



## CITY OF PALO ALTO OFFICE OF THE CITY AUDITOR

September 19, 2006

Honorable City Council  
Attention: Finance Committee  
Palo Alto, California

### **City Auditor's Fiscal Year 2006-07 Work Plan**

#### **RECOMMENDATION**

The City Auditor's Office recommends that the Finance Committee review and recommend to the City Council approval of the City Auditor's Fiscal Year 2006-07 Work Plan.

#### **BACKGROUND**

The mission of the City Auditor's Office is to promote honest, efficient, effective and fully accountable City government. To fulfill this mission, the Auditor's Office conducts audits and examinations of City departments, programs, and services. The purpose of these audits and examinations is to provide the City Council and City management with information and evaluations regarding the effectiveness and efficiency with which City resources are employed, the adequacy of systems of internal controls, and compliance with City policies and procedures and regulatory requirements.

The Palo Alto Municipal Code requires the City Auditor to submit an annual plan to the City Council for review and approval. This report presents the City Auditor's Work Plan for 2006-07.

As part of our annual review of potential audit subjects, we solicit audit suggestions from City Council members, members of the public, and staff. We also use information from the City's adopted operating and capital budgets and financial statements to prepare a spreadsheet model of potential audit subjects (see Attachment A). The purpose of the citywide risk assessment model is to help prioritize audit work. The model compares the following factors:

- Proposed 2006-07 expenditures
- Three-year expenditure trend
- Fund type
- Proposed five-year capital expenditures
- Estimated 2006-07 revenue
- Three-year revenue trend
- Number of staff (budgeted full time equivalents)
- Fund balance
- Audit requests
- Date of last audit

This year the top 5 areas targeted by the citywide risk assessment model included: wastewater

treatment fund, general benefits and insurance fund, vehicle replacement and maintenance fund, library department, and electric fund.

## **DISCUSSION OF PROPOSED AUDIT ASSIGNMENTS**

The list of proposed assignments for fiscal year 2006-07 includes a mix of audits and special projects that address a wide range of concerns and are consistent with the City Auditor's areas of responsibility. We designed the work plan to address what we consider to be the highest priority areas, while limiting the scope of work to what we can realistically accomplish. Our proposed work plan supports 2 of the City Council's Top 3 priorities (library plan and increase infrastructure funding), and addresses 4 of the top 5 areas targeted by the citywide risk assessment model (wastewater treatment, vehicle replacement and maintenance, library, and electric utility).

### **AUDIT ADMINISTRATION, FOLLOW-UP, AND OTHER RESPONSIBILITIES:**

1. **Annual work plan and quarterly status reports** – The Auditor's Office submits quarterly reports to the City Council outlining project status and progress towards completing the assignments on this annual work plan.
2. **Audit recommendation status report** – The Municipal Code requires the City Auditor to issue an annual report on the implementation status of recommendations from recently completed audits. We also meet with involved departments mid-year to discuss progress towards implementing open audit recommendations.
3. **Meeting attendance** – To facilitate communication and coordination of efforts, the City Auditor attends the City Council meetings, Finance Committee meetings, and the City Manager's weekly executive staff meetings.
4. **Utility Risk Oversight Committee (ROC)** – Since issuance of our *Assessment of Utility Risk Management Procedures* in Jul-2002, the City Auditor has acted as an advisor to the ROC. Our citywide risk assessment model continues to target the various utility funds including wastewater treatment, electric, water, and wastewater collection.

### **REVENUE AUDITS:**

5. **Sales tax allocation reviews** (on-going) – Sales tax represents about 18 percent, or \$21.1 million, of projected General Fund revenue for 2006-07. We contract with MBIA MuniServices (MMC) for quarterly sales tax audit and information services. MMC's quarterly sales tax information reports are public, and are provided to the City Council as information items. We also conduct sales tax audits in-house. Both types of audits focus on verifying that Palo Alto is getting the appropriate allocation of local sales tax. Target completion date: on-going.
6. **Transient occupancy tax audit** (in process) – Transient occupancy tax represents about 6 percent of General Fund revenues, or about \$6.4 million per year. Tax Compliance Services (TCS) is conducting the audit. TCS previously audited TOT revenues through Jun-2002. Target completion date: Fall-2006.

### **FINANCIAL AUDITS AND PROCEDURAL REVIEWS:**

7. **Annual external financial audit (contracted audit service)** – The City Charter requires that the City Council engage an independent certified public accounting firm to conduct an annual

external audit. This is the second year of a three-year contract with Maze & Associates. Target date for completion of the 6/30/06 audit: Dec-2006.

8. **Audit of the police investigative fund** – Pursuant to Police Department procedures, the Auditor's Office conducts a surprise review on an annual basis. Target date: TBD.
9. **Review of ethics policies (in process)** – The purpose of this project is to review procedures for ascertaining and handling potential conflicts of interest among city employees, and assess the need for an ethics policy. Target date: TBD.
10. **<NEW> Audit of SAP payroll controls** – The purpose of this review would be to assess the adequacy of controls over the SAP payroll module including data entry, approvals, and payment processing. Target completion date: TBD.

