

FISCAL YEAR 2018

General Fund Expenditures



The City of
SAN DIEGO

ADOPTED BUDGET

MAYOR KEVIN L. FAULCONER

General Fund Expenditures

The Fiscal Year 2018 Adopted Budget for General Fund expenditures is \$1.43 billion, which represents an increase of \$95.8 million or 7.2 percent from the Fiscal Year 2017 Adopted Budget. **Table 1** represents the expenditure change in the General Fund from Fiscal Year 2016 to Fiscal Year 2018.

Table 1: General Fund Expenditure Summary Fiscal Years 2016 - 2018

	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Adopted Budget
Total General Fund Budget	1,306,613,275	1,337,981,387	1,433,823,658
Percent Change from Previous Year		2.4%	7.2%

Table 2 displays each of the personnel and non-personnel expenditure categories in the General Fund and includes the Fiscal Year 2016 Actual and Fiscal Year 2017 Adopted Budget, compared to the Fiscal Year 2018 Adopted Budget.

Table 2: Fiscal Year 2018 General Fund Expenditures (in millions)

Expenditure Category	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Adopted Budget	FY 2017 - FY 2018 Change	Percent Change
PERSONNEL					
Personnel Cost	\$ 518.3	\$ 534.5	\$ 547.1	12.5	2.3%
Fringe Benefits	363.0	376.9	438.4	61.4	16.3%
PERSONNEL SUBTOTAL	881.3	911.5	985.4	74.0	8.1%
NON-PERSONNEL					
Supplies	32.1	35.9	34.7	(1.2)	(3.2)%
Contracts	229.3	240.2	244.6	4.4	1.8%
Information Technology	24.2	28.8	31.8	3.0	10.5%
Energy and Utilities	37.9	46.9	43.4	(3.5)	(7.5)%
Other	5.1	5.3	5.7	0.4	6.9%
Transfers Out	88.5	61.4	81.2	19.9	32.3%
Capital Expenditures	2.2	3.5	1.6	(1.9)	(55.2)%
Debt	5.9	4.6	5.4	0.8	18.4%
NON-PERSONNEL SUBTOTAL	425.3	426.5	448.4	21.9	5.1%
Total General Fund	\$ 1,306.6	\$ 1,338.0	\$ 1,433.8	95.8	7.2%

A discussion of the major changes within each of the expenditure categories is provided below, followed by detailed descriptions of significant budget adjustments in the General Fund.

Personnel Cost

The General Fund Fiscal Year 2018 Adopted Budget includes a total of \$547.1 million for salaries and wages, which reflects a net increase of \$12.5 million or 2.3 percent from the Fiscal Year 2017 Adopted Budget. This increase is primarily due to increases in salaries of \$4.8 million, overtime of \$8.1 million, and \$710,625 due to a lower estimated vacancy savings, offset by a reduction in hourly wages of \$851,920.

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The Fiscal Year 2018 Adopted Budget, includes the addition of 77.86 FTE positions for staffing of new facilities in the Park and Recreation and Fire-Rescue Departments anticipated to become operational during Fiscal Year 2018, public safety communications, Community Development Block Grant reinvestment initiatives, short term rental transient occupancy tax compliance, consolidation of Human Resources services, litigation support, administration and enforcement of the Earned Sick Leave and Minimum Wage ordinance, internal controls support, and supplemental positions in the Police Department. Offsetting the additional positions is a reduction of 81.12 FTE positions. These position changes are described in detail later in this section. In total the Fiscal Year 2018 Adopted Budget, General Fund positions decreased by a net 3.26 FTE positions or 0.0 percent from the Fiscal Year 2017 Adopted Budget. **Table 3** shows the change in the number of budgeted positions in the General Fund over the last three fiscal years.

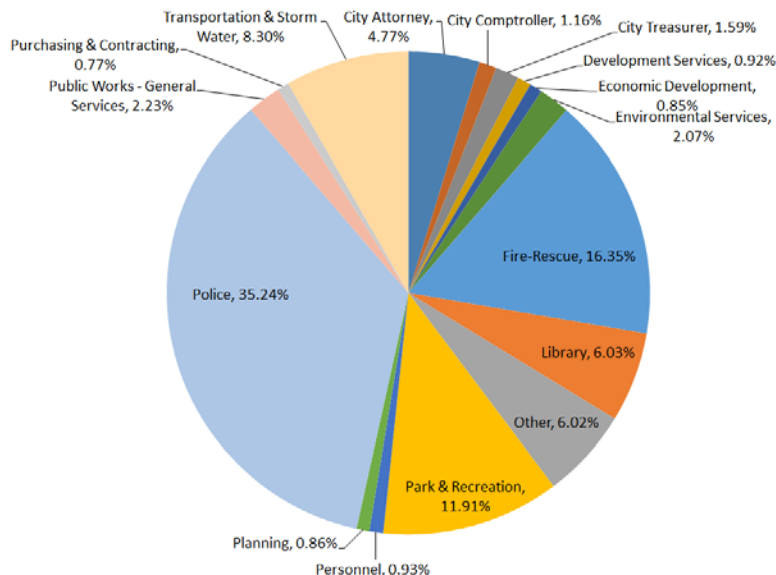
Table 3: General Fund FTE Position Summary Fiscal Years 2016 - 2018

	FY 2016 Adopted Budget	FY 2017 Adopted Budget	FY 2018 Adopted Budget
Total General Fund Budgeted FTE Positions	7,299.48	7,530.69	7,527.43
Percent Change from Previous Year		3.2%	(0.0)%

Further details on position changes in the General Fund are reflected in *Attachment A - Fiscal Year 2018 Changes in Full-time Equivalent (FTE) Positions* in the Appendix.

Figure 1 summarizes the Fiscal Year 2018 Adopted General Fund FTE positions by department. Only those departments with over 50.00 FTE budgeted positions are displayed. All other General Fund departments are combined under the Other category. Details on the budgeted FTE positions in the General Fund are included in the Financial Summary and Schedules section of this Volume.

Figure 1: Fiscal Year 2018 Adopted General Fund FTE Positions by Department



Note: The Other category includes: City Auditor, City Clerk, City Council, Communications, Debt Management, Ethics Commission, Financial Management, Human Resources, Infrastructure/Public Works, Internal Operations, Neighborhood Services, Office of Homeland Security, Office of the Assistant COO, Office of the Chief Financial Officer, Office of the Chief Operating Officer, Office of the IBA, Office of the Mayor, Performance & Analytics, Public Works - Contracts, Real Estate Assets.

General Fund Expenditures

As displayed in **Figure 1** above, the Police Department and the Fire-Rescue Department account for approximately 51.6 percent of the total budgeted positions in the General Fund for Fiscal Year 2018.

Fringe Benefits

The General Fund Fiscal Year 2018 Adopted Budget includes fringe benefit expenditures total \$438.4 million, which reflects a net increase of \$61.4 million or 16.3 percent from the Fiscal Year 2017 Adopted Budget. This net increase is primarily due to adjustments in the following fringe benefits:

- \$45.2 million in San Diego City Employees' Retirement System Actuarially Determined Contribution to the pension system due to new demographic assumptions, investment loss, discount and inflation rate reduction, and liability experience loss; and
- \$16.7 million in flexible benefit allotments resulting from non-pensionable benefit increases outlined in labor agreements between the City and the six Recognized Employee Organizations;

Offsetting these increases are decreases in the following fringe benefits:

- \$2.4 million in Workers' Compensation due to the use of excess workers' compensation reserves; and
- \$1.4 million in Long-Term Disability due to the use of excess long-term disability reserves.

Table 4 shows the change in fringe benefits in the General Fund from the Fiscal Year 2017 Adopted Budget by fringe type.

