

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

SUBJECT: BUDGET POLICIES

POLICY NO.: 000-02

EFFECTIVE DATE: December 17, 2014

INTRODUCTION:

The following policies outline the City of San Diego's (City) guidelines for budgetary decision making and set standards for sound budgetary practices and fiscal performance.

An adopted set of Budget Policies that are consistently followed will assist the City in achieving its current and future goals in a fiscally responsible and sustainable manner. These policies establish guidelines for developing and monitoring the City's annual operating and capital budget as recommended by the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB). This document shall be reviewed on a regular basis to reflect the highest standards of fiscal management and the City's budgetary goals.

OBJECTIVES:

According to the GFOA and the NACSLB, the budget policies should address and establish the guidelines for the following components:

- Operating and Capital Improvement Projects
- Budget Execution and Controls
- Revenues and Expenditures

This document addresses each of these elements, and provides a comprehensive foundation for the establishment, execution, and monitoring of the City's annual budget.

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BACKGROUND:

The City of San Diego's budget is developed annually for each fiscal year, which is July 1 through June 30. Under the strong mayor form of government, the budget is proposed by the Mayor with input from City Council and the public. The budget may be revised by City Council and is adopted by Council subject to mayoral line-item veto. The City Council by supermajority vote of at least six of the current nine members may subsequently override the Mayor's veto to establish the annual budget.

The City uses strategic planning to map its goals and manage the resources necessary for achieving them. The City Strategic Plan defines the direction for the City and provides a framework for the strategies and activities of the departments. The budget process is structured each year to achieve the fiscal and policy goals for the upcoming fiscal year while adhering to the timeline defined by the City Charter. The budget process is composed of the following phases: budget development, budget review, budget adoption, and budget monitoring.

Budget Development

The development of the Five-Year Financial Outlook (Outlook) is the first step in the annual budget process. The Outlook outlines the priorities, consistent with the City Strategic Plan, for the next five years and forecasts anticipated revenues and expenditures. It also provides a comprehensive, long-range analysis of the City's General Fund by incorporating economic assumptions and newly-prioritized or mandated expenditures. The information presented in the Outlook serves as the basis for determining the coming year's operating budget allocations. The annual Capital Improvements Program (CIP) budget development process also uses the information from the Outlook, but initially begins with the identification and prioritization of capital improvement projects by the asset-owning City departments. The City's Consolidated Multi-Year Capital Plan (CP) will provide a five-year citywide assessment of infrastructure needs and will outline the proposed capital priorities.

Policy decisions and strategies are made using the information contained in the Outlook, the capital project recommendations from the Capital Improvements Program Review and Advisory Committee (CIPRAC) review and the CP. General Fund revenues and expenditures are determined and balanced through the budgeting process and included in the Mayor's Proposed Budget, along with changes to the non-general funds and capital improvement projects. The budget document is presented by the Mayor to the City Council and the public by April 15 in compliance with the City of San Diego Charter [Article XV, Section 265, Item (b) (14)]. The proposed budget is posted on the City's website and a hard copy is available in the Office of the City Clerk for public review.

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Additional hard copies are also provided to the Office of the Independent Budget Analyst, the Office of the City Attorney, the Financial Management Department, Offices of the City Council, and the Office of the Mayor. Subsequent to the release of the proposed budget, the Independent Budget Analyst issues a report that analyzes the proposed budget.

A key component of the operating budget process that does not coincide with the proposed budget development timeline is the adoption of the Salary Ordinance, which fixes the salaries of all officers and employees of the City. In accordance with the City's Charter [Article XV, Section 290, Item (a)], the Salary Ordinance must be introduced no later than April 15 and adopted no later than May 30 of each year as mandated by the City's Charter [Article III, Section 11.1]. Any changes resulting from the adoption of the Salary Ordinance are incorporated into the Mayor's May Budget Revision, which is described in the following section.

Budget Review

The Mayor's release and presentation of the proposed budget in April is followed by public review and discussion. This phase includes the City Council noticing a minimum of two public budget hearings where additional community priorities and recommended changes to the proposed budget are identified. The City Council convening as the Budget Review Committee may also hold a series of public hearings to review and discuss the changes proposed for the operating and capital budgets. The Mayor may also present the budget to the public in a series of Town Hall meetings to provide the public an opportunity to ask questions and provide feedback.

