

FISCAL YEAR 2018

Budget Process



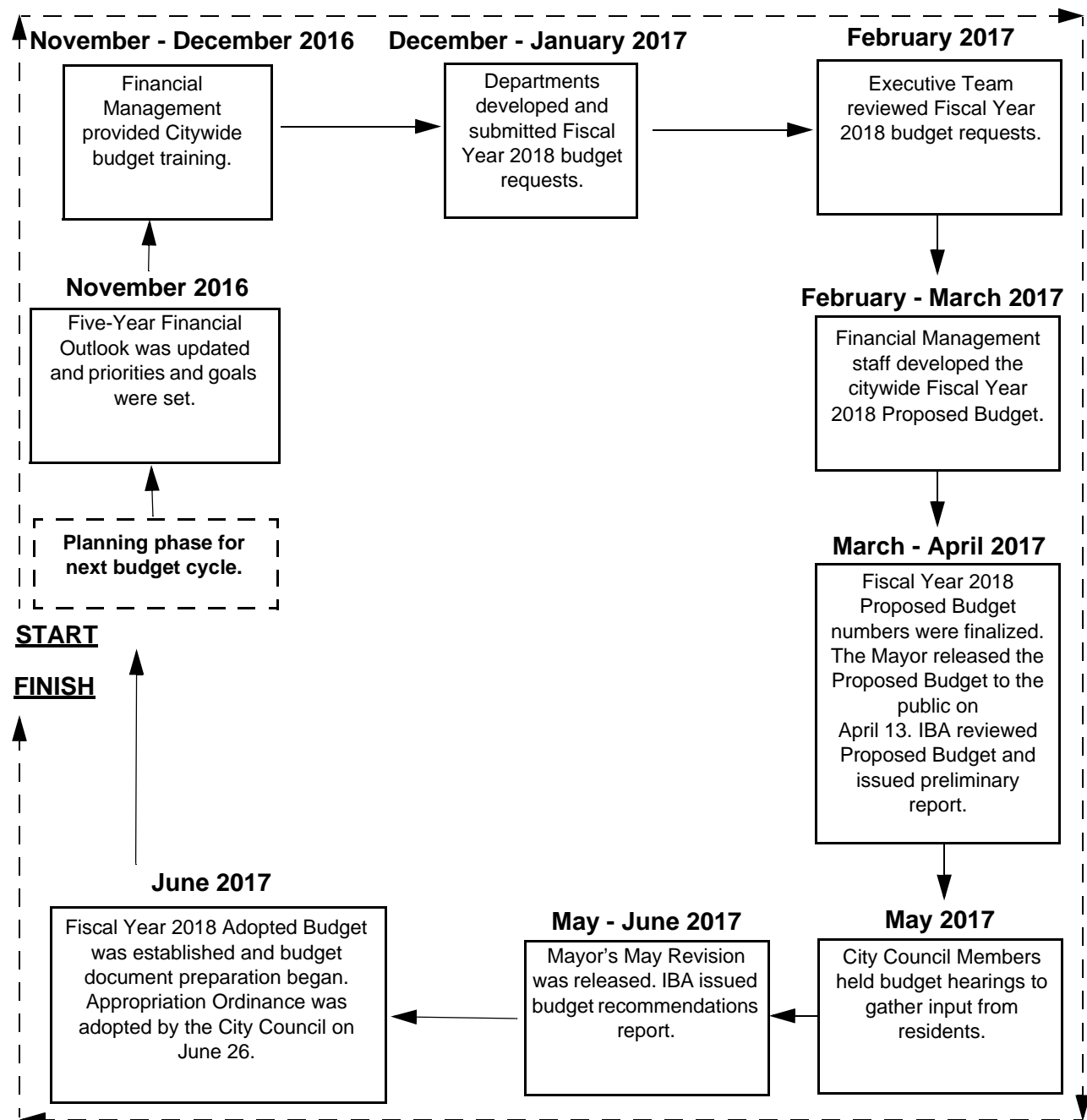
The City of
SAN DIEGO

ADOPTED BUDGET

MAYOR KEVIN L. FAULCONER

Budget Process

The City of San Diego's operating budget is created in conjunction with the Mayor, City Council, City departments and public input. The budget process considers the fiscal and policy goals for the upcoming fiscal year, while following a timeline for budget publication codified within the City of San Diego's Charter. This section provides an overview of the annual workflow and the specific processes that contribute to producing the City's budget for Fiscal Year 2018. The chart below summarizes the process, and more detailed descriptions of key points are listed on the following pages.