Table 4: Fiscal Year 2018 General Fund Fringe Benefits by Fringe Type

Fringe Type	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Adopted Budget	FY 2017 - FY 2018 Change	Percent Change
Fixed					
Long-Term Disability	\$ 1,411,701	\$ 1,423,479	\$ -	\$ (1,423,479)	-100%
Retiree Health/Other Post-Employment Benefits	39,807,109	39,934,492	40,894,411	959,919	2.4%
Retirement ADC ¹	188,047,040	191,183,089	236,395,172	45,212,083	23.6%
Risk Management Administration	6,766,708	6,900,081	6,889,539	(10,542)	-0.2%
Unemployment Insurance	807,085	814,425	812,473	(1,952)	-0.2%
Workers' Compensation	28,254,946	24,714,656	22,351,788	(2,362,868)	-9.6%
Fixed Subtotal	265,094,590	264,970,222	307,343,383	42,373,161	16.0%
Variable					
Employee Offset Savings	6,942,864	6,402,368	6,028,253	(374,115)	-5.8%
Flexible Benefits	66,198,557	79,934,536	96,617,481	16,682,945	20.9%
Medicare	7,404,884	6,429,486	7,100,854	671,368	10.4%
Retiree Medical Trust	174,828	728,527	785,761	57,234	7.9%

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Table 4: Fiscal Year 2018 General Fund Fringe Benefits by Fringe Type

Fringe Type	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Adopted Budget	FY 2017 - FY 2018 Change	Percent Change
Retirement 401 Plan	214,372	210,160	212,743	2,583	1.2%
Retirement DROP	1,748,724	1,739,900	1,786,545	46,645	2.7%
Supplemental Pension Savings Plan	15,266,594	16,516,179	18,490,685	1,974,506	12.0%
Variable Subtotal	97,950,643	111,961,156	131,022,322	19,061,166	17.0%
Fringe Benefits	\$ 363,045,234	\$ 376,931,378	\$ 438,365,705	\$ 61,434,327	16.3%

¹ Based on actuarial valuation prepared for SDCERS by Cheiron as of June 30, 2016

For a detailed discussion on fringe benefits, refer to the Citywide Budget Overview section of this Volume.

Supplies

The Supplies category includes costs for office supplies, books, tools, uniforms, safety supplies, and building and electrical materials, among others. The Supplies category for the Fiscal Year 2018 Adopted Budget totals \$34.7 million, a decrease of \$1.2 million or 3.2 percent from the Fiscal Year 2017 Adopted Budget. This net decrease is primarily due to adjustments in the following departments:

- Reduction of \$544,485 in the Fire-Rescue Department associated with the continuation of one Fire Academy with twenty-four (24) participants;
- Reduction of \$355,598 in the Public Works Department based on estimated savings in building materials;
- Removal of one-time expenditures budgeted in Fiscal Year 2017 of \$4.0 million for recruitment and retention initiatives in the Police Department; and
- Removal of one-time expenditures budgeted in Fiscal Year 2017 of \$1.1 million due to tenant improvements and office relocation expenditures in the Real Estate Assets Department.

Offsetting these decreases are the following:

- \$4.6 million in the Police Department of \$4.0 million for Police Officer recruitment and retention initiatives, \$400,000 for the testing of sexual-assault kits, and \$200,000 for the operational support related to the implementation of AB 953, the Racial and Identity Profiling Act of 2015.

Contracts

The Contracts category includes the cost of legal fees, insurance, refuse disposal fees, fleet vehicle usage and assignment fees, rent expenses, and other contractual expenses. The Contracts category for the Fiscal Year 2018 Adopted Budget totals \$244.6 million, an increase of \$4.4 million or 1.8 percent from the Fiscal Year 2017 Adopted Budget. This net increase is primarily due to the following adjustments:

- \$10.9 million in the Citywide Program Expenditures Department of \$5.0 million for special elections, \$4.3 million for funding public liability claims and insurance premiums, \$999,968 for animal services provided by the County of San Diego; \$500,000 for a Police Officer

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recruitment and retention study and marketing plan; and \$100,000 for a Police Chief executive recruitment services.

- \$1.1 million in the Economic Development Department for the San Diego Housing Commission's Homeless Prevention and Diversion Program;
- \$800,000 in the Environmental Services Department to support a littering and graffiti abatement pilot program; and
- \$413,000 in the Police Department to support the maintenance of Police Department facilities.

Offsetting these increases are decreases in the following departments:

- \$3.3 million in the Economic Development Department due to a transfer to the Successor Agency Administration and Project - CivicSD Fund to improve budgeting and oversight of Successor Agency activities performed by Civic San Diego on behalf of the City; and
- \$1.1 million in the Transportation & Storm Water Department for channel and environmental consultant services; and
- Removal of one-time expenditures budgeted in Fiscal Year 2017 of \$4.5 million primarily related to support for flood risk and storm water quality improvements.

Information Technology

The Information Technology category includes the costs related to hardware and software maintenance, help desk support, and other information technology (IT) services. The Information Technology category for the Fiscal Year 2018 Adopted Budget totals \$31.8 million, an increase of \$3.0 million or 10.5 percent from the Fiscal Year 2017 Adopted Budget. The primary reason for this net increase is due to \$3.5 million for transition costs related to new service providers for network and desktop services.

Energy and Utilities

The Energy and Utilities category includes the cost for electricity, fuel, gas, and other utility and energy expenses. The Energy and Utilities category for the Fiscal Year 2018 Adopted Budget totals \$43.4 million, a decrease of \$3.5 million or 7.5 percent from the Fiscal Year 2017 Adopted Budget. This net decrease includes the reduction of:

- \$1.2 million related to fleet fuel costs which includes an offsetting adjustment of \$389,720 in multiple General Fund Departments due to an increase in gas and diesel fuel related to the approval of Senate Bill 1;
- \$1.0 million in electric services due to a projected decrease in consumption resulting from efficiencies; and
- \$872,558 related to a projected decrease in water usage as a result of conservation efforts.

Other

The Other category includes miscellaneous expenditures that do not fall under one of the other expenditure categories. The Fiscal Year 2018 Adopted Budget for the Other category totals \$5.7 million, an increase of \$363,931 or 6.9 percent from the Fiscal Year 2017 Adopted Budget. This net increase is primarily due to an addition of \$520,000 in the Fire-Rescue Department associated with the replacement of self-contained breathing apparatus (SCBA) equipment.

General Fund Expenditures

Transfers Out

The Transfers Out category includes transfers of funding between City funds, including the allocation of funds to City reserves and transfers of funding for annual debt service payments for outstanding bonds. The Transfers Out category for the Fiscal Year 2018 Adopted Budget totals \$81.2 million, an increase of \$19.9 million or 32.3 percent from the Fiscal Year 2017 Adopted Budget. This net increase is primarily attributed to the following adjustments in Citywide Program Expenditures Department:

- \$17.8 million in the newly created Infrastructure Fund as a result of implementing Charter Section 77.1;
- \$17.4 million related to the contribution to the General Fund Reserve to meet the Fiscal Year 2018 policy target level of 15 percent and pre-fund Fiscal Year 2019 target level of 15.25 percent;
- \$4.2 million for the one-time contribution to the Commission for Arts and Culture Allocation;
- \$3.1 million related to the contribution to the Public Liability Fund Reserve;
- Reduction of \$4.0 million in General Fund deferred capital bond (DC2A) debt service expense due to a transfer of the Fiscal Year 2018 payment to the Capital Outlay Fund; and
- Removal of one-time expenditures budgeted in Fiscal Year 2017 of \$12.0 million related to transfers to the CIP.

Capital Expenditures

The Capital Expenditures category for the Fiscal Year 2018 Adopted Budget totals \$1.6 million, a decrease of \$1.9 million or 55.2 percent from the Fiscal Year 2017 Adopted Budget. This net decrease is primarily attributed to the removal of one-time expenditures included in Fiscal Year 2017 for equipment and vehicle purchases.