#### **PERFORMANCE AUDITS AND SPECIAL PROJECTS:**

11. **Audit of CSD class program revenue/cost recovery (in process)** – The purpose of this audit was to determine the income/subsidy of class programs net of direct and indirect costs. Audit fieldwork is completed, and staff is reviewing the draft report. We are scheduled to present the audit to the Finance Committee on October 17, 2006.
12. **Infrastructure report card (in process)** – The purpose of this project is to assess the impact of increased capital spending on the City's infrastructure, including utilities. The Capital Improvement Program was one of the areas targeted by our citywide risk assessment model. Target completion date: Fall-2006.
13. **Audit of the Waste Management/PASCO contract (in process)** – In anticipation of the 2009 termination date of the current agreement, staff requested the auditors review the agreement. The estimated payment to PASCO for refuse collection, hauling, and disposal in 2006-07 is about \$8.6 million. Target completion date: Dec-2006.
14. **Service Efforts and Accomplishments (SEA) Report** – This will be the 5<sup>th</sup> annual SEA report. The purpose of SEA reporting is to strengthen public accountability and help improve government efficiency and effectiveness. Palo Alto's SEA report provides data about the costs, quality, quantity, and timeliness of City services. It includes a variety of comparisons to other cities, and the results of an annual citizen survey (the National Citizen Survey). Target completion date: Dec-2006.
15. **Audit of Library operations (approved by Finance Committee 7/18/06)** – The purpose of our review is to identify potential operating efficiencies and cost savings. Target completion date: Mar/Apr-2007.
16. **Audit of vehicle replacement and maintenance fund (carryover from FY 2005-06)** – This internal service fund has 16 full-time equivalent employees and projected 2006-07 expenditures of \$6.7 million. The vehicle replacement and maintenance fund was one of the areas targeted by our citywide risk assessment model. The purpose of this review is to evaluate economy, efficiency and effectiveness of fleet and equipment replacement and maintenance operations. Target date: TBD.
17. **Police community survey** – The Auditor's Office will conduct a second annual survey of drivers of vehicles that are stopped to determine how they feel they were treated during the stop, and a comparison survey of persons requesting service. Target date: TBD.

18. **<NEW> EMS ambulance transport service billing and revenue collection** – In FY 2004-05, the Palo Alto Fire Department responded to about 3,600 medical/rescue calls, and transported about 2,744 individuals. The purpose of this review would be to assess the overall efficiency and cost effectiveness of EMS billing and collections. Target date: TBD.
19. **<NEW> Public-private partnership reviews** – The Auditor's Office will assist in reviewing the expected proposal from the Friends of the Palo Alto Junior Museum & Zoo (PAJMZ) to operate the PAJMZ, and the proposed analysis of golf course operations. Target date: TBD.
20. **<NEW> Wastewater Treatment Fund** – The Regional Water Quality Control Plant provides services to Mountain View, Los Altos, Los Altos Hills, Stanford, and East Palo Alto. With proposed revenues of \$22.5 million, proposed expenditures of \$24.4 million, a \$16.9 million five-year capital plan, and 69 full-time equivalent employees, this is one of the areas consistently targeted by our annual citywide risk assessment model. The purpose of our audit would be to review the cost-sharing agreements and allocation of charges to partner agencies. Target date: TBD.

### **Other projects considered but NOT included on the 2006-07 work plan**

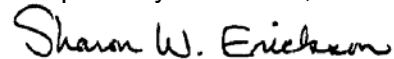
There are a number of audit requests and other items that we are unable to accommodate in our work plan due to limited audit resources. Some of those items include:

- *Employee compensation and benefits*
- *Impacts of new housing* – Review baseline numbers on impacts of new housing on public facilities.
- *Disaster and emergency preparedness*
- *General Benefits and Insurance Fund* – This internal service fund accounts for employee health benefits, retirement pension contributions, the City's self-insured workers' compensation and general liability programs. This was one of the areas targeted by our citywide risk assessment model.
- *Community Services Department staffing efficiency*
- *Building permit fee collections*

### **Next Steps**

We plan to present the City Auditor's Fiscal Year 2006-07 Work Plan to the City Council for approval in October. As audit work proceeds, I will bring to the Finance Committee quarterly reports describing the status and progress towards completing each of the approved assignments.