Based on the most recent information that may not have been available during the development of the proposed budget, the Mayor issues the May Revision to the proposed budget. This document contains the Mayor's recommended changes to the budget based on revised current year revenue and expenditure projections, changes to salaries adopted in the Salary Ordinance, and adjustments to capital improvement projects. Based on the proposed budget, the May Budget Revision, and City Council members' budget priorities memoranda, the Independent Budget Analyst issues a report of recommended final budget modifications to the City Council.

Budget Adoption

The proposed budget with modifications included in the Mayor's May Budget Revision and the Independent Budget Analyst recommendations may be reviewed by the Budget and Government Efficiency Committee or be directly docketed for City Council review during the month of June. The City Council approves, by resolution, the budget prior to June 15, as mandated by the City's Charter [Article XV, Section 290, Item (b)]. Within five business days of Council's approval, the Mayor has the discretion to line-item veto any budget modifications approved by Council. In turn, the City Council, also within five business days and by supermajority, has the authority to override the Mayor's veto.

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In July, the Financial Management Department documents the final changes made to the proposed budget throughout the process in a budget Change Letter. The Appropriation Ordinance (AO), which enacts the budget into law, is then presented to the Budget and Government Efficiency Committee and the City Council for review and adoption in July, as required by the City of San Diego Charter [Article VII, Section 71]. The Statement of Budgetary Principles is an accompanying resolution to the Appropriation Ordinance for the purpose of outlining a process for the Mayor to notify the Council of programmatic changes to the adopted budget and enhance communication between the Executive and Legislative branches regarding budgetary information. The adopted budget is published in September and made available to the public on the City's website and a hard copy is available in the Office of the City Clerk. Limited hard copies of the adopted budget are also provided to the Office of the Independent Budget Analyst, the Office of the City Attorney, the Financial Management Department, Offices of the City Council, and the Office of the Mayor.

Budget Monitoring

The Financial Management Department monitors the City's annual operating budget throughout the fiscal year. Quarterly reports are produced and presented to the Budget and Government Efficiency Committee and City Council to forecast year-end results and aid in adjusting the budget throughout the year to address changes in revenues and expenditures. The Independent Budget Analyst reviews these quarterly reports and provides recommendations for City Council consideration. Financial Performance reports (known as Charter 39 Reports) are produced on a monthly basis by the City Comptroller and presented to the Budget and Government Efficiency Committee to show a summary statement of revenues and expenses for the preceding accounting period and the status of appropriations in comparison to actuals.

BUDGET POLICIES:

OPERATING AND CAPITAL IMPROVEMENT PROJECTS

Balanced Budget

A balanced budget is a fundamental requirement of a government agency. **The City shall adopt and maintain a balanced annual operating budget and an integrated capital budget by the end of each fiscal year in accordance with the City's Charter [Article VII, Section 69].** For each fund, annual expenditures shall not exceed annual revenues plus available unrestricted fund balances. Any budgeted use of fund balance resources should not cause the City to drop below the established reserve target per the City Council's Reserve Policy (No. 100-20). It shall be a goal of the City to achieve a long-term structurally balanced budget, where ongoing expenditures are supported by ongoing revenues.

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A structurally balanced budget shall be achieved through efficiencies, permanent reductions to the expenditure base, and/or ongoing revenue enhancements, and does not rely on reserves or the use of one-time revenues for ongoing expenditures.

Public Involvement

Public involvement shall be encouraged in the annual budget decision-making process through public hearings, public outreach, and the dissemination of accessible information. Public participation efforts will allow the City to improve performance by identifying public needs, priorities and service delivery expectations. Increased public involvement will allow the City to be more responsive to community needs, thereby increasing the value that the public receives from City government.

City Council Role

City Council shall adopt an annual legislative budget calendar and budget process key dates that establish the time frame for each phase of the budget process in accordance with the City Charter's requirements. City Council members shall also communicate their budget priorities by adopting and presenting a budget priorities resolution to the Mayor in advance of the release of the proposed budget. After the Mayor's May Budget Revision is presented, City Council members' final budget priorities memoranda shall be provided to the Independent Budget Analyst. These memoranda will be used by the Independent Budget Analyst to develop City Council final budget modification recommendations.

Five-Year Financial Outlook

A multi-year financial outlook shall be prepared for the General Fund that projects revenues and expenditures over a five-year period. The Five-Year Financial Outlook (Outlook) shall be the guiding document for the City's long-range fiscal planning and serve as the framework for the development of the annual budget. The Outlook shall be presented to the City Council no later than November every year and updated as needed to accommodate changing national, regional, and local economic conditions, as well as the State budgetary policies and actions that affect the City's major revenues and departmental revenues.