Debt

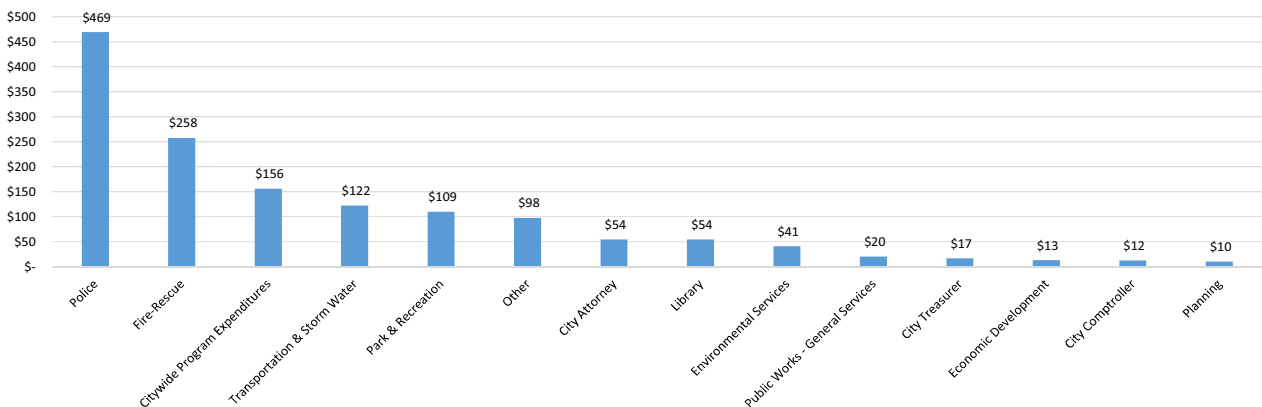
The Debt category for the Fiscal Year 2018 Adopted Budget totals \$5.4 million, an increase of \$845,797 or 18.4 percent from the Fiscal Year 2017 Adopted Budget. This net increase is primarily due to debt service payments related to: Computer Aided Dispatch (CAD), Infrastructure Asset Management (IAM) system, and Accela Project Tracking system.

General Fund Departments

Figure 2 summarizes the Fiscal Year 2018 Adopted General Fund budgeted expenses by department. Only those departments with a total General Fund expenditure budget of over \$10.0 million are displayed. All other General Fund departments are combined in the Other category. For a complete review of expenditures by department in the General Fund, refer to the Financial Summary and Schedules section of this Volume.

General Fund Expenditures

Figure 2: Fiscal Year 2018 Adopted General Fund Expenditures by Department (in millions)



Note: The Other category includes: City Auditor, City Clerk, City Council, Communications, Debt Management, Department of Information Technology, Development Services, Ethics Commission, Financial Management, Human Resources, Infrastructure/Public Works, Internal Operations, Neighborhood Services, Office of Homeland Security, Office of the Assistant COO, Office of the Chief Financial Officer, Office of the Chief Operating Officer, Office of the IBA, Office of the Mayor, Performance & Analytics, Personnel, Public Utilities, Public Works - Contracting, Purchasing & Contracting, and Real Estate Assets.

Significant Budget Adjustments

On November 9, 2016, the Mayor released the Fiscal Year 2018-2022 Five-Year Financial Outlook (Outlook), which projected expenditures exceeding revenue by \$36.9 million in Fiscal Year 2018 for the General Fund. Following the release of the Outlook, the estimated Actuarially Determined Contribution (ADC) of \$227.9 million was increased to \$236.4 million, increasing the projected budget imbalance in the General Fund to approximately \$45.4 million. Consistent with the Outlook, the Fiscal Year 2018 Adopted Budget reflects expenditures outpacing revenue growth, primarily due to increases in the City's Actuarially Determined Contribution (ADC) to the pension system and a new City Charter requirement to dedicate funding to the Infrastructure Fund, as well as funding for critical strategic expenditures.

In order to reduce expenditures to balance the budget, departments were required to submit budget reduction proposals focusing on operational efficiencies where the overall impact to services provided to residents would be minimal.

To follow is a summary of critical strategic expenditures and budget reductions reflected in the Fiscal Year 2018 Adopted Budget.

Critical Strategic Expenditures

City Attorney

Funding for the Office of the City Attorney

The Fiscal Year 2018 Adopted Budget includes the addition of \$500,000 in one-time non-personnel expenditures in the Office of the City Attorney in support of Mayor and City Council priorities such as homelessness issues, Climate Action Plan initiatives, and labor issues.

Domestic Violence Unit

The Fiscal Year 2018 Adopted Budget includes the addition of 2.00 Deputy City Attorneys and

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expenditures of \$288,702 in the Criminal Division to support the Domestic Violence unit. These positions will expand resources to review and investigate incidents.

Neighborhood Prosecution Unit

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Deputy City Attorney and expenditures of \$144,353 in the Community Justice Division to support the Neighborhood Prosecution Unit. This position will support public safety by assigning prosecutors to work directly with the Police Department.

SMART Program Staffing

The Fiscal Year 2018 Adopted Budget includes funding for 1.00 Program Manager currently supporting the San Diego Misdemeanor At-Risk Track (SMART) Program and other key responsibilities within the Community Justice Division.

City Comptroller

Accountant 3 for Internal Controls

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Accountant 3 and expenditures of \$91,713 to monitor lease revenue to ensure collections are maximized while providing internal controls over complex revenue generating lease and operating agreements.

Accountant 3 for Capital Improvements Program Support

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Accountant 3 and expenditures of \$91,713 to maintain current service levels in the Capital Improvement Projects and Fixed Asset Sections. This position will allow the Department to maintain current service levels, and keep pace with the increase in infrastructure spending, capital bond financing, and transaction volume.

Comprehensive Annual Financial Report Publishing Software

The Fiscal Year 2018 Adopted Budget includes the addition of \$45,000 in non-personnel expenditures for publishing software to improve controls over the development of the Comprehensive Annual Financial Report (CAFR).

Addition of 0.25 Principal Accountant

The Fiscal Year 2018 Adopted Budget includes the addition of a 0.25 Principal Accountant to maintain current service levels in the Internal Controls Section. This position currently oversees the Internal Controls Section which is a critical function in the implementation of internal controls over financial reporting and safeguarding of City assets. This position was previously on a reduced schedule but is now a full-time position.

Reclassification to Accountant 4

The Fiscal Year 2018 Adopted Budget includes the reclassification of a 0.50 Principal Accountant to 1.00 Accountant 4 in the Debt Section. This position will assist the Principal Accountant in the oversight and supervision of the debt accounting functions and will actively participate in the debt issuance and post-issuance processes.

City Treasurer

Revenue Audit Support

The Fiscal Year 2018 Adopted Budget includes the addition of 5.00 FTE positions, expenditures of \$461,752, and revenue of \$461,777 for revenue audit support. This adjustment supports short-term rental compliance with the City's Transient Occupancy Tax (TOT) provisions.

General Fund Expenditures

Cannabis Business Tax Collection

The Fiscal Year 2018 Adopted Budget includes the addition of \$250,000 in non-personnel expenditures and \$2.4 million in revenue associated with the administration, enforcement and revenue collection of Cannabis Business Tax, respectively.

Information Technology Customer Projects

The Fiscal Year 2018 Adopted Budget includes the addition of \$215,000 in one-time non-personnel expenditures for the replacement of the existing delinquent accounts system, a new Citywide General Invoicing Application, and enhancements to the Transient Occupancy Tax (TOT) & Tourism Marketing District (TMD) online self-service system.

Earned Sick Leave and Minimum Wage Ordinance

The Fiscal Year 2018 Adopted Budget includes 5.00 FTE positions and expenditures of \$281,934 associated with administration and enforcement of the Earned Sick Leave and Minimum Wage Ordinance. This expenditure increase is in addition to the \$400,000 provided in Fiscal Year 2017.

Citywide Program Expenditures

General Fund Reserve

The Fiscal Year 2018 Adopted Budget includes the addition of \$17.4 million in one-time non-personnel expenditures for the contribution to the General Fund Reserve to meet the Fiscal Year 2018 policy target level of 15 percent and pre-fund Fiscal Year 2019 target level of 15.25 percent.

