000 | 150,000 | 150,000 |
| Total liabilities..... | 368,154 | 333,502 | 460,555 | 401,184 | 828,709 | 734,686 |
| Fund balances: | | | | | | |
| Reserved for rainy day..... | 117,792 | 133,622 | - | - | 117,792 | 133,622 |
| Reserved for assets not available for appropriation.... | 11,358 | 12,665 | 19,814 | 19,413 | 31,172 | 32,078 |
| Reserved for debt service..... | - | - | 47,334 | 51,299 | 47,334 | 51,299 |
| Reserved for encumbrances..... | 63,068 | 60,948 | 193,461 | 288,948 | 256,529 | 349,896 |
| Reserved for appropriation carryforward..... | 99,959 | 161,127 | 314,051 | 292,234 | 414,010 | 453,361 |
| Reserved for subsequent years' budgets..... | 36,341 | 32,062 | 13,504 | 8,004 | 49,845 | 40,066 |
| Unreserved (deficit), reported in: | | | | | | |
| General fund..... | 77,117 | 141,037 | - | - | 77,117 | 141,037 |
| Special revenue funds..... | - | - | (27,758) | 47,445 | (27,758) | 47,445 |
| Capital project funds..... | - | - | 2,126 | (373) | 2,126 | (373) |
| Permanent fund..... | - | - | 3,502 | 3,508 | 3,502 | 3,508 |
| Total fund balances..... | 405,635 | 541,461 | 566,034 | 710,478 | 971,669 | 1,251,939 |
| Total liabilities and fund balances..... | \$ 773,789 | \$ 874,963 | \$ 1,026,589 | \$ 1,111,662 | \$ 1,800,378 | \$ 1,986,625 |

The notes to the financial statements are an integral part of this statement.

City and County of San Francisco
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2008

(In Thousands)

| | |
|--|---------------------|
| Fund balances - total governmental funds | \$ 971,669 |
| Amounts reported for governmental activities in the statement of net assets are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 2,926,092 |
| Bond issue costs are not financial resources and, therefore, are not reported in the funds. | 16,473 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. | (2,350,679) |
| Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due. | (8,865) |
| Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current period expenditures. Those assets are offset by deferred revenue in the funds. | 226,288 |
| Internal service funds are used by management to charge the costs of capital lease financing, fleet management, printing and mailing services, and information systems to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets. | <u>(195,922)</u> |
| Net assets of governmental activities | <u>\$ 1,585,056</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

**Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds**

Year ended June 30, 2008

(with comparative financial information for year ended June 30, 2007)

(In Thousands)

| | General Fund | | Other Governmental Funds | | Total Governmental Funds | |
|---|-------------------|-------------------|--------------------------|-------------------|--------------------------|---------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Revenues: | | | | | | |
| Property taxes..... | \$ 939,812 | \$ 887,690 | \$ 239,876 | \$ 220,174 | \$ 1,179,688 | \$ 1,107,864 |
| Business taxes..... | 394,267 | 336,757 | 1,758 | 835 | 396,025 | 337,592 |
| Other local taxes..... | 519,867 | 540,695 | 133,104 | 128,129 | 652,971 | 668,824 |
| Licenses, permits and franchises..... | 23,212 | 19,639 | 7,731 | 7,789 | 30,943 | 27,428 |
| Fines, forfeitures and penalties..... | 8,398 | 4,720 | 4,819 | 4,151 | 13,217 | 8,871 |
| Interest and investment income..... | 15,779 | 30,089 | 38,477 | 53,757 | 54,256 | 83,846 |
| Rents and concessions..... | 19,490 | 18,449 | 50,670 | 34,044 | 70,160 | 52,493 |
| Intergovernmental: | | | | | | |
| Federal..... | 173,059 | 183,573 | 155,256 | 198,115 | 328,315 | 381,688 |
| State..... | 476,864 | 479,748 | 84,231 | 102,918 | 561,095 | 582,666 |
| Other..... | - | - | 15,907 | 15,689 | 15,907 | 15,689 |
| Charges for services..... | 135,473 | 125,682 | 153,216 | 147,375 | 288,689 | 273,057 |
| Other..... | 17,948 | 21,697 | 63,373 | 22,387 | 81,321 | 44,084 |
| Total revenues..... | 2,724,169 | 2,648,739 | 948,418 | 935,363 | 3,672,587 | 3,584,102 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Public protection..... | 874,881 | 800,383 | 52,317 | 56,481 | 927,198 | 856,864 |
| Public works, transportation and commerce..... | 79,187 | 65,184 | 252,984 | 215,723 | 332,171 | 280,907 |
| Human welfare and neighborhood development..... | 613,135 | 568,241 | 215,768 | 171,930 | 828,903 | 740,171 |
| Community health..... | 454,935 | 410,169 | 88,111 | 99,675 | 543,046 | 509,844 |
| Culture and recreation..... | 105,036 | 93,992 | 204,576 | 192,143 | 309,612 | 286,135 |
| General administration and finance..... | 193,315 | 166,673 | 17,151 | 9,524 | 210,466 | 176,197 |
| General City responsibilities..... | 70,874 | 56,834 | 331 | 698 | 71,205 | 57,532 |
| Debt service: | | | | | | |
| Principal retirement..... | 864 | - | 105,716 | 98,169 | 106,580 | 98,169 |
| Interest and fiscal charges..... | 147 | - | 75,697 | 71,266 | 75,844 | 71,266 |
| Bond issuance costs..... | - | - | 1,090 | 3,683 | 1,090 | 3,683 |
| Capital outlay..... | - | - | 133,155 | 283,370 | 133,155 | 283,370 |
| Total expenditures..... | 2,392,374 | 2,161,476 | 1,146,896 | 1,202,662 | 3,539,270 | 3,364,138 |
| Excess (deficiency) of revenues over expenditures..... | 331,795 | 487,263 | (198,478) | (267,299) | 133,317 | 219,964 |
| Other financing sources (uses): | | | | | | |
| Transfers in..... | 70,969 | 71,277 | 173,801 | 146,021 | 244,770 | 217,298 |
| Transfers out..... | (543,640) | (486,600) | (180,532) | (182,247) | (724,172) | (668,847) |
| Issuance of bonds and loans | | | | | | |
| Face value of bonds and refunding bonds issued..... | - | - | 310,155 | 312,955 | 310,155 | 312,955 |
| Face value of loans issued..... | - | - | 1,829 | 141 | 1,829 | 141 |
| Premium on issuance of bonds..... | - | - | 13,071 | 3,521 | 13,071 | 3,521 |
| Discount on issuance of bonds..... | - | - | - | (1,856) | - | (1,856) |
| Payment to refunded bond escrow agent..... | - | - | (283,494) | (159,610) | (283,494) | (159,610) |
| Other financing sources-capital leases..... | 5,050 | 8,245 | 19,204 | 4,544 | 24,254 | 12,789 |
| Total other financing sources (uses)..... | (467,621) | (407,078) | 54,034 | 123,469 | (413,587) | (283,609) |
| Net change in fund balances..... | (135,826) | 80,185 | (144,444) | (143,830) | (280,270) | (63,645) |
| Fund balances at beginning of year..... | 541,461 | 461,276 | 710,478 | 854,308 | 1,251,939 | 1,315,584 |
| Fund balances at end of year..... | \$ 405,635 | \$ 541,461 | \$ 566,034 | \$ 710,478 | \$ 971,669 | \$ 1,251,939 |

The notes to the financial statements are an integral part of this statement.

City and County of San Francisco
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year ended June 30, 2008
(In Thousands)

Net change in fund balances - total governmental funds \$ (280,270)

Amounts reported for governmental activities in the statement of activities are different because:

| | |
|--|----------------------------|
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period plus assets donated to the City and acquired by funding from other revenues. | 30,859 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the amount by which the decrease in certain liabilities reported in the statement of net assets of the previous year exceeded expenses reported in the statement of activities that do not require the use of current financial resources. | (173,573) |
| Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 9,823 |
| Some other revenues that do not provide current financial resources are not reported as revenues in the governmental funds but are recognized in the statement of activities. | 60,415 |
| Governmental funds report expenditures pertaining to the establishment of certain deferred credits related to long-term loans made. These deferred credits are not reported on the statement of net assets and, therefore, the corresponding expense is not reported on the statement of activities. | (2,153) |
| Lease payments on the Moscone Convention Center (including both principal and interest) are reported as expenditures in the governmental funds when paid. For the City as a whole, however, the principal portion of the payments serve to reduce the liability in the statement of net assets. This is the amount of property rent payments expended in the governmental funds that were reclassified as capital lease principal and interest payments in the current period. | 19,338 |
| Bond issue costs are reported in the governmental funds when paid, and are capitalized and amortized in the statement of activities. This is the amount by which current year bond issue costs exceed amortization expense in the current period. | 117 |
| The issuance of long-term debt and capital leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and capital leases consume the current financial resources of governmental funds. These transactions, however, have no effect on net assets. This is the amount by which principal retirement exceeded bond and other debt proceeds in the current period. | 78,090 |
| Bond premiums and discounts are reported in the governmental funds when the bonds are issued, and are capitalized and amortized in the statement of net assets. This is the amount of bond premiums capitalized during the current period. | (13,071) |
| Interest expense in the statement of activities differs from the amount reported in the governmental funds because of additional accrued and accreted interest; amortization of bond discounts, premiums and refunding losses; and change in the accrual of arbitrage liabilities. | (10,632) |
| The net revenues of certain activities of internal service funds is reported with governmental activities. | <u>(4,898)</u> |
| Change in net assets of governmental activities | <u><u>\$ (285,955)</u></u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Budgetary Comparison Statement - General Fund
Year ended June 30, 2008
(In Thousands)

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|---------------------------------------|---|
| Budgetary Fund Balance, July 1 | \$ 142,392 | \$ 563,435 | \$ 563,435 | \$ - |
| Resources (Inflows): | | | | |
| Property taxes..... | 934,720 | 934,720 | 943,500 | 8,780 |
| Business taxes..... | 359,718 | 359,718 | 394,268 | 34,550 |
| Other local taxes: | | | | |
| Sales tax..... | 111,546 | 111,546 | 111,410 | (136) |
| Hotel room tax..... | 148,868 | 151,368 | 165,541 | 14,173 |
| Utility users tax..... | 80,208 | 80,208 | 86,964 | 6,756 |
| Parking tax..... | 64,820 | 64,820 | 67,285 | 2,465 |
| Real property transfer tax..... | 123,520 | 123,520 | 86,219 | (37,301) |
| Stadium admission tax..... | 2,958 | 2,958 | 2,447 | (511) |
| Licenses, permits, and franchises: | | | | |
| Licenses and permits..... | 7,278 | 7,278 | 7,512 | 234 |
| Franchise tax..... | 14,799 | 14,798 | 15,701 | 903 |
| Fines, forfeitures, and penalties..... | 3,899 | 6,496 | 8,398 | 1,902 |
| Interest and investment income..... | 35,481 | 35,519 | 31,173 | (4,346) |
| Rents and concessions: | | | | |
| Garages - Recreation and Park..... | 9,649 | 9,649 | 10,059 | 410 |
| Rents and concessions - Recreation and Park..... | 8,438 | 8,438 | 7,919 | (519) |
| Other rents and concessions..... | 1,718 | 1,718 | 2,101 | 383 |
| Intergovernmental: | | | | |
| Federal grants & subventions..... | 214,140 | 217,034 | 182,149 | (34,885) |
| State subventions: | | | | |
| Social service subventions..... | 101,039 | 101,248 | 107,848 | 6,600 |
| Health / mental health subventions..... | 114,686 | 115,237 | 111,802 | (3,435) |
| Health and welfare realignment..... | 170,166 | 170,166 | 166,624 | (3,542) |
| Public safety sales tax..... | 73,270 | 73,270 | 69,687 | (3,583) |
| Motor vehicle in-lieu - county..... | 5,294 | 5,294 | 3,529 | (1,765) |
| Other grants and subventions..... | 29,719 | 31,045 | 33,697 | 2,652 |
| Charges for services: | | | | |
| General government service charges..... | 40,665 | 41,054 | 39,757 | (1,297) |
| Public safety service charges..... | 27,000 | 27,000 | 24,860 | (2,140) |
| Recreation charges - Recreation and Park..... | 7,456 | 7,456 | 8,054 | 598 |
| MediCal, MediCare and health service charges..... | 62,046 | 61,593 | 62,869 | 1,276 |
| Other financing sources: | | | | |
| Transfers from other funds..... | 62,308 | 68,847 | 68,865 | 18 |
| Proceeds from issuance of bonds and loans..... | 1,278 | 1,278 | - | (1,278) |
| Other resources (inflows)..... | <u>14,932</u> | <u>9,306</u> | <u>9,922</u> | <u>616</u> |
| Total amounts available for appropriation..... | <u>2,974,011</u> | <u>3,406,017</u> | <u>3,393,595</u> | <u>(12,422)</u> |

(Continued)

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Budgetary Comparison Statement - General Fund (Continued)
Year ended June 30, 2008
(In Thousands)

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|---------------------------------------|---|
| Charges to Appropriations (Outflows): | | | | |
| Public Protection | | | | |
| Adult Probation..... | \$ 12,307 | \$ 12,203 | \$ 11,293 | \$ 910 |
| District Attorney..... | 33,137 | 33,186 | 32,436 | 750 |
| Emergency Communications..... | 3,574 | 6,453 | 6,128 | 325 |
| Fire Department..... | 234,113 | 239,892 | 238,878 | 1,014 |
| Juvenile Probation..... | 38,431 | 36,937 | 35,753 | 1,184 |
| Police Department..... | 341,241 | 347,973 | 347,972 | 1 |
| Public Defender..... | 23,371 | 23,577 | 23,559 | 18 |
| Sheriff..... | 146,930 | 149,540 | 149,538 | 2 |
| Trial Courts..... | 31,797 | 33,778 | 33,740 | 38 |
| Subtotal - Public Protection | <u>864,901</u> | <u>883,539</u> | <u>879,297</u> | <u>4,242</u> |
| Public Works, Transportation and Commerce | | | | |
| Board of Appeals..... | 620 | 624 | 529 | 95 |
| Business and Economic Development..... | 5,132 | 5,022 | 4,636 | 386 |
| General Services Agency - Public Works..... | 49,779 | 65,771 | 63,787 | 1,984 |
| Parking and Traffic Commission..... | - | 585 | 571 | 14 |
| Public Utilities Commission..... | - | 9 | 1 | 8 |
| Water Department..... | - | 22 | 22 | - |
| Subtotal - Public Works, Transportation and Commerce | <u>55,531</u> | <u>72,033</u> | <u>69,546</u> | <u>2,487</u> |
| Human Welfare and Neighborhood Development | | | | |
| Children, Youth and Their Families..... | 29,672 | 31,842 | 30,018 | 1,824 |
| Commission on the Status of Women..... | 3,332 | 3,368 | 3,182 | 186 |
| County Education Office..... | 76 | 76 | 76 | - |
| Environment..... | 1,467 | 1,094 | 986 | 108 |
| Human Rights Commission..... | 1,060 | 1,077 | 823 | 254 |
| Human Services..... | 598,421 | 610,330 | 567,039 | 43,291 |
| Subtotal - Human Welfare and Neighborhood Development | <u>634,028</u> | <u>647,787</u> | <u>602,124</u> | <u>45,663</u> |
| Community Health | | | | |
| Public Health..... | <u>468,612</u> | <u>458,462</u> | <u>454,935</u> | <u>3,527</u> |
| Culture and Recreation | | | | |
| Academy of Sciences..... | 3,955 | 3,955 | 3,918 | 37 |
| Art Commission..... | 8,990 | 9,319 | 9,214 | 105 |
| Asian Art Museum..... | 6,757 | 7,067 | 7,060 | 7 |
| Fine Arts Museum..... | 10,805 | 10,850 | 10,619 | 231 |
| Law Library..... | 595 | 617 | 611 | 6 |
| Recreation and Park Commission..... | 70,754 | 70,446 | 70,446 | - |
| Subtotal - Culture and Recreation | <u>101,856</u> | <u>102,254</u> | <u>101,868</u> | <u>386</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Budgetary Comparison Statement - General Fund (Continued)
Year ended June 30, 2008
(In Thousands)