Respectfully submitted,



Sharon W. Erickson  
City Auditor

Attachment A: Citywide risk assessment model

| REF. NUM. | DEPARTMENT   | PROGRAM/CATEGORY                       | 2006-07 PROPOSED EXPEND | C O R E | THREE YEAR EXPEND TREND | S C O R E | FUND TYPE | S C O R E | 2006-11 FIVE-YEAR CAPITAL EXPEND | S C O R E | 2006-07 PROPOSED REVENUE | C O R E | THREE YEAR REVENUE TREND | S C O R E | 2006-07 NO. OF STAFF | S C O R E | BEG. FUND BALANCE | S C O R E | AUDIT REQUEST | S C O R E | DATE OF LAST AUDIT  | S C O R E | RAW SCORE | TOTAL SCORE |
|-----------|--------------|--|-------------------------|---------|-------------------------|-----------|-----------|-----------|----------------------------------|-----------|--------------------------|---------|--------------------------|-----------|----------------------|-----------|-------------------|-----------|---------------|-----------|---------------------|-----------|-----------|-------------|
|           |              | RELATIVE WEIGHTS OF FACTORS            |                         | 7       |                         | 2         |           | 4         |                                  | 5         |                          | 7       |                          | 2         |                      | 7         |                   | 2         |               | 8         |                     | 6         | 100       | 500         |
| 81        | PWD          | WASTEWATER TREATMENT FUND              | 21,391,944              | 9       | 37%                     | 8         | SPEC 3    | 3         | 16,920,000                       | 5         | 22,524,364               | 9       | 33%                      | 4         | 69                   | 7         | 12,613,000        | 8         | 2002          | 10        |                     | 10        | 73        | 392         |
| 100       | HR/ASD       | GENERAL BENEFITS AND INSURANCE         | 35,825,000              | 10      | 6%                      | 1         | SPEC 3    | 3         | 0                                | 0         | 35,825,000               | 10      | 6%                       | 3         | 0                    | 0         | 25,320,000        | 9         | 2002          | 10        | 1995-Retiree health | 10        | 56        | 318         |
| 97        | PWD          | VEHICLE REPLACEMENT AND MAINTENANCE    | 6,703,825               | 7       | 30%                     | 7         | SPEC 3    | 3         | 4,664,000                        | 2         | 6,131,302                | 7       | 9%                       | 3         | 16                   | 3         | 5,742,000         | 6         | 2005          | 10        | 1996-Heavy Vehicle  | 10        | 58        | 313         |
| 53        | LIBRARY      | LIBRARY DEPARTMENT                     | 5,805,251               | 6       | 13%                     | 1         | GEN 10    | 10        | 0                                | 0         | 152,880                  | 2       | -34%                     | 8         | 58                   | 7         | 0                 | 0         | 2005          | 10        |                     | 10        | 54        | 303         |
| 74        | UTILITIES    | ELECTRIC FUND                          | 118,141,194             | 10      | 12%                     | 1         | SPEC 3    | 3         | 48,130,000                       | 7         | 114,120,372              | 10      | 20%                      | 3         | 118                  | 9         | 148,006,000       | 10        | 0             | 10        | 2002-Util risk mgmt | 4         | 57        | 302         |
| 36        | CSD          | COMMUNITY SERVICES DEPT                | 19,794,135              | 8       | 3%                      | 1         | GEN 10    | 10        | 0                                | 0         | 7,146,071                | 7       | 11%                      | 3         | 148                  | 9         | 0                 | 0         | 2003          | 10        | 2006-Class revenue  | 0         | 48        | 296         |
| 77        | UTILITIES    | WATER FUND                             | 23,855,600              | 9       | 3%                      | 1         | SPEC 3    | 3         | 18,868,000                       | 5         | 24,355,285               | 9       | 12%                      | 3         | 42                   | 6         | 22,152,000        | 9         | 0             | 0         |                     | 10        | 55        | 291         |
| 43        | FIRE         | FIRE DEPT                              | 22,034,043              | 9       | 16%                     | 2         | GEN 10    | 10        | 0                                | 0         | 9,346,211                | 7       | 9%                       | 3         | 127                  | 9         | 0                 | 0         | 0             | 0         |                     | 10        | 50        | 285         |
| 55        | LIBRARY      | PUBLIC SERVICES                        | 3,772,575               | 6       | 51%                     | 10        | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 45                   | 6         | 0                 | 0         | 2001          | 10        |                     | 10        | 52        | 284         |
| 76        | UTILITIES    | WASTEWATER COLLECTION FUND             | 15,160,593              | 8       | 20%                     | 6         | SPEC 3    | 3         | 20,240,000                       | 6         | 15,300,452               | 8       | 23%                      | 3         | 24                   | 4         | 13,621,000        | 8         | 0             | 0         |                     | 10        | 56        | 276         |
| 75        | UTILITIES    | GAS FUND                               | 45,951,884              | 10      | 18%                     | 2         | SPEC 3    | 3         | 35,187,000                       | 6         | 44,953,480               | 10      | 41%                      | 4         | 47                   | 6         | 12,881,000        | 8         | 0             | 0         | 2002-Util risk mgmt | 4         | 53        | 276         |
| 60        | POLICE       | POLICE DEPT                            | 25,686,792              | 9       | 14%                     | 1         | GEN 10    | 10        | 0                                | 0         | 4,245,574                | 6       | 4%                       | 3         | 167                  | 9         | 0                 | 0         | 0             | 0         |                     | 10        | 48        | 276         |
| 14        | CITYWIDE     | SALARIES AND BENEFITS                  | 83,621,653              | 10      | 5%                      | 1         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 1,077                | 10        | 0                 | 0         | 2003          | 10        | 2004-Span of contr  | 2         | 43        | 274         |
| 61        | POLICE       | FIELD SERVICES                         | 11,425,519              | 8       | 22%                     | 6         | GEN 10    | 10        | 0                                | 0         | 341,345                  | 2       | -34%                     | 8         | 69                   | 7         | 0                 | 0         | 2006          | 10        | 2006-Car stop surv  | 0         | 51        | 267         |
| 34        | ASD          | TREASURY                               | 1,238,195               | 4       | -14%                    | 3         | GEN 10    | 10        | 0                                | 0         | 47,900                   | 1       | 201%                     | 5         | 12                   | 2         | 354,883,000       | 10        | 2003          | 10        | 1994-Recreation cal | 10        | 55        | 265         |
| 48        | HR           | HUMAN RESOURCES DEPARTMENT             | 2,594,009               | 5       | 6%                      | 1         | GEN 10    | 10        | 0                                | 0         | 25,000                   | 1       | -75%                     | 10        | 15                   | 3         | 0                 | 0         | 2001          | 10        |                     | 10        | 50        | 265         |
| 71        | PWD          | TREES                                  | 2,362,874               | 5       | 32%                     | 8         | GEN 10    | 10        | 0                                | 0         | 27,000                   | 1       | 125%                     | 5         | 14                   | 2         | 0                 | 0         | 2001          | 10        |                     | 10        | 51        | 262         |
| 37        | CSD          | CUBBERLEY AND HUMAN SERVICES           | 3,251,166               | 6       | 10%                     | 1         | GEN 10    | 10        | 0                                | 0         | 67,000                   | 1       | 81%                      | 5         | 18                   | 3         | 0                 | 0         | 2001          | 10        |                     | 10        | 46        | 262         |
| 101       | HR/ASD       | RETIREE HEALTH BENEFIT FUND            | 3,599,000               | 6       | 12%                     | 1         | SPEC 3    | 3         | 0                                | 0         | 3,599,000                | 6       | 10%                      | 3         | 0                    | 0         | 18,265,000        | 8         | 2002          | 10        | 1995-Retiree health | 10        | 47        | 260         |
| 138       | PWD          | Construction project budget monitoring | 14,316,000              | 8       | NA                      | 3         | CAP 5     | 5         | 52,926,000                       | 7         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 0                 | 0         | 2001          | 10        |                     | 10        | 43        | 257         |
| 20        | CITYWIDE     | ALLOCATED CHARGES                      | 13,019,195              | 8       | 43%                     | 9         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 0                 | 0         | 2003          | 10        |                     | 10        | 47        | 254         |
| 102       | PWD          | CIP - CAPITAL FUND                     | 16,470,000              | 8       | NA                      | 3         | CAP 5     | 5         | 52,926,000                       | 7         | 0                        | 0       | 0%                       | 0         | 20                   | 4         | 44,096,000        | 10        | 2005          | 10        | 2005-Contract conti | 1         | 48        | 251         |
| 40        | CSD          | RECREATION AND YOUTH SERVICES          | 4,691,320               | 6       | -3%                     | 3         | GEN 10    | 10        | 0                                | 0         | 2,447,772                | 5       | 9%                       | 3         | 50                   | 6         | 0                 | 0         | 2003          | 10        | 2006-Class revenue  | 0         | 43        | 251         |
| 67        | POLICE       | PARKING SERVICES                       | 1,053,443               | 4       | 3%                      | 1         | GEN 10    | 10        | 0                                | 0         | 1,996,000                | 4       | 8%                       | 3         | 9                    | 1         | 0                 | 0         | 2001          | 10        |                     | 10        | 43        | 251         |
| 58        | PLANNING     | BUILDING                               | 3,078,841               | 6       | 8%                      | 1         | GEN 10    | 10        | 0                                | 0         | 3,532,035                | 6       | 15%                      | 3         | 19                   | 3         | 0                 | 0         | 2003          | 10        | 2003-Devmt Review   | 3         | 42        | 251         |
| 39        | CSD          | PARKS AND GOLF                         | 6,302,481               | 7       | 6%                      | 1         | GEN 10    | 10        | 0                                | 0         | 3,296,800                | 6       | -1%                      | 1         | 36                   | 5         | 0                 | 0         | 2001          | 10        | 2006-Park maintena  | 0         | 40        | 250         |