Public Liability

The Fiscal Year 2018 Adopted Budget includes the addition of \$7.4 million in non-personnel expenditures in support of public liability related expenditures. This reflects an addition of \$3.1 million for the General Fund reserve contribution to the Public Liability Fund Reserve, \$2.7 million for payment of ongoing public liability claims, and \$1.6 million for insurance premiums. The contribution of \$3.1 million to the Public Liability Reserve funds the policy target level for Fiscal Year 2018 of 47 percent.

Special Elections

The Fiscal Year 2018 Adopted Budget includes the addition of \$5.0 million in one-time non-personnel expenditures related to an election for a proposed ballot measure to increase the Transient Occupancy Tax to fund a contiguous Phase III Convention Center expansion, initiatives to reduce homelessness, and street and road repairs.

Commission for Arts and Culture Funding

The Fiscal Year 2018 Adopted Budget includes the addition of \$4.2 million in one-time non-personnel expenditures for a transfer to the Transient Occupancy Tax Fund for the Commission for Arts and Culture.

Animal Services Contract

The Fiscal Year 2018 Adopted Budget includes the addition of \$1.0 million in non-personnel expenditures for animal services provided by the County of San Diego. Included in these services are shelter management, rescue and return of animals, and licensing services. Additionally, this funding supports an increase in the number of days of operation of the County animal shelter, which will now be open six days a week.

General Fund Expenditures

Transfer to Stadium Operations Fund

The Fiscal Year 2018 Adopted Budget includes the addition of \$1.0 million in one-time non-personnel expenditures for a transfer to Stadium Operations Fund for debt service payments.

Commercial Paper Debt Service

The Fiscal Year 2018 Adopted Budget includes the addition of \$500,000 in non-personnel expenditures for anticipated debt service payments related to the issuance of commercial paper in Fiscal Year 2018.

Police Officer Recruitment and Retention Study

The Fiscal Year 2018 Adopted Budget includes the addition of \$500,000 in one-time non-personnel expenditures to support a consultant to prepare a data driven Police Officer recruitment and retention study and marketing plan.

Police Chief Recruitment Services

The Fiscal Year 2018 Adopted Budget includes the addition of \$100,000 in one-time non-personnel expenditures to support a Police Chief executive recruitment.

Debt Management

Formation of the Otay Mesa Enhanced Infrastructure District

The Fiscal Year 2018 Adopted Budget includes the addition of \$145,000 in one-time non-personnel expenditures for the formation of the City Council approved Otay Mesa Enhanced Infrastructure Financing District (EIFD). The related expenditures are for consultant services and State and local fees related to the establishment of the District. The formation of the Otay Mesa EIFD will help close the public improvements funding gap in the Otay Mesa Public Facilities Financing Plan.

Development Services

Nuisance Abatement Fund Support

The Fiscal Year 2018 Adopted Budget includes the addition of \$250,000 in one-time non-personnel expenditures for the transfer to the Nuisance Abatement Fund. These funds will be used to replenish the Nuisance Abatement Fund due to delays in the receipt of funds from liens on abated properties, and will support repairs, demolition, and removal of abandoned properties deemed as a public nuisance.

Economic Development

Successor Agency Administration and Project - CivicSD Fund

The Fiscal Year 2018 Adopted Budget includes the transfer of \$3.3 million in revenue and expenditures from the Economic Development Department to the newly created Successor Agency Administration and Project - CivicSD Fund to improve the budgeting and oversight of Successor Agency activities performed by Civic San Diego.

Homeless Prevention and Diversion Program

The Fiscal Year 2018 Adopted Budget includes the addition of \$1.1 million for the transfer to the San Diego Housing Commission in support of the Homeless Prevention and Diversion Program.

Reinvestment Initiative

The Fiscal Year 2018 Adopted Budget includes the addition of 6.00 FTE limited positions, expenditures of \$583,116, and associated revenue of \$583,146 in support the Community Development Block Grant (CDBG) Reinvestment Initiative.

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Successor Agency Support

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Program Manager, expenditures of \$137,664, and associated revenue of \$137,669 for a supplemental position currently supporting the wind down process of the former Redevelopment Agency.

Environmental Services

Littering and Graffiti Abatement Pilot Program

The Fiscal Year 2018 Adopted Budget includes the addition of \$800,000 in one-time non-personnel expenditures for a littering and graffiti abatement pilot program. The pilot program will include contractual and City services to address littering and graffiti abatement at targeted locations throughout the City.

Mission Beach Summer Trash Collection

The Fiscal Year 2018 Adopted Budget includes the addition of \$70,000 for a second weekly trash collection in the Mission Beach community during the summer months.

Fire-Rescue

Fire Department Overtime

The Fiscal Year 2018 Adopted Budget includes the addition of \$4.1 million in overtime to support provisions of the memoranda of understanding (MOU) between the City and the International Association of Firefighters (IAFF) Local 145 related to Section 207K of the Fair Labor Standards Act and efforts to reduce annual leave balances.

SPSP-H and Medicare Contributions

The Fiscal Year 2018 Adopted Budget includes the addition of \$1.2 million to support SPSP-H and Medicare contributions related to overtime worked by employees hired after July 20, 2012 (Proposition B).

Bayside Fire Station

The Fiscal Year 2018 Adopted Budget includes the addition of 7.00 FTE positions and total expenditures of \$864,505 associated with the operational support of the Bayside Fire Station which is scheduled to open in December 2017.

San Pasqual Valley Fast Response Squad

The Fiscal Year 2018 Adopted Budget includes the addition of 6.00 FTE positions and expenditures of \$789,035 associated with the San Pasqual Valley Fast Response Squad. This Fast Response Squad currently serves the San Pasqual Valley on a 24-hour basis and will help improve emergency response times.

Self-Contained Breathing Apparatus

The Fiscal Year 2018 Adopted Budget includes the addition of \$733,000 in one-time non-personnel expenditures for the replacement of self-contained breathing apparatus (SCBA) equipment. The replacement of the SCBA equipment will be primarily funded through the Equipment Vehicle Financing Program. This adjustment represents non-financeable expenses such as sales tax, and equipment associated with SCBA.

General Fund Expenditures

Emergency Command and Data Center Staffing

The Fiscal Year 2018 Adopted Budget includes the addition of 4.00 Fire Dispatchers and 1.00 Fire Dispatcher Supervisor and expenditures of \$367,413 associated with staffing dispatchers who will provide support at the Emergency Command and Data Center.

APX and VHF Radio Replacements

The Fiscal Year 2018 Adopted Budget includes the addition of \$242,000 in one-time non-personnel expenditures associated with the purchase of APX and VHF portable radios.

Human Resources

Sexual Harassment Prevention Training

The Fiscal Year 2018 Adopted Budget includes the addition of \$40,000 in one-time non-personnel expenditures to help manage and administer the citywide Sexual Harassment Prevention Training program.

Human Resources Consolidation

The Fiscal Year 2018 Adopted Budget includes the transfer of 2.00 FTE positions from the Public Utilities Department and expenditures of approximately \$77,000 to the Human Resources Department in support of the centralization of citywide human resources.

Library

Central Library Security Services

The Fiscal Year 2018 Adopted Budget includes the addition of \$377,746 in expenditures for security services due to the extension of library service hours and increased number of special events at the Central Library. This increase will allow the Library Department to maintain existing security services at the 22 locations that have security.

Library Printing Services

The Fiscal Year 2018 Adopted Budget includes the addition of \$202,000 in expenditures to support outside printing contractual services to provide photocopy, scan, and print services to library patrons. This service is fully reimbursed by fees charged to library patrons for this service. This additional funding will align the budget expense for this service with the historical actual expenditures.

Central Library Parking Contract

The Fiscal Year 2018 Adopted Budget includes the addition of contractual expenditures of \$113,096 and in additional revenue of \$156,532 for Parking Garage Services at the Central Library. The increase in budget will allow for additional staff at the parking facility for extended hours and special events at the Central Library.