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|--------------------------|---------------------------------------|---|
| General Administration and Finance | | | | |
| Assessor/Recorder..... | \$ 12,475 | \$ 12,160 | \$ 11,646 | \$ 514 |
| Board of Supervisors..... | 10,573 | 10,377 | 10,210 | 167 |
| City Attorney..... | 11,867 | 12,381 | 12,369 | 12 |
| City Planning..... | 22,380 | 21,946 | 21,095 | 851 |
| Civil Service..... | 579 | 571 | 568 | 3 |
| Controller..... | 15,295 | 15,869 | 15,020 | 849 |
| Elections..... | 19,199 | 21,701 | 21,480 | 221 |
| Ethics Commission..... | 3,592 | 2,545 | 2,494 | 51 |
| General Services Agency - Administrative Services..... | 66,612 | 53,202 | 51,184 | 2,018 |
| General Services Agency - Telecomm. and Info. Services..... | 3,976 | 3,351 | 3,115 | 236 |
| Health Service System..... | - | 27 | 27 | - |
| Human Resources..... | 11,100 | 20,407 | 20,300 | 107 |
| Mayor..... | 20,411 | 17,186 | 17,032 | 154 |
| Mayor- Deappropriation of Housing Carryforward | (33,050) | - | - | - |
| Retirement Services..... | 506 | 414 | 414 | - |
| Treasurer/Tax Collector..... | 21,025 | 21,296 | 20,709 | 587 |
| Subtotal - General Administration and Finance | <u>186,540</u> | <u>213,433</u> | <u>207,663</u> | <u>5,770</u> |
| General City Responsibilities | | | | |
| General City Responsibilities..... | 75,518 | 76,161 | 69,287 | 6,874 |
| Other financing uses: | | | | |
| Debt Service..... | 1,011 | 1,011 | 1,011 | - |
| Transfers to other funds..... | 529,904 | 541,853 | 541,853 | - |
| Budgetary reserves and designations..... | 56,110 | 15,195 | - | 15,195 |
| Total charges to appropriations..... | <u>2,974,011</u> | <u>3,011,728</u> | <u>2,927,584</u> | <u>84,144</u> |
| Total Sources less Current Year Uses | <u>-</u> | <u>394,289</u> | <u>466,011</u> | <u>71,722</u> |
| Budgetary Reserves Carried Forward into Subsequent Year.... | | <u>(38,160)</u> | <u>(4,818)</u> | <u>33,342</u> |
| Budgetary Fund Balance, June 30 | | <u>\$ 356,129</u> | <u>\$ 461,193</u> | <u>\$ 105,064</u> |

Explanation of differences between budgetary inflows and outflows, and GAAP revenues and expenditures:

| | |
|--|--------------------|
| Sources/inflows of resources | |
| Actual amounts (budgetary basis) "available for appropriation" | \$3,393,595 |
| Difference - budget to GAAP: | |
| The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes..... | (563,435) |
| Property tax revenue - Teeter Plan..... | (3,688) |
| Grants, subventions and other receivables received after 120-day recognition period | (26,071) |
| Unrealized gain/(loss) on investment..... | (2,254) |
| Interest earnings / charges from other funds are reclassified..... | (13,139) |
| Interest earnings from agency funds reclassified as other revenues..... | 8,026 |
| Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes..... | (68,865) |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds..... | <u>\$2,724,169</u> |
| Uses/outflows of resources | |
| Actual amounts (budgetary basis) "total charges to appropriations" | \$2,927,584 |
| Difference - budget to GAAP: | |
| Capital asset purchases funded under capital leases with Finance Corporation & Other Vendors..... | 5,050 |
| Recognition of expenditures for advances and imprest cash..... | 2,045 |
| Other budget to GAAP differences..... | 11 |
| Loans to Redevelopment Agency for Visitation Valley & Bay View Hunters Point..... | (463) |
| Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes..... | (541,853) |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds..... | <u>\$2,392,374</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Net Assets - Proprietary Funds
June 30, 2008
(with comparative financial information as of June 30, 2007)
(In Thousands)

Business-type Activities - Enterprise Funds

| | Major Funds | | | | | | | | Other Fund | Total | | Governmental Activities-Internal Service Funds | |
|---|-------------------------------------|--------------------------------|------------------------------|---------------------------------|---------------------------------|--------------------------------------|-----------------------|-----------------------|----------------------------------|-------------------|-------------------|--|----------------|
| | San Francisco International Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste-water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | 2008 | 2007 | 2008 | 2007 |
| | | | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | | | |
| Current Assets: | | | | | | | | | | | | | |
| Deposits and investments with City Treasury..... | \$ 299,153 | \$ 138,654 | \$ 165,846 | \$ 197,677 | \$ 64,348 | \$ 44,361 | \$ 81,498 | \$ - | \$ - | \$ 991,537 | \$ 809,548 | \$ 11,632 | \$ 11,029 |
| Deposits and investments outside City Treasury..... | 10 | 36 | 10 | 3,977 | 10 | - | 5 | 1 | 5,060 | 9,109 | 11,351 | - | - |
| Receivables (net of allowance for uncollectible amounts of \$30,750 and \$32,789 in 2008 and 2007, respectively): | | | | | | | | | | | | | |
| Federal and state grants and subventions..... | - | 59 | - | 35,113 | - | - | 1,451 | - | - | 36,623 | 54,141 | - | - |
| Charges for services..... | 38,352 | 47,560 | 9,424 | 4,889 | 47,339 | 34,290 | 2,791 | 21,847 | 15 | 206,507 | 206,180 | 146 | - |
| Interest and other..... | 2,007 | 786 | 6,272 | 6,509 | 26,495 | 240 | 798 | - | - | 43,107 | 41,597 | 1,348 | 1,133 |
| Loans receivable..... | - | - | 134 | - | - | - | - | - | - | 134 | 562 | 26,999 | 23,332 |
| Due from other funds..... | 87 | 250 | 13,947 | 1,747 | - | 26 | 226 | - | - | 16,283 | 40,808 | - | - |
| Inventories..... | 73 | 1,872 | 296 | 46,697 | 5,077 | - | 1,034 | 1,199 | - | 56,248 | 51,147 | - | - |
| Deferred charges and other assets..... | 3,248 | - | 2,120 | 1,451 | - | - | 75 | - | 24 | 6,918 | 2,592 | - | - |
| Restricted assets: | | | | | | | | | | | | | |
| Deposits and investments with City Treasury..... | 27,522 | - | - | - | - | - | 6,192 | 95,707 | - | 129,421 | 63,845 | - | - |
| Deposits and investments outside City Treasury... | 41,814 | - | - | - | - | - | 5,574 | - | - | 47,388 | 45,251 | - | - |
| Grants and other receivables..... | 311 | - | - | - | - | - | 31 | - | - | 342 | 774 | - | - |
| Total current assets..... | <u>412,577</u> | <u>189,217</u> | <u>198,049</u> | <u>298,060</u> | <u>143,269</u> | <u>78,917</u> | <u>99,675</u> | <u>118,754</u> | <u>5,099</u> | <u>1,543,617</u> | <u>1,327,796</u> | <u>40,125</u> | <u>35,494</u> |
| Noncurrent assets: | | | | | | | | | | | | | |
| Deferred charges and other assets..... | 45,700 | 7,164 | - | 1,460 | - | 2,735 | 3,354 | - | - | 60,413 | 65,154 | 4,347 | 3,388 |
| Loans receivable..... | - | - | 188 | - | - | - | - | - | - | 188 | 324 | 257,699 | 227,865 |
| Due from component unit..... | - | - | 2,599 | - | - | - | - | - | - | 2,599 | 2,599 | - | - |
| Restricted assets: | | | | | | | | | | | | | |
| Deposits and investments with City Treasury..... | 100,089 | 21,740 | - | 17,352 | - | 52,808 | - | - | - | 191,989 | 448,786 | - | - |
| Deposits and investments outside City Treasury... | 220,554 | 41,051 | - | 36,804 | 18 | 27 | 2,176 | 870 | - | 301,500 | 252,888 | 95,727 | 58,127 |
| Grants and other receivables..... | 17,900 | 260 | - | 6,830 | - | 252 | - | 384 | - | 25,626 | 41,533 | - | - |
| Capital assets: | | | | | | | | | | | | | |
| Land and other assets not being depreciated..... | 57,937 | 440,949 | 29,111 | 289,876 | 22,212 | 84,762 | 154,218 | 311,448 | 3 | 1,390,516 | 1,250,411 | - | - |
| Facilities, infrastructure, and equipment, net of depreciation..... | <u>3,542,695</u> | <u>827,045</u> | <u>230,265</u> | <u>1,704,116</u> | <u>45,161</u> | <u>1,276,099</u> | <u>120,840</u> | <u>7,107</u> | <u>4,550</u> | <u>7,757,878</u> | <u>7,617,123</u> | <u>4,985</u> | <u>5,536</u> |
| Total capital assets..... | <u>3,600,632</u> | <u>1,267,994</u> | <u>259,376</u> | <u>1,993,992</u> | <u>67,373</u> | <u>1,360,861</u> | <u>275,058</u> | <u>318,555</u> | <u>4,553</u> | <u>9,148,394</u> | <u>8,867,534</u> | <u>4,985</u> | <u>5,536</u> |
| Total noncurrent assets..... | <u>3,984,875</u> | <u>1,338,209</u> | <u>262,163</u> | <u>2,056,438</u> | <u>67,391</u> | <u>1,416,683</u> | <u>280,588</u> | <u>319,809</u> | <u>4,553</u> | <u>9,730,709</u> | <u>9,678,818</u> | <u>362,758</u> | <u>294,916</u> |
| Total assets..... | <u>4,397,452</u> | <u>1,527,426</u> | <u>460,212</u> | <u>2,354,498</u> | <u>210,660</u> | <u>1,495,600</u> | <u>380,263</u> | <u>438,563</u> | <u>9,652</u> | <u>11,274,326</u> | <u>11,006,614</u> | <u>402,883</u> | <u>330,410</u> |

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
Statement of Net Assets - Proprietary Funds (Continued)
June 30, 2008
(with comparative financial information as of June 30, 2007)
(In Thousands)

Business-type Activities - Enterprise Funds

| | Major Funds | | | | | | | | | Other Fund | | Governmental Activities-Internal Service Funds | |
|---|-------------------------------------|--------------------------------|------------------------------|---------------------------------|---------------------------------|--------------------------------------|-----------------------|-----------------------|----------------------------------|--------------|--------------|--|-----------|
| | San Francisco International Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste-water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | Total | | 2008 | 2007 |
| | | | | | | | | | | 2008 | 2007 | 2008 | 2007 |
| LIABILITIES | | | | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | | | | |
| Accounts payable..... | \$ 28,995 | \$ 8,394 | \$ 12,726 | \$ 63,318 | \$ 24,862 | \$ 7,096 | \$ 4,675 | \$ 5,106 | \$ 157 | \$ 155,329 | \$ 158,041 | \$ 7,587 | \$ 10,077 |
| Accrued payroll..... | 7,726 | 6,009 | 1,223 | 21,305 | 14,529 | 3,296 | 1,247 | 6,936 | - | 62,271 | 54,436 | 1,951 | 1,773 |
| Accrued vacation and sick leave pay..... | 6,930 | 5,738 | 1,330 | 15,935 | 9,894 | 2,680 | 1,082 | 5,525 | - | 49,114 | 47,728 | 2,097 | 1,974 |
| Accrued workers' compensation..... | 948 | 1,512 | 380 | 16,857 | 3,644 | 822 | 393 | 2,017 | - | 26,573 | 30,829 | 166 | 145 |
| Estimated claims payable..... | 15 | 3,011 | 4,157 | 16,222 | - | 2,989 | 821 | - | - | 27,215 | 21,486 | - | - |
| Due to other funds..... | 21 | - | - | 150 | 1,869 | - | 83 | 7,358 | - | 9,481 | 32,669 | 11,194 | 3,663 |
| Deferred credits and other liabilities..... | 65,555 | 9,496 | 2,283 | 62,263 | 55,195 | - | 2,339 | 666 | 166 | 197,963 | 108,521 | 89,354 | 58,535 |
| Accrued interest payable..... | - | 7,434 | - | 238 | - | 5,626 | 128 | - | - | 13,426 | 14,185 | 2,704 | 1,748 |
| Bonds, loans, capital leases, and other payables..... | 73,271 | 25,520 | 110 | 6,951 | 1,139 | 99,430 | 92 | 516 | - | 207,029 | 202,176 | 23,775 | 21,510 |
| Liabilities payable from restricted assets: | | | | | | | | | | | | | |
| Bonds, loans, capital leases, and other payables.... | 32,934 | - | - | - | - | - | 4,185 | - | - | 37,119 | 19,087 | - | - |
| Accrued interest payable..... | 27,301 | - | - | - | - | - | 147 | - | - | 27,448 | 25,411 | - | - |
| Other..... | 13,453 | 27,322 | - | 1,497 | - | 4,605 | 6,720 | 1,073 | - | 54,670 | 50,847 | - | - |
| Total current liabilities..... | 257,149 | 94,436 | 22,209 | 204,736 | 111,132 | 126,544 | 21,912 | 29,197 | 323 | 867,638 | 765,416 | 138,828 | 99,425 |
| Noncurrent liabilities: | | | | | | | | | | | | | |
| Accrued vacation and sick leave pay..... | 5,983 | 5,118 | 1,041 | 11,088 | 7,263 | 2,318 | 859 | 3,829 | - | 37,499 | 37,171 | 1,912 | 1,865 |
| Accrued workers' compensation..... | 3,888 | 6,623 | 1,767 | 75,259 | 18,272 | 3,853 | 2,150 | 8,891 | - | 120,703 | 115,610 | 888 | 609 |
| Other postemployment benefits obligation..... | 15,413 | 15,048 | 2,723 | 35,438 | 30,065 | 5,684 | 2,805 | 13,207 | - | 120,383 | - | 4,147 | - |
| Estimated claims payable..... | 22 | 8,243 | 11,144 | 39,759 | - | 6,055 | 300 | - | - | 65,523 | 57,023 | - | - |
| Deferred credits and other liabilities..... | - | 355 | - | 29,810 | - | 89 | 14,401 | - | - | 44,655 | 44,445 | - | - |
| Bonds, loans, capital leases, and other payables..... | 3,801,602 | 936,270 | 172 | 55,051 | 2,055 | 367,144 | 7,149 | 133 | - | 5,169,576 | 5,275,685 | 259,949 | 228,786 |
| Total noncurrent liabilities..... | 3,826,908 | 971,657 | 16,847 | 246,405 | 57,655 | 385,143 | 27,664 | 26,060 | - | 5,558,339 | 5,529,934 | 266,896 | 231,260 |
| Total liabilities..... | 4,084,057 | 1,066,093 | 39,056 | 451,141 | 168,787 | 511,687 | 49,576 | 55,257 | 323 | 6,425,977 | 6,295,350 | 405,724 | 330,685 |
| NET ASSETS | | | | | | | | | | | | | |
| Invested in capital assets, net of related debt..... | (177,974) | 324,091 | 259,376 | 1,932,340 | 64,178 | 940,602 | 269,936 | 317,906 | 4,553 | 3,935,008 | 3,795,006 | 4,730 | 5,335 |
| Restricted: | | | | | | | | | | | | | |
| Debt service..... | 220,132 | 27,434 | - | 33,305 | - | 1,316 | - | - | - | 282,187 | 249,656 | - | - |
| Capital projects..... | 18,212 | - | - | - | - | - | 617 | 92,634 | - | 111,463 | 75,771 | - | - |
| Other purposes..... | - | - | - | 26,494 | - | - | - | 1,760 | - | 28,254 | 23,709 | - | - |
| Unrestricted (deficit)..... | 253,025 | 109,808 | 161,780 | (88,782) | (22,305) | 41,995 | 60,134 | (28,994) | 4,776 | 491,437 | 567,122 | (7,571) | (5,610) |
| Total net assets (deficit)..... | \$ 313,395 | \$ 461,333 | \$ 421,156 | \$ 1,903,357 | \$ 41,873 | \$ 983,913 | \$ 330,687 | \$ 383,306 | \$ 9,329 | \$ 4,848,349 | \$ 4,711,264 | \$ (2,841) | \$ (275) |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year ended June 30, 2008
(with comparative financial information for year ended June 30, 2007)
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | | | | | | | Total | | Governmental Activities-Internal Service Funds | |
|--|---|---|--|---------------------------------------|--|---|-----------------------------|-----------------------------|---|--------------|--------------|------------|--|--|
| | Major Funds | | | | | | | | Other Fund | | | | | |
| | San Francisco Internat- ional Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste- water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | 2008 | 2007 | 2008 | 2007 | |
| Operating revenues: | | | | | | | | | | | | | | |
| Aviation..... | \$ 306,348 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 306,348 | \$ 296,368 | \$ - | \$ - | |
| Water and power service..... | - | 216,819 | 119,630 | - | - | - | - | - | - | 336,449 | 310,796 | - | - | |
| Passenger fees..... | - | - | - | 149,886 | - | - | - | - | - | 149,886 | 141,518 | - | - | |
| Net patient service revenue..... | - | - | - | - | 406,003 | - | - | 137,991 | - | 543,994 | 505,054 | - | - | |
| Sewer service..... | - | - | - | - | - | 187,810 | - | - | - | 187,810 | 176,344 | - | - | |
| Rents and concessions..... | 96,268 | 9,645 | 225 | 49,532 | 2,635 | - | 51,184 | - | - | 209,489 | 180,748 | 14 | 19 | |
| Parking and transportation..... | 76,679 | - | - | 42,468 | - | - | 10,891 | - | - | 130,038 | 118,412 | - | - | |
| Other charges for services..... | - | - | - | 2,331 | - | - | - | - | 1,564 | 3,895 | 3,673 | 111,809 | 111,520 | |
| Other revenues..... | 56,476 | 7,752 | - | 13,124 | 10,767 | 14,739 | 2,423 | 771 | - | 106,052 | 89,134 | - | - | |
| Total operating revenues..... | 535,771 | 234,216 | 119,855 | 257,341 | 419,405 | 202,549 | 64,498 | 138,762 | 1,564 | 1,973,961 | 1,822,047 | 111,823 | 111,539 | |
| Operating expenses: | | | | | | | | | | | | | | |
| Personal services..... | 185,238 | 102,233 | 32,175 | 535,458 | 365,838 | 69,383 | 28,184 | 178,472 | 217 | 1,497,198 | 1,295,354 | 52,241 | 46,983 | |
| Contractual services..... | 51,914 | 11,292 | 3,972 | 49,361 | 143,598 | 11,973 | 4,917 | 6,739 | 549 | 284,315 | 270,957 | 37,987 | 35,662 | |
| Light, heat and power..... | 18,893 | - | 28,548 | 1,036 | - | - | 2,033 | - | - | 50,510 | 46,278 | - | - | |
| Materials and supplies..... | 11,319 | 11,506 | 2,291 | 50,437 | 60,480 | 9,539 | 1,628 | 13,710 | 3 | 160,913 | 153,203 | 16,783 | 18,404 | |
| Depreciation and amortization..... | 151,121 | 45,958 | 11,021 | 102,038 | 6,594 | 38,758 | 10,407 | 1,073 | 275 | 367,245 | 345,709 | 2,384 | 1,700 | |
| General and administrative..... | 1,610 | 8,209 | 20,997 | 40,424 | 273 | 1,719 | 858 | - | 7 | 74,097 | 64,251 | 514 | 406 | |
| Services provided by other departments..... | 10,863 | 34,698 | 3,701 | 44,055 | 26,444 | 26,021 | 12,069 | 8,274 | - | 166,125 | 153,054 | 5,889 | 5,072 | |
| Other..... | 20,300 | 9,156 | 6,731 | 4,374 | 123 | 7,852 | 6,717 | - | - | 55,254 | 48,856 | 642 | 2,698 | |
| Total operating expenses..... | 451,258 | 223,052 | 109,436 | 827,183 | 603,350 | 165,245 | 66,813 | 208,268 | 1,052 | 2,655,657 | 2,377,662 | 116,440 | 110,925 | |
| Operating income (loss)..... | 84,513 | 11,164 | 10,419 | (569,842) | (183,945) | 37,304 | (2,315) | (69,506) | 512 | (681,696) | (555,615) | (4,617) | 614 | |
| Nonoperating revenues (expenses): | | | | | | | | | | | | | | |
| Operating grants: | | | | | | | | | | | | | | |
| Federal..... | - | 1,958 | 52 | 6,446 | - | - | - | 653 | - | 9,109 | 9,007 | - | - | |
| State / other..... | - | - | - | 112,076 | 60,540 | - | - | - | - | 172,616 | 174,294 | - | - | |
| Interest and investment income..... | 29,368 | 12,456 | 6,420 | 7,080 | 2,335 | 4,099 | 3,613 | 1,644 | 202 | 67,217 | 85,692 | 11,183 | 9,362 | |
| Interest expense..... | (200,323) | (29,750) | - | (3,228) | (177) | (17,467) | (682) | (604) | - | (252,231) | (251,368) | (11,218) | (9,565) | |
| Other, net..... | 67,977 | 26,931 | 10,094 | 113,280 | - | 727 | (3,767) | 18,002 | - | 233,244 | 218,184 | 25 | - | |
| Total nonoperating revenues (expenses)..... | (102,978) | 11,595 | 16,566 | 235,654 | 62,698 | (12,641) | (836) | 19,695 | 202 | 229,955 | 235,809 | (10) | (203) | |
| Income (loss) before capital contributions, transfers and special item..... | (18,465) | 22,759 | 26,985 | (334,188) | (121,247) | 24,663 | (3,151) | (49,811) | 714 | (451,741) | (319,806) | (4,627) | 411 | |
| Capital contributions..... | 41,060 | - | - | 107,509 | - | - | 3,942 | - | - | 152,511 | 150,080 | - | - | |
| Transfers in..... | - | - | - | 248,823 | 142,690 | - | - | 163,728 | - | 555,241 | 524,786 | 2,061 | 550 | |
| Transfers out..... | (25,942) | - | (450) | (12,079) | (39,429) | - | - | - | - | (77,900) | (73,615) | - | - | |
| Income (loss) before special item..... | (3,347) | 22,759 | 26,535 | 10,065 | (17,986) | 24,663 | 791 | 113,917 | 714 | 178,111 | 281,445 | (2,566) | 961 | |
| Special item..... | - | - | (41,224) | - | - | - | 198 | - | - | (41,026) | 17,386 | - | - | |
| Change in net assets..... | (3,347) | 22,759 | (14,689) | 10,065 | (17,986) | 24,663 | 989 | 113,917 | 714 | 137,085 | 298,831 | (2,566) | 961 | |
| Net assets (deficit) at beginning of year..... | 316,742 | 438,574 | 435,845 | 1,893,292 | 59,859 | 959,250 | 329,698 | 269,389 | 8,615 | 4,711,264 | 4,412,433 | (275) | (1,236) | |
| Net assets (deficit) at end of year..... | \$ 313,395 | \$ 461,333 | \$ 421,156 | \$ 1,903,357 | \$ 41,873 | \$ 983,913 | \$ 330,687 | \$ 383,306 | \$ 9,329 | \$ 4,848,349 | \$ 4,711,264 | \$ (2,841) | \$ (275) | |

