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MAYOR JERRY SANDERS **FACT SHEET**

MAYOR SANDERS RELEASES CITY'S FIRST STRUCTURALLY-BALANCED BUDGET IN DECADES *Will Leave Next Mayor \$119 Million Surplus Over Next Five Years*

Mayor Jerry Sanders today released his 7th and final budget – the city's first structurally-balanced budget in decades – one that includes a projected \$119 million in surplus funds over the next five years.

“When we took office, the situation at City Hall was quite bleak, as we all remember,” said Mayor Sanders. “But we went to work – and put in place a game plan to get this city turned around.”

The Mayor's proposed spending plan includes funding to continue the service restorations he announced in February, including the addition of five more operating hours at each of the city's 35 branch libraries and 55 recreation centers.

The city's healthy financial picture was achieved through a combination of money-saving reforms such as managed completion, reductions in personnel and a modest recovery of tax revenue.

“We could have continued to put off our day of reckoning to another time, for another mayor or another council to handle, but we didn't,” said Sanders

“Instead, we made the reforms we had to – the streamlining of nearly every city department, managed competition, information technology, the merging of departments, and of course the reform of our retiree healthcare system, collectively producing millions in savings that can instead be used for vital public services,” he said.

This budget puts San Diego in a significantly better financial position than California’s other big cities:

- Los Angeles is facing a deficit of \$222 million this year
- San Francisco is staring at a \$229 million shortfall – a \$364 million gap the following year

“All told, we will leave the next mayor with a combined surplus of nearly \$120 million over the next five years,” said Sanders. “That’s money that can be used for more library hours and to hire more police officers and firefighters.”

• Year	Surplus
• FY 13	\$0
• FY 14	\$2 million
• FY 15	\$11 million
• FY 16	\$39 million
• FY 17	<u>\$67 million</u>
<i>Total:</i> \$119 million	

Despite the city’s significant progress, Mayor Sanders pledged to continue working to improve San Diego. For example, he noted that the city was nearing completion of one of the largest repaving projects in city history – 112 miles of road. On Monday, the City Council approved the Mayor’s recommendation to spend \$30 million more to resurface an additional 60 miles of road, bringing the total miles resurfaced as part of this project to 172.

“Given that the city resurfaced only 7 miles of road in the year before I took office, I think we can safely say we are miles ahead from where we once were.”

Thanks to the Mayor’s Capital Improvement Project (CIP) streamlining plan, approved by the city council last month, infrastructure projects like street resurfacing and storm drain replacement will get off the ground faster than before. The Mayor’s plan trims between three and 12 months off the lifecycle of projects by replacing the need for Council action at different stages.

Sanders noted that the budget also includes funding to increase the city’s reserve levels to 11 percent – a far cry from the 2 percent he started with in 2005.

This is the city’s first paperless budget, which will save the city approximately \$25,000. The budget will be available on CD and, as usual, on the city’s website, www.sandiego.gov.

Sanders thanked his budget team, especially Chief Operating Officer Jay Goldstone, for their efforts to right-size the city’s finances. He also thanked the City Council for being a partner.

“We’re not done yet -- not by a long shot,” said Sanders. “We’re going to keep at it until the very last day – reforming, retooling and restoring city services.”

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