Library Programming

The Fiscal Year 2018 Adopted Budget includes the addition of \$100,000 in one-time non-personnel expenditures to support programming throughout the Library system.

Park and Recreation

Park and Recreation New Facilities

The Fiscal Year 2018 Adopted Budget includes the addition of 5.30 FTE positions and expenditures of \$651,593 support the operation and maintenance of Cesar Solis, Park de la Cruz, Wightman, and Southcrest Trails, as well as maintenance for 32.90 acres of parks.

General Fund Expenditures

Horton Plaza Park Security

The Fiscal Year 2018 Adopted Budget includes the addition of \$150,000 for additional security services at Horton Plaza Park.

Vernal Pool Habitat Conservation Plan Support

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Biologist II and expenditures of \$123,201 to support the Vernal Pool Habitat Conservation Plan.

Carmel Mountain Ranch FIT Athletic Pool

The Fiscal Year 2018 Adopted Budget includes the addition of \$90,000 in non-personnel expenditures for the annual lease payment for the Carmel Mountain FIT Athletic pool.

Brush Management

The Fiscal Year 2018 Adopted Budget includes the addition of \$39,412 in non-personnel expenditures to support a contractual increase in brush management services.

Planning

Parks Master Plan

The Planning Department, in conjunction with the Park and Recreation Department, will begin an effort to create a new master plan for San Diego's park system - the first comprehensive vision for San Diego's parks in more than sixty years. The funding of \$400,000 will support the first phase of the study to begin in Fiscal Year 2018.

Regulatory Reform and Process Improvement Initiatives

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Program Manager and 1.00 Development Project Manager 3, and expenditures of \$256,561 to support regulatory reform and process improvement initiatives that will proactively modernize regulations and remove development barriers while maintaining public safety and environmental interests. These additional positions will primarily be focused on housing affordability initiatives.

Transit Priority Area (TPA) Parking Standards

The Fiscal Year 2018 Adopted Budget includes the addition of \$250,000 in one-time non-personnel expenditures for contractual services to prepare a parking study and an environmental impact report as part of evaluating the Transit Priority Area (TPA) parking standards to reduce excessive parking and development costs, and encourage the use of alternate forms of transportation which will support the City's Climate Action Plan.

Workforce Housing Density Bonus Program

The Fiscal Year 2018 Adopted Budget includes the addition of \$250,000 in one-time non-personnel expenditures for contractual services for the preparation of an ordinance and environmental impact report for a proposed Workforce Housing Density Bonus Program. The proposed Workforce Density Bonus Program is designed to promote the development of housing for first-time homebuyers. The program is modeled after the State and City Affordable Density Bonus regulations, and provides incentives for developers to construct housing developments that provide units that can be sold or rented to entry-level/workforce households.

General Fund Expenditures

Police

Zero-Based Overtime Budget

The Fiscal Year 2018 Adopted Budget includes the addition of \$4.6 million in the Police Department for overtime personnel expenditures as a result of a zero-based review of historical overtime expenditure levels.

Police Officer Recruitment and Retention

The Fiscal Year 2018 Adopted Budget includes the addition of \$4.0 million in one-time expenditures for Police Officer recruitment and retention efforts.

Police Supplemental Position and Reclassifications

The Fiscal Year 2018 Adopted Budget includes the addition of \$697,947 in personnel expenditures for 1.00 supplemental Police Captain position in the Communications unit, and 5.00 supplemental civilian positions to provide administrative support throughout the Police Department.

Sexual Assault Kits Testing Funding

The Fiscal Year 2018 Adopted Budget includes the addition of \$500,000 in one-time expenditures in to address the backlog of untested sexual-assault kits.

Police Facilities Maintenance and Improvements

The Fiscal Year 2018 Adopted Budget includes the addition of \$413,000 in one-time non-personnel expenditures for major maintenance and improvements of facilities.

Assembly Bill 953

The Fiscal Year 2018 Adopted Budget includes the addition of \$200,000 in one-time non-personnel expenditures for the implementation of AB 953, the Racial and Identity Profiling Act of 2015, in support of enhanced data collection and reporting by the Police Department.

Property Room Move

The Fiscal Year 2018 Adopted Budget the addition of \$150,000 in one-time non-personnel expenditures for the relocation of the Police Department's property room storage facility. The relocation will provide a storage solution to manage and maintain impounded evidence and property.

Grant Funded Supplemental Position Additions

The Fiscal Year 2018 Adopted Budget includes the addition of \$147,078 in personnel expenditures for 2.00 Police Investigative Service Officer II supplemental positions and \$180,000 in associated revenue.

Purchasing & Contracting

Administrative Appeal Hearing Program

The Fiscal Year 2018 Adopted Budget includes the addition of 1.00 Program Coordinator and expenditures of \$186,513 to support the City's Administrative Appeals Hearing Program. The Administrative Appeal Hearing Program Coordinator will assist in establishing administrative hearing policies and processes as well as administer parking citation appeals at the City.

Real Estate Assets

Office Improvements and Relocation

The Fiscal Year 2018 Adopted Budget includes the addition of one-time non-personnel expenditures of \$2.1 million for office improvements and relocation into the 101 Ash Street building. The additional

General Fund Expenditures

budget will be used for the purchase of new furniture, information technology installation, and relocation expenses from the Executive Complex and the City Operations Building.

De Anza Mobile Home Park

The Fiscal Year 2018 Adopted Budget includes the addition of \$600,000 for non-personnel expenditures associated with the property management services at the former De Anza mobile home park.

Transportation & Storm Water

Low Flow Diversion Program Transfer

The Fiscal Year 2018 Adopted Budget includes a \$2.0 million expenditure adjustment in the Transportation & Storm Water Department for Low Flow Diversion Program payment to the Public Utilities Department. This is the final payment of charges owed to the Public Utilities Department for treating runoff diverted to sewer system for treatment at storm drains throughout the City that divert low flow to the sewer infrastructure.

Regional Water Quality Control Board Penalty and Supplemental Environmental Projects

The Fiscal Year 2018 Adopted Budget includes the addition of \$640,000 in expenditures and \$595,840 in associated revenue for a Regional Water Quality Control Board penalty and Supplemental Environmental Projects (SEP). The associated revenue will provide Transportation & Storm Water Department reimbursement of SEP costs from the Development Services Fund and Engineering & Capital Projects Fund.

Trench Cut/Excavation Fee Transfer

The Fiscal Year 2018 Adopted Budget includes a \$500,000 expenditure adjustment in the Transportation & Storm Water Department for street damage fees. Per the franchise agreement between the City and SDG&E, the General Fund is required to transfer to the Trench Cut/Excavation Fee Fund to recover the cost of the additional resurfacing and repairs needed to mitigate the impact of excavations performed by SDG&E.

Tree Planting Contract

The Fiscal Year 2018 Adopted Budget includes the addition of \$300,000 in one-time non-personnel expenditures for tree planting services. This addition will allow for the planting of approximately 1,800 new trees in support of the City's Climate Action Plan.

Budget Reduction Proposals

In order to balance the General Fund budget, a total of \$18.4 million of ongoing operating expenditure reductions were included in the Fiscal Year 2018 Adopted Budget.

City Attorney

The Fiscal Year 2018 Adopted Budget includes the reduction of 6.37 FTE positions and expenditures of \$930,650 in the Office of the City Attorney. Included in these reductions are:

- 1.00 Deputy City Attorney-Unrepresented in the Civil Advisory Division and expenditures of \$321,816. This position advises the City on labor and employment issues, provides legal advice to public safety departments, and supports special projects.
- 1.00 Assistant City Attorney in the Civil Advisory Division and expenditures of \$224,147. This position provides legal services to City departments and elected officials.