The notes to the financial statements are an integral part of this statement.



This page has been intentionally left blank.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2008
(with comparative financial information for year ended June 30, 2007)
(In Thousands)

Business-type Activities - Enterprise Funds

| | Major Funds | | | | | | | | Other Fund | Total | | Governmental Activities-Internal Service Funds | |
|--|---------------------------------------|--------------------------------|------------------------------|---------------------------------|---------------------------------|--------------------------------------|-----------------------|-----------------------|----------------------------------|--------------|--------------|--|------------|
| | San Francisco International Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste-water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | 2008 | 2007 | 2008 | 2007 |
| | Cash flows from operating activities: | | | | | | | | | | | | |
| Cash received from customers, including cash deposits..... | \$ 568,026 | \$ 222,676 | \$ 125,541 | \$ 407,693 | \$ 425,789 | \$ 198,895 | \$ 8,109 | \$ 146,175 | \$ 1,571 | \$ 2,104,475 | \$ 1,808,195 | \$ 142,620 | \$ 140,277 |
| Cash received from tenants for rent..... | - | 9,749 | 225 | 3,185 | 2,635 | - | 55,247 | - | - | 71,041 | 66,758 | - | - |
| Cash paid to employees for services..... | (168,587) | (85,633) | (28,647) | (498,723) | (330,407) | (61,696) | (25,200) | (164,111) | (218) | (1,363,222) | (1,293,729) | (47,444) | (47,253) |
| Cash paid to suppliers for goods and services..... | (129,054) | (71,369) | (57,163) | (215,020) | (233,440) | (51,723) | (25,207) | (26,647) | (525) | (810,148) | (712,721) | (82,303) | (65,264) |
| Cash paid for judgments and claims..... | - | (2,359) | (1,264) | (14,957) | - | (1,554) | - | - | - | (20,134) | (20,132) | - | - |
| Net cash provided by (used in) operating activities..... | 270,385 | 73,064 | 38,692 | (317,822) | (135,423) | 83,922 | 12,949 | (44,583) | 828 | (17,988) | (151,629) | 12,873 | 27,760 |
| Cash flows from noncapital financing activities: | | | | | | | | | | | | | |
| Operating grants..... | - | 1,899 | 52 | 111,329 | 63,563 | - | - | - | - | 176,843 | 310,920 | - | - |
| Transfers in..... | - | - | - | 376,226 | 142,690 | - | - | 163,727 | - | 682,643 | 404,490 | 2,061 | 550 |
| Transfers out..... | (25,942) | - | (450) | (154,445) | (39,428) | - | - | - | - | (220,265) | (78,246) | - | - |
| Transit Impact Development fees received..... | - | - | - | 169 | - | - | - | - | - | 169 | 1,309 | - | - |
| Claims settlement proceeds..... | - | - | - | - | - | - | - | - | - | - | 2,293 | - | - |
| Other noncapital financing increases..... | 6,827 | - | 9,903 | 3,981 | - | 900 | - | - | - | 21,611 | 20,800 | - | - |
| Other noncapital financing decreases..... | - | - | - | - | (216) | - | - | (9,447) | - | (9,663) | (3,329) | - | - |
| Net cash provided by (used in) noncapital financing activities..... | (19,115) | 1,899 | 9,505 | 337,260 | 166,609 | 900 | - | 154,280 | - | 651,338 | 658,237 | 2,061 | 550 |
| Cash flows from capital and related financing activities: | | | | | | | | | | | | | |
| Capital grants..... | 52,176 | - | - | 181,465 | - | - | 4,034 | 18,002 | - | 255,677 | 218,282 | - | - |
| Transfers in..... | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bond sale proceeds and loans received..... | - | - | - | - | - | - | - | - | - | - | - | 54,852 | 38,687 |
| Proceeds from sale of capital assets..... | - | 24,402 | 55 | 35 | - | - | 1 | - | - | 24,493 | 8,714 | - | - |
| Proceeds from commercial paper borrowings..... | 18,000 | - | - | - | - | - | - | - | - | 18,000 | 50,000 | - | - |
| Proceeds from passenger facility charges..... | 72,594 | - | - | - | - | - | - | - | - | 72,594 | 66,166 | - | - |
| Acquisition of capital assets..... | (116,450) | (234,624) | (32,284) | (148,458) | (19,734) | (62,087) | (14,005) | (75,430) | (238) | (703,310) | (657,036) | (1,307) | (2,547) |
| Retirement of capital leases, bonds and loans..... | (75,510) | (19,170) | (108) | (19,165) | (169) | (47,837) | (4,158) | (468) | - | (166,585) | (193,491) | (21,567) | (20,533) |
| Bond issue costs paid..... | - | - | - | - | - | - | - | - | - | - | (881) | (1,426) | (504) |
| Interest paid on debt..... | (191,349) | (45,023) | - | (4,233) | (178) | (20,325) | (492) | (603) | - | (262,203) | (230,572) | (9,939) | (8,708) |
| Other capital financing increases..... | - | - | - | 50,361 | - | - | 198 | - | - | 50,559 | 116,612 | - | - |
| Other capital financing decreases..... | (37,571) | - | - | - | - | - | (1,123) | - | - | (38,694) | (9,198) | - | - |
| Net cash provided by (used in) capital and related financing activities..... | (278,110) | (274,415) | (32,337) | 60,005 | (20,081) | (130,249) | (15,545) | (58,499) | (238) | (749,469) | (631,404) | 20,613 | 6,395 |
| Cash flows from investing activities: | | | | | | | | | | | | | |
| Purchases of investments with trustees..... | (2,806,847) | (50,153) | - | (3,924) | - | - | - | - | (12,915) | (2,873,839) | (1,197,355) | (159,000) | (56,540) |
| Proceeds from sale of investments with trustees..... | 2,821,703 | 65,317 | - | - | - | - | - | - | 12,034 | 2,899,054 | 1,237,651 | 130,765 | 21,473 |
| Interest and investment income..... | 35,152 | 16,600 | 3,814 | 7,676 | 2,334 | 5,396 | 4,634 | 1,643 | 198 | 77,447 | 79,575 | 2,978 | 1,791 |
| Other investing activities..... | - | 2,827 | - | - | (1) | - | - | (91) | - | 2,735 | 1,933 | (322) | (416) |
| Net cash provided by (used in) investing activities..... | 50,008 | 34,591 | 3,814 | 3,752 | 2,333 | 5,396 | 4,634 | 1,552 | (683) | 105,397 | 121,804 | (25,579) | (33,692) |
| Net increase (decrease) in cash and cash equivalents..... | 23,168 | (164,861) | 19,674 | 83,195 | 13,438 | (40,031) | 2,038 | 52,750 | (93) | (10,722) | (2,992) | 9,968 | 1,013 |
| Cash and cash equivalents-beginning of year..... | 403,606 | 325,291 | 146,182 | 167,598 | 50,920 | 137,227 | 91,145 | 42,958 | 554 | 1,365,481 | 1,368,473 | 34,089 | 33,076 |
| Cash and cash equivalents-end of year..... | \$ 426,774 | \$ 160,430 | \$ 165,856 | \$ 250,793 | \$ 64,358 | \$ 97,196 | \$ 93,183 | \$ 95,708 | \$ 461 | \$ 1,354,759 | \$ 1,365,481 | \$ 44,057 | \$ 34,089 |

(Continued)

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

**Statement of Cash Flows (Continued)
Proprietary Funds**

**Year ended June 30, 2008
(with comparative financial information for year ended June 30, 2007)
(In Thousands)**

Business-type Activities - Enterprise Funds

| | Major Funds | | | | | | | | Other Fund | Total | | Governmental Activities-Internal Service Funds | |
|---|-------------------------------------|--------------------------------|------------------------------|---------------------------------|---------------------------------|--------------------------------------|-----------------------|-----------------------|----------------------------------|--------------|--------------|--|-----------|
| | San Francisco International Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste-water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | 2008 | 2007 | 2008 | 2007 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | | | | | | | | | |
| Operating income (loss)..... | \$ 84,513 | \$ 11,164 | \$ 10,419 | \$ (569,842) | \$ (183,945) | \$ 37,304 | \$ (2,315) | \$ (69,506) | \$ 512 | \$ (681,696) | \$ (555,615) | \$ (4,617) | \$ 613 |
| Adjustments for non-cash activities: | | | | | | | | | | | | | |
| Depreciation and amortization..... | 151,122 | 45,958 | 11,021 | 102,038 | 6,594 | 38,758 | 10,407 | 1,072 | 275 | 367,245 | 345,708 | 2,384 | 1,700 |
| Provision for uncollectibles..... | (1,038) | - | (2,193) | 75 | - | 120 | (1,111) | - | - | (4,147) | (2,512) | - | - |
| Write-off of capital assets..... | - | 8,337 | 1,245 | - | - | 1,517 | - | - | - | 11,099 | 15,486 | - | - |
| Other..... | 6,591 | (3,925) | (43) | 110,324 | - | - | (1,246) | - | - | 111,701 | 1,878 | 26 | - |
| Changes in assets/liabilities: | | | | | | | | | | | | | |
| Receivables, net..... | 1,038 | (762) | 2,845 | (3,040) | (10,574) | (3,775) | 1,496 | 7,398 | (3) | (5,377) | (8,074) | 21,461 | 20,600 |
| Due from other funds..... | - | - | 1,150 | - | - | - | - | - | - | 1,150 | (1,473) | (79) | - |
| Inventories..... | (13) | (308) | (26) | (3,813) | (1,131) | - | 211 | (20) | - | (5,100) | 1,903 | - | - |
| Deferred charges and other assets..... | (1,754) | - | (2,120) | (1) | - | - | 1,916 | - | - | (1,959) | 3,215 | (6) | 150 |
| Accounts payable..... | (3,510) | (884) | 1,056 | 9,420 | (1,391) | 2,602 | 360 | 2,097 | 35 | 9,785 | 30,222 | (2,012) | 3,561 |
| Accrued payroll..... | 1,101 | 482 | 162 | 2,575 | 2,239 | 500 | 184 | 672 | - | 7,915 | 7,707 | 179 | 171 |
| Accrued vacation and sick leave pay..... | 77 | (315) | 56 | 513 | 972 | 268 | 3 | 140 | - | 1,714 | 1,523 | 171 | (92) |
| Accrued workers' compensation..... | 59 | (210) | (39) | (1,794) | 2,155 | 531 | (204) | 341 | - | 839 | (11,190) | 300 | (351) |
| Other postemployment benefits obligation..... | 15,413 | 15,048 | 2,723 | 35,438 | 30,065 | 5,684 | 2,805 | 13,207 | - | 120,383 | - | 4,147 | - |
| Estimated claims payable..... | - | 4,320 | 10,520 | (961) | - | 333 | 21 | - | - | 14,233 | 987 | - | - |
| Due to other funds..... | - | (4,856) | - | - | 19,593 | - | 83 | - | - | 14,820 | 10,245 | (1) | (177) |
| Deferred credits and other liabilities..... | 16,786 | (985) | 1,916 | 1,246 | - | 80 | 339 | 16 | 9 | 19,407 | 8,361 | (9,080) | 1,585 |
| Total adjustments..... | 185,872 | 61,900 | 28,273 | 252,020 | 48,522 | 46,618 | 15,264 | 24,923 | 316 | 663,708 | 403,986 | 17,490 | 27,147 |
| Net cash provided by (used in) operating activities..... | \$ 270,385 | \$ 73,064 | \$ 38,692 | \$ (317,822) | \$ (135,423) | \$ 83,922 | \$ 12,949 | \$ (44,583) | \$ 828 | \$ (17,988) | \$ (151,629) | \$ 12,873 | \$ 27,760 |
| Reconciliation of cash and cash equivalents to the statement of net assets: | | | | | | | | | | | | | |
| Deposits and investments with City Treasury: | | | | | | | | | | | | | |
| Unrestricted..... | \$ 299,153 | \$ 138,654 | \$ 165,846 | \$ 197,677 | \$ 64,348 | \$ 44,361 | \$ 81,498 | \$ - | \$ - | \$ 991,537 | \$ 809,548 | \$ 11,632 | \$ 11,029 |
| Restricted..... | 127,611 | 21,740 | - | 17,352 | - | 52,808 | 6,192 | 95,707 | - | 321,410 | 512,631 | - | - |
| Deposits outside of City Treasury: | | | | | | | | | | | | | |
| Unrestricted..... | 10 | 36 | 10 | 3,977 | 10 | - | 5 | 1 | 5,060 | 9,109 | 11,351 | - | - |
| Restricted..... | 262,368 | 41,051 | - | 36,804 | 18 | 27 | 7,750 | 870 | - | 348,888 | 298,139 | 95,727 | 58,127 |
| Total deposits and investments..... | 689,142 | 201,481 | 165,856 | 255,810 | 64,376 | 97,196 | 95,445 | 96,578 | 5,060 | 1,670,944 | 1,631,669 | 107,359 | 69,156 |
| Less: Investments outside of City Treasury not meeting the definition of cash equivalents..... | (262,368) | (41,051) | - | (5,017) | (18) | - | (2,262) | (870) | (4,599) | (316,185) | (266,188) | (63,302) | (35,067) |
| Cash and cash equivalents at end of year on statement of cash flows..... | \$ 426,774 | \$ 160,430 | \$ 165,856 | \$ 250,793 | \$ 64,358 | \$ 97,196 | \$ 93,183 | \$ 95,708 | \$ 461 | \$ 1,354,759 | \$ 1,365,481 | \$ 44,057 | \$ 34,089 |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Fiduciary Net Assets