| 82        | ASD          | CPA EXTERNAL SERVICES                  | 1,145,213               | 4       | 58%                     | 10        | SPEC 3    | 3         | 0                                | 0         | 1,162,371                | 4       | 54%                      | 5         | 6                    | 1         | 105,000           | 2         | 2002          | 10        |                     | 10        | 49        | 249         |
| 72        | PWD          | STRUCTURES AND GROUNDS                 | 4,750,609               | 6       | 11%                     | 1         | GEN 10    | 10        | 18,920,000                       | 5         | 742,465                  | 3       | 42%                      | 4         | 23                   | 4         | 0                 | 0         | 2005          | 10        | 2006-Report card in | 0         | 43        | 246         |
| 38        | CSD          | OPEN SPACE                             | 1,826,177               | 4       | 8%                      | 1         | GEN 10    | 10        | 0                                | 0         | 116,241                  | 2       | 30%                      | 4         | 15                   | 2         | 0                 | 0         | 2003          | 10        |                     | 10        | 43        | 246         |
| 6         | CITYWIDE     | CHARGES FOR SERVICES                   | 0                       | 0       | 0%                      | 0         | GEN 10    | 10        | 0                                | 0         | 19,001,000               | 8       | 11%                      | 3         | 0                    | 0         | 0                 | 0         | 2003          | 10        |                     | 10        | 41        | 242         |
| 64        | POLICE       | TRAFFIC SERVICES                       | 1,436,524               | 4       | -2%                     | 3         | GEN 10    | 10        | 0                                | 0         | 468,690                  | 2       | -5%                      | 1         | 9                    | 1         | 0                 | 0         | 2002          | 10        |                     | 10        | 41        | 237         |
| 142       | UTILITIES    | Electric undergrounding program        | 3,100,000               | 6       | NA                      | 3         | CAP 5     | 5         | 17,095,000                       | 5         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 0                 | 0         | 2001          | 10        |                     | 10        | 39        | 233         |
| 91        | PLANNING     | HOUSING IN-LIEU FUNDS                  | 1,780,000               | 4       | NA                      | 3         | SPEC 3    | 3         | 0                                | 0         | 1,902,000                | 4       | NA                       | 3         | 0                    | 0         | 3,210,000         | 6         | 2003          | 10        |                     | 10        | 43        | 232         |
| 68        | PWD          | PUBLIC WORKS DEPARTMENT                | 12,464,938              | 8       | 13%                     | 1         | GEN 10    | 10        | 0                                | 0         | 488,200                  | 2       | 70%                      | 5         | 68                   | 7         | 0                 | 0         | 0             | 0         | 1996-Heavy vehicle  | 10        | 43        | 231         |
| 42        | CSD          | Golf Course                            | 3,017,269               | 6       | 0%                      | 3         | GEN 10    | 10        | 0                                | 0         | 3,296,800                | 6       | 12%                      | 3         | 0                    | 0         | 0                 | 0         | 2006          | 10        | 2004-Golf cash han  | 2         | 40        | 228         |
| 54        | LIBRARY      | COLLECTION AND TECH SERVICES           | 1,529,180               | 4       | -23%                    | 3         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 11                   | 2         | 0                 | 0         | 2005          | 10        |                     | 10        | 39        | 228         |
| 7         | CITYWIDE     | PERMITS AND LICENSES                   | 0                       | 0       | 0%                      | 0         | GEN 10    | 10        | 0                                | 0         | 4,218,000                | 6       | 22%                      | 3         | 0                    | 0         | 0                 | 0         | 2003          | 10        |                     | 10        | 39        | 228         |
| 144       | UTILITIES    | Utility billing system                 | 0                       | 0       | 0%                      | 0         | SPEC 3    | 3         | 0                                | 0         | 223,019,000              | 10      | NA                       | 3         | 0                    | 0         | 0                 | 0         | 2002          | 10        |                     | 10        | 36        | 228         |
| 80        | PWD          | STORM DRAINAGE FUND                    | 4,520,997               | 6       | 69%                     | 10        | SPEC 3    | 3         | 11,413,000                       | 4         | 6,311,912                | 7       | 113%                     | 5         | 10                   | 1         | 572,000           | 3         | 0             | 0         |                     | 10        | 49        | 226         |
| 62        | POLICE       | TECHNICAL SERVICES                     | 5,893,583               | 6       | 28%                     | 7         | GEN 10    | 10        | 0                                | 0         | 1,215,459                | 4       | 7%                       | 3         | 39                   | 5         | 0                 | 0         | 0             | 0         |                     | 10        | 45        | 225         |
| 49        | HR           | EMPLOYEE RELATIONS                     | 708,915                 | 3       | 39%                     | 8         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 3                    | 1         | 0                 | 0         | 2001          | 10        |                     | 10        | 42        | 224         |
| 103       | PWD          | CIP - BUILDINGS AND FACILITIES         | 4,657,000               | 6       | NA                      | 3         | CAP 5     | 5         | 8,988,000                        | 3         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 0                 | 0         | 2005          | 10        |                     | 10        | 37        | 223         |
| 92        | MANAGER      | SPECIAL DISTRICT FUNDS (PARKING)       | 1,601,000               | 4       | NA                      | 3         | SPEC 3    | 3         | 0                                | 0         | 922,000                  | 3       | NA                       | 3         | 0                    | 0         | 1,396,000         | 4         | 2005          | 10        |                     | 10        | 40        | 221         |
| 140       | PWD          | Infrastructure contracting process     | 14,316,000              | 8       | NA                      | 3         | CAP 5     | 5         | 52,926,000                       | 7         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 0                 | 0         | 2002          | 10        | 2002-Timeliness     | 4         | 37        | 221         |
| 78        | PWD          | REFUSE FUND                            | 26,909,015              | 9       | 6%                      | 1         | SPEC 3    | 3         | 4,325,000                        | 2         | 26,613,051               | 9       | 11%                      | 3         | 35                   | 5         | 13,918,000        | 8         | 0             | 0         | 2004-ESC review     | 2         | 42        | 219         |
| 98        | ASD          | TECHNOLOGY FUND                        | 10,034,758              | 8       | 0%                      | 3         | SPEC 3    | 3         | 5,512,000                        | 3         | 10,132,977               | 8       | 43%                      | 4         | 30                   | 5         | 13,892,000        | 8         | 0             | 0         | 2004-SAP in proces  | 2         | 44        | 216         |
| 70        | PWD          | SIDEWALKS                              | 2,056,000               | 5       | NA                      | 3         | CAP 5     | 5         | 9,536,000                        | 3         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 0                 | 0         | 2001          | 10        |                     | 10        | 36        | 216         |
| 33        | ASD          | REAL ESTATE                            | 464,670                 | 2       | 4%                      | 1         | GEN 10    | 10        | 0                                | 0         | 3,400                    | 1       | 53%                      | 5         | 3                    | 1         | 0                 | 0         | 2002          | 10        | 1997-MacArthurPar   | 9         | 39        | 214         |
| 44        | FIRE         | EMERGENCY RESPONSE                     | 15,334,649              | 8       | 10%                     | 1         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 94                   | 8         | 0                 | 0         | 0             | 0         |                     | 10        | 37        | 214         |
| 88        | CROSS-DEPT   | Youth Programs                         | 8,529,427               | 7       | -20%                    | 3         | SPEC 3    | 3         | 0                                | 0         | 2,598,786                | 5       | -1%                      | 1         | 59                   | 7         | 0                 | 0         | 0             | 0         |                     | 10        | 36        | 213         |
| 51        | HR           | EMPLOYEE DEVMT/WORKLIFE                | 448,637                 | 2       | -30%                    | 4         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 3                    | 1         | 0                 | 0         | 2001          | 10        |                     | 10        | 37        | 209         |
| 35        | CSD          | ARTS AND CULTURE                       | 2,914,747               | 5       | -5%                     | 3         | GEN 10    | 10        | 0                                | 0         | 1,067,564                | 4       | 7%                       | 3         | 26                   | 4         | 0                 | 0         | 0             | 0         |                     | 10        | 39        | 203         |
| 56        | PLANNING     | PLANNING AND COMM ENVIRONMT DEPT       | 8,762,159               | 7       | -4%                     | 3         | GEN 10    | 10        | 0                                | 0         | 5,066,723                | 6       | 22%                      | 3         | 54                   | 6         | 0                 | 0         | 0             | 0         | 2003-Devmt Review   | 3         | 38        | 203         |
| 107       | ASD          | Reserve for encumbrances               | 0                       | 0       | 0%                      | 0         | GEN 10    | 10        | 0                                | 0         | 0                        | 0       | 0%                       | 0         | 0                    | 0         | 8,407,000         | 7         | 2005          | 10        |                     | 10        | 37        | 194         |
| 84        | CROSS-DEPT</ |  |                         |         |                         |           |           |           |                                  |           |                          |         |                          |           |                      |           |                   |           |               |           |                     |           |           |             |