General Fund Expenditures

- 1.00 Deputy City Attorney in the Civil Litigation Division and expenditures of \$148,715. This position represents the City in civil lawsuits. This reduction may increase the need for outside counsel to defend or prosecute civil lawsuits.
- 1.12 FTE hourly positions and expenditures of \$76,948. These positions are currently used as temporary backfills to full-time employees on approved leave of absence.
- 1.00 Senior Clerk Typist in the Criminal Division and expenditures of \$59,862. This position currently supports Deputy City Attorney's in court by overseeing cases and is responsible for ensuring that all cases are heard within court mandated deadlines.
- 1.00 Court Support Clerk 2 in the Criminal Division and expenditures of \$56,925. This position provides coverage in the court, performs court runs, researches criminal records, and conducts various critical legal work. The reduction of this position will result in an increased workload to other Court Support Clerks in the Office of the City Attorney.
- 0.25 Legal Secretary 2 and expenditures of \$42,237. The reduction of 0.25 Legal Secretary 2 and \$17,237 in personnel expenditures is the result of a delimited position. The remaining reduction of \$25,000 in non-personnel expenditures is associated with supplies in the Law Library. This budget reduction may delay the purchase of new law books, electronic research services, and periodicals.

City Auditor

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$110,191 in consulting services in the Office of the City Auditor based on historical savings.

City Clerk

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$20,000 in printing services in the Office of City Clerk based on historical savings.

City Comptroller

Reduction in City Comptroller Positions

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Principal Accountant, 1.00 Administrative Aid 2, and 1.00 Account Audit Clerk and total expenditures of \$302,670 in the Office of the City Comptroller. The duties performed by these positions include support for internal controls, grants management, and fixed assets, and will require existing staff to absorb activities performed by these positions.

Citywide Program Expenditures

Citywide Elections

The Fiscal Year 2018 Adopted Budget includes the reduction of \$900,000 in non-personnel expenditures to align the citywide elections budget with anticipated elections for Council Districts 2, 4, 6, 8 and approximately three ballot measures.

Special Consulting Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$250,000 in non-personnel expenditures based on historical savings.

General Fund Expenditures

City Treasurer

Reduction of Parking Citation Administrative Hearing Program

The Fiscal Year 2018 Adopted Budget includes the reduction of \$150,000 in contractual services related to the Parking Citation Administrative Hearing Program that will now be performed by the Purchasing & Contracting Department.

Reduction of Overtime and Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$96,175 in overtime and non-personnel expenditures in the Office of the City Treasurer based on historical savings.

Reduction of Public Information Clerk

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Public Information Clerk and expenditures of \$59,576 in the Business Tax Section. The duties performed by this position will be absorbed by current department staff.

Communications

Reduction in Communications Positions

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Senior Public Information Officer, 1.00 Executive Secretary, and expenditures of \$155,295. The duties performed by these positions include communications services and administrative support, and will require existing staff to absorb activities performed by these positions.

Reduction of Non-Standard Hour Personnel Funding

The Fiscal Year 2018 Adopted Budget includes the reduction of 0.50 Management Intern and expenditures of \$12,962. The duties performed by this position will require existing staff to absorb additional activities.

Council Districts

Reduction of Community Projects, Programs, and Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$265,584 in Council District 1 and \$315,196 in Council District 3 budget for Community Projects, Programs, and Services in support of Police Officer recruitment and retention efforts.

Reduction of Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$46,254 in Council District 1 and \$47,761 in Council District 3 expenditures in support of Police Officer recruitment and retention efforts.

Debt Management

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$12,717 in professional services based on historical savings.

Department Of Information Technology

Reduction in Computer Replacements

The Fiscal Year 2018 Adopted Budget includes the reduction of \$17,500 in the citywide computer replacement budget. This decrease will delay the replacement of approximately 27 computers.

General Fund Expenditures

Development Services

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes a reduction of \$200,000 in contractual expenditures for the Accela project tracking system debt service payment, which will be supported through the debt service non-discretionary accounts.

Reduction of Administrative Aide I

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Administrative Aide I and expenditures of \$68,755 from the Code Enforcement Division. This reduction will delay preparation of legal documents and increase the workload of other administrative staff. The Department will look to implement process improvements and streamlining initiatives to minimize the impact of this adjustment.

Reduction of Overtime

The Fiscal Year 2018 Adopted Budget includes a reduction of \$19,834 in overtime related to code enforcement cases for non-complex violations. Impacts of this adjustment will be mitigated with implementation of an alternative compliance program for these types of complaints.

Economic Development

Reduction in Economic Development Services

The Fiscal Year 2018 Adopted Budget includes a reduction of \$250,000 for economic development activities provided by Civic San Diego. This reduction will discontinue funding for Civic San Diego to develop new economic development related programs and initiatives.

Reduction in Economic Development Program Support

The Fiscal Year 2018 Adopted Budget includes the reduction of \$179,000 to the following programs: San Diego Economic Development, San Diego Workforce Partnership, Business Cooperation Program, and the Small Business Enhancement Program for the Business Improvement District Management Grants. This represents a reduction of approximately 6 percent of the total allocation to each entity and is not anticipated to impact service levels.

Reduction in Miscellaneous Supplies and Services

The Fiscal Year 2018 Adopted Budget includes a reduction of \$61,264 in miscellaneous supplies and services. This reduction will limit supply purchases to essential items necessary to administer programs and services.

Open Counter Software

The Fiscal Year 2018 Adopted Budget includes the reduction of \$35,000 in software expenditures for the Small Business Enhancement Program. The five year contract for Open Counter software has been fulfilled resulting in lower costs.

Environmental Services

Illegal Dumping Abatement Program

The Fiscal Year 2018 Adopted Budget includes a reduction of \$807,434 in expenditures associated with the General Fund temporarily subsidizing the Illegal Dumping Abatement Program in the Refuse Disposal Fund. The Illegal Dumping Abatement Program will be fully funded by the Refuse Disposal Fund. The reduction of the General Fund's subsidy will not result in service level impacts.

General Fund Expenditures

Tipping Fee

The Fiscal Year 2018 Adopted Budget includes a reduction of \$600,000 in expenditures associated with the continuation of the \$1 per ton tipping fee discount and the reinstatement of a \$1 per ton tipping fee discount to City forces for loads disposed at the Miramar Landfill for a total of \$2 per ton discount.

Financial Management

Reduction of Associate Budget Development Analyst

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Associate Budget Development Analyst and expenditures of \$97,463. The analytical duties performed by this position include budget development and monitoring activities and will be absorbed by current department staff.

Reduction in Professional Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$30,000 in information technology consulting services. This reduction will delay enhancements to the City's budgeting software intended to improve the annual budget document preparation process and the Five-Year Financial Outlook development process.

Reduction in Overtime

The Fiscal Year 2018 Adopted Budget includes the reduction of \$25,000 in overtime due to process improvements and streamlining efforts implemented during Fiscal Year 2016 and Fiscal Year 2017.

Fire-Rescue

Continuation of One Fire Academy

The Fire-Rescue Department anticipates reaching near full staffing by the end of Fiscal Year 2017 and as a result the Fiscal Year 2018 Adopted Budget includes funding for one fire academy with twenty-four recruits, which is anticipated to maintain full staffing. The Fiscal Year 2018 Adopted Budget includes the reduction of \$1.5 million in expenditures associated with overtime and supplies as a result of conducting fewer academies.

Paramedic Rotation Program

The Fiscal Year 2018 Adopted Budget includes the reduction of \$730,286 in non-personnel expenditures and \$206,251 in revenue associated with the reduction of the Paramedic Rotation Program (PMR) and transition to a Paramedic Training Institute. The Paramedic Training Institute will allow paramedics to maintain licensing. The new program will meet the same objective as the PMR without the need to rotate staff to ambulances and results in a reduction of overtime backfill.

Reduction in Diesel Fuel

The Fiscal Year 2018 Adopted Budget includes the reduction of \$500,000 in non-personnel expenditures associated with historical savings in diesel fuel costs.

Lifeguard Vessel Replacement Plan

The Fiscal Year 2018 Adopted Budget includes the reduction of \$436,661 in non-personnel expenditures associated with the transfer to the Lifeguard Vessel Replacement Plan Fund. The Lifeguard Vessel Replacement Plan supports the replacement of vessels at the end of their serviceable life. Additionally, the Fiscal Year 2018 Adopted Budget includes the transfer of fund balance from the Lifeguard Vessel Replacement Plan Fund of \$436,661.