The annual update to the Outlook shall be based on the most recent information available and built upon a baseline of the current year's balanced operating budget trended forward using well supported economic growth assumptions for major revenues. The Outlook shall also include projections for committed expenditures which are defined as the operational costs for new facilities, contractual obligations, federal and State legal mandates, and adopted City Council policies.

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The revenue and expenditure projections shall be based on a series of assumptions, including:

- projected inflation and employment rates, tourism and housing sales trends, and consumer confidence;
- salary and fringe cost increases and assumptions based on existing labor agreements;
- pension and retiree health funding obligations based on actuarial reports and existing labor agreements;
- most recent actuarial analysis on the City's long-term liabilities, including workers' compensation, public liability, and long-term disability;
- most recent condition assessments of General Fund infrastructure assets such as streets, facilities, storm water and parks to address deferred capital and maintenance and repair needs;
- operating, maintenance, and debt service commitments stemming from City Council approved capital projects; and
- other priority capital needs.

The Outlook may include additional major revenue scenarios using alternative economic and policy assumptions. Additionally, the Outlook may include a discussion of risks or uncertainties affecting revenues or expenditures that could significantly impact the General Fund.

Operating Budget

The operating budget development process shall begin with the preparation of the Outlook, which shall be developed prior to the proposed budget. The operating budget shall contain the expected revenue and expenditure appropriations, staffing levels, and summary tactical plans for each department. Tactical plan information featured in the budget shall include the departments' mission, strategic goals and objectives, performance measures, and targets. Tactical Plans shall be updated annually to ensure departments' priorities support the City Strategic Plan and performance measures and targets are aligned with the budget.

Capital Improvements Program Plan and Budget

The City shall develop a Consolidated Multi-Year Capital Plan (CP) which shall provide a citywide assessment of infrastructure needs. The CP shall include the critical inputs needed to develop a comprehensive approach to addressing the City's capital needs and the subsequent identification of resources for all of those needs. Critical inputs include infrastructure condition assessments, service level evaluations, asset management information, and review of available funding sources. The CP shall be the basis for the development of the annual CIP budget.

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The annual CIP budget shall be developed in conjunction with the operating budget to ensure effective utilization of the City's overall resources to operate and maintain facilities. The annual CIP budget shall include projects that span multiple fiscal years and result in capitalized assets. The CIP budget may include other projects of a capital nature that may not result in an asset and that span multiple fiscal years and have significant cost estimates. Annual allocation projects shall provide for smaller projects that are expected to be completed in a short timeframe. The annual CIP budget shall reflect total estimated project costs for City Council approved projects by including all prior and current year expenditures and appropriations, future year project costs, and any future funding needs through project completion.

CIP projects shall only be established with partial funding if there is a reasonable expectation that the remaining funding will be identified to complete the project within a reasonable timeframe for the type of project. Project budgets may be based upon revenues anticipated to be received during the fiscal year; however, the project shall not be released nor shall expenditures be incurred until cash is available to support the budget. In accordance with the City of San Diego Charter [Article VII, Section 84], appropriations for CIP projects that are not completed within the fiscal year shall continue until the project is completed or abandoned. CIP projects, however, shall be reviewed periodically to identify projects that are not progressing and funds available for reprogramming.

The development of the annual CIP budget shall be based upon the adopted General Plan, community plans, service level priorities of City departments, condition assessments, and community input. Furthermore, the annual CIP budget shall comply with City Council's Prioritizing CIP Projects Policy (No. 800-14), which requires that project ranking be used to make funding recommendations; City Council's CIP Transparency Policy (No. 000-31), which requires that information related to the execution of the CIP remains transparent and easily accessible to stakeholders and members of the public; and City Council's Neighborhood Input on Infrastructure Needs and Priorities Policy (No. 000-32), which describes the process for neighborhood input on infrastructure needs. Finally, estimated future impacts on operating budgets shall be provided for all capital improvement projects seeking approval by City Council and shall be included in the Five-Year Financial Outlook.

Basis of Budgeting

The City's budgets for Governmental Funds, such as the General Fund, Debt Service Funds, Special Revenue Funds, and Capital Project Funds shall be prepared based on the modified accrual basis of accounting (revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period in which the fund liability is incurred) except that the increase/decrease in reserve for advances and deposits to other funds and agencies shall be considered as additions/deductions of expenditures.