|     |             |   |           |   |      |   |      |    |            |   |            |    |      |    |    |   |           |   |      |    |                     |    |    |     |
|-----|-------------|---|-----------|---|------|---|------|----|------------|---|------------|----|------|----|----|---|-----------|---|------|----|---------------------|----|----|-----|
| 110 | CITYWIDE    | Public/private partnership effectiveness  |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 30 | 180 |
| 111 | CITYWIDE    | Quality control initiative                |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 112 | CITYWIDE    | Follow -thru on council actions           |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2003 | 10 |                     | 10 | 30 | 180 |
| 114 | ASD         | Certification of impact measures          |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 115 | ASD         | Contract management/vendor performance    |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 | 1995-ContractAdmir  | 10 | 30 | 180 |
| 117 | ASD         | Employee phone bill reimbursements        |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 30 | 180 |
| 120 | ASD         | IT strategic plan implementation review   |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 121 | ASD         | Reimbursements for mandated services      |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 30 | 180 |
| 123 | FIRE        | EMS staffing                              |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 124 | FIRE        | Ambulance transport programs              |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 125 | FIRE        | Fire Dept services to Stanford            |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 126 | PLANNING    | Building and devmt fees                   |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2003 | 10 |                     | 10 | 30 | 180 |
| 128 | PLANNING    | Shuttle services                          |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 130 | POLICE/FIRE | Emergency personnel training and turnover |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 30 | 180 |
| 131 | POLICE/FIRE | Emergency response/notification system    |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 132 | POLICE      | Noise ordinance enforcement               |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 133 | POLICE      | Police school services                    |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 134 | POLICE      | Proactive enforcement of taxi cabs        |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2003 | 10 |                     | 10 | 30 | 180 |
| 135 | POLICE      | Reimbursements for traffic citations      |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 |                     | 10 | 30 | 180 |
| 139 | PWD         | Downtown public restrooms                 |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 30 | 180 |
| 4   | CITYWIDE    | UTILITY USERS TAX                         |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 9,412,000  | 7  | 30%  | 4  | 0  | 0 | 0         | 0 | 2001 | 10 | 2006-Telephone UU   | 0  | 31 | 177 |
| 29  | ASD         | ADMINISTRATIVE SERVICES DEPT              | 6,770,297 | 7 | 1%   | 1 | GEN  | 10 |            | 0 | 57,300     | 1  | 11%  | 3  | 51 | 6 | 0         | 0 | 2001 | 10 | 2001-Payroll        | 5  | 33 | 176 |
| 3   | CITYWIDE    | TRANSIENT OCCUPANCY TAX                   |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 6,400,000  | 7  | 13%  | 3  | 0  | 0 | 0         | 0 | 2006 | 10 | 2006-In process     | 0  | 30 | 175 |
| 83  | CROSS-DEPT  | Cubberly Community Center                 | 2,601,272 | 5 | 40%  | 9 | SPEC | 3  |            | 0 | 2,242,730  | 5  | 2%   | 3  | 9  | 1 | 0         | 0 |      |    |                     | 10 | 36 | 173 |
| 105 | PWD         | CIP - STREETS AND SIDEWALKS               | 4,001,000 | 6 | NA   | 3 | CAP  | 5  | 19,461,000 | 5 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 | 2006-Street mainten | 0  | 29 | 173 |
| 59  | PLANNING    | TRANSPORTATION                            | 1,563,267 | 4 | -3%  | 3 | GEN  | 10 |            | 0 | 603,266    | 3  | 116% | 5  | 7  | 1 | 0         | 0 |      |    |                     | 10 | 36 | 172 |
| 57  | PLANNING    | PLANNING                                  | 3,488,346 | 6 | -12% | 3 | GEN  | 10 |            | 0 | 1,194,569  | 4  | 33%  | 4  | 26 | 4 | 0         | 0 |      |    | 2003-Devmt Review   | 3  | 34 | 170 |
| 22  | ATTORNEY    | CITY ATTORNEY'S OFFICE                    | 2,642,633 | 5 | 1%   | 1 | GEN  | 10 |            | 0 | 50,000     | 1  | 295% | 5  | 11 | 2 | 0         | 0 |      |    |                     | 10 | 34 | 168 |
| 119 | ASD         | Expense account reimbursements            |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 | 1998-Travel expens  | 8  | 28 | 168 |
| 96  | ASD         | DEBT SERVICE FUNDS                        | 1,215,000 | 4 | -49% | 4 | SPEC | 3  |            | 0 | 1,215,000  | 4  | -48% | 9  | 0  | 0 | 1,446,000 | 4 |      |    |                     | 10 | 38 | 162 |
| 9   | CITYWIDE    | RENTAL INCOME                             |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 12,951,000 | 8  | 8%   | 3  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 31 | 162 |
| 13  | CITYWIDE    | OPERATING TRANSFERS-IN                    |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 15,695,000 | 8  | 2%   | 3  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 31 | 162 |
| 45  | FIRE        | ENVIRONMENTAL SAFETY MANAGEMENT           | 2,225,329 | 5 | 23%  | 6 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 11 | 2  | 0 | 0         | 0 |      |    |                     | 10 | 33 | 161 |
| 46  | FIRE        | TRAINING AND PERSONNEL                    | 2,135,135 | 5 | 23%  | 6 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 13 | 2  | 0 | 0         | 0 |      |    |                     | 10 | 33 | 161 |
| 52  | HR          | RISK MGMT AND EMPLOYEE BENEFITS           | 543,426   | 3 | -17% | 3 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 5  | 1  | 0 | 0         | 0 | 2005 | 10 | 2005-Workers comp   | 1  | 28 | 160 |
| 104 | PWD         | CIP - PARKS AND OPEN SPACE                | 2,742,000 | 5 | NA   | 3 | CAP  | 5  | 9,388,000  | 3 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2005 | 10 | 2006-In process     | 0  | 26 | 156 |
| 141 | PWD         | Home hazardous waste recycling contract   |           | 0 | 0%   | 0 | SPEC | 3  |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 23 | 152 |
| 143 | UTILITIES   | Water inventory management                |           | 0 | 0%   | 0 | SPEC | 3  |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 |                     | 10 | 23 | 152 |
| 15  | CITYWIDE    | CONTRACT SERVICES                         | 9,743,217 | 7 | 9%   | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 28 | 151 |