General Fund Expenditures

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$428,283 in non-personnel expenditures based on historical savings in training, maintenance/ repair, HVAC services, and other materials.

Human Resources

Reduction in Overtime and Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$74,304 in expenditures to overtime and non-personnel expenditures. This adjustment reduces the number of Citywide Management Academies from two to one per year.

Reduction of Public Information Specialist

The Fiscal Year 2018 Adopted Budget includes a reduction of 1.00 Public Information Specialist and expenditures of \$63,237. This reduction will reduce the number of available Public Information Specialists to assist customers at the citizen assistance counter from two to one. The remaining Public Information Specialist will be transferred to the Office of the City Clerk and will be available to manage and respond to customer inquiries.

Infrastructure/Public Works

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$34,776 in consulting services related to infrastructure asset management support.

Internal Operations

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$2,350 based on historical savings.

Library

Reduction in Non-Standard Hour Funding

The Fiscal Year 2018 Adopted Budget includes the reduction of 20.26 FTE positions and personnel expenditures of \$710,229 for hourly support staff. Half of the reduction will be achieved by removing currently vacant positions, and the remaining reduction will not affect operating hours. This reduction will increase the time required for library materials to be reshelfed and recirculated between checkouts. This impact will be partially mitigated by the introduction of more Radio-Frequency Identification (RFID) self-service checkout machines across the library system.

Library Programming

The Fiscal Year 2018 Adopted Budget includes the reduction of \$500,000 in non-personnel expenditures for system-wide programming across the 36 libraries. The library has used Fiscal Year 2017 funding to develop new and reusable materials focused on Science Technology Engineering Art and Mathematics (STEAM) that will be able to be used in the future and will not impact current programming.

Reduction in Supplies and Contract Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$239,153 in non-personnel expenditures due to a reduction in mailing supplies and exterior maintenance contracts support. As a result of this adjustment, the Library system will transition to more digital promotions and

General Fund Expenditures

communications with patrons. Additionally, only critical exterior maintenance of library facilities will be performed.

Office of Homeland Security

Reclassification of Positions

The Fiscal Year 2018 Adopted Budget includes the addition of 2.00 Program Managers and 1.00 Senior Management Analyst and a reduction of 3.00 Supervising Management Analysts for a net reduction of \$116,360 in personnel expenditures. This adjustment will better align the position classifications with the services provided by the Department.

Reduction of Associate Management Analyst

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Associate Management Analyst and personnel expenditures of \$79,170. The administrative and analytical duties performed by this position will require existing staff to absorb additional activities.

Office of the Mayor

Reduction of Mayor Representative 2

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Mayor Representative 2 and expenditures of \$176,611 in the Office of the Mayor.

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of non-personnel expenditures of \$10,605 in the Office of the Mayor for transportation allowance and equipment based on historical savings.

Office of the Assistant Chief Operating Officer

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$68,108 in supplies and services in the Office of the Assistant Chief Operating Officer based on historical savings.

Office of the Chief Financial Officer

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$20,547 in professional services in the Office of the Chief Financial Officer based on historical savings.

Office of the Chief Operating Officer

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$16,000 in training and travel expenditures in the Office of the Chief Financial Officer based on historical savings.

Office of the City Clerk

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$20,000 in the Office of the City Clerk for printing services due to various paperless initiatives.

General Fund Expenditures

Park & Recreation

Water Conservation Efforts

The Fiscal Year 2018 Adopted Budget includes the reduction of \$446,610 in water usage expenditures. The Department plans to implement conservation efforts to decrease water consumption by reducing the number of watering days from September through April.

Reduction of Citywide Park Maintenance Staff

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Light Equipment Operator, 1.00 Pesticide Applicator and 4.00 Grounds Maintenance Worker II and total expenditures of \$385,209. The staffing reduction will result in less frequent mowing, sweeping and pesticide application of parks and athletic fields citywide.

Reduction of Tree Trimming and Pool Maintenance Services

The Fiscal Year 2018 Adopted Budget includes a reduction in contractual services and total expenditures of \$268,070 related to tree trimming and pool maintenance. This reduction will not result in a service level impact as this adjustment aligns the budget for specialty tree trimming with actual expenditures. Additionally, no pools are currently scheduled for re-plastering during Fiscal Year 2018.

Reduction in Habitat Restoration Services

The Fiscal Year 2018 Adopted Budget includes a reduction in non-personnel expenditures of \$186,468 related to habitat restoration services. This contractual service reduction will result in less frequent removal of non-native plants, habitat restoration, and maintenance. This reduction equates to approximately 30 percent of habitat restoration services budget.

Reduction in Supplies and Materials

The Fiscal Year 2018 Adopted Budget includes a reduction in total expenditures of \$79,700 for operational supplies. This reduction will reduce purchases for supplies and materials for open space trail construction and maintenance, seed and plants for revegetation or habitat restoration efforts, and interpretive materials for public education.

Reduction in the Civic Dance Program

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Recreation Specialist and total expenditures of \$71,358. The administration and programming of the Dance Program has been absorbed by existing dance instructors as this position has been vacant for an extended period of time.

Completion of Coastal Marine Life Management Plan

The Fiscal Year 2018 Adopted Budget includes the reduction of non-personnel expenditures of \$50,000 related to the completion of a comprehensive plan for the mitigation of increasing marine life in the coastal areas within the City. The plan was completed in January 2017.

Performance & Analytics

Reduction of Professional Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$130,000 associated with professional services in support of Open Data, Managed Competition, Performance Management initiatives. This reduction in professional services will be postponed or absorbed by existing staff and is not expected to have a significant impact on these initiatives.

General Fund Expenditures

Personnel

Reduction of Associate Personnel Analyst

The Fiscal Year 2018 Adopted Budget includes a reduction of 1.00 Associate Personnel Analyst and expenditures of \$70,938. This will reduce the number of available Associate Personnel Analysts to assist in the review of classification and compensation studies. In addition, it will increase the workload of existing staff in the Classification and Compensation section, as well as impact the work and assignments of staff in other sections who will be utilized to perform activities performed by this position.

Planning

Reduction of Word Processing Operator

This Fiscal Year 2018 Adopted Budget includes a reduction of 1.00 Word Processing Operator and expenditures of \$54,957. This reduction will require existing staff to prepare and reproduce project and advisory board documentation for all meetings, hearing, and mailings.

Police

Reallocation of Information Technology Expenditures

The Fiscal Year 2018 Adopted Budget includes a reduction of approximately \$530,000 in information technology expenditures that will now be supported with public safety grant funds.

Public Utilities

Reduction in Reservoir Recreation Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$90,204 for as-needed reservoir recreation services. These services performed by Water Utility Operating Fund positions include trash pickup, minor maintenance activities, and other similar services. A volunteer program for the reservoirs is being analyzed to assist in offsetting the reduction in services.

Public Works - Contracts

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$80,595 for as-needed supplies and information technology consulting services. This reduction may result in a delay in enhancements to the contracts management systems.

Public Works - General Services

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$567,598 for as-needed supplies and professional services. Of the \$567,598 reduction, \$355,598 is for as-needed building material supplies and \$212,000 is for professional services. This non-personnel expenditure reduction will align budget with historical spending trends.

Reduction of Facilities Maintenance Staffing

The Fiscal Year 2018 Adopted Budget includes the reduction of 5.00 FTE positions and \$278,374 in the Public Works – General Services Department. The position reductions include 3.00 Custodians, 1.00 Plasterer, and 1.00 Roofer. Existing staff will be reprioritized to maintain core facilities services.

Purchasing & Contracting

Reduction of Senior Management Analyst

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Senior Management Analyst and expenditures of \$85,843. The reduction is a result of consolidating the Living Wage Program as a result of operational efficiencies. The savings from this reduction will partially offset an addition in the Office of the City Treasurer that will support the Minimum Wage and Earned Sick Leave Ordinance.