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The budget for the City's Proprietary Funds, which are comprised of Enterprise Funds and Internal Service Funds, shall also be prepared on the modified accrual basis of accounting with the exception that revenues are recognized when they are earned.

The City's budget shall exclude unrealized gains or losses resulting from the change in fair value of investments and proceeds from capital leases. These calculations are performed solely for financial statement reporting purposes to be in compliance with Generally Accepted Accounting Principles (GAAP).

Inclusion and Disclosure of Budgeted Funds

The City's budget shall be detailed in a comprehensive document that includes all General Fund activities and projects. The budget document shall include the General Fund, as well as Enterprise, Debt Service, Internal Service, Capital Project, and Special Revenue Funds, and the Capital Improvements Program so that the resources of the City can be viewed comprehensively for decision making.

Any departments or funds with positions shall be budgeted. Departments or funds included in the budget document shall budget at the funds center, the lowest level of the organizational structure.

BUDGET EXECUTION AND CONTROLS

Budgetary Control

Budgetary control is established at the highest level by the City Charter. The City Council may authorize the transfer of all or part of an unencumbered balance of an appropriation in those cases where the funding for a current year's programmatic activity has proved to be insufficient. The City Council may not, however, exercise authority to transfer salary account funding to any other purpose, except in the event of a public emergency where such a transfer would ensure the safety of the lives and property of the residents of the City of San Diego, as mandated in the City's Charter [Article VII, Section 73]. The City's Charter [Article VII, Section 84] requires that any unencumbered balance of an appropriation at the close of the fiscal year, except retirement and certain trust funds, revert to the fund from which appropriated; however, appropriations for expenditures for improvements or other work which will not be completed within the year, such as capital improvement projects, shall be continued until the purpose for which the appropriation was made has been accomplished or abandoned.

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Budgetary control is further defined by the City Council in the Appropriation Ordinance (AO). The AO shall include the necessary budget delegation to the Mayor in order to carry out the business of the City. No department, fund or project, regardless of funding source, shall expend an amount in excess of its appropriations unless revised as authorized in the AO or through an adopted City Council Resolution as stated in the AO. The City Council approves amendments to the budget throughout the fiscal year through actions brought to the City Council at the request or recommendation of the Mayor or independent department heads, as required by the City's Charter [Article VII, Section 73] and [Article XV, Section 275]. Revenues received in excess of the original amount estimated as part of the adopted budget shall not be expended without prior approval granted through the AO or an adopted City Council Resolution. In accordance with the requirements of the City Charter, the AO shall detail the operating appropriations in two categories: 1) salaries and wages and 2) fringe benefits and non-personnel expenses (NPE). It also shall detail the CIP appropriations at the project level. The level of detail shall be presented in the following ways depending on funding type:

- General Fund appropriations are summarized by department
- Non-general fund appropriations are displayed by fund and grouped by fund type
- Capital Improvements Program (CIP) appropriations are displayed by project

Financial Reporting and Monitoring

On a monthly basis, the City Comptroller shall submit to the Mayor and to the City Council a summary statement of revenues and expenses for the preceding accounting period and the status of appropriations in comparison to actuals, in order to detail the financial condition of the City as mandated by the City's Charter [Article V, Section 39] and [Article VII, Section 89]. These reports are known as Charter 39 Reports.

The Financial Management Department shall oversee the City's budget and execute its budget monitoring responsibilities through the analysis of revenues and expenditures for operating funds included in the annual AO. This analysis shall identify any significant variances between budgeted and projected revenues and expenditures and provide relevant information to maintain budgetary control and balance. Departmental revenue and expenditure activity shall be monitored at least quarterly and presented to the Budget and Government Efficiency Committee and City Council at least three times a year. The Independent Budget Analyst shall review these quarterly reports and may provide recommendations for City Council consideration.

The Financial Management Department shall prepare quarterly reports that include forecasts of annual revenues and expenditures based on actual results and knowledge of spending trends and operations. These reports shall explain significant revenue and expenditure variances and indicate trends that may require remediation.

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The Mid-Year Budget Monitoring Report shall present year-end projections of revenues and expenditures incorporating six months of actual results and anticipated spending trends for the remaining six months of the fiscal year. Accompanying the Mid-Year Budget Monitoring report shall be a budget amendment resolution as further described in the *Current Year Budget Variance Monitoring* section. The Year-End Budget Monitoring Report shall be released to the Council in late May in order to incorporate nine months of actual results in the analysis. The Year-End Budget Monitoring Report shall be released to the Council in advance of or on the same day as the Council's first public hearing on final budget decisions for the upcoming fiscal year. This will allow the Council to have the most recent information regarding current fiscal year revenues and expenditures compared to the City's budget prior to making final decisions on the budget for the upcoming fiscal year.