| 17  | CITYWIDE    | GENERAL EXPENSE                           | 9,210,298 | 7 | 13%  | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 28 | 151 |
| 21  | CITYWIDE    | OPERATING TRANSFERS-OUT                   | 7,439,159 | 7 | 11%  | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 28 | 151 |
| 5   | CITYWIDE    | OTHER TAXES AND FINES                     |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 7,438,000  | 7  | -3%  | 1  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 28 | 151 |
| 11  | CITYWIDE    | CHARGES TO OTHER FUNDS                    |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 9,084,000  | 7  | -3%  | 1  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 28 | 151 |
| 24  | CLERK       | CITY CLERK'S OFFICE                       | 931,892   | 3 | 17%  | 2 | GEN  | 10 |            | 0 | 1,950      | 1  | 217% | 5  | 7  | 1 | 0         | 0 |      |    | 1994-Records        | 10 | 32 | 149 |
| 65  | POLICE      | POLICE PERSONNEL SERVICES                 | 884,203   | 3 | 20%  | 2 | GEN  | 10 |            | 0 | 52,000     | 1  | 206% | 5  | 5  | 1 | 0         | 0 |      |    |                     | 10 | 32 | 149 |
| 99  | ASD         | PRINTING AND MAILING FUND                 | 1,306,162 | 4 | 8%   | 1 | SPEC | 3  |            | 0 | 1,316,859  | 4  | 9%   | 3  | 5  | 1 | 678,000   | 3 |      |    |                     | 10 | 29 | 149 |
| 16  | CITYWIDE    | SUPPLIES AND MATERIALS                    | 3,162,552 | 6 | 6%   | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 27 | 144 |
| 8   | CITYWIDE    | RETURN ON INVESTMENT                      |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 2,048,000  | 5  | 29%  | 4  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 29 | 143 |
| 106 | PWD         | CIP - MISCELLANEOUS                       | 3,997,000 | 6 | NA   | 3 | CAP  | 5  | 5,557,000  | 3 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 27 | 143 |
| 79  | PWD         | PASCO contract                            | 8,648,298 | 7 | 9%   | 1 | SPEC | 3  |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2002 | 10 | 2006-In process     | 0  | 21 | 143 |
| 26  | MANAGER     | CITY MANAGER'S OFFICE                     | 1,652,904 | 4 | -4%  | 3 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 9  | 1  | 0 | 0         | 0 |      |    |                     | 10 | 28 | 141 |
| 127 | PLANNING    | Impacts of jobs-housing imbalance         |           | 0 | 0%   | 0 |      |    |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2006 | 10 |                     | 10 | 20 | 140 |
| 113 | ASD         | Cell phone usage                          |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2001 | 10 | 2003-Self audit     | 3  | 23 | 138 |
| 25  | COUNCIL     | CITY COUNCIL                              | 179,229   | 2 | 37%  | 8 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 9  | 1  | 0 | 0         | 0 |      |    |                     | 10 | 31 | 137 |
| 41  | CSD         | Human Services contracts                  | 1,219,402 | 4 | -2%  | 3 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 27 | 134 |
| 31  | ASD         | BUDGET                                    | 856,570   | 3 | -3%  | 3 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 6  | 1  | 0 | 0         | 0 |      |    |                     | 10 | 27 | 134 |
| 95  | PLANNING    | CDBG FUND                                 | 995,784   | 3 | NA   | 3 | SPEC | 3  |            | 0 | 995,784    | 3  | NA   | 3  | 1  | 1 | 0         | 0 |      |    |                     | 10 | 26 | 133 |
| 19  | CITYWIDE    | FACILITIES AND EQUIPT PURCHASES           | 469,517   | 2 | 43%  | 9 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 31 | 132 |
| 47  | FIRE        | RECORDS AND INFORMATION MGMT              | 897,693   | 3 | 9%   | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 7  | 1  | 0 | 0         | 0 |      |    |                     | 10 | 25 | 130 |
| 12  | CITYWIDE    | OTHER REVENUE                             |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 1,292,000  | 4  | -7%  | 1  | 0  | 0 | 0         | 0 |      |    |                     | 10 | 25 | 130 |
| 27  | MANAGER     | ECONOMIC DEVELOPMENT                      | 199,304   | 2 | -28% | 4 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 1  | 1  | 0 | 0         | 0 |      |    |                     | 10 | 27 | 129 |
| 50  | HR          | EMPLOYMENT                                | 275,753   | 2 | -44% | 4 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 4  | 1  | 0 | 0         | 0 |      |    |                     | 10 | 27 | 129 |
| 66  | POLICE      | ANIMAL SERVICES                           | 1,464,143 | 4 | 5%   | 1 | GEN  | 10 |            | 0 | 916,112    | 3  | 8%   | 3  | 13 | 2 | 0         | 0 |      |    | 2003-Animal Svcs    | 3  | 26 | 129 |
| 69  | PWD         | STREETS                                   | 2,427,592 | 5 | 19%  | 2 | GEN  | 10 | 9,925,000  | 3 | 321,832    | 2  | 0%   | 0  | 13 | 2 | 0         | 0 |      |    | 2005-Street mainten | 1  | 25 | 128 |
| 30  | ASD         | ACCOUNTING                                | 2,023,685 | 5 | 5%   | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 18 | 3  | 0 | 0         | 0 |      |    | 2001-Payroll        | 5  | 24 | 128 |
| 10  | CITYWIDE    | REVENUE FROM OTHER AGENCIES               |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 81,000     | 1  | -79% | 10 | 0  | 0 | 0         | 0 |      |    |                     | 10 | 31 | 127 |
| 63  | POLICE      | INVESTIGATIONS/CRIME PREVENTION           | 3,191,201 | 6 | 4%   | 1 | GEN  | 10 |            | 0 | 4,000      | 1  | 0%   | 0  | 22 | 4 | 0         | 0 |      |    | 2005-Property room  | 1  | 23 | 125 |
| 129 | POLICE      | Confidential funds                        |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 | 2006 | 10 | 2006-Annual audit   | 0  | 20 | 120 |
| 18  | CITYWIDE    | RENTS AND LEASES                          | 729,499   | 3 | 12%  | 1 | GEN  | 10 |            | 0 | 0          | 0% | 0    | 0  | 0  | 0 | 0         | 0 |      |    | 1997-MacArthurPar   | 9  | 23 | 117 |
| 2   | CITYWIDE    | PROPERTY TAX                              |           | 0 | 0%   | 0 | GEN  | 10 |            | 0 | 20,368,000 | 9  | 22%  | 3  | 0  | 0 | 0         | 0 |      |    | 2005-Property tax   | 1  | 23 | 115 |
| 94  | MANAGER     | PALO ALTO BUSINESS IMPROV DISTRICT        | 154,000   | 2 | NA   | 3 | SPEC | 3  |            | 0 | 158,000    | 2  | NA   | 3  | 0  | 0 | 77,000    | 1 |      |    |                     | 10 | 24 | 114 |
| 93  | PLANNING    | TRAFFIC MITIG/PARKING IN-LIEU FUNDS       | 0         | 0 | 0%   | 0 | SPEC | 3  |            | 0 | 563,000    | 3  | NA   | 3  | 0  | 0 | 2,073,000 | 5 |      |    |                     | 10 | 24 | 109 |
| 86  | CROSS-DEPT  | Special Events                            | 234,164   | 2 | -4%  | 3 | SPEC | 3  |            |   |            |    |      |    |    |   |           |   |      |    |                     |    |    |     |