Reduction in Purchasing & Contracting Positions

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Senior Clerk Typist and 1.00 Contracts Processing Clerk, and personnel expenditures of \$128,575. The clerical duties performed by these positions will require existing staff to absorb additional activities.

Reduction in Miscellaneous Supplies and Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$16,040 in non-personnel expenditures based on historical savings.

Real Estate Assets

Reduction in Real Estate Assets Positions

The Fiscal Year 2018 Adopted Budget includes the reduction of 1.00 Property Agent, 1.00 Word Processing Operator and personnel expenditures of \$139,999. The duties performed by these positions include management of City leases and administrative reports, and will require existing staff to absorb activities performed by these positions.

Reduction of Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes the reduction of \$114,110 in non-personnel expenditures based on historical savings.

Reduction of Maintenance Contract

The Fiscal Year 2018 Adopted Budget includes the reduction of \$43,000 in non-personnel expenditures associated with the maintenance contract expenses at the San Diego Theater due to historical savings.

Transportation & Storm Water

Reduction in Channel and Environmental Permitting Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$1.1 million for as-needed channel and environmental permit consulting services. This reduction equates to approximately 16 percent of the channel and environmental permitting budget.

Reduction in Pollution Prevention Education & Outreach Events

The Fiscal Year 2018 Adopted Budget includes the reduction of \$404,522 for education & outreach events that promote pollution prevention. This reduction equates to approximately 80 percent of the storm water education and outreach budget.

Reduction of Weed Abatement Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$400,000 for weed abatement services on City paper streets. A paper street is an area of land that has been offered for dedication for use as a public street but has not been opened or graded for traffic. A paper street is typically

General Fund Expenditures

owned by abutting property owners and exists only on paper, such as a map or other similar document.

Reduction in Master Maintenance Program

The Fiscal Year 2018 Adopted Budget includes the reduction of \$340,000 for the Master Maintenance Program. This program assists to better identify flood control channels requiring maintenance services. This reduction equates to approximately 30 percent of the Master Maintenance Program budget.

Reduction in Asphalt Materials

This Fiscal Year 2018 Adopted Budget includes the reduction of \$255,000 for asphalt materials used to support City parking lot repairs. This reduction will postpone the repair of approximately six parking lots throughout the City.

Reduction in Total Maximum Daily Load Studies

The Fiscal Year 2018 Adopted Budget includes the reduction of \$240,000 for Total Maximum Daily Load (TMDL) studies. The TMDL studies are quantitative assessments of water quality issues, contributing sources, and load reductions needed to restore and protect bodies of water. This reduction equates to approximately 9 percent of the TMDL studies budget.

Reduction in Wet and Dry Weather Monitoring Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$240,000 for wet and dry weather pollutant monitoring contractual services. This reduction equates to approximately 6 percent of the wet and dry weather pollutant monitoring budget.

Reduction in Non-Personnel Expenditures

The Fiscal Year 2018 Adopted Budget includes a reduction of \$175,000 for indirect costs no longer supported by grant funds. These costs will be absorbed by existing discretionary budget.

Reduction in Traffic Data Collection Services

The Fiscal Year 2018 Adopted Budget includes the reduction of \$150,000 for traffic data collection services. Traffic data is needed to conduct evaluations for traffic improvements throughout the City. This reduction equates to 50 percent of the traffic data collection services budget.

One-Time Resources and Uses

The Fiscal Year 2018 Adopted Budget includes \$67.7 million in one-time resources as displayed in Table 5.

Table 5: Fiscal Year 2018 One-Time Resources

One-Time Resources	Amount
Use of Excess Equity	\$26,075,353
Use of Pension Payment Stabilization Reserve	16,019,163
Transfer from Stadium Operations Fund for Special Election and One-Time Expenditures	8,500,000
Transfer of Excess Workers Compensation Reserve for General Fund Reserve	7,038,799
Transfer of Excess Workers Compensation Reserve for Public Liability Reserve	3,127,665
Redevelopment Agency Land Sales	1,700,000
Transfer from Concourse and Parking Garages Operating Fund	1,500,000
Infrastructure Asset Management Project Reimbursements	1,419,544
Reimbursement for National Incident Based Reporting System	1,172,244

General Fund Expenditures

Table 5: Fiscal Year 2018 One-Time Resources

One-Time Resources	Amount
Fund Balance Used from Non-General Funds	668,314
Transfer of Vessel Replacement Plan Fund Balance	436,661
Major General Fund Revenue Adjustments	80,000
Total	\$67,737,343

This compares to approximately \$67.8 million in one-time uses as displayed in **Table 6**. The information shown in the table below reflects that there are \$77,076 more in one-time uses than one-time resources being utilized. In keeping with the City's Budget Policy and best practices in governmental budgeting, ongoing expenditures are supported by ongoing revenues.

Table 6: Fiscal Year 2018 One-Time Uses

One-Time Uses	Amount
Transfer to the Infrastructure Fund (Charter Section 77.1)	\$17,826,547
Contributions to General Fund Reserves - FY 2019 Reserve Target of 15.25%	10,317,576
Contributions to General Fund Reserves - FY 2018 Reserve Target of 15%	7,038,799
Special Election for Transient Occupancy Tax Ballot Initiative	5,000,000
Commission for Arts & Culture Funding	4,213,942
Police Officer Recruitment and Retention Efforts	4,000,000
Transfer to the Public Liability Reserve	3,127,665
Transfer to Public Utilities Department for Low Flow Diversion Program Costs	3,031,776
Police Department Overtime	3,000,000
Information Technology Network and Desktop Services	2,682,274
Executive Complex Rent	2,270,909
101 Ash Relocation Costs	2,100,000
Information Technology Discretionary Requests	1,532,504
Homeless Prevention and Diversion Program (SDHC)	1,066,086
Transfer to Stadium Operations Fund for Debt Service Payment	1,000,000
Tree Trimming Services	881,746
Littering and Graffiti Abatement Pilot Program	800,000
Community Projects, Programs, and Services (CPPS) Funds	763,902
Sales Tax and Face Masks Related to Self-Contained Breathing Apparatus	733,000
Police Officer Recruitment and Retention Study	500,000
City Attorney Office Funding - Climate Action Plan initiatives, Homelessness, and Labor Issues	500,000
Funding for Testing of Sexual Assault Kits	500,000
Police Department Facility Improvements	413,000
Tree Planting Services	300,000
Code Enforcement Abatement Fund Support	250,000
Transit Priority Area Parking Standards	250,000
Workforce Housing Density Program	250,000
City Treasurer Information Technology Projects	215,000
Police Department AB 953 Implementation	200,000
Fire-Rescue APX Portable Radio Replacements	189,000
Police Property Room Relocation Costs	150,000
Horton Plaza Park Security Support	150,000

General Fund Expenditures

Table 6: Fiscal Year 2018 One-Time Uses (Cont'd)

One-Time Uses	Amount
Formation of Otay Mesa Enhanced Infrastructure Financing District	145,000
Infrastructure Asset Management (IAM) Expenditures	164,700
Police Property Room Relocation Costs	150,000
Horton Plaza Park Security Support	150,000
Formation of Otay Mesa Enhanced Infrastructure Financing District	145,000
Vehicles for New Park and Recreation Facilities	113,000
Police Compensation Survey	100,000
Police Chief Recruitment Services	100,000
Library Programming	100,000
Mission Beach Trash Collection	70,000
Fire-Rescue VHF Portable Radio Replacements	53,000
Vehicle in Support of Vernal Pool Habitat Conservation Plan	44,000
Sexual Harassment Prevention Training	40,000
Supplies for Administrative Appeals Hearing Program Staff	2,791
Use of Excess Long-Term Disability (LTD) Reserves for Operating Expense Relief	(\$1,420,567)
Police Department Vacancy Savings	(\$3,000,000)
Deferred Capital 2A Bond Debt Service to Capital Outlay Fund	(\$3,950,831)
Total	\$67,814,819



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