Current Year Budget Variance Monitoring

The Financial Management Department's quarterly budget monitoring process shall identify and address any projected budget variances. Unanticipated changes in revenue and/or expenditures may result in revenue and/or expenditures variances in the current year budget. As such, revenue and expenditure projections shall be conducted throughout the fiscal year in order to identify surpluses or any potential deficits that may require mitigation efforts authorized by City Council. Should these projections forecast a year-end deficit due to a decline in revenues and/or an increase in expenditures, alternative funding sources, budget reductions, or reallocations of funds among departments shall be identified to support the ongoing activities of the City. If departments are projected to exceed budget, Financial Management, in conjunction with the departments, shall develop remediation plans to reduce expenditures, including the deferral of hiring and major expenses for goods and services prior to seeking a budget amendment from City Council to expend unrestricted fund balance and/or reserves. If mitigations cannot be identified to offset the projected deficit, contingency plans that propose the use of the City's unrestricted fund balance and/or reserves consistent with the City Council's Reserve Policy (No. 100-20) shall be developed and presented to City Council as a means of maintaining the funding levels necessary for department operations.

In accordance with Municipal Code section 22.0229, Mid-Year Amendments to the Adopted General Fund Budget, the Mayor shall recommend a budget amendment resolution if the Mid-Year Budget Monitoring Report projects a surplus or deficit relative to the adopted General Fund budget. Further, City Council may modify this mid-year budget amendment in accordance with the City's Charter [Article XV, Section 290, Item (b)] and the Mid-Year Adjustments Ordinance (O-20084). When a deficit is projected in the Year-End Budget Monitoring Report, the report shall include recommendations for addressing the projected variance from the current budget for Council consideration. Further, when a surplus is projected, the City Council's Reserve Policy outlines the process for any use of surplus defined as spendable and unrestricted fund balance (Excess Equity).

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Performance Reporting and Monitoring

Each fiscal year, both the proposed and adopted budget documents shall contain performance data for prior year actual results, current year projected (current year actual for the adopted budget), and targets for the upcoming year. The Performance and Analytics Department shall manage the activities related to performance monitoring and reporting. Explanations shall be given for performance measures not meeting or trending toward performance targets.

Budget Actions

All budgetary adjustments shall be consistent with the authority provided in the AO. In addition, the Financial Management Department shall monitor the budget throughout the fiscal year through the review of requests for City Council and Mayoral Actions that affect either the operating or CIP budgets. The Independent Budget Analyst may review any Council actions and provide an independent recommendation to City Council. Additionally, during the course of the fiscal year, it may be necessary to execute budgetary reprogramming in order to balance expenditures against the appropriate revenues. This shall be achieved through Council-approved Ordinances or Resolutions and may result from recommendations made in the quarterly monitoring reports and/or other departmental requests for City Council action.

Encumbrances

Operating departments shall only encumber funds that will be spent in the current fiscal year. Departments shall review encumbrances throughout the year and request to close all operating encumbrances prior to the end of the fiscal year.

Exceptions to this policy shall be considered at year-end for encumbrances related to major, non-recurring projects or contractual obligations such as consultant services or studies for which work has begun and the project or deliverable remains a priority but will not be completed until a subsequent fiscal year. In these cases, the operating departments shall work with the City Comptroller's Office to ensure that encumbrances are funded with the upcoming fiscal year's budget.

Encumbrances remaining in capital improvement projects at year-end shall be carried forward into subsequent fiscal years until project completion or cancellation.

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REVENUE POLICIES

General Revenue Policies

General Fund revenues shall not be earmarked for any particular purpose, unless required by law or Generally Accepted Accounting Principles (GAAP). Revenues shall be deposited in the General Fund and appropriated during the budget process or by a separate City Council action. All revenue forecasts shall be well supported by objective external research and internal forecasting methods. All of the City's Enterprise Funds such as Water, Sewer, Development Services, Airports, Golf Course, Refuse Disposal, and Recycling shall be fully self-supporting from revenues generated by rates, fees, and charges.

One-Time Revenues

The City of San Diego shall use one-time revenues such as grants, tax windfall, or unrestricted fund balances to pay for one-time expenditures. Furthermore, ongoing expenditures shall be funded by ongoing revenues. When new and ongoing program expenditures are added to the budget, an ongoing revenue source such as an increase in existing revenues or a new revenue source shall be identified to fully support the cost of the program.