|     |            |   |           |   |      |   |      |    |   |         |   |    |   |    |   |           |      |                     |                     |    |     |    |
|-----|------------|---|-----------|---|------|---|------|----|---|---------|---|----|---|----|---|-----------|------|---------------------|---------------------|----|-----|----|
| 32  | ASD        | PURCHASING                                  | 1,172,404 | 4 | -2%  | 3 | GEN  | 10 | 0 | 6,000   | 1 | NA | 3 | 10 | 2 | 0         | 0    | 2005-Contract conti | 1                   | 24 | 107 |    |
| 90  | PLANNING   | DEV/MT IMPACT FEE FUNDS                     | 0         | 0 | 0%   | 0 | SPEC | 3  | 0 | 596,000 | 3 | NA | 3 | 0  | 0 | 1,143,000 | 4    | 0                   | 10                  | 23 | 107 |    |
| 118 | ASD        | Duplicate payments                          | 0         | 0 | 0%   | 0 | GEN  | 10 | 0 | 0       | 0 | 0% | 0 | 0  | 0 | 0         | 0    | 0                   | 10                  | 20 | 100 |    |
| 136 | POLICE     | Strategic plan implementation               | 0         | 0 | 0%   | 0 | GEN  | 10 | 0 | 0       | 0 | 0% | 0 | 0  | 0 | 0         | 0    | 0                   | 10                  | 20 | 100 |    |
| 23  | AUDITOR    | CITY AUDITOR'S OFFICE                       | 836,683   | 3 | 5%   | 1 | GEN  | 10 | 0 | 235,000 | 2 | 1% | 3 | 4  | 1 | 0         | 0    | 0                   | 2005-Peer review    | 1  | 21  | 96 |
| 28  | MANAGER    | PUBLIC COMMUNICATION                        | 180,033   | 2 | -31% | 4 | GEN  | 10 | 0 | 0       | 0 | 0% | 0 | 1  | 1 | 0         | 0    | 0                   | 2004-Public Comm    | 2  | 19  | 81 |
| 122 | CROSS-DEPT | Conflict of interest policies and forms 700 | 0         | 0 | 0%   | 0 |      | 0  | 0 | 0       | 0 | 0% | 0 | 0  | 0 | 0         | 2005 | 10                  | 2006-In process     | 0  | 10  | 80 |
| 137 | PWD        | Capital projects contingency fees           | 0         | 0 | 0%   | 0 | CAP  | 5  | 0 | 0       | 0 | 0% | 0 | 0  | 0 | 0         | 0    | 0                   | 2005-Contract conti | 1  | 6   | 26 |
| 108 | ASD        | Cable Joint Pow ers Authority               | 0         | 0 | 0%   | 0 | SPEC | 3  | 0 | 0       | 0 | 0% | 0 | 0  | 0 | 0         | 0    | 0                   | 2005-Comcast        | 1  | 4   | 18 |