Fiduciary Funds

June 30, 2008

(In Thousands)

| | <u>Pension and Other Employee Benefit Trust Funds</u> | <u>Investment Trust Fund</u> | <u>Agency Funds</u> |
|---|---|--------------------------------------|-------------------------|
| ASSETS | | | |
| Deposits and investments with City Treasury..... | \$ 53,713 | \$ 540,972 | \$ 84,365 |
| Deposits and investments outside City Treasury: | | | |
| Cash and deposits..... | 77,419 | 105 | 44 |
| Short term bills and notes..... | 879,724 | - | - |
| Debt securities..... | 4,540,996 | - | - |
| Equity securities..... | 7,365,206 | - | - |
| Real estate..... | 1,788,561 | - | - |
| Venture capital..... | 1,686,927 | - | - |
| Receivables: | | | |
| Employer and employee contributions..... | 32,135 | - | 44,677 |
| Brokers, general partners and others..... | 330,883 | - | - |
| Interest and other..... | 62,910 | 3,988 | 143,894 |
| Invested securities lending collateral..... | 1,567,442 | - | - |
| Deferred charges and other assets..... | - | - | 8,899 |
| Total assets..... | <u>18,385,916</u> | <u>545,065</u> | <u>\$ 281,879</u> |
| LIABILITIES | | | |
| Accounts payable..... | 32,267 | 6,706 | \$ 37,010 |
| Estimated claims payable..... | 10,916 | - | - |
| Agency obligations..... | - | - | 244,869 |
| Obligations under fixed coupon dollar reverse repurchase agreements..... | 322,063 | - | - |
| Foreign currency contracts, net..... | 504 | - | - |
| Payable to brokers..... | 561,394 | - | - |
| Securities lending collateral..... | 1,567,442 | - | - |
| Deferred credits and other liabilities..... | 35,252 | - | - |
| Total liabilities..... | <u>2,529,838</u> | <u>6,706</u> | <u>\$ 281,879</u> |
| NET ASSETS | | | |
| Held in trust for pension and other employee benefits and external pool participants..... | <u>\$ 15,856,078</u> | <u>\$ 538,359</u> | |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year ended June 30, 2008
(In Thousands)

| | Pension and Other Employee Benefit Trust Funds | Investment Trust Fund |
|---|---|--------------------------------------|
| Additions: | | |
| Employees' contributions..... | \$ 258,381 | \$ - |
| Employer contributions..... | 619,910 | - |
| Contributions to pooled investments..... | - | 2,410,676 |
| Total contributions..... | 878,291 | 2,410,676 |
| Investment income: | | |
| Interest..... | 256,330 | 24,715 |
| Dividends..... | 183,940 | - |
| Net decrease in fair value of investments..... | (1,104,080) | - |
| Securities lending income..... | 54,550 | - |
| Fixed coupon dollar reverse repurchase agreement income..... | 8,638 | - |
| Total investment income | (600,622) | 24,715 |
| Less investment expenses: | | |
| Securities lending borrower rebates and expenses..... | (69,352) | - |
| Fixed coupon dollar reverse repurchase finance charges and expenses.. | (12,972) | - |
| Other expenses..... | (51,079) | - |
| Total investment expenses..... | (133,403) | - |
| Total additions, net..... | 144,266 | 2,435,391 |
| Deductions: | | |
| Benefit payments..... | 1,263,088 | - |
| Refunds of contributions..... | 8,449 | - |
| Distribution from pooled investments..... | - | 2,543,215 |
| Administrative expenses..... | 12,594 | - |
| Total deductions..... | 1,284,131 | 2,543,215 |
| Change in net assets..... | (1,139,865) | (107,824) |
| Net assets at beginning of year..... | 16,995,943 | 646,183 |
| Net assets at end of year..... | \$ 15,856,078 | \$ 538,359 |

The notes to the financial statements are an integral part of this statement.

Basic Financial Statements

CITY AND COUNTY OF SAN FRANCISCO

Statement of Net Assets

June 30, 2009
(In Thousands)

| | Primary Government | | | Component Units | |
|---|-------------------------|--------------------------|----------------------|------------------------------------|---------------------------------------|
| | Governmental Activities | Business-Type Activities | Total | San Francisco Redevelopment Agency | Treasure Island Development Authority |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Deposits and investments with City Treasury..... | \$ 984,266 | \$ 970,347 | \$ 1,954,613 | \$ - | \$ 2,821 |
| Deposits and investments outside City Treasury..... | 209,021 | 8,041 | 217,062 | 207,059 | - |
| Receivables (net of allowance for uncollectible amounts of \$92,621 for the primary government): | | | | | |
| Property taxes and penalties..... | 73,715 | - | 73,715 | 6,432 | - |
| Other local taxes..... | 218,348 | - | 218,348 | - | - |
| Federal and state grants and subventions..... | 220,738 | 36,359 | 257,097 | - | - |
| Charges for services..... | 54,645 | 223,036 | 277,681 | - | 851 |
| Interest and other..... | 9,306 | 38,808 | 48,114 | 3,590 | 11 |
| Capital lease receivable from primary government..... | - | - | - | 15,825 | - |
| Due from component unit..... | 5,031 | - | 5,031 | - | - |
| Inventories..... | - | 63,768 | 63,768 | - | - |
| Deferred charges and other assets..... | 10,813 | 7,376 | 18,189 | 403 | - |
| Restricted assets: | | | | | |
| Deposits and investments with City Treasury..... | - | 111,256 | 111,256 | - | - |
| Deposits and investments outside City Treasury..... | - | 52,190 | 52,190 | 88,965 | - |
| Grants and other receivables..... | - | 1,257 | 1,257 | 1,109 | - |
| Total current assets..... | <u>1,785,883</u> | <u>1,512,438</u> | <u>3,298,321</u> | <u>323,383</u> | <u>3,683</u> |
| Noncurrent assets: | | | | | |
| Loans receivable (net of allowance for uncollectible amounts of \$510,133 and \$258,482 for the primary government and component unit, respectively)..... | 69,431 | - | 69,431 | 4,480 | - |
| Advance to component units..... | 6,707 | 4,427 | 11,134 | - | - |
| Capital lease receivable from primary government..... | - | - | - | 146,868 | - |
| Deferred charges and other assets..... | 24,050 | 51,526 | 75,576 | 12,279 | - |
| Restricted assets: | | | | | |
| Deposits and investments with City Treasury..... | - | 205,715 | 205,715 | - | - |
| Deposits and investments outside City Treasury..... | 96,050 | 306,427 | 402,477 | 19,703 | - |
| Grants and other receivables..... | - | 26,410 | 26,410 | - | - |
| Property held for resale..... | - | - | - | 2,962 | - |
| Capital assets: | | | | | |
| Land and other assets not being depreciated..... | 342,645 | 1,509,611 | 1,852,256 | 161,473 | - |
| Facilities, infrastructure, and equipment, net of depreciation..... | <u>2,686,270</u> | <u>7,951,283</u> | <u>10,637,553</u> | <u>137,131</u> | <u>-</u> |
| Total capital assets..... | <u>3,028,915</u> | <u>9,460,894</u> | <u>12,489,809</u> | <u>298,604</u> | <u>-</u> |
| Total noncurrent assets..... | <u>3,225,153</u> | <u>10,055,399</u> | <u>13,280,552</u> | <u>484,896</u> | <u>-</u> |
| Total assets..... | <u>\$ 5,011,036</u> | <u>\$ 11,567,837</u> | <u>\$ 16,578,873</u> | <u>\$ 808,279</u> | <u>\$ 3,683</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Net Assets (continued)

June 30, 2009
(In Thousands)

| | Primary Government | | | Component Units | |
|---|-------------------------|--------------------------|---------------------|------------------------------------|---------------------------------------|
| | Governmental Activities | Business-Type Activities | Total | San Francisco Redevelopment Agency | Treasure Island Development Authority |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable..... | \$ 207,282 | \$ 155,388 | \$ 362,670 | \$ 12,598 | \$ 623 |
| Accrued payroll..... | 91,110 | 68,576 | 159,686 | 89 | 76 |
| Accrued vacation and sick leave pay..... | 76,008 | 51,058 | 127,066 | 1,139 | - |
| Accrued workers' compensation..... | 39,799 | 26,899 | 66,698 | - | - |
| Estimated claims payable..... | 43,798 | 26,634 | 70,432 | - | - |
| Bonds, loans, capital leases, and other payables..... | 307,239 | 499,564 | 806,803 | 36,643 | - |
| Capital lease payable to component unit..... | 15,825 | - | 15,825 | - | - |
| Accrued interest payable..... | 12,468 | 12,881 | 25,349 | 28,249 | - |
| Unearned grant and subvention revenues..... | 15,695 | - | 15,695 | - | - |
| Due to primary government..... | - | - | - | 2,759 | 2,272 |
| Internal balances..... | 19,440 | (19,440) | - | - | - |
| Deferred credits and other liabilities..... | 126,845 | 200,520 | 327,365 | 1,472 | 564 |
| Liabilities payable from restricted assets: | | | | | |
| Bonds, loans, capital leases, and other payables..... | - | 122,566 | 122,566 | - | - |
| Accrued interest payable..... | - | 29,296 | 29,296 | - | - |
| Other..... | - | 75,027 | 75,027 | - | - |
| Total current liabilities..... | <u>955,509</u> | <u>1,248,969</u> | <u>2,204,478</u> | <u>82,949</u> | <u>3,535</u> |
| Noncurrent liabilities: | | | | | |
| Accrued vacation and sick leave pay..... | 67,520 | 39,042 | 106,562 | 964 | - |
| Accrued workers' compensation..... | 173,082 | 119,112 | 292,194 | - | - |
| Other postemployment benefits obligation..... | 338,822 | 247,647 | 586,469 | 552 | - |
| Estimated claims payable..... | 101,208 | 52,109 | 153,317 | - | - |
| Bonds, loans, capital leases, and other payables..... | 1,921,048 | 5,024,864 | 6,945,912 | 790,050 | - |
| Advance from primary government..... | - | - | - | 6,707 | 4,427 |
| Capital lease payable to component unit..... | 146,868 | - | 146,868 | - | - |
| Accrued interest payable..... | - | - | - | 54,591 | - |
| Deferred credits and other liabilities..... | 1,776 | 75,948 | 77,724 | 3,284 | - |
| Total noncurrent liabilities..... | <u>2,750,324</u> | <u>5,558,722</u> | <u>8,309,046</u> | <u>856,148</u> | <u>4,427</u> |
| Total liabilities..... | <u>3,705,833</u> | <u>6,807,691</u> | <u>10,513,524</u> | <u>939,097</u> | <u>7,962</u> |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt, Note 2(k)..... | 1,725,203 | 4,017,577 | 5,443,483 | 158,791 | - |
| Restricted for: | | | | | |
| Reserve for rainy day..... | 98,297 | - | 98,297 | - | - |
| Debt service..... | 30,724 | 277,034 | 307,758 | 50,318 | - |
| Capital projects..... | - | 107,843 | 107,843 | - | - |
| Community development..... | 64,031 | - | 64,031 | - | - |
| Transportation Authority activities..... | 2,515 | - | 2,515 | - | - |
| Grants and other purposes..... | 176,264 | 30,360 | 206,624 | - | - |
| Unrestricted (deficit), Note 2(k)..... | <u>(791,831)</u> | <u>327,332</u> | <u>(165,202)</u> | <u>(339,927)</u> | <u>(4,279)</u> |
| Total net assets (deficit)..... | <u>\$ 1,305,203</u> | <u>\$ 4,760,146</u> | <u>\$ 6,065,349</u> | <u>\$ (130,818)</u> | <u>\$ (4,279)</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Activities
 Year Ended June 30, 2009
 (In Thousands)

