



ADOPTED BUDGET
MAYOR
TODD GLORIA



HOUSING | PROTECT & ENRICH | INFRASTRUCTURE | SUSTAINABILITY | PROSPERITY

Budget Development Process

Budget Development Process

The City of San Diego's budget is created in conjunction with the Mayor, City Council, City departments and public input. The budget process considers the fiscal and policy goals of the City for the upcoming fiscal year, while following a timeline for budget publication codified in the City's Charter. This section provides an overview of the annual workflow and the specific processes that helped produce the City's budget for Fiscal Year 2027.

The Budget Development Process consists of three main phases: Budget Development, Budget Review, and Budget Adoption. After the budget is adopted, there is an opportunity to amend it through the Budget Monitoring Process.

Budget Development

August - October 2025 City Council Priority Memoranda Issued

A call memorandum was issued on August 28, 2025, for City Councilmembers' Fiscal Year 2027 budget priorities. City Councilmembers' Fiscal Year 2027 budget priorities memoranda were due to the Office of the Independent Budget Analyst on September 24, 2025. The Fiscal Year 2027 Council Budget Priorities Report was released on October 10, 2025.

November 2025: Fiscal Planning

The Fiscal Year 2027-2031 Five-Year Financial Outlook (Outlook) was released in November 2025. The Outlook is a long-range fiscal planning guide that serves as the framework for the Fiscal Year 2027 General Fund Budget. The report provides an outlook of the City's General Fund finances over the next five years.

November - December 2025: Citywide Budget Development Training

City departments received training on how to use the budgeting system, the budget development process, and incorporating equity into the budget. This included guidance and expectations for developing budget requests within the Fiscal Year 2027 Draft Budget goals and priorities.

December 2025 - January 2026: Budget Submission

Departments developed and submitted budget requests for Fiscal Year 2027. Department of Finance staff analyzed the budget submissions and prepared a summary of changes and adjustment recommendations for discussion at the Executive Budget Review (EBR) meetings.

February 2026: Executive Budget Review (EBR) Meetings

In the EBR meetings, Department Directors and staff met with the City's Executive Management Team, Mayor's Office, and Department of Finance (DoF) to discuss strategic priorities and budget reduction proposals. City management reviewed the departments' budget proposals, ensuring requests aligned with the City's fiscal policies and Strategic Plan.

February - March 2026: Budget Development

Based on information provided by Departments, the City's Executive Management Team, the Mayor's Office, and the Department of Finance developed the Fiscal Year 2027 Draft Budget. Staff balanced General Fund resources with expenditures and ensured the budget aligned with the City's fiscal policies and priorities.

Budget Development Process

March - April 2026: Draft Budget Finalized

In March, the Fiscal Year 2027 Draft Budget, including the General Fund, non-general funds, and Capital Improvements Program, was finalized. The Department of Finance created the Draft Budget document in March and April. The Mayor released the Fiscal Year 2027 Draft Budget to the public on April 15, 2026, in compliance with the City's Charter [Article VII, Section 69, Item (c)]. The Office of the Independent Budget Analyst (IBA) reviewed the Fiscal Year 2027 Draft Budget and issued its report on April 29, 2026.

Budget Review

May 2026: Budget Review Committee Hearings

The City Council's Budget Review Committee held a series of public budget hearings to gather input from San Diego residents on spending priorities. Councilmembers used the information to develop their final budget priorities and recommend changes to the Fiscal Year 2027 Draft Budget.

May 2026: May Revision

On May 13, 2026, the May Revision to the Fiscal Year 2027 Draft Budget was released. In this report, changes to the Draft Budget were based on updated policy-related issues and updated Fiscal Year 2026 year-end revenue and expenditure projections. On May 18, 2026, City Council reviewed the Mayor's May Revision to the Fiscal Year 2027 Draft Budget and the Fiscal Year 2026 Third Quarter Budget Monitoring Report.

Budget Adoption

June 2026: IBA Recommended Revisions and Adopted Budget

The IBA issued a report on June 2, 2026 with recommended City Council modifications to the Fiscal Year 2027 Draft Budget and May Revision. On June 9, 2026, City Council approved the Fiscal Year 2027 Adopted Budget with potential modifications.

June 2026: Adopted Budget Finalized

Once the final changes to the Fiscal Year 2027 budget were implemented, based on City Council modifications, the Fiscal Year 2027 Adopted Budget was complete.

June 2026: Appropriation Ordinance

On June 23, 2026, City Council adopted the Appropriation Ordinance, codifying the Fiscal Year 2027 Adopted Budget into law. The Appropriation Ordinance is an ordinance adopting the annual budget for Fiscal Year 2027 and appropriating the necessary money to operate the City of San Diego for Fiscal Year 2027.

Additionally, during the fiscal year, the Department of Finance monitors the annual operating budget via quarterly financial reports. During this process, the Department of Finance, in conjunction with all City departments, analyzes year-to-date actuals, forecasts year-end results, and recommends budget amendments. Throughout the fiscal year, the Mayor may recommend budget amendments, which the City Council may approve.¹⁶

¹⁶Not all budget amendments are subject to City Council approval. Refer to the Appropriation Ordinance for budget amendments that are not subject to City Council approval.