\*\*\*\*\* END OF LISTING \*\*\*\*\*

### SCORING TABLES

| PROPOSED EXPENDITURES (\$) | NUMBER OF STAFF (FTEs) | 5-YEAR CAP BUDGET     | LAST AUDIT | FUND TYPE             |
|----------------------------|------------------------|-----------------------|------------|-----------------------|
| No expenditures            | None                   | Zero/none             | 2006       | General 10            |
| Less than 100,000          | less than 10           | less than 1,000,000   | 2005       | Capital 5             |
| Less than 500,000          | 10 or more             | less than 5,000,000   | 2004       | Special/enterprise 3  |
| Less than 1,000,000        | 15 or more             | less than 10,000,000  | 2003       |                       |
| Less than 2,000,000        | 20 or more             | less than 15,000,000  | 2002       |                       |
| Less than 3,000,000        | 30 or more             | less than 20,000,000  | 2001       |                       |
| Less than 6,000,000        | 40 or more             | less than 40,000,000  | 2000       |                       |
| Less than 10,000,000       | 55 or more             | less than 60,000,000  | 1999       | AUDIT REQUEST         |
| Less than 20,000,000       | 75 or more             | less than 100,000,000 | 1998       | Audit not requested 0 |
| Less than 30,000,000       | 100 or more            | less than 150,000,000 | 1997       | Audit requested 10    |
| 30,000,000 or more         | 500 or more            | 150,000,000 or more   | PRIOR      |                       |

| THREE YEAR EXPENDITURE TREND (% Change) | BEGINNING FUND BAL   | ESTIMATED REVENUES   | THREE YEAR REVENUE TREND     |
|---|----------------------|----------------------|------------------------------|
| Decrease of more than 50%               | Zero                 | Zero/none            | Decrease of more than 50% 10 |
| Decrease of 50% or less                 | less than 100,000    | less than 100,000    | Decrease of 50% or less 9    |
| Decrease of 25% or less                 | less than 500,000    | less than 500,000    | Decrease of 40% or less 8    |
| No change                               | less than 1,000,000  | less than 1,000,000  | Decrease of 30% or less 7    |
| Increase of less than 15%               | less than 2,000,000  | less than 2,000,000  | Decrease of 25% or less 6    |
| Increase of less than 20%               | less than 3,000,000  | less than 3,000,000  | Decrease of 20% or less 2    |
| Increase of less than 25%               | less than 6,000,000  | less than 6,000,000  | Decrease of 15% or less 1    |
| Increase of less than 30%               | less than 10,000,000 | less than 10,000,000 | No change 0                  |
| Increase of less than 40%               | less than 20,000,000 | less than 20,000,000 | Increase of less than 25% 3  |
| Increase of less than 50%               | less than 30,000,000 | less than 30,000,000 | Increase of less than 50% 4  |
| Increase of 50% or more                 | 30,000,000 or more   | 30,000,000 or more   | Increase of 50% or more 5    |
| Not available/new program               |                      |                      | Not available/new program 3  |