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | | Component Units | |
|--|---------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|------------------------------------|---------------------------------------|-------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | San Francisco Redevelopment Agency | Treasure Island Development Authority | |
| | | | | | Governmental Activities | Business-Type Activities | | | Total |
| Primary government: | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Public protection..... | \$ 1,109,311 | \$ 90,044 | \$ 100,971 | \$ - | \$ (918,296) | \$ - | \$ (918,296) | \$ - | \$ - |
| Public works, transportation and commerce..... | 254,955 | 72,287 | 40,325 | 36,276 | (106,067) | - | (106,067) | - | - |
| Human welfare and neighborhood development... | 908,449 | 33,988 | 461,361 | - | (413,100) | - | (413,100) | - | - |
| Community health..... | 608,733 | 60,708 | 285,211 | - | (262,814) | - | (262,814) | - | - |
| Culture and recreation..... | 319,994 | 74,477 | 3,671 | 7,772 | (234,074) | - | (234,074) | - | - |
| General administration and finance..... | 238,601 | 33,530 | 5,138 | - | (199,933) | - | (199,933) | - | - |
| General City responsibilities.... | 72,634 | 27,377 | 13,018 | - | (32,239) | - | (32,239) | - | - |
| Unallocated interest on long-term debt..... | 93,387 | - | - | - | (93,387) | - | (93,387) | - | - |
| Total governmental activities..... | <u>3,606,064</u> | <u>392,411</u> | <u>909,695</u> | <u>44,048</u> | <u>(2,259,910)</u> | <u>-</u> | <u>(2,259,910)</u> | <u>-</u> | <u>-</u> |
| Business-type activities: | | | | | | | | | |
| Airport..... | 683,335 | 551,283 | - | 29,780 | - | (102,272) | (102,272) | - | - |
| Transportation..... | 863,218 | 257,083 | 117,767 | 55,915 | - | (432,453) | (432,453) | - | - |
| Port..... | 71,778 | 66,467 | - | 1,558 | - | (3,753) | (3,753) | - | - |
| Water..... | 277,162 | 265,781 | 1,784 | - | - | (9,597) | (9,597) | - | - |
| Power..... | 96,228 | 115,274 | - | - | - | 19,046 | 19,046 | - | - |
| Hospitals..... | 820,236 | 568,210 | 67,001 | - | - | (185,025) | (185,025) | - | - |
| Sewer..... | 184,977 | 208,654 | 224 | - | - | 23,901 | 23,901 | - | - |
| Market..... | 1,144 | 1,546 | - | - | - | 402 | 402 | - | - |
| Total business-type activities..... | <u>2,998,078</u> | <u>2,034,298</u> | <u>186,776</u> | <u>87,253</u> | <u>-</u> | <u>(689,751)</u> | <u>(689,751)</u> | <u>-</u> | <u>-</u> |
| Total primary government..... | <u>\$ 6,604,142</u> | <u>\$ 2,426,709</u> | <u>\$ 1,096,471</u> | <u>\$ 131,301</u> | <u>(2,259,910)</u> | <u>(689,751)</u> | <u>(2,949,661)</u> | <u>-</u> | <u>-</u> |
| Component units: | | | | | | | | | |
| San Francisco Redevelopment Agency..... | | | | | | | | | |
| | \$ 196,059 | \$ 26,141 | \$ 9,358 | \$ - | | | | (160,560) | - |
| Treasure Island Development Authority..... | | | | | | | | | |
| | 13,036 | 9,152 | - | - | | | | - | (3,884) |
| Total component units..... | <u>\$ 209,095</u> | <u>\$ 35,293</u> | <u>\$ 9,358</u> | <u>\$ -</u> | | | | <u>(160,560)</u> | <u>(3,884)</u> |
| General Revenues: | | | | | | | | | |
| Taxes: | | | | | | | | | |
| Property taxes..... | | | | | 1,302,071 | - | 1,302,071 | 86,702 | - |
| Business taxes..... | | | | | 388,653 | - | 388,653 | - | - |
| Sales and use tax..... | | | | | 172,794 | - | 172,794 | - | - |
| Hotel room tax..... | | | | | 214,460 | - | 214,460 | 5,316 | - |
| Utility users tax..... | | | | | 89,801 | - | 89,801 | - | - |
| Other local taxes..... | | | | | 126,017 | - | 126,017 | - | - |
| Interest and investment income..... | | | | | 35,434 | 49,691 | 85,125 | 6,097 | 105 |
| Other..... | | | | | 44,086 | 201,624 | 245,710 | 5,634 | 1,745 |
| Transfers - internal activities of primary government..... | | | | | (393,259) | 393,259 | - | - | - |
| Total general revenues and transfers..... | | | | | <u>1,980,057</u> | <u>644,574</u> | <u>2,624,631</u> | <u>103,749</u> | <u>1,850</u> |
| Change in net assets..... | | | | | (279,853) | (45,177) | (325,030) | (56,811) | (2,034) |
| Net assets (deficit) - beginning, as restated..... | | | | | <u>1,585,056</u> | <u>4,805,323</u> | <u>6,390,379</u> | <u>(74,007)</u> | <u>(2,245)</u> |
| Net assets (deficit) - ending..... | | | | | <u>\$ 1,305,203</u> | <u>\$ 4,760,146</u> | <u>\$ 6,065,349</u> | <u>\$ (130,818)</u> | <u>\$ (4,279)</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Balance Sheet – Governmental Funds

June 30, 2009

(with comparative total financial information as of June 30, 2008)

(In Thousands)

| | General Fund | | Other Governmental Funds | | Total Governmental Funds | |
|--|-------------------|-------------------|--------------------------|---------------------|--------------------------|---------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| ASSETS | | | | | | |
| Deposits and investments with City Treasury..... | \$ 264,893 | \$ 400,328 | \$ 703,064 | \$ 750,431 | \$ 967,957 | \$ 1,150,759 |
| Deposits and investments outside City Treasury..... | 337 | 242 | 208,684 | 48,834 | 209,021 | 49,076 |
| Receivables (net of allowance for uncollectible amounts of \$67,904 in 2009; \$41,631 in 2008): | | | | | | |
| Property taxes and penalties..... | 62,351 | 47,312 | 11,364 | 9,863 | 73,715 | 57,175 |
| Other local taxes..... | 206,884 | 182,112 | 11,464 | 15,269 | 218,348 | 197,381 |
| Federal and state grants and subventions..... | 115,406 | 57,531 | 105,332 | 99,012 | 220,738 | 156,543 |
| Charges for services..... | 43,531 | 43,152 | 11,025 | 11,556 | 54,556 | 54,708 |
| Interest and other..... | 2,593 | 13,145 | 5,860 | 6,323 | 8,453 | 19,468 |
| Due from other funds..... | 24,387 | 16,890 | 4,174 | 11,578 | 28,561 | 28,468 |
| Due from component unit..... | 7,220 | 6,581 | 4,518 | 2,579 | 11,738 | 9,160 |
| Loans receivable (net of allowance for uncollectible amounts of \$510,133 in 2009; \$453,577 in 2008)..... | 18 | 10 | 69,413 | 67,325 | 69,431 | 67,335 |
| Deferred charges and other assets..... | 5,850 | 6,486 | 3,739 | 3,819 | 9,589 | 10,305 |
| Total assets..... | <u>\$ 733,470</u> | <u>\$ 773,789</u> | <u>\$ 1,138,637</u> | <u>\$ 1,026,589</u> | <u>\$ 1,872,107</u> | <u>\$ 1,800,378</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable..... | \$ 112,475 | \$ 118,109 | \$ 85,844 | \$ 114,889 | \$ 198,319 | \$ 232,998 |
| Accrued payroll..... | 72,927 | 65,640 | 16,279 | 15,279 | 89,206 | 80,919 |
| Deferred tax, grant and subvention revenues..... | 106,811 | 83,973 | 41,179 | 59,457 | 147,990 | 143,430 |
| Due to other funds..... | 1,003 | 1,501 | 43,857 | 22,575 | 44,860 | 24,076 |
| Deferred credits and other liabilities..... | 138,579 | 98,931 | 118,141 | 98,355 | 256,720 | 197,286 |
| Bonds, loans, capital leases, and other payables..... | - | - | 150,000 | 150,000 | 150,000 | 150,000 |
| Total liabilities..... | <u>431,795</u> | <u>368,154</u> | <u>455,300</u> | <u>460,555</u> | <u>887,095</u> | <u>828,709</u> |
| Fund balances: | | | | | | |
| Reserved for rainy day..... | 98,297 | 117,792 | - | - | 98,297 | 117,792 |
| Reserved for assets not available for appropriation..... | 11,307 | 11,358 | 19,781 | 19,814 | 31,088 | 31,172 |
| Reserved for debt service..... | - | - | 75,886 | 47,334 | 75,886 | 47,334 |
| Reserved for encumbrances..... | 65,902 | 63,068 | 167,169 | 193,461 | 233,071 | 256,529 |
| Reserved for appropriation carryforward..... | 91,075 | 99,959 | 501,006 | 314,051 | 592,081 | 414,010 |
| Reserved for subsequent years' budgets..... | 6,891 | 36,341 | 11,245 | 13,504 | 18,136 | 49,845 |
| Unreserved (deficit), reported in: | | | | | | |
| General fund..... | 28,203 | 77,117 | - | - | 28,203 | 77,117 |
| Special revenue funds..... | - | - | (69,468) | (27,758) | (69,468) | (27,758) |
| Capital project funds..... | - | - | (26,153) | 2,126 | (26,153) | 2,126 |
| Permanent fund..... | - | - | 3,871 | 3,502 | 3,871 | 3,502 |
| Total fund balances..... | <u>301,675</u> | <u>405,635</u> | <u>683,337</u> | <u>566,034</u> | <u>985,012</u> | <u>971,669</u> |
| Total liabilities and fund balances..... | <u>\$ 733,470</u> | <u>\$ 773,789</u> | <u>\$ 1,138,637</u> | <u>\$ 1,026,589</u> | <u>\$ 1,872,107</u> | <u>\$ 1,800,378</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2009
(In Thousands)

| | |
|--|----------------------------|
| Fund balances - total governmental funds | \$ 985,012 |
| Amounts reported for governmental activities in the statement of net assets are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 3,022,552 |
| Bond issue costs are not financial resources and, therefore, are not reported in the funds. | 18,406 |
| Long-term liabilities, including bonds payable and certain other liabilities, are not due and payable in the current period and therefore are not reported in the funds. | (2,778,532) |
| Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due. | (10,378) |
| Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current period expenditures. Those assets are offset by deferred revenue in the funds. | 265,504 |
| Internal service funds are used by management to charge the costs of capital lease financing, fleet management, printing and mailing services, and information systems to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets. | <u>(197,361)</u> |
| Net assets of governmental activities | <u><u>\$ 1,305,203</u></u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

**Statement of Revenues, Expenditures, and Changes in
Fund Balances – Governmental Funds**
Year Ended June 30, 2009
(with comparative total financial information as of June 30, 2008)
(In Thousands)

| | General Fund | | Other Governmental Funds | | Total Governmental Funds | |
|---|-------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Revenues: | | | | | | |
| Property taxes..... | \$ 999,528 | \$ 939,812 | \$ 272,857 | \$ 239,876 | \$ 1,272,385 | \$ 1,179,688 |
| Business taxes..... | 387,313 | 394,267 | 1,340 | 1,758 | 388,653 | 396,025 |
| Sales and use tax..... | 101,662 | 111,411 | 71,132 | 79,556 | 172,794 | 190,967 |
| Hotel room tax..... | 161,714 | 165,541 | 52,746 | 53,548 | 214,460 | 219,089 |
| Utility users tax..... | 89,801 | 86,964 | - | - | 89,801 | 86,964 |
| Other local taxes..... | 126,017 | 155,951 | - | - | 126,017 | 155,951 |
| Licenses, permits and franchises..... | 24,750 | 23,212 | 7,403 | 7,731 | 32,153 | 30,943 |
| Fines, forfeitures and penalties..... | 5,618 | 8,398 | 4,076 | 4,819 | 9,694 | 13,217 |
| Interest and investment income..... | 9,193 | 15,779 | 24,354 | 38,477 | 33,547 | 54,256 |
| Rents and concessions..... | 19,096 | 19,490 | 54,129 | 50,670 | 73,225 | 70,160 |
| Intergovernmental: | | | | | | |
| Federal..... | 172,162 | 173,059 | 185,450 | 155,256 | 357,612 | 328,315 |
| State..... | 473,187 | 476,864 | 107,860 | 84,231 | 581,047 | 561,095 |
| Other..... | 16 | - | 14,867 | 15,907 | 14,883 | 15,907 |
| Charges for services..... | 135,926 | 135,473 | 148,270 | 153,216 | 284,196 | 288,689 |
| Other..... | 11,199 | 17,948 | 19,119 | 63,373 | 30,318 | 81,321 |
| Total revenues..... | 2,717,182 | 2,724,169 | 963,603 | 948,418 | 3,680,785 | 3,672,587 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Public protection..... | 889,594 | 881,009 | 109,924 | 137,203 | 999,518 | 1,018,212 |
| Public works, transportation and commerce..... | 61,812 | 69,944 | 186,349 | 166,625 | 248,161 | 236,569 |
| Human welfare and neighborhood development..... | 630,112 | 613,135 | 256,574 | 215,768 | 886,686 | 828,903 |
| Community health..... | 487,638 | 454,935 | 91,190 | 88,111 | 578,828 | 543,046 |
| Culture and recreation..... | 97,415 | 105,036 | 216,027 | 204,576 | 313,442 | 309,612 |
| General administration and finance..... | 170,109 | 196,430 | 20,571 | 18,624 | 190,680 | 215,054 |
| General City responsibilities..... | 72,893 | 70,874 | 254 | 331 | 73,147 | 71,205 |
| Debt service: | | | | | | |
| Principal retirement..... | 938 | 864 | 125,563 | 105,716 | 126,501 | 106,580 |
| Interest and fiscal charges..... | 73 | 147 | 74,393 | 75,697 | 74,466 | 75,844 |
| Bond issuance costs..... | - | - | 4,746 | 1,090 | 4,746 | 1,090 |
| Capital outlay..... | - | - | 152,473 | 133,155 | 152,473 | 133,155 |
| Total expenditures..... | 2,410,584 | 2,392,374 | 1,238,064 | 1,146,896 | 3,648,648 | 3,539,270 |
| Excess (deficiency) of revenues over expenditures..... | 306,598 | 331,795 | (274,461) | (198,478) | 32,137 | 133,317 |
| Other financing sources (uses): | | | | | | |
| Transfers in..... | 136,195 | 70,969 | 216,498 | 173,801 | 352,693 | 244,770 |
| Transfers out..... | (550,910) | (543,640) | (195,268) | (180,532) | (746,178) | (724,172) |
| Issuance of bonds and loans | | | | | | |
| Face value of bonds and refunding bonds issued..... | - | - | 456,935 | 310,155 | 456,935 | 310,155 |
| Face value of loans issued..... | - | - | - | 1,829 | - | 1,829 |
| Premium on issuance of bonds..... | - | - | 12,875 | 13,071 | 12,875 | 13,071 |
| Payment to refunded bond escrow agent..... | - | - | (120,000) | (283,494) | (120,000) | (283,494) |
| Other financing sources-capital leases..... | 4,157 | 5,050 | 20,724 | 19,204 | 24,881 | 24,254 |
| Total other financing sources (uses)..... | (410,558) | (467,621) | 391,764 | 54,034 | (18,794) | (413,587) |
| Net change in fund balances..... | (103,960) | (135,826) | 117,303 | (144,444) | 13,343 | (280,270) |
| Fund balances at beginning of year..... | 405,635 | 541,461 | 566,034 | 710,478 | 971,669 | 1,251,939 |
| Fund balances at end of year..... | \$ 301,675 | \$ 405,635 | \$ 683,337 | \$ 566,034 | \$ 985,012 | \$ 971,669 |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Year Ended June 30, 2009

(In Thousands)

| | |
|---|---------------------|
| Net change in fund balances - total governmental funds | \$ 13,343 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period plus assets donated to the City and acquired by funding from other revenues. | 96,460 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the amount by which the increase in certain liabilities reported in the statement of net assets of the previous year exceeded expenses reported in the statement of activities that do not require the use of current financial resources. | (215,629) |
| Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 29,686 |
| Some other revenues that do not provide current financial resources are not reported as revenues in the governmental funds but are recognized in the statement of activities. | 7,442 |
| Governmental funds report expenditures pertaining to the establishment of certain deferred credits related to long-term loans made. These deferred credits are not reported on the statement of net assets and, therefore, the corresponding expense is not reported on the statement of activities. | 312 |
| Lease payments on the Moscone Convention Center (including both principal and interest) are reported as expenditures in the governmental funds when paid. For the City as a whole, however, the principal portion of the payments serves to reduce the liability in the statement of net assets. This is the amount of property rent payments expended in the governmental funds that were reclassified as capital lease principal and interest payments in the current period. | 19,515 |
| Bond issue costs are reported in the governmental funds when paid, and are capitalized and amortized in the statement of activities. This is the amount by which current year bond issue costs exceed amortization expense in the current period. | 3,713 |
| The issuance of long-term debt and capital leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and capital leases consume the current financial resources of governmental funds. These transactions, however, have no effect on net assets. This is the amount by which principal retirement exceeded bond and other debt proceeds in the current period. | (210,434) |
| Bond premiums and discounts are reported in the governmental funds when the bonds are issued, and are capitalized and amortized in the statement of net assets. This is the amount of bond premiums capitalized during the current period. | (12,875) |
| Interest expense in the statement of activities differs from the amount reported in the governmental funds because of additional accrued and accreted interest; amortization of bond discounts, premiums and refunding losses; and change in the accrual of arbitrage liabilities. | (9,947) |
| The net revenues of certain activities of internal service funds are reported with governmental activities. | <u>(1,439)</u> |
| Change in net assets of governmental activities | <u>\$ (279,853)</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Budgetary Comparison Statement – General Fund
Year Ended June 30, 2009
(In Thousands)