Budget Process

The Budget Process consists of three main phases: Budget Development, Budget Review, and Budget Adoption.

Budget Development

November 2016: Fiscal Planning

The Five-Year Financial Outlook for Fiscal Years 2018 through 2022 was released on November 9, 2016 and served as the framework for the development of the Fiscal Year 2018 Proposed Budget by incorporating a variety of economic assumptions and priority initiative expenditure requirements into the budget document.

November - December 2016: Citywide Budget Development Training

Budget development training on the budgeting system and the current budget process was provided to all City departments. At these trainings, guidance and expectations were provided to department representatives for developing budget requests within the goals and priorities established for the Fiscal Year 2018 Proposed Budget.

December 2016 - January 2017: Budget Submission

Departments developed and submitted proposed budget requests for the coming fiscal year. Financial Management staff analyzed budget submissions and prepared a summary of changes and adjustment recommendations for discussion at the Executive Budget Reviews (EBRs).

February 2017: Budget Meetings

The EBRs took place throughout the month of February. In these meetings, Department Directors and department support staff met with the Chief Operating Officer, Assistant Chief Operating Officer, Chief Financial Officer, Deputy Chief Operating Officers, and the Financial Management Director to discuss strategic priorities. City Management reviewed the departments' budget proposals and ensured that requests were aligned with the City's fiscal policies.

February - March 2017: Budget Development

Based on information provided by management, Financial Management staff began the development of the Proposed Budget. During the development of the budget, General Fund revenues were balanced with expenditures and adjustments were made to keep the budget in line with the City's fiscal policies and priorities.

Budget Process

March - April 2017: Proposed Budget Finalized

In March, General Fund expenditures and revenues were balanced, along with changes to the non-general funds and capital improvement projects, and the Fiscal Year 2018 Proposed Budget numbers were finalized. The budget document was then created during the month of March and the beginning of April. The Mayor released the Fiscal Year 2018 Proposed Budget to the public on April 13, 2017 in compliance with the City of San Diego Charter [Article VII, Section 69, Item (c)]. The Mayor presented the Proposed Budget to the City Council on April 17, 2017. The Office of the Independent Budget Analyst (IBA) reviewed the Fiscal Year 2018 Proposed Budget and issued a preliminary report on April 28, 2017.

Budget Review

May 2017: City Council Budget Hearings

During the month of May, the City Council held a series of public budget hearings to obtain input from San Diego residents on spending priorities. Council members used the information received at these hearings to develop the districts' priorities and to recommend changes to the Fiscal Year 2018 Proposed Budget.

May - June 2017: Mayor's/IBA Recommended Revision Reports

On May 16, 2017, the Mayor's May Revision to the Fiscal Year 2018 Proposed Budget was released. In this report, the Mayor recommended changes to the budget based on up-to-date policy-related issues and revised Fiscal Year 2017 year-end expenditures and revenue projections. On May 30, 2017, the IBA issued a report of budget recommendations to the City Council based on the allocations in the Fiscal Year 2018 Proposed Budget and the Mayor's May Revision Report.

Budget Adoption

May - June 2017: Adopted Budget

On May 18, 2017, the Budget Review Committee began their review of the Mayor's May Revision and the Year-End Budget Monitoring Report. On June 5, 2017, City Council modified and approved the final budget. On June 9, 2017, the Mayor line-item vetoed and modified the final budget. On June 13, 2017, the City Council failed to override the Mayor's veto of the budget approved by the City Council on June 5, 2017, resulting in the budget, as vetoed by the Mayor on June 9, 2017, becoming the approved Fiscal Year 2018 Budget.

June 2017: Adopted Budget Finalized

At the end of June, the final changes to the Fiscal Year 2018 budget were implemented. Once these changes were made, the Fiscal Year 2018 Adopted Budget was completed. The Change Letter was created to summarize the May Revision and Council Action changes to the Fiscal Year 2018 Proposed Budget by fund and department.

Budget Process

June 2017: Appropriation Ordinance

On June 21, 2017, the Fiscal Year 2018 Appropriation Ordinance was presented to the Budget and Government Efficiency Committee. On June 26, 2017, the Appropriation Ordinance was presented and adopted by the City Council, codifying the Fiscal Year 2018 Adopted Budget into law.