User Fees

Revenues derived from user fees shall follow the guidelines laid out in the City Council's User Fee Policy (No. 100-05).

Economic Indicators

The City of San Diego has four major sources of General Fund revenue—property tax, sales tax, transient occupancy tax, and franchise fees—all of which are affected by changes in the local, State, or national economies. Economic data shall be evaluated from multiple sources to analyze short- and long-term revenue trends. A variety of indicators shall be considered such as housing market trends, interest rates, tourism industry, retail sales, unemployment rates, consumer confidence measures, the Consumer Price Index (CPI), and others.

Short-Term Revenue Projections

The short-term revenue projections shall be based on the current economic conditions, legislation, and fiscal policy changes. The current economic indicators will assist in developing the growth rate for each major revenue category. Short-term revenue projections shall support budgetary and policy decisions for the current and upcoming fiscal year.

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Long-Term Revenue Projections

The City's long-term revenue forecasting used for the Outlook shall be based on the analysis of the historical revenue trends for each individual revenue source. The historical trend analysis shall include, at minimum, a ten-year performance history for each major revenue. In addition to the historical trend analysis and review of current economic conditions, the City shall consider potential legislative changes when forecasting the major revenue growth rates.

Legislative and Policy Analysis

The Financial Management Department, in conjunction with the Office of the Mayor, shall monitor all relevant federal and State legislation and policies that may affect City revenues and adjust revenue projections as indicated to ensure that reasonable revenue projections are maintained.

EXPENDITURE POLICIES

General Expenditure Policies

The annual budget process shall weigh all competing requests for City resources within expected fiscal constraints. Requests for new operating expenditures made outside the annual budget process shall be discouraged. New initiatives shall be financed by reallocating existing City resources to programs and services with the highest priorities or through new revenue sources.

Pension Obligations

The City's budget shall include the amounts to fully fund the Actuarially Determined Contribution (ADC) as determined by the San Diego City Employees' Retirement System (SDCERS) Board and the estimated expenses related to defined contribution requirements. The Governmental Accounting Standards Board (GASB) requires the disclosure of the actuarial information to determine if assets are sufficient to pay benefits when they become due. Budgeting the full ADC for the City's Retirement System is critical for the long-term fiscal health and stability of the City's pension system.

Retiree Healthcare Obligations

Funding of retiree health or Other Post-Employment Benefits (OPEB) shall be a priority of the City through the annual budget. Payment of the full OPEB ARC is not legally required; however, disclosure of the Net Other Post-Employment Benefits Obligation (NOPEBO) liability is required, in accordance with GASB Statement 45, in the City's Comprehensive Annual Financial Report (CAFR). The City's budget shall include the amount required per existing labor agreements and the estimated expenses related to defined contribution requirements.

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Budgeted Positions

All City positions shall be budgeted. Grant funded positions shall be budgeted as limited positions. Positions that are funded through grant resources are authorized as long as grant funding is available. Upon the termination of grant funding, the positions funded under the respective grant shall be eliminated from the budget.

Labor Agreements

The City's budget shall include compensation and benefit increases in accordance with the Memorandums of Understanding (MOUs) between the City and its respective collective bargaining units.

CONCLUSION:

These Budget Policies outline the City of San Diego's guidelines for budgetary decision-making and set a standard for sound budgetary practice and fiscal performance.

Adhering to an adopted set of Budget Policies provides a framework for consistent and transparent budgeting that is fiscally responsible. These policies were drafted to include recommended budget practices asserted by the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB). These policies shall be reviewed on a regular basis in order to ensure that the policies reflect the highest standards of fiscal management and the City's budgetary goals.

The City of San Diego's Budget Policies set forth protocols and best practices regarding operating and capital budgets, budgetary controls, and revenue and expenditure policies that result in the legal establishment, timely execution, and effective monitoring of the City's budget.

HISTORY:

“Public Attendance at Council Conference”

Adopted by Resolution R-169942 - 03/15/1962

Amended by Resolution R-192542 - 01/04/1968

Repealed by Ordinance O-11254 - 02/28/1974

“Budget Process”

Adopted by Resolution R-278661 - 09/16/1991

Retitled to “Budget Policy”

Amended by Resolution R-305348 - 11/12/2009

and Revised - 03/05/2010

Amended by Resolution R-306219 - 11/01/2010

Amended by Resolution R-309411 – 12/17/2014