| | Original Budget | Final Budget | Actual Budgetary Basis | Variance Positive (Negative) |
|---|--------------------|------------------|------------------------------|------------------------------------|
| Budgetary Fund Balance, July 1 | \$ 111,204 | \$ 461,193 | \$ 461,193 | \$ - |
| Resources (Inflows): | | | | |
| Property taxes..... | 1,018,877 | 1,018,877 | 1,021,325 | 2,448 |
| Business taxes..... | 394,556 | 394,556 | 387,313 | (7,243) |
| Other local taxes: | | | | |
| Sales tax..... | 119,326 | 119,326 | 101,662 | (17,664) |
| Hotel room tax..... | 188,717 | 188,717 | 161,714 | (27,003) |
| Utility users tax..... | 82,770 | 82,770 | 89,801 | 7,031 |
| Parking tax..... | 65,370 | 65,370 | 64,546 | (824) |
| Real property transfer tax..... | 96,794 | 96,794 | 61,471 | (35,323) |
| Licenses, permits, and franchises: | | | | |
| Licenses and permits..... | 9,248 | 9,249 | 8,696 | (553) |
| Franchise tax..... | 15,792 | 15,792 | 16,054 | 262 |
| Fines, forfeitures, and penalties..... | 3,861 | 6,060 | 5,618 | (442) |
| Interest and investment income..... | 21,367 | 23,041 | 14,681 | (8,360) |
| Rents and concessions: | | | | |
| Garages - Recreation and Park..... | 9,837 | 9,837 | 8,958 | (879) |
| Rents and concessions - Recreation and Park..... | 9,417 | 9,417 | 7,708 | (1,709) |
| Other rents and concessions..... | 1,853 | 1,853 | 1,840 | (13) |
| Intergovernmental: | | | | |
| Federal grants and subventions..... | 206,370 | 214,340 | 182,935 | (31,405) |
| State subventions: | | | | |
| Social service subventions..... | 101,309 | 101,570 | 102,385 | 815 |
| Health / mental health subventions..... | 121,931 | 120,773 | 116,830 | (3,943) |
| Health and welfare realignment..... | 170,166 | 170,166 | 147,501 | (22,665) |
| Public safety sales tax..... | 73,812 | 73,812 | 63,698 | (10,114) |
| Motor vehicle in-lieu - county..... | 4,960 | 4,960 | 2,673 | (2,287) |
| Other grants and subventions..... | 15,291 | 21,332 | 41,852 | 20,520 |
| Other..... | - | - | 16 | 16 |
| Charges for services: | | | | |
| General government service charges..... | 48,724 | 48,804 | 42,723 | (6,081) |
| Public safety service charges..... | 26,820 | 26,821 | 23,945 | (2,876) |
| Recreation charges - Recreation and Park..... | 7,438 | 7,438 | 8,789 | 1,351 |
| MediCal, MediCare and health service charges..... | 64,767 | 67,776 | 60,403 | (7,373) |
| Other financing sources: | | | | |
| Transfers from other funds..... | 118,218 | 133,771 | 132,342 | (1,429) |
| Repayment of loan from Component Unit..... | 1,783 | 2,579 | 796 | (1,783) |
| Other resources (inflows)..... | 11,414 | 11,641 | 6,930 | (4,711) |
| Subtotal - Resources (Inflows) | <u>3,010,788</u> | <u>3,047,442</u> | <u>2,885,205</u> | <u>(162,237)</u> |
| Total amounts available for appropriation..... | <u>3,121,992</u> | <u>3,508,635</u> | <u>3,346,398</u> | <u>(162,237)</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Budgetary Comparison Statement – General Fund (continued)
Year Ended June 30, 2009
(In Thousands)

| | Original Budget | Final Budget | Actual Budgetary Basis | Variance Positive (Negative) |
|---|--------------------|-----------------|------------------------------|------------------------------------|
| Charges to Appropriations (Outflows): | | | | |
| Public Protection | | | | |
| Adult Probation..... | \$ 11,839 | \$ 12,081 | \$ 11,890 | \$ 191 |
| District Attorney..... | 33,042 | 33,324 | 32,142 | 1,182 |
| Emergency Communications..... | 3,366 | 3,846 | 3,318 | 528 |
| Fire Department..... | 251,013 | 258,130 | 248,629 | 9,501 |
| Juvenile Probation..... | 37,702 | 36,244 | 33,609 | 2,635 |
| Police Department..... | 370,800 | 379,524 | 370,645 | 8,879 |
| Public Defender..... | 23,159 | 23,770 | 23,585 | 185 |
| Sheriff..... | 139,261 | 132,056 | 130,841 | 1,215 |
| Superior Court..... | 32,563 | 32,558 | 32,558 | - |
| Subtotal - Public Protection | <u>902,745</u> | <u>911,533</u> | <u>887,217</u> | <u>24,316</u> |
| Public Works, Transportation and Commerce | | | | |
| Board of Appeals..... | 824 | 824 | 752 | 72 |
| Business and Economic Development..... | 9,519 | 9,866 | 8,434 | 1,432 |
| General Services Agency - Public Works..... | 36,401 | 57,853 | 51,749 | 6,104 |
| Parking and Traffic Commission..... | - | 244 | 243 | 1 |
| Public Utilities Commission..... | - | 52 | 45 | 7 |
| Water Department..... | - | 128 | 128 | - |
| Subtotal - Public Works, Transportation and Commerce | <u>46,744</u> | <u>68,967</u> | <u>61,351</u> | <u>7,616</u> |
| Human Welfare and Neighborhood Development | | | | |
| Children, Youth and Their Families..... | 28,065 | 30,111 | 29,107 | 1,004 |
| Commission on the Status of Women..... | 3,482 | 3,494 | 3,259 | 235 |
| County Education Office..... | 80 | 80 | 80 | - |
| Environment..... | 700 | 1,536 | 1,388 | 148 |
| Human Rights Commission..... | 933 | 1,031 | 959 | 72 |
| Human Services..... | 618,541 | 617,442 | 585,995 | 31,447 |
| Subtotal - Human Welfare and Neighborhood Development | <u>651,801</u> | <u>653,694</u> | <u>620,788</u> | <u>32,906</u> |
| Community Health | | | | |
| Public Health..... | 513,858 | 501,700 | 487,638 | 14,062 |
| Culture and Recreation | | | | |
| Academy of Sciences..... | 4,812 | 4,812 | 4,571 | 241 |
| Art Commission..... | 8,723 | 8,424 | 7,912 | 512 |
| Asian Art Museum..... | 6,685 | 6,741 | 6,514 | 227 |
| Fine Arts Museum..... | 10,880 | 11,231 | 10,742 | 489 |
| Law Library..... | 598 | 602 | 489 | 113 |
| Recreation and Park Commission..... | 72,533 | 64,966 | 64,966 | - |
| Subtotal - Culture and Recreation | <u>104,231</u> | <u>96,776</u> | <u>95,194</u> | <u>1,582</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Budgetary Comparison Statement – General Fund (continued)
Year Ended June 30, 2009
(In Thousands)

| | Original Budget | Final Budget | Actual Budgetary Basis | Variance Positive (Negative) |
|---|--------------------|-------------------|------------------------------|------------------------------------|
| General Administration and Finance | | | | |
| Assessor/Recorder..... | \$ 13,495 | \$ 14,412 | \$ 12,850 | \$ 1,562 |
| Board of Supervisors..... | 10,960 | 11,281 | 10,988 | 293 |
| City Attorney..... | 10,007 | 10,236 | 9,538 | 698 |
| City Planning..... | 23,191 | 22,133 | 19,928 | 2,205 |
| Civil Service..... | 524 | 559 | 559 | - |
| Controller..... | 13,543 | 14,211 | 13,444 | 767 |
| Elections..... | 10,341 | 15,136 | 14,813 | 323 |
| Ethics Commission..... | 4,031 | 3,230 | 3,123 | 107 |
| General Services Agency - Administrative Services..... | 54,721 | 55,696 | 49,306 | 6,390 |
| General Services Agency - Telecomm. and Info. Services..... | 3,033 | 3,134 | 2,021 | 1,113 |
| Human Resources..... | 11,947 | 6,541 | 5,858 | 683 |
| Mayor..... | 8,853 | 17,223 | 16,669 | 554 |
| Retirement Services..... | 573 | 583 | 583 | - |
| Treasurer/Tax Collector..... | 21,303 | 20,817 | 19,697 | 1,120 |
| Subtotal - General Administration and Finance | <u>186,522</u> | <u>195,192</u> | <u>179,377</u> | <u>15,815</u> |
| General City Responsibilities | | | | |
| General City Responsibilities..... | 78,524 | 78,086 | 73,553 | 4,533 |
| Other financing uses: | | | | |
| Debt Service..... | 1,011 | 1,011 | 1,011 | - |
| Transfers to other funds..... | 603,790 | 549,757 | 549,757 | - |
| Budgetary reserves and designations..... | 32,766 | 28,028 | - | 28,028 |
| Total charges to appropriations..... | <u>3,121,992</u> | <u>3,084,744</u> | <u>2,955,886</u> | <u>128,858</u> |
| Total Sources less Current Year Uses | <u>\$ -</u> | <u>\$ 423,891</u> | <u>\$ 390,512</u> | <u>\$ (33,379)</u> |

| | |
|---|-------------------------|
| Budgetary fund balance, June 30 before reserves and designations | \$ 390,512 |
| Reserves and designations made from budgetary fund balance, June 30 | <u>295,065</u> |
| Net Available Budgetary Fund Balance, June 30 | <u>\$ 95,447</u> |

Explanation of differences between budgetary inflows and outflows, and GAAP revenues and expenditures:

| | |
|---|---------------------|
| Sources/inflows of resources | |
| Actual amounts (budgetary basis) "available for appropriation"..... | \$ 3,346,398 |
| Difference - budget to GAAP: | |
| The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes..... | (461,193) |
| Property tax revenue - Teefer Plan..... | (21,797) |
| Change in unrealized gain/(loss) on investment..... | 1,481 |
| Interest earnings / charges from other funds assigned to General Fund as interest adjustment..... | (6,969) |
| Interest earnings from other funds assigned to General Fund as other revenues..... | 4,270 |
| Grants, subventions and other receivables received after 120-day recognition period..... | (11,870) |
| Loan repayment from component unit..... | (796) |
| Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes..... | <u>(132,342)</u> |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds..... | <u>\$ 2,717,182</u> |
| Uses/outflows of resources | |
| Actual amounts (budgetary basis) "total charges to appropriations"..... | \$ 2,955,886 |
| Difference - budget to GAAP: | |
| Capital asset purchases funded under capital leases with Finance Corporation and other vendors..... | 4,157 |
| Recognition of expenditures for advances and imprest cash..... | 298 |
| Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes..... | <u>(549,757)</u> |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds..... | <u>\$ 2,410,584</u> |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Net Assets – Proprietary Funds
June 30, 2009
(with comparative total financial information as of June 30, 2008)
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | | | | | | | Total | | Governmental Activities-Internal Service Funds | |
|---|---|---|--|---------------------------------------|--|---|-----------------------------|-----------------------------|---|-------------------|-------------------|----------------|--|--|
| | Major Funds | | | | | | | | Other Fund | | | | | |
| | San Francisco Interna- tional Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste- water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | 2009 | 2008 | 2009 | 2008 | |
| ASSETS | | | | | | | | | | | | | | |
| Current Assets: | | | | | | | | | | | | | | |
| Deposits and investments with City Treasury..... | \$ 307,696 | \$ 130,927 | \$ 170,111 | \$ 191,672 | \$ 47,879 | \$ 36,968 | \$ 85,094 | \$ - | \$ - | \$ 970,347 | \$ 991,537 | \$ 16,309 | \$ 11,632 | |
| Deposits and investments outside City Treasury..... | 10 | 36 | 10 | 2,861 | 10 | 5 | 5 | 1 | 5,103 | 8,041 | 9,109 | - | - | |
| Receivables (net of allowance for uncollectible amounts of \$24,717 and \$30,750 in 2009 and 2008, respectively): | | | | | | | | | | | | | | |
| Federal and state grants and subventions..... | - | 337 | - | 34,732 | - | 106 | 1,184 | - | - | 36,359 | 36,623 | - | - | |
| Charges for services..... | 33,674 | 65,869 | 9,347 | 3,335 | 43,969 | 34,699 | 4,176 | 27,956 | 11 | 223,036 | 206,507 | 89 | 146 | |
| Interest and other..... | 960 | 1,109 | 6,336 | 3,416 | 26,558 | 169 | 260 | - | - | 38,808 | 43,107 | 853 | 1,348 | |
| Loans receivable..... | - | - | - | - | - | - | - | - | - | - | 134 | 21,100 | 26,999 | |
| Due from other funds..... | - | 197 | 14,658 | 2,705 | - | 31 | - | 22,497 | - | 40,088 | 16,283 | - | - | |
| Inventories..... | 81 | 1,849 | 281 | 50,226 | 5,355 | 3,586 | 1,161 | 1,249 | - | 63,768 | 56,248 | - | - | |
| Deferred charges and other assets..... | 3,219 | - | 3,478 | 647 | - | 3 | - | - | 29 | 7,376 | 6,918 | - | - | |
| Restricted assets: | | | | | | | | | | | | | | |
| Deposits and investments with City Treasury..... | 36,986 | - | - | - | - | - | 9,364 | 64,906 | - | 111,256 | 129,421 | - | - | |
| Deposits and investments outside City Treasury.... | 44,955 | - | - | - | - | - | 7,058 | - | 177 | 52,190 | 47,388 | - | - | |
| Grants and other receivables..... | 1,257 | - | - | - | - | - | - | - | - | 1,257 | 342 | - | - | |
| Total current assets..... | <u>428,838</u> | <u>200,324</u> | <u>204,201</u> | <u>289,594</u> | <u>123,771</u> | <u>75,567</u> | <u>108,302</u> | <u>116,609</u> | <u>5,320</u> | <u>1,552,526</u> | <u>1,543,617</u> | <u>38,351</u> | <u>40,125</u> | |
| Noncurrent assets: | | | | | | | | | | | | | | |
| Deferred charges and other assets..... | 39,178 | 6,834 | 40 | 2,029 | - | 2,576 | 869 | - | - | 51,526 | 60,413 | 4,233 | 4,347 | |
| Loans receivable..... | - | - | - | - | - | - | - | - | - | - | 188 | 272,191 | 257,699 | |
| Advance to component unit..... | - | - | 4,427 | - | - | - | - | - | - | 4,427 | 2,599 | - | - | |
| Restricted assets: | | | | | | | | | | | | | | |
| Deposits and investments with City Treasury..... | 101,650 | 21,726 | - | 20,862 | - | 61,477 | - | - | - | 205,715 | 191,989 | - | - | |
| Deposits and investments outside City Treasury.... | 243,874 | 40,974 | 6,091 | 14,420 | 18 | - | - | 932 | 118 | 306,427 | 301,500 | 96,050 | 95,727 | |
| Grants and other receivables..... | 21,546 | 117 | - | 4,359 | - | 163 | - | 225 | - | 26,410 | 25,626 | - | - | |
| Capital assets: | | | | | | | | | | | | | | |
| Land and other assets not being depreciated..... | 112,687 | 565,679 | 43,641 | 136,808 | 13,651 | 99,117 | 111,739 | 425,415 | 874 | 1,509,611 | 1,390,516 | - | - | |
| Facilities, infrastructure, and equipment, net of depreciation..... | <u>3,471,738</u> | <u>935,581</u> | <u>229,998</u> | <u>1,820,852</u> | <u>40,224</u> | <u>1,295,806</u> | <u>147,015</u> | <u>5,989</u> | <u>4,080</u> | <u>7,951,283</u> | <u>7,757,878</u> | <u>6,363</u> | <u>4,985</u> | |
| Total capital assets..... | <u>3,584,425</u> | <u>1,501,260</u> | <u>273,639</u> | <u>1,957,660</u> | <u>53,875</u> | <u>1,394,923</u> | <u>256,754</u> | <u>431,404</u> | <u>4,954</u> | <u>9,460,894</u> | <u>9,148,394</u> | <u>6,363</u> | <u>4,985</u> | |
| Total noncurrent assets..... | <u>3,980,673</u> | <u>1,570,911</u> | <u>284,197</u> | <u>1,999,330</u> | <u>53,893</u> | <u>1,459,139</u> | <u>259,623</u> | <u>432,561</u> | <u>5,072</u> | <u>10,056,399</u> | <u>9,730,709</u> | <u>378,837</u> | <u>362,758</u> | |
| Total assets..... | <u>4,419,511</u> | <u>1,771,235</u> | <u>488,398</u> | <u>2,288,924</u> | <u>177,664</u> | <u>1,534,706</u> | <u>367,925</u> | <u>549,170</u> | <u>10,392</u> | <u>11,607,925</u> | <u>11,274,326</u> | <u>417,188</u> | <u>402,883</u> | |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Net Assets – Proprietary Funds (continued)
June 30, 2009
(with comparative total financial information as of June 30, 2008)
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | | | | | | | Total | | Governmental Activities-Internal Service Funds | | |
|---|---|---|--|---------------------------------------|--|---|-----------------------------|-----------------------------|---|---------------------|---------------------|-------------------|--|------|------|
| | Major Funds | | | | | | | | Other Fund | | | | | | |
| | San Francisco Internat- ional Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste- water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | | | 2009 | 2008 | 2009 | 2008 |
| | | | | | | | | | | | | | | | |
| LIABILITIES | | | | | | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | | | | | | |
| Accounts payable..... | \$ 33,698 | \$ 14,778 | \$ 14,853 | \$ 41,033 | \$ 19,333 | \$ 7,891 | \$ 4,797 | \$ 18,641 | \$ 364 | \$ 155,388 | \$ 155,329 | \$ 8,963 | \$ 7,587 | | |
| Accrued payroll..... | 8,512 | 6,846 | 1,544 | 23,870 | 16,199 | 3,498 | 1,369 | 6,738 | - | 68,576 | 62,271 | 1,904 | 1,951 | | |
| Accrued vacation and sick leave pay..... | 7,410 | 6,071 | 1,454 | 16,868 | 10,178 | 2,770 | 1,138 | 5,169 | - | 51,058 | 49,114 | 1,790 | 2,097 | | |
| Accrued workers' compensation..... | 1,015 | 1,551 | 405 | 17,003 | 3,693 | 774 | 365 | 2,093 | - | 26,899 | 26,573 | 161 | 166 | | |
| Estimated claims payable..... | 25 | 2,515 | 3,251 | 18,382 | - | 1,861 | 600 | - | - | 26,634 | 27,215 | - | - | | |
| Due to other funds..... | - | 23 | - | 1,315 | 1,645 | 556 | 736 | 16,373 | - | 20,648 | 9,481 | 3,141 | 11,194 | | |
| Deferred credits and other liabilities..... | 64,828 | 7,980 | 952 | 63,442 | 52,354 | - | 10,247 | 653 | 64 | 200,520 | 197,963 | 96,201 | 89,354 | | |
| Accrued interest payable..... | - | 7,420 | - | 154 | - | 5,108 | 199 | - | - | 12,881 | 13,426 | 2,090 | 2,704 | | |
| Bonds, loans, capital leases, and other payables..... | 81,429 | 256,205 | 422 | 4,539 | 1,142 | 151,329 | 4,416 | 82 | - | 499,564 | 207,029 | 19,128 | 23,775 | | |
| Liabilities payable from restricted assets: | | | | | | | | | | | | | | | |
| Bonds, loans, capital leases, and other payables..... | 122,566 | - | - | - | - | - | - | - | - | 122,566 | 37,119 | - | - | | |
| Accrued interest payable..... | 29,296 | - | - | - | - | - | - | - | - | 29,296 | 27,448 | - | - | | |
| Other..... | 19,871 | 40,603 | - | 6,667 | - | 6,998 | - | 888 | - | 75,027 | 54,670 | - | - | | |
| Total current liabilities..... | <u>368,650</u> | <u>343,992</u> | <u>22,881</u> | <u>193,273</u> | <u>104,544</u> | <u>180,765</u> | <u>23,867</u> | <u>50,637</u> | <u>428</u> | <u>1,289,057</u> | <u>867,638</u> | <u>133,378</u> | <u>138,828</u> | | |
| Noncurrent liabilities: | | | | | | | | | | | | | | | |
| Accrued vacation and sick leave pay..... | 6,472 | 5,383 | 1,086 | 11,774 | 7,339 | 2,308 | 864 | 3,816 | - | 39,042 | 37,499 | 1,593 | 1,912 | | |
| Accrued workers' compensation..... | 4,199 | 7,066 | 1,900 | 73,082 | 17,992 | 3,639 | 1,942 | 9,292 | - | 119,112 | 120,703 | 866 | 888 | | |
| Other postemployment benefits obligation..... | 32,226 | 30,967 | 5,799 | 73,785 | 62,522 | 11,413 | 5,816 | 25,119 | - | 247,647 | 120,383 | 7,885 | 4,147 | | |
| Estimated claims payable..... | 41 | 7,126 | 7,060 | 29,083 | - | 8,499 | 300 | - | - | 52,109 | 65,523 | - | - | | |
| Deferred credits and other liabilities..... | - | 4,500 | - | 28,327 | - | 919 | 42,084 | - | 118 | 75,948 | 44,655 | - | - | | |
| Bonds, loans, capital leases, and other payables..... | 3,738,537 | 909,901 | 5,295 | 50,262 | 1,380 | 316,539 | 2,919 | 31 | - | 5,024,864 | 5,169,576 | 274,910 | 259,949 | | |
| Total noncurrent liabilities..... | <u>3,781,475</u> | <u>964,943</u> | <u>21,140</u> | <u>266,313</u> | <u>89,233</u> | <u>343,317</u> | <u>53,925</u> | <u>38,258</u> | <u>118</u> | <u>5,558,722</u> | <u>5,558,339</u> | <u>285,254</u> | <u>266,896</u> | | |
| Total liabilities..... | <u>4,150,125</u> | <u>1,308,935</u> | <u>44,021</u> | <u>459,586</u> | <u>193,777</u> | <u>524,102</u> | <u>77,792</u> | <u>88,895</u> | <u>546</u> | <u>6,847,779</u> | <u>6,425,977</u> | <u>418,632</u> | <u>405,724</u> | | |
| NET ASSETS | | | | | | | | | | | | | | | |
| Invested in capital assets, net of related debt..... | (222,948) | 349,629 | 273,639 | 1,902,859 | 51,353 | 971,789 | 255,012 | 431,290 | 4,954 | 4,017,577 | 3,935,008 | 5,651 | 4,730 | | |
| Restricted: | | | | | | | | | | | | | | | |
| Debt service..... | 243,247 | 27,899 | - | 4,528 | - | 1,360 | - | - | - | 277,034 | 282,187 | - | - | | |
| Capital projects..... | 22,804 | 841 | - | - | - | 11,126 | 3,459 | 69,613 | - | 107,843 | 111,463 | - | - | | |
| Other purposes..... | - | - | - | 28,446 | - | - | - | 1,618 | 296 | 30,360 | 28,254 | - | - | | |
| Unrestricted (deficit)..... | 226,283 | 83,931 | 170,738 | (106,495) | (67,466) | 26,329 | 31,662 | (42,246) | 4,596 | 327,332 | 491,437 | (7,095) | (7,571) | | |
| Total net assets (deficit)..... | <u>\$ 269,386</u> | <u>\$ 462,300</u> | <u>\$ 444,377</u> | <u>\$ 1,829,338</u> | <u>\$ (16,113)</u> | <u>\$ 1,010,604</u> | <u>\$ 290,133</u> | <u>\$ 480,275</u> | <u>\$ 9,846</u> | <u>\$ 4,760,146</u> | <u>\$ 4,848,349</u> | <u>\$ (1,444)</u> | <u>\$ (2,841)</u> | | |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds
Year ended June 30, 2009
 (with comparative total financial information as of June 30, 2008)
 (In Thousands)

| | Business-type Activities - Enterprise Funds | | | | | | | | San Francisco Market Corporation | Total | | Governmental Activities-Internal Service Funds | | | |
|---|---|--------------------------------|------------------------------|---------------------------------|---------------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------------|-----------------------|-----------------------|--|------------|---------|------|
| | Major Funds | | | | | | | San Francisco Waste-water Enterprise | | Port of San Francisco | Laguna Honda Hospital | 2009 | 2008 | 2009 | 2008 |
| | San Francisco International Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste-water Enterprise | Port of San Francisco | | | | | | | | |
| Operating revenues: | | | | | | | | | | | | | | | |
| Aviation..... | \$ 315,777 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 315,777 | \$ 306,348 | \$ - | \$ - | |
| Water and power service..... | - | 247,664 | 115,028 | - | - | - | - | - | - | - | 362,692 | 336,449 | - | - | |
| Passenger fees..... | - | - | - | 150,437 | - | - | - | - | - | - | 150,437 | 149,886 | - | - | |
| Net patient service revenue..... | - | - | - | - | 437,839 | - | - | 118,631 | - | - | 556,470 | 543,994 | - | - | |
| Sewer service..... | - | - | - | - | - | 199,332 | - | - | - | - | 199,332 | 187,810 | - | - | |
| Rents and concessions..... | 101,099 | 9,399 | 246 | 6,231 | 1,711 | - | 53,871 | - | - | - | 172,557 | 209,489 | 48 | 14 | |
| Parking and transportation..... | 77,896 | - | - | 84,395 | - | - | 10,697 | - | - | - | 172,988 | 130,038 | - | - | |
| Other charges for services..... | - | - | - | 2,701 | - | - | - | - | 1,546 | - | 4,247 | 3,895 | 111,318 | 111,809 | |
| Other revenues..... | 56,511 | 8,718 | - | 13,319 | 9,331 | 9,322 | 1,899 | 698 | - | - | 99,798 | 106,052 | - | - | |
| Total operating revenues..... | 551,283 | 265,781 | 115,274 | 257,083 | 448,881 | 208,654 | 66,467 | 119,329 | 1,546 | - | 2,034,298 | 1,973,961 | 111,366 | 111,823 | |
| Operating expenses: | | | | | | | | | | | | | | | |
| Personal services..... | 199,519 | 106,869 | 36,469 | 560,012 | 381,392 | 69,141 | 29,238 | 164,004 | 225 | 1,546,869 | 1,497,198 | 46,873 | 52,241 | | |
| Contractual services..... | 55,258 | 13,619 | 8,098 | 53,487 | 141,169 | 13,828 | 5,773 | 6,202 | 645 | 298,079 | 284,315 | 37,612 | 37,987 | | |
| Light, heat and power..... | 19,306 | - | 18,466 | - | - | - | 1,929 | - | - | 39,701 | 50,510 | - | - | | |
| Materials and supplies..... | 11,435 | 12,671 | 2,243 | 47,726 | 63,284 | 5,754 | 1,618 | 12,272 | 5 | 157,008 | 160,913 | 14,795 | 16,783 | | |
| Depreciation and amortization..... | 158,216 | 49,100 | 11,869 | 104,486 | 6,913 | 38,815 | 13,348 | 1,164 | 261 | 384,172 | 367,245 | 1,704 | 2,384 | | |
| General and administrative..... | 1,198 | 2,982 | 7,347 | 36,242 | 345 | 2,302 | 4,359 | - | 7 | 54,782 | 74,097 | 300 | 514 | | |
| Services provided by other departments..... | 11,422 | 40,103 | 4,477 | 56,983 | 35,284 | 31,634 | 12,846 | 7,624 | - | 200,373 | 166,125 | 8,245 | 5,889 | | |
| Other..... | 22,235 | 22,971 | 7,259 | 1,535 | - | 7,826 | 2,123 | - | 1 | 63,950 | 55,254 | 933 | 642 | | |
| Total operating expenses..... | 478,589 | 248,315 | 96,228 | 860,471 | 628,387 | 169,300 | 71,234 | 191,266 | 1,144 | 2,744,934 | 2,655,657 | 110,462 | 116,440 | | |
| Operating income (loss)..... | 72,694 | 17,466 | 19,046 | (603,388) | (179,506) | 39,354 | (4,767) | (71,937) | 402 | (710,636) | (681,696) | 904 | (4,617) | | |
| Nonoperating revenues (expenses): | | | | | | | | | | | | | | | |
| Operating grants: | | | | | | | | | | | | | | | |
| Federal..... | - | 1,784 | - | 13,277 | - | 224 | - | 2,172 | - | 17,457 | 9,109 | - | - | | |
| State / other..... | - | - | - | 104,490 | 64,829 | - | - | - | - | 169,319 | 172,616 | - | - | | |
| Interest and investment income..... | 22,805 | 7,088 | 4,160 | 6,833 | 1,692 | 1,992 | 2,596 | 2,410 | 115 | 49,691 | 67,217 | 9,219 | 11,183 | | |
| Interest expense..... | (204,746) | (28,847) | - | (2,747) | (156) | (15,677) | (544) | (427) | - | (253,144) | (252,231) | (8,975) | (11,218) | | |
| Other, net..... | 62,307 | 4,619 | 317 | 113,719 | - | 798 | (15) | 19,879 | - | 201,624 | 233,244 | 23 | 25 | | |
| Total nonoperating revenues (expenses)..... | (119,634) | (15,356) | 4,477 | 235,572 | 66,365 | (12,663) | 2,037 | 24,034 | 115 | 184,947 | 229,955 | 267 | (10) | | |
| Income (loss) before capital contributions, transfers and special item..... | (46,940) | 2,110 | 23,523 | (367,816) | (113,141) | 26,691 | (2,730) | (47,903) | 517 | (525,689) | (451,741) | 1,171 | (4,627) | | |
| Capital contributions..... | 29,780 | - | - | 55,915 | - | - | 1,558 | - | - | 87,253 | 152,511 | - | - | | |
| Transfers in..... | - | - | - | 249,611 | 116,862 | - | 3,644 | 153,733 | - | 523,850 | 555,241 | 255 | 2,061 | | |
| Transfers out..... | (26,849) | (1,143) | (302) | (11,729) | (61,707) | - | - | (28,861) | - | (130,591) | (77,900) | (29) | - | | |
| Income (loss) before special item..... | (44,009) | 967 | 23,221 | (74,019) | (57,986) | 26,691 | 2,472 | 76,969 | 517 | (45,177) | 178,111 | 1,397 | (2,566) | | |
| Special item..... | - | - | - | - | - | - | - | - | - | - | (41,026) | - | - | | |
| Change in net assets..... | (44,009) | 967 | 23,221 | (74,019) | (57,986) | 26,691 | 2,472 | 76,969 | 517 | (45,177) | 137,085 | 1,397 | (2,566) | | |
| Net asset at beginning of year, as previously reported..... | 313,395 | 461,333 | 421,156 | 1,903,357 | 41,873 | 983,913 | 330,687 | 383,306 | 9,329 | 4,848,349 | 4,711,264 | (2,841) | (275) | | |
| Restatements..... | - | - | - | - | - | - | (43,026) | - | - | (43,026) | - | - | - | | |
| Net assets (deficit) at beginning of year, as restated..... | 313,395 | 461,333 | 421,156 | 1,903,357 | 41,873 | 983,913 | 287,661 | 383,306 | 9,329 | 4,805,323 | 4,711,264 | (2,841) | (275) | | |
| Net assets (deficit) at end of year..... | \$ 269,386 | \$ 462,300 | \$ 444,377 | \$ 1,829,338 | \$ (16,113) | \$ 1,010,604 | \$ 290,133 | \$ 460,275 | \$ 9,846 | \$ 4,760,146 | \$ 4,848,349 | \$ (1,444) | \$ (2,841) | | |

The notes to the financial statements are an integral part of this statement.



This page has been intentionally left blank.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Cash Flows – Proprietary Funds
Year ended June 30, 2009
(with comparative total financial information as of June 30, 2008)
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | | | | | Other Fund | | Governmental Activities-Internal Service Funds | | | |
|---|---|---|--|---------------------------------------|--|---|-----------------------------|-----------------------------|--|--------------|--|------------|------------|--|
| | Major Funds | | | | | | | | San Francisco Market Corporation | | | | Total | |
| | San Francisco Internat- ional Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste- water Enterprise | Port of San Francisco | Laguna Honda Hospital | 2009 | 2008 | | | | |
| Cash flows from operating activities: | | | | | | | | | | | | | | |
| Cash received from customers, including cash deposits..... | \$ 574,731 | \$ 235,841 | \$ 111,439 | \$ 402,888 | \$ 447,636 | \$ 208,067 | \$ 7,009 | \$ 113,021 | \$ 1,546 | \$ 2,102,178 | \$ 2,104,475 | \$ 143,646 | \$ 142,620 | |
| Cash received from tenants for rent..... | - | 9,089 | 246 | - | 1,711 | - | 56,398 | - | - | 67,424 | 71,041 | - | - | |
| Cash paid to employees for services..... | (180,574) | (88,027) | (32,322) | (519,784) | (347,135) | (62,702) | (26,106) | (152,183) | (256) | (1,409,089) | (1,363,222) | (43,837) | (47,444) | |
| Cash paid to suppliers for goods and services..... | (135,268) | (78,888) | (49,595) | (208,451) | (245,890) | (59,424) | (27,245) | (12,812) | (594) | (817,967) | (810,148) | (94,955) | (82,303) | |
| Cash paid for judgments and claims..... | - | (4,126) | (1,903) | (21,388) | - | (459) | - | - | - | (27,876) | (20,134) | - | - | |
| Net cash provided by (used in) operating activities..... | 258,889 | 73,869 | 27,865 | (346,735) | (143,678) | 85,482 | 10,056 | (51,774) | 696 | (85,330) | (17,988) | 4,854 | 12,673 | |
| Cash flows from noncapital financing activities: | | | | | | | | | | | | | | |
| Operating grants..... | - | - | - | 105,772 | 64,829 | 118 | - | - | - | 170,719 | 176,843 | - | - | |
| Transfers in..... | - | - | - | 243,040 | 116,862 | - | - | 78,558 | - | 438,460 | 682,643 | 255 | 2,061 | |
| Transfers out..... | (26,849) | (1,143) | (302) | (15,574) | (36,733) | - | - | (28,881) | - | (109,462) | (220,265) | (29) | - | |
| Transit Impact Development fees received..... | - | - | - | 3,687 | - | - | - | - | - | 3,687 | 169 | - | - | |
| Other noncapital financing increases..... | 3,942 | - | 2,699 | 6,558 | - | 798 | - | 11,346 | - | 25,343 | 21,611 | - | - | |
| Other noncapital financing decreases..... | - | - | (2,401) | (43) | (225) | - | - | - | - | (2,669) | (9,663) | - | - | |
| Net cash provided by (used in) noncapital financing activities..... | (22,907) | (1,143) | (4) | 343,440 | 144,733 | 916 | - | 61,043 | - | 526,078 | 651,338 | 226 | 2,061 | |
| Cash flows from capital and related financing activities: | | | | | | | | | | | | | | |
| Capital grants and other taxes restricted for capital purposes..... | 24,140 | 1,506 | - | 73,230 | - | - | 1,847 | 19,879 | - | 120,602 | 255,677 | - | - | |
| Transfers in..... | - | - | - | - | - | - | - | 52,678 | - | 52,678 | - | - | - | |
| Transfers out..... | - | - | - | - | (24,973) | - | - | - | - | (24,973) | - | - | - | |
| Bond sale proceeds and loans received..... | - | - | 8,089 | - | - | - | 3,644 | - | - | 9,733 | - | 178,464 | 54,852 | |
| Proceeds from sale/transfer of capital assets..... | - | 2,601 | 25 | 6 | 27,240 | - | 13 | - | - | 29,865 | 24,493 | - | - | |
| Proceeds from commercial paper borrowings..... | 81,506 | 890,500 | - | - | - | 227,500 | - | - | - | 1,199,506 | 18,000 | - | - | |
| Proceeds from passenger facility charges..... | 70,435 | - | - | - | - | - | - | - | - | 70,435 | 72,584 | - | - | |
| Acquisition of capital assets..... | (136,414) | (251,671) | (27,075) | (67,549) | (20,656) | (69,911) | (4,050) | (114,012) | (484) | (691,822) | (703,310) | (2,115) | (1,307) | |
| Retirement of capital leases, bonds and loans..... | (88,205) | (660,900) | (704) | (7,201) | - | (49,427) | (4,277) | (536) | - | (811,250) | (166,585) | (167,948) | (21,567) | |
| Retirement of commercial paper borrowings..... | - | (25,520) | - | - | - | (177,500) | - | - | - | (203,020) | - | - | - | |
| Bond issue costs paid..... | - | - | - | - | - | - | - | - | - | - | - | (1,016) | (1,426) | |
| Interest paid on debt..... | (188,808) | (46,169) | (7) | (2,487) | (156) | (17,959) | (371) | (427) | - | (256,364) | (262,203) | (9,456) | (9,939) | |
| Other capital financing increases..... | - | - | - | - | - | - | - | - | - | - | 50,559 | - | - | |
| Other capital financing decreases..... | (52) | - | - | (860) | (672) | - | (3,369) | - | - | (4,973) | (38,684) | - | - | |
| Net cash provided by (used in) capital and related financing activities..... | (237,388) | (89,653) | (21,672) | (4,881) | (19,217) | (87,297) | (6,563) | (42,418) | (484) | (509,583) | (749,469) | (2,071) | 20,613 | |
| Cash flows from investing activities: | | | | | | | | | | | | | | |
| Purchases of investments with trustees..... | (3,360,413) | (70,311) | - | (4,557) | - | - | - | - | (258) | (3,435,539) | (2,873,839) | (23,716) | (159,000) | |
| Proceeds from sale of investments with trustees..... | 3,356,967 | 70,388 | - | 7,639 | - | - | - | - | 4,725 | 3,439,719 | 2,899,054 | 48,328 | 130,765 | |
| Interest and investment income..... | 23,652 | 7,576 | 4,167 | 7,275 | 1,692 | 2,153 | 4,405 | 2,410 | 115 | 53,645 | 77,447 | 2,123 | 2,978 | |
| Other investing activities..... | - | 1,533 | - | - | 1 | - | - | (62) | - | 1,472 | 2,735 | (132) | (322) | |
| Net cash provided by (used in) investing activities..... | 20,408 | 9,186 | 4,167 | 10,357 | 1,693 | 2,153 | 4,405 | 2,348 | 4,582 | 59,297 | 105,397 | 28,603 | (25,579) | |
| Net increase (decrease) in cash and cash equivalents..... | 18,990 | (7,741) | 10,356 | 2,181 | (16,469) | 1,254 | 7,898 | (30,801) | 4,794 | (9,538) | (10,722) | 29,612 | 9,968 | |
| Cash and cash equivalents-beginning of year, as restated..... | 428,424 | 160,430 | 165,856 | 226,952 | 64,358 | 97,196 | 93,183 | 95,706 | 309 | 1,332,416 | 1,343,136 | 44,057 | 34,089 | |
| Cash and cash equivalents-end of year..... | \$ 447,414 | \$ 152,689 | \$ 176,212 | \$ 229,133 | \$ 47,889 | \$ 98,450 | \$ 101,081 | \$ 64,907 | \$ 5,103 | \$ 1,322,878 | \$ 1,332,416 | \$ 73,669 | \$ 44,057 | |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO
Statement of Cash Flows – Proprietary Funds (continued)
Year ended June 30, 2009
(with comparative total financial information as of June 30, 2008)
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | | | | | | Total | | Governmental Activities-Internal Service Funds | |
|---|--|---|--|---------------------------------------|--|---|-----------------------------|-----------------------------|---|--------------|--------------|--|------------|
| | Major Funds | | | | | | | Other Fund | | | | | |
| | San Francisco International Airport | San Francisco Water Enterprise | Hetch Hetchy Water and Power | Municipal Transportation Agency | General Hospital Medical Center | San Francisco Waste- water Enterprise | Port of San Francisco | Laguna Honda Hospital | San Francisco Market Corporation | 2009 | 2008 | 2009 | 2008 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | | | | | | | | | |
| Operating income (loss)..... | \$ 72,694 | \$ 17,466 | \$ 19,046 | \$ (603,388) | \$ (179,506) | \$ 39,354 | \$ (4,767) | \$ (71,937) | \$ 402 | \$ (710,636) | \$ (661,696) | \$ 904 | \$ (4,617) |
| Adjustments for non-cash activities: | | | | | | | | | | | | | |
| Depreciation and amortization..... | 158,216 | 49,100 | 11,869 | 104,486 | 6,913 | 38,815 | 13,348 | 1,164 | 261 | 384,172 | 367,245 | 1,704 | 2,384 |
| Provision for uncollectibles..... | 63 | (252) | - | (1,015) | - | 543 | 421 | - | - | (240) | (4,147) | - | - |
| Write-off of capital assets..... | - | 5,207 | 349 | - | - | 2,071 | - | - | - | 7,827 | 11,099 | - | - |
| Other..... | 3,434 | - | 10 | 113,804 | - | - | - | - | - | 117,248 | 111,701 | 23 | 26 |
| Changes in assets/liabilities: | | | | | | | | | | | | | |
| Receivables, net..... | 8,910 | (18,723) | (1,500) | 4,057 | 3,308 | (952) | (1,209) | (6,109) | 5 | (12,213) | (5,377) | 23,527 | 21,461 |
| Due from other funds..... | - | - | (711) | - | - | (6) | - | - | - | (717) | 1,150 | (54) | (79) |
| Inventories..... | (8) | 23 | 35 | (3,530) | (278) | (3,586) | 90 | (51) | - | (7,305) | (5,100) | - | - |
| Deferred charges and other assets..... | 29 | - | (1,358) | 5 | - | (3) | 157 | - | - | (1,170) | (1,959) | 6 | (6) |
| Accounts payable..... | (2,689) | 6,209 | 2,720 | 3,202 | (5,531) | 795 | 617 | 13,536 | 28 | 18,908 | 9,785 | 962 | (2,012) |
| Accrued payroll..... | 786 | 837 | 371 | 2,289 | 1,671 | 202 | 122 | (198) | - | 6,080 | 7,915 | (49) | 179 |
| Accrued vacation and sick leave pay..... | 969 | 598 | 169 | 1,618 | 360 | 80 | 61 | (369) | - | 3,486 | 1,714 | (627) | 171 |
| Accrued workers' compensation..... | 378 | 482 | 158 | (2,031) | (231) | (262) | (236) | 477 | - | (1,265) | 839 | (27) | 300 |
| Other postemployment benefits obligation..... | 16,813 | 15,919 | 3,076 | 38,347 | 32,457 | 5,729 | 3,011 | 11,912 | - | 127,264 | 120,383 | 3,738 | 4,147 |
| Estimated claims payable..... | - | (1,613) | (4,990) | (8,515) | - | 1,316 | (221) | - | - | (14,023) | 14,233 | - | - |
| Due to other funds..... | - | 76 | - | 1,000 | (2,841) | 556 | 653 | (13) | - | (569) | 14,820 | 225 | (1) |
| Deferred credits and other liabilities..... | (727) | (1,460) | (1,379) | 2,936 | - | 830 | (1,991) | (186) | - | (1,977) | 19,407 | (25,478) | (9,080) |
| Total adjustments..... | 186,195 | 56,403 | 8,819 | 256,653 | 35,826 | 46,128 | 14,823 | 20,183 | 294 | 625,306 | 663,708 | 3,850 | 17,490 |
| Net cash provided by (used in) operating activities..... | \$ 258,889 | \$ 73,869 | \$ 27,865 | \$ (346,735) | \$ (143,678) | \$ 85,482 | \$ 10,056 | \$ (51,774) | \$ 696 | \$ (85,330) | \$ (17,988) | \$ 4,854 | \$ 12,873 |
| Reconciliation of cash and cash equivalents to the statement of net assets: | | | | | | | | | | | | | |
| Deposits and investments with City Treasury: | | | | | | | | | | | | | |
| Unrestricted..... | \$ 307,696 | \$ 130,927 | \$ 170,111 | \$ 191,672 | \$ 47,879 | \$ 36,968 | \$ 85,094 | \$ - | \$ - | \$ 970,347 | \$ 991,537 | \$ 16,309 | \$ 11,632 |
| Restricted..... | 138,636 | 21,726 | - | 20,862 | - | 61,477 | 9,364 | 65,838 | - | 317,903 | 321,410 | - | - |
| Deposits outside of City Treasury: | | | | | | | | | | | | | |
| Unrestricted..... | 10 | 36 | 10 | 2,861 | 10 | 5 | 5 | 1 | 5,103 | 8,041 | 9,109 | - | - |
| Restricted..... | 288,829 | 40,974 | 6,091 | 14,420 | 18 | - | 7,058 | - | 295 | 357,885 | 348,688 | 96,050 | 95,727 |
| Total deposits and investments..... | 735,171 | 193,663 | 176,212 | 229,815 | 47,907 | 98,450 | 101,521 | 65,839 | 5,398 | 1,653,976 | 1,670,944 | 112,359 | 107,359 |
| Less: Investments outside of City Treasury not meeting the definition of cash equivalents..... | (287,757) | (40,974) | - | (682) | (18) | - | (440) | (932) | (295) | (331,098) | (338,528) | (38,690) | (63,302) |
| Cash and cash equivalents at end of year on statement of cash flows..... | \$ 447,414 | \$ 152,689 | \$ 176,212 | \$ 229,133 | \$ 47,889 | \$ 98,450 | \$ 101,081 | \$ 64,907 | \$ 5,103 | \$ 1,322,878 | \$ 1,332,416 | \$ 73,669 | \$ 44,057 |
| Non-cash capital and related financing activities: | | | | | | | | | | | | | |
| Acquisition of capital assets on accounts payable and capital lease..... | \$ 29,290 | \$ 40,603 | \$ 6,304 | \$ 437 | \$ 535 | \$ 6,998 | \$ 1,803 | \$ - | \$ 179 | \$ 86,149 | \$ 57,278 | \$ 4,264 | \$ 11,328 |
| Tenant improvements financed by rent credit..... | - | - | - | - | - | - | 1,315 | - | - | 1,315 | - | - | - |
| Land acquired through real property exchange..... | - | 500 | - | - | - | - | - | - | - | 500 | - | - | - |
| Loss on abandonment of property and equipment..... | - | - | - | - | - | - | - | - | - | - | 44,957 | - | - |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Fiduciary Net Assets – Fiduciary Funds
June 30, 2009
(In Thousands)

| | Pension and Other Employee Benefit Trust Funds | Investment Trust Fund | Agency Funds |
|---|--|-----------------------------|-------------------|
| ASSETS | | | |
| Deposits and investments with City Treasury..... | \$ 66,155 | \$ 569,851 | \$ 91,131 |
| Deposits and investments outside City Treasury: | | | |
| Cash and deposits..... | 27,575 | 105 | 223 |
| Short term investments..... | 504,096 | - | - |
| Alternative investments..... | 1,511,250 | - | - |
| Debt securities..... | 3,716,233 | - | - |
| Equity securities..... | 5,114,484 | - | - |
| Real estate..... | 1,181,932 | - | - |
| Foreign currency contracts, net..... | 2,094 | - | - |
| Receivables: | | | |
| Employer and employee contributions..... | 36,666 | - | 48,107 |
| Brokers, general partners and others..... | 185,725 | - | - |
| Interest and other..... | 58,020 | 2,283 | 192,486 |
| Invested in securities lending collateral..... | 837,074 | - | - |
| Deferred charges and other assets..... | - | - | 24,299 |
| Total assets..... | <u>13,241,304</u> | <u>572,239</u> | <u>\$ 356,246</u> |
| LIABILITIES | | | |
| Accounts payable..... | 35,408 | 6,858 | \$ 66,282 |
| Estimated claims payable..... | 12,143 | - | - |
| Agency obligations..... | - | - | 289,964 |
| Payable to brokers..... | 366,728 | - | - |
| Deferred Retirement Option Program liabilities..... | 4,143 | - | - |
| Payable to borrowers of securities..... | 881,830 | - | - |
| Deferred credits and other liabilities..... | 40,923 | - | - |
| Total liabilities..... | <u>1,341,175</u> | <u>6,858</u> | <u>\$ 356,246</u> |
| NET ASSETS | | | |
| Held in trust for pension and other employee benefits and external pool participants..... | <u>\$ 11,900,129</u> | <u>\$ 565,381</u> | |

The notes to the financial statements are an integral part of this statement.

CITY AND COUNTY OF SAN FRANCISCO

Statement of Changes in Fiduciary Net Assets – Fiduciary Funds
Year ended June 30, 2009
(In Thousands)

| | Pension and Other Employee Benefit Trust Funds | Investment Trust Fund |
|--|---|--------------------------------------|
| Additions: | | |
| Employees' contributions..... | \$ 291,488 | \$ - |
| Employer contributions..... | 637,244 | - |
| Transfers from CalPERS..... | 6,350 | - |
| Contributions to pooled investments..... | - | 2,998,603 |
| Total contributions..... | <u>935,082</u> | <u>2,998,603</u> |
| Investment income/loss: | | |
| Interest..... | 233,611 | 14,585 |
| Dividends..... | 144,815 | - |
| Net depreciation in fair value of investments..... | (3,815,602) | - |
| Securities lending loss..... | (25,493) | - |
| Fixed coupon dollar repurchase agreement loss..... | (9,104) | - |
| Total investment income/(loss)..... | <u>(3,471,773)</u> | <u>14,585</u> |
| Less investment expenses: | | |
| Securities lending borrower rebates and expenses..... | (1,568) | - |
| Fixed coupon dollar repurchase agreement finance charges and expenses..... | (1,650) | - |
| Other investment expenses..... | (37,110) | - |
| Total investment expenses..... | <u>(40,328)</u> | <u>-</u> |
| Total additions, net..... | <u>(2,577,019)</u> | <u>3,013,188</u> |
| Deductions: | | |
| Benefit payments..... | 1,359,265 | - |
| Refunds of contributions..... | 6,714 | - |
| Distribution from pooled investments..... | - | 2,986,166 |
| Administrative expenses..... | 12,951 | - |
| Total deductions..... | <u>1,378,930</u> | <u>2,986,166</u> |
| Change in net assets..... | (3,955,949) | 27,022 |
| Net assets at beginning of year..... | 15,856,078 | 538,359 |
| Net assets at end of year..... | <u>\$ 11,900,129</u> | <u>\$ 565,381</u> |

The notes to the financial statements are an integral part